

The GVH holds a consultation with the National Federation of Hungarian Building Contractors (ÉVOSZ)

31 May 2021, Budapest – The Hungarian Competition Authority (GVH) is initiating a market consultation with the National Federation of Hungarian Building Contractors (ÉVOSZ), which has recently drawn attention to a significant increase in the prices of construction raw materials and products. During this period when construction and renovation projects are ramping up, it is especially important to ensure fair competition on the market of construction raw materials, which is of special concern to the GVH as well.

The aim of the market consultation is to reveal the causes of the price increase experienced in the construction sector and understand any competition issues in the industry in as much detail as possible. In recent months, demand for raw materials used in construction has been growing and in turn, an increase was also observed in the prices of these products.

In order to ensure that home improvement grants, first-home discounts for families, and governmental measures to encourage new development can achieve their positive effects to the greatest extent possible, the GVH is making a significant effort to guarantee fair competition on the market of construction materials and will continue to do so in the future.

Last autumn, the GVH [launched a comprehensive competition supervision proceeding](#) against the three most important players in the domestic cement market due to an alleged infringement of the prohibition of abuse of dominant position.

In addition, the Authority has conducted preliminary investigations in the distribution markets of several other construction raw materials (such as bricks, roof tiles, insulating and finishing materials, doors and windows) in the past twelve months in order to analyse the distribution network of these products.

In addition to the above, the GVH monitors and analyses the sectors that play a large role in restarting and growing the Hungarian economy: within the framework of [the Workshop for Economic Development and Competition Advocacy, a specialised professional workshop established in September 2020](#), it tracks the operation and competition structure of these markets, the market positions of the relevant undertakings, the reasons for price fluctuations, as well as any competition issues and market distortions.

‘The GVH is committed to supporting the recovery of the Hungarian economy and increasing its competitiveness; therefore, we pay special attention to the construction raw material market, which directly influences the performance of the national economy and affects a wide range of undertakings and Hungarian citizens. We will use the tools available to us against any unreasonable price increases that contribute to inflation. We are going to thoroughly investigate any individual infringements as well as the comprehensive feedback from players in the sector since direct market information helps safeguard fair competition. It is in this spirit that we will participate in this consultation with ÉVOSZ’ as well’ stated Csaba Balázs RIGÓ, President of the GVH.

GVH Press Office