



Leniency policy to detect cartels

The Hungarian Competition Authority (GVH) attaches great importance to the fight against cartels as cartels have an extremely harmful impact on the development of the whole economy, causing a serious and direct consumer detriment, as well as a reduction in overall efficiency – said dr. Miklós Juhász, President of the GVH at a cartel press conference on 25 November 2015. The newly developed online anonymous contact system, the Cartel Chat, and the new leniency campaign of the GVH will become operational in December.

What is deemed to be successful action as regards to the detection of cartels is "breaking the silence", and detecting and obtaining decisive evidence. Competition authorities can obtain information on the most effective way of achieving the above from stakeholders themselves – one of the tools employed by the GVH is the leniency policy – emphasised the president of the GVH.

A piece of research commissioned by the GVH revealed that undertakings – particularly SMEs – are not aware of any notion of a cartel and its consequences, nor of their ability to step away from a cartel and benefit from significantly less severe sanctions.

Therefore, the management of the GVH decided to develop the Cartel Chat system in order to improve undertakings' knowledge of cartels and competition law abiding business behaviour, and to also provide for a further means of cooperation - announced dr. Miklós Juhász.

Géza Füzesi, head of the Cartel Detection Section explained how the GVH had developed a **new anonymous contact system** for replying to questions about cartels. The only other system of this kind that exists is that of the German Bundeskartellamt.

Cartel Chat is a closed and protected system that assures persons (individuals and undertakings) who have information about secret cartels by a **simple**, **anonymous registration** that

- 1. they can share their special knowledge with the employees of the Cartel Detection Section of the GVH, in full anonymity and without fear of negative consequences or retaliation:
- 2. they can share information they have become aware of with the GVH even if the so called compliance programme in operation at the undertaking does not work or does not work properly;
- 3. they can ask any questions they want about cartels, the leniency policy and the procedure of the policy and about the informant reward;
- 4. in every case, they will receive answers from **the same employee of the GVH** who they have previously dealt with in the event that they have further questions.

More information about the contact system is available <u>here</u> (only in Hungarian).

Tevanné dr. Südi Annamária, Secretary-General of the GVH talked about how in the scope of the development of competition culture, the GVH tries to increase the awareness of both undertakings and the contracting authority in public procurement, in order to help them notice the signs of cartels in time. As a continuation of the general competition law compliance campaign from last year, on 1 December 2015 the GVH will **initiate a communication campaign** to popularise the leniency policy with the following slogan "**It cannot be kept secret**"

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