



GAZDASÁGI
VERSENYHIVATAL

THE HUNGARIAN COMPETITION AUTHORITY

Until the start of summer all households will have access to "pure" ADSL

The Hungarian Competition Authority (Gazdasági Versenyhivatal, hereinafter: GVH) started an inquiry in January 2005 against all the five former Hungarian fixed line suppliers (Magyar Telekom, Invitel, Hungarotel, Emitel, Monortel), which provided their services as concessionaires. The investigation aimed to ascertain whether the suppliers violated competition law by exclusively offering broadband ADSL Internet linked to a fixed line (PSTN) subscription. In the course of the proceedings, all five undertakings committed themselves to introduce on the territory of the whole country ("pure") ADSL without a fixed line access. This will be finalised, depending on the extent to which the undertakings are prepared to do so, between May and August 2007.

The Competition Council made the commitments binding on the undertakings, based on the provision of the Competition Act authorising it to do so (see the framed information box below). From the date determined by the suppliers, consumers can decide whether they subscribe to the "pure" ADSL service rather than the fixed line telephone +ADSL combination. Consumers, who have already subscribed to ADSL services offered with a loyalty rebate, may in some cases only change to pure Internet when the loyalty period expires.

In order to settle the case effectively, the GVH co-operated successfully with the National Communications Authority, which will in the future supervise the provision of pure ADSL services, paying special attention to the determination of the wholesale terms and conditions.

According to Article 75 of the Competition Act, in the course of competition supervision proceedings started ex officio, in which parties undertake commitments to ensure, in a specified manner, compliance of their practices with the provisions of that Act and if effective safeguarding of public interest can be ensured in this manner, the proceeding competition council may by injunction make those commitments binding on the parties, terminating at the same time the proceedings, without concluding in the injunction whether or not there has been or still is an infringement of the Act. Commitment injunctions are without prejudice to the power of the GVH to start a new competition supervision proceeding in the case where there has been a material change in the circumstances or where the injunction was based on misleading information concerning a fact which was fundamental to the making of the resolution.

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Further information:

András Mihálovits

Gazdasági Versenyhivatal

Address: 1054 Budapest, V., Alkotmány u. 5

Mailing address: 1245 Budapest 5. POB 1036

Telephone: +36-30 618-6618

email: Mihalovits.Andras@gvh.hu

<http://www.gvh.hu>