

The GVH terminated its proceeding in the sugar cartel case

The Hungarian Competition Authority (Gazdasági Versenyhivatal – hereinafter: GVH) terminated the proceeding it had initiated against undertakings operating in the sugar industry of Hungary.

On 12 May 2009 the GVH initiated a proceeding against Agrana Magyarország Értékesítési Kft., Eastern Sugar Cukoripari Zrt. and Mátra Cukor Mártavidéki Cukorgyárak Zrt., and in April 2010 also involved Magyar Cukorgyártó és Forgalmazó Zrt. and Eurosugar S.A.S. in the proceeding. The proceeding was initiated on the basis of documents at the disposal of the Authority which suggested that the undertakings in question had conducted regular negotiations in order to align their market behaviour between 2003 and 2009. The negotiations and agreements supposedly covered the determination of the price of the sugar sold by the undertakings, the division of industrial and retail purchasers and the sharing of information related to the quantities sold by the undertakings.

Based on the acquired evidence – with regard to their numbers, nature and the fact that they were contradictory – the GVH was of the opinion that the supposed cartel could not be sufficiently proven and that continuing the investigation was not likely to bring further results. Consequently, the proceeding was terminated due to lack of proof.

In its decision the proceeding competition council referred to the fact that the modification of Act No. CXXVIII of 2012 concerning interprofessional organisations and certain issues of the agrarian market regulation that entered into force on 28 November 2012 had significantly reduced the possibilities for sanctioning infringements concerning cartels related to agriculture products. Uncertainty about the interpretation of this regulation also justified not expending further resources on continuing the proceeding, taking into account that their efficient and expedient use is of public interest.

Case number: Vj-50/2009 Budapest, 21 December 2012.

Hungarian Competition Authority

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