

## **GVH has published the rules on 10% fine reduction**

**According to the Competition Act, in competition supervision proceedings initiated after 1 July 2014, undertakings which acknowledge their liability for infringements and waive certain of their procedural rights, may receive a 10% reduction in the fines imposed in certain cases. The notice signed by the President of the GVH and the Chair of the Competition Council and which enters into force today, describes the detailed rules of this settlement procedure.**

The settlement procedure has been institutionalised in the practice of the European Commission for many years, with most cartel procedures at EU level being closed with settlement decisions. The Competition Act implemented this effective institution into Hungarian law, thereby increasing the number of tools available to undertakings for cooperating with the GVH.

The core of the settlement procedure is that the GVH award a 10% reduction in the fine if the undertaking under investigation acknowledges its liability for the infringement on the basis of the presented evidence and it waives its right to further access to the file and its right to make a formal statement and to hold a hearing and to appeal. In this respect, the undertaking fosters a procedure which is faster and which requires less resource. The settlement procedure may result in significant cost saving for both the GVH and undertakings. Furthermore, the 10% fine reduction can be increased by an extra 50% if the undertaking under investigation also submits a successful leniency application.

The GVH is committed to the success of the application of the settlement procedure and therefore when elaborating the rules it strongly relied on the proposals received during the public consultation held on this topic.

The GVH hopes that in the future the most complex – especially cartel – cases will also be closed in Hungary with settlement decisions, thereby enabling the procedures to be closed earlier so that the GVH may use its resources to detect more cartel infringements.

The full text of the notice is available on the [webpage](#) of the GVH (only in Hungarian).

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Hungarian Competition Authority

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