

## **The GVH has launched an investigation against a leading regional player on the gravel market**

**21 July 2021, Budapest – The Hungarian Competition Authority (GVH) has initiated a competition supervision proceeding against a large undertaking engaged in gravel production in the Central Hungary region due to suspected abuse of dominant position. The undertaking in question allegedly reduced its extraction capacity in the Central Hungary region in order to sell gravel at higher prices.**

On 20 July 2021, the GVH conducted an unannounced on-site inspection (‘dawn raid’) at the registered office of this construction industry undertaking active in the mining sector. According to the allegations of the GVH, this undertaking, which plays an important role in gravel production in Central Hungary, allegedly reduced its extraction capacities in comparison to other mines of the local market, in spite of the increasing demand with the aim of selling gravel at higher prices.

The Authority launched the proceeding following a market signal with an on-site inspection subject to a judicial warrant. The alleged infringing behaviour affects one of the most important domestic mining raw materials, gravel, which is essential for the Hungarian construction industry and residential building projects. Therefore, the suspected infringement may affect a large scope of consumers.

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

The official registration number of the case is: **VJ/32/2021.**

GVH Press Office