

The GVH is investigating an unnotified merger on the labour market

12 December 2020, Budapest – The Hungarian Competition Authority (GVH) has launched an investigation into the acquisition of control over the Polish ‘Work Service S.A’ since the investor of the undertaking was likely subject to the obligation to obtain the approval of the GVH due to its subsidiary operating on the Hungarian market.

The GVH is investigating the acquisition of control by Gi International s.r.l., an undertaking seated in Milano and providing employment and recruitment services, over the Polish ‘Work Service S.A’ within the framework of a competition supervision proceeding. The investigation was launched due to the allegation of the GVH that when the Italian undertaking acquired control over its Polish competitor under an investment agreement, it simultaneously acquired joint control over its Hungarian subsidiary, Prohumán 2004 Munkaerő Szolgáltató és Tanácsadó Kft. This transaction may influence the Hungarian market as well; therefore, the GVH was likely required to be notified. Undertakings can implement notifiable mergers which meet the thresholds specified in the Hungarian Competition Act and are thus subject to a notification obligation only after the GVH has investigated whether such a merger would significantly reduce competition on the relevant market.

The Authority launched its competition supervision proceeding against all undertakings directly involved in the merger, which includes Profólió Projekt Tanácsadó Kft., the business exercising joint control over the Hungarian undertaking together with its Polish partner, and Prohumán 2004 Munkaerő Szolgáltató és Tanácsadó Kft., in addition to the already mentioned Polish and Italian undertakings.

The initiation of the competition supervision proceeding does not mean that the undertakings have in fact committed the suspected infringement. The proceeding is aimed at clarifying the facts and proving the alleged infringement. The time limit for the completion of the proceeding is six months which, where justified, may be extended on a single occasion by a maximum of two months.

The official registration number of the case is: **VJ/43/2020.**

GVH Press Office