

Foreign undertaking fined by the GVH

3 May 2022, Budapest – The Hungarian Competition Authority (GVH) has imposed a fine of HUF 11.1 million on the Italian undertaking Gi International s.r.l. (Gi) for violating an enforcement ban.

Gi International s.r.l. (Gi), an Italian-based recruitment and employment agency, has previously acquired control of the Polish undertaking Work Service S.A. (Work Service). Work Service jointly controlled Prohumán 2004 Munkaerő Szolgáltató és Tanácsadó Kft. - *Prohumán Workforce Service and Consulting Ltd.* - (Prohumán), which is active in the Hungarian market, together with Profólió Projekt Tanácsadó Kft. - *Profólió Project Advisor Ltd.* - (Profólió), and therefore Gi acquired indirect joint control over Prohumán as a result of the acquisition of control over Work Service. The acquisition of sole control over Work Service and joint control over Prohumán constituted a concentration for which the turnover thresholds set by the Hungarian Competition Act (Act) were met. The undertaking failed to notify the transaction to the GVH, thus breaching the enforcement ban.

The implementation prohibition in the Act means that undertakings can only implement mergers that meet the turnover thresholds set by the Act and are therefore notifiable after the GVH is satisfied that the merger will not significantly lessen competition in the relevant market. The GVH fined Gi for carrying out the merger without their authorisation, despite the enforcement ban.

While imposing the fine, the Competition Council of the GVH took into account that the merger did not significantly lessen competition in the relevant market, i.e. the prior implementation of the merger could not have had any adverse effects on competition. The members of the Competition Council also appreciated that Gi had waived its right to appeal after having been informed of the preliminary position, thus not burdening the administrative judiciary. By cooperating, the undertaking obtained a 20% reduction of the fine.

The [GVH's Merger Notice](#) (only in Hungarian) is available at www.gvh.hu, which sets out in detail the key information on the merger investigation procedure.

Case number: **VJ/43/2020.**

Press Office of the GVH