

## **The Competition Authority has imposed a fine due to destruction of evidence**

**7 October 2020, Budapest – The Hungarian Competition Authority (GVH) does not hesitate to impose fines amounting to millions if an undertaking destroys evidence, thereby obstructing investigation by the authority.**

In an ongoing cartel case, the GVH has imposed a procedural fine of several million forints on an undertaking that destroyed electronic evidence related to a suspected cartel infringement during an unannounced inspection ('dawn raid') by the Competition Authority. An employee of the undertaking – despite a warning given at the scene by the authority – deleted several folders and files relating to the suspected restriction of competition investigated by the authority from the computer of the undertaking. Experts of the GVH were eventually able to restore the majority of the deleted data to their readable state by using specific programmes. On the basis of the legislation in force, the GVH may impose procedural fines for the destruction of evidence, the maximum amount of which may be 1% of the net turnover of the preceding business year.

The cartel infringement investigated by the authority is considered to be an especially severe form of anti-competitive behaviour, which, if duly proven, may even lead to the imposition of a very significant fine amounting to 10% of the net turnover of the preceding business year. Thus the relevant pieces of evidence and documents proving the infringement have great significance in the proceeding. The destruction of such evidence is one of the most severe procedural violations, which may result in preventing the establishment of the facts of the case, thereby making the work of the authority impossible.

Therefore, in the ongoing proceeding, the GVH has decided to impose a procedural fine near the maximum amount on the undertaking concerned.

GVH Press Office