

## Temu in the GVH's crosshairs

The Hungarian Competition Authority investigates complaints about intensive trading practices in Chinese online marketplace

Budapest, 27 February 2024 - The Hungarian Competition Authority (GVH) is currently investigating several complaints concerning the commercial practices of the Chinese online marketplace, Temu. The GVH case handlers are assessing the complaints and collecting detailed data, on the basis of which the national competition authority will take the necessary measures to protect Hungarian consumers and, in justified cases, launch competition supervision proceedings.

In proceedings relating to a formal complaint, the GVH examines whether the conditions for initiating a competition supervision procedure are fulfilled, i.e., whether the notified undertaking is likely to have engaged in conduct that falls within the jurisdiction of the GVH and is likely to infringe the prohibition of unfair commercial practices. Detailed information on the notification and complaint procedures is available here.

In consumer protection cases, the GVH initiates competition supervision proceedings if an undertaking is likely to engage in an unfair commercial practice and there is a substantial effect on economic competition, e.g., the activity under investigation is extensive or affects a large number of consumers in a given market.

For more information on unfair commercial practices, such as misleading, incomplete information, aggressive or "blacklisting" commercial practices, please visit the GVH website <a href="here">here</a>.

The GVH pays particular attention to investigating the market conduct of large technology companies and online platforms that affect the interests and market position of a significant number of consumers and businesses. In recent years, the GVH has imposed competition remedies on <u>Google</u> and <u>PayPal</u>, among others, and has imposed significant fines on <u>Apple</u> and <u>Booking.com</u> in Hungary.

The Hungarian Competition Authority <u>concluded its investigation into Wish, one of the world's largest e-commerce marketplaces, in February 2023</u>. The operator of the global platform has agreed to a complex package of reparations, including financial compensation for the 100-150,000 Hungarian consumers affected, and has made a number of changes to its operating practices to avoid fines.

The GVH <u>closed its investigation of TikTok</u> at the end of November last year, in which the Hungarian competition authority achieved results with global impact. In addition, the GVH is currently investigating the behaviour of <u>Viber</u>, part of the Rakuten group, and in 2023 it <u>opened proceedings against Microsoft</u> for possibly failing to adequately inform users about certain features of its search engine with artificial intelligence chat.

E-mail: sajto@gvh.hu



## **GVH Public Service Communications Section**

Further information: Bálint Horváth, Head of Communication +36 20 238 6939 Katalin Gondolovics, Spokesperson +36 30 603 1170

E-mail: sajto@gvh.hu