



The GVH held unannounced inspections at the premises of Telekom and Telenor

The Gazdasági Versenyhivatal (GVH – Hungarian the Competition Authority) initiated a proceeding to investigate the cooperation of Magyar Telekom Nyrt. (Telekom) and Telenor Magyarország Zrt. (Telenor) which affects their networks and frequencies that are necessary for them to provide broad-band services. In the framework of this proceeding the GVH held unannounced onsite inspections at the premises of the two undertakings.

According to the suspicion of the GVH, Telekom and Telenor are suspected of coordinating their behaviours in respect of tenders published by the Nemzeti Média és Hírközlési Hatóság (National Media and Communications Authority) in 2014, in order to obtain rights to use frequencies that are necessary to provide broad-band services. It is presumed that the agreement may have been aimed at sharing the relevant market in advance and at coordinating the bids of the undertakings with the purpose of fulfilling the tender's conditions. These practices may have violated provisions of the Hungarian Competition Act and the Treaty on the Functioning of the European Union, which prohibit agreements restricting competition.

The case initiation is motivated by the protection of the public interest, taking into account the role of undertakings in the market, the nature of the service provided by them, the significant number of subscribers potentially affected by the conduct and the gravity of the alleged infringement.

The GVH is legally empowered to hold unannounced onsite inspections based on the provisions contained in the Hungarian Competition Act. These provisions require the GVH to obtain prior judicial approval before holding the inspections.

The initiation of the competition supervision proceeding does not mean that the undertakings in question have actually committed an infringement. The proceeding seeks to clarify the facts and to prove that the presumed infringement has been committed. According to the Act these proceedings must be closed within 6 months, however, this time limit can be extended two times by a further 6 months, depending on the complexity of the case.

Case number: **Vj/1/2018.**

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Hungarian Competition Authority

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