

## The competition supervision procedure against Airbnb has been closed with the acceptance of commitments

The Hungarian Competition Authority (Gazdasági Versenyhivatal, hereinafter GVH) accepted the commitments of Airbnb Ireland, private unlimited company (hereinafter Airbnb), which operates an online marketplace for renting and booking travel accommodation. According to the commitments undertaken in the proceeding, the company has to modify the information that it provides to consumers relating to its fares. As a result of the commitments undertaken by Airbnb, the GVH did not establish an infringement and therefore no fines were imposed.

The GVH launched a procedure against Airbnb in October 2016, on the presumption that the information provided by Airbnb in connection with its fares and costs was misleading to consumers.

The GVH may terminate a competition supervision proceeding without establishing that an infringement has been committed based on the voluntary commitments made by an undertaking. In the present case, the GVH required Airbnb on several occasions to amend and complete the commitments it had provided, in order for the given commitments to be deemed by the GVH as being sufficient to bring the undertaking's behaviour into line with the relevant legal provisions, thereby enabling the public interest to be protected.

Airbnb undertook, among others, that on its Hungarian websites

- consumers would be provided with (after stating their date of travel) the total price, including all the charges (eg. cleaning charge, and the price to be paid for each additional guest), on all electronic devices (desktop computer, tablet or mobile phone);
- consumers would receive, when searching for accommodation without providing the
  exact date, a warning message highlighting the fact that the shown final price, which
  may increase as a result of tourist taxes, will only be provided once the exact date
  and number of guests are stipulated.

Furthermore, the submitted commitments also require the undertaking to bring to an end the differences resulting from the application of a conversion fee and the use of rounding.

As a result of the information that must now be provided to consumers on the basis of the accepted commitments, consumers searching for accommodation will now receive additional information and also more accurate information relating to prices, with the result that they will be able to make more conscious decisions.

Airbnb is obliged to implement the steps prescribed within 120 days of receipt of the decision and to prove its implementation to the GVH. Compliance with the commitments will be checked within the framework of a post-investigation by the GVH.

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**Hungarian Competition Authority** 

**Information for the press:** 

sajto@gvh.hu http://www.gvh.hu **Further information:** 

GVH Customer Service: Phone: (+36-1) 472-8851

e-mail: ugyfelszolgalat@gvh.hu

http://www.gvh.hu