

Cooperation against corruption is even more important during a pandemic

26 November 2020, Budapest – ‘The global pandemic may increase the risks associated with corruption, making social cooperation for ensuring the integrity of public life more timely than ever’, as pointed out by the leaders of state authorities of Hungary at the 9th Integrity Roundtable, which was remarkably held online this year.

At the initiative of the State Audit Office of Hungary, the Minister of Public Administration and Justice, the Attorney General, the President of the Supreme Court, and the President of the State Audit Office signed a joint declaration in Budapest on 18 November 2011, in which they assumed a moral obligation to increase the resilience of the governmental bodies under their control against corruption and improve their anti-corruption toolset. The National Judicial Office joined the cooperation in 2012, followed by the Ministry of the Interior in 2014, the Public Procurement Authority and the Central Bank of Hungary in 2016, the fifth anniversary of the cooperation, and finally **the Hungarian Competition Authority this year.**

On 26 November 2020, nine years after the execution of the joint declaration, the cooperating institutions assessed the results of their activities aimed at suppressing corruption at a meeting organised by the Central Bank of Hungary and held online due to the pandemic. They emphasised: **Transparency and accountability** continue to be the appropriate tools for ensuring the integrity of public life in Hungary, especially in a situation **that may result in increased risks associated with corruption and social distrust around the globe** as pointed out by several of the world’s leading international organisations, including the [UN](#), the [OECD](#) and the [IMF](#).

Action against corruption is present even at the level of the Fundamental Law in Hungary, which constitutes the basis of the rule of law. In terms of everyday life, integrity means that **the state creates conditions under which the situations that provide an opportunity for corruption cannot even happen.** The positive processes resulting from the growth and the ‘whitening’ of the economy, the simplified and predictable tax system, the reduction of administrative load, the transparent and closed administrative processes, as well as the precedents in which acts of corruption were sanctioned by judicial authorities **are advantageous for citizens as well** since these result in **increased financial and social security, together with more predictable and better everyday living conditions.**

The Hungarian Competition Authority (GVH) is committed to reducing the risk of corruption. The GVH has recently strengthened its anti-corruption activities both from an organisational point of view and on the side of the integrity it maintains via its administrative powers. This commitment is apparent throughout the Authority as a whole, as well as in the work of its staff performing their duties in each of its independent organisational units.

In 2020, the Competition Authority underwent a **significant transformation of the organisational structure**, which resulted in more efficient operation and teamwork. In

accordance with these objectives, the GVH reviewed and amended its mid-term institutional strategy with the purpose of becoming a more diligent, cooperative, quick-to-react, customer-friendly national authority.

As part of its information-gathering activity related to cartels, the Authority has carried out unannounced inspections ('dawn raids') **26 market players** so far in 2020 with prior judicial warrants, during which a total of 7 terabytes of data were seized. In addition, it is also operating an anonymous online contact system unique in Europe called 'Cartel Chat', where users have the opportunity to report new cartels, provide information or ask questions.

Due to the active action of the GVH, more and more people turn to the Authority for advice and these figures grew even higher this year due to the COVID-19 pandemic. **In 2020, more than 1200 informal complaints and 100 formal complaints were received by the Authority**, which constitute an increase compared to the previous year.

Within the framework of proceedings relating to the merger control, **the GVH supervises and investigates all mergers and acquisitions with significance for the Hungarian economy**. More merger notifications were received this year than before and the revenues of the target companies affected by such transactions also increased compared to the year before.

The Competition Council of the GVH closed 37 cases by autumn 2020, of which it established an infringement in 20 cases and imposed a total of 7.2 billion Hungarian forints competition supervision fines. It should also be emphasised that during the proceedings, the respective legal framework provides various possibilities for undertakings to cooperate with the Authority, with which they may reduce or avoid fines. In 2020, the GVH has so far **decided to grant 400 million Hungarian forints worth of fine reductions as a result of the various forms of cooperation or on the basis of commitments of undertakings subject to these proceedings**.

The Competition Authority is active on the international stage as well: it has been **operating a Regional Centre for Competition (RCC)** together with the OECD since 2005, which provides education and capacity building assistance primarily to the competition authorities of Eastern, South-Eastern, and Central European countries.

The international professional recognition archived by the GVH over the course of the last three decades is also apparent from the fact that **in 2021, Hungary is going to host the annual conference of the International Competition Network (ICN)**, which brings together competition authorities from around the world. The GVH is expecting to receive 500 leaders of authorities and competition law experts from 139 countries during the 3-day world congress. According to the plans, an additional 2000 people will be following the event live on the internet from around the globe. The promotional video of the event [can be viewed on the website of the Authority](#).

GVH Press Office