

Early warning from the GVH: it is important to play by the rules off the pitch too.

24 November 2022, Budapest - The Hungarian Competition Authority (GVH) warns accommodation providers and individuals that they will need to play fairly in the light of the accommodation problems at the 2022 World Cup in Qatar. According to information obtained by the GVH, some accommodation providers are engaging in price-fixing consultations in connection with next year's Europa League final in Budapest.

According to the information of the Hungarian Competition Authority, in closed internet groups on the largest social networking platform for accommodation, services market operators have raised suggestions for a uniform increase or standardisation of prices for fan accommodation in connection with the UEFA Europa League football final to be held in Budapest on 31 May 2023.

One of these social media groups has thousands accommodation provider members in Budapest, so the information published there can reach a significant number of actors on the supply side of the market. Several members of the group reminded the others of the extra demand of 40-44 thousand people relating to the Europa League final in Budapest, and suggested a significant increase in the normal daily rates for that period, by a minimum of €100-120 for 4 people and €60-72 for 2 people. Another post included a further request for any operator who has already set the price described to indicate that in a comment. However, it should also be mentioned that the vast majority of commenters believe that these prices will still be excessively low and that the market could take further increases.

The Hungarian Competition Authority points out that such concerted and controlled conduct may constitute price fixing, i.e., one of the most serious infringements under the competition law, if committed by undertakings falling within the scope of the competition law. However, it is also important to point out that if private accommodation providers act similarly and uniformly increase their room rates for that period as proposed in the groups, consumers, in this football fans, may face lower or non-market prices, which may ultimately reduce the demand for accommodation.

Press Office of the GVH