

GVH once again imposes a fine for the implementation of a concentration prior to authorisation

The Hungarian Competition Authority (Gazdasági Versenyhivatal, hereinafter GVH) imposed a fine for the seventh time for the implementation of a concentration prior to authorisation by the GVH.

The background to the case concerns the notification of a transaction by ETS Efficient Technical Solutions GmbH in June 2018. On the basis of this notification the GVH determined that the acquisition of TGS Engineering Kft. by ETS Efficient Technical Solutions GmbH would not significantly reduce competition. The GVH acknowledged the transaction concerning the market of technical building services by issuing an official certificate.

However, when notifying the concentration the GVH became aware of the fact that ETS had gained acquisition of control rights before the GVH had delivered its decision, thereby infringing the provisions relating to the prohibition on the implementation of notifiable concentrations laid down in the Hungarian Competition Act. In such cases the GVH is entitled to impose a fine even if it determines that the concentration does not significantly reduce competition. In the present case, the GVH established the infringement during the competition supervision procedure and obliged the undertaking concerned to pay a fine of HUF 4.4 million (approx. EUR 13000).

The GVH seeks to handle concentration procedures in an efficient and timely manner. With this aim in mind, it has taken a number of measures over recent years: it has established a separate merger section and reduced procedural deadlines. Moreover, the GVH pays particular attention to detecting procedural infringements, as ensuring that undertakings comply with the prohibition of implementation prior to authorisation and that they submit complete and genuine data, are indispensable conditions for the supervision of concentrations by the GVH. This is the seventh case in which the GVH has established such infringement and imposed a fine since the prohibition on implementation was introduced on 1 July 2014.

Number of the case: **VJ/23/2018.**

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