

## The GVH always develops its enforcement practice in cooperation with market players

Budapest, 5 April 2024 - The Hungarian Competition Authority (GVH) will involve the relevant market players and their representatives in the development of its enforcement practice after the Parliament adopts the amendment of the Hungarian Competition Act - Csaba Balázs Rigó, President of the GVH, also spoke about this on Friday morning's programme of Kossuth Radio. He stressed that the GVH will in all cases develop its enforcement practice in cooperation with the relevant market players and on the basis of a broad consultation, which will then be published in a notice. Csaba Balázs Rigó confirmed that there are many examples of similar provisions for the designation of undertakings of essential importance at international and national level. The aim is to protect Hungarian consumers and fair competition.

The Hungarian Competition Authority (GVH) can become even more effective in its competition protection activities. The Act LVII of 1996 on the Prohibition of Unfair and Restrictive Market Practices (Hungarian Competition Act) may also be amended on several points in the framework of the amendment of the laws on judicial matters, the GVH said in a statement on 3 April 2024. Among other things, a provision on undertakings of paramount significance could be introduced into the Hungarian Competition Act, modelled on German competition law, but in a more lenient form, which could help the GVH to intervene quickly and effectively in the event of distortions of competition by taking a preventive approach.

Csaba Balázs Rigó, President of the GVH, said on Kossuth Radio's Friday morning programme that "the best consumer protection is competition, and the planned amendments - if adopted by the Parliament - will serve to stimulate competition and, in the case of distortion of competition, to stimulate competition."

The GVH is a law enforcement body, which does not have legislative powers - pointed out Csaba Balázs Rigó. He also added that if the Parliament adopts the bill submitted on 2 April 2024 - and the legislation is adopted - the GVH will clarify the practical details of the application of the amendment to the Hungarian Competition Act in a detailed legislative communication, based on its own decades of practice and relevant international best practices, after extensive consultation with market participants and their representatives.

The GVH introduced after 2010 that its enforcement notices are the result of extensive public consultation. This was the case most recently in 2023, when it revised the merger clearance procedure to the satisfaction of all market players concerned, resulting in a set of existing enforcement practices after almost a year of consultation.

Csaba Balázs Rigó pointed out that the GVH will proceed in the same way in this case. This means that the relevant market players and their representatives can participate in the development of concrete rules and in the creation of a reassuring and predictable enforcement environment for us, based on the GVH's decades of experience. As an enforcer, the GVH has only acted and will continue to act in cases of unlawful conduct. Anyone who respects the law

H-1026 Budapest, Riadó u. 1-3. 1534 Budapest Pf.: 958 KRID: 213396918

E-mail: ugyfelszolgalat@gvh.hu

Phone: +36 1 472-8900



has never had to fear the GVH, and never will have to fear it, the President of the GVH pointed out.

Csaba Balázs Rigó also drew attention to the fact that the planned new powers are fully subject to safeguards, as the conditions of application can only be decided in a competition supervision procedure, and an administrative action can be brought against the independent Competition Council decision designating and determining the obligation. With regard to the proportionality requirement, the restriction of property rights is only, as he said, an "*ultima ratio*", a legal option of last resort.

## **GVH Public Service Communications Section**

Further information:

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

H-1026 Budapest, Riadó u. 1-3. 1534 Budapest Pf.: 958 KRID: 213396918

Phone: +36 1 472-8900 E-mail: ugyfelszolgalat@gvh.hu