The GVH participates in the international investigation of products promoted in connection with the COVID-19 pandemic

The Hungarian Competition Authority has joined the other European consumer protection authorities that are participating in the broad screening of COVID-19 related products advertised on websites and online platforms, which has been launched by the European Commission. The aim of the investigation is to filter out unfair commercial practices and thus prevent European consumers from falling victim to them.

The GVH has previously reviewed the practices of online platforms and webshops in relation to the COVID-19 pandemic and has initiated several proceedings against undertakings that are suspected of engaging in unfair commercial practices. The authority's <u>summary</u> of the comprehensive investigation and its <u>recommendations</u> are available on its website.

Information on the GVH's proceedings initiated in connection with the COVID-19 pandemic can be found at the following links:

- The GVH is investigating the advertising practices adopted in relation to a product that claims to offer protection against viruses and bacteria (only in Hungarian)
- A competition supervision proceeding has been initiated due to the sale of hand sanitisers on the ÉkszerTv programme

According to the press release of the European Commission, scams and unfair online commercial practices related to products promoted in connection with the COVID-19 pandemic are widespread. To fight against these practices in a coordinated manner, the Consumer Protection Cooperation Network (CPC Network) of national authorities adopted a common position on 20 March 2020 outlining the most common breaches of EU consumer law. Commissioner for Justice Didier Reynders invited the main internet platforms to cooperate closely with the CPC Network and to take measures against these fraudulent practices. The platforms replied positively to the call for cooperation of Commissioner Reynders and have since taken forward-looking, continuous measures in order to improve the situation. The European Commission has also been in contact with several trade associations representing key players for e-commerce and online advertisements.

Rogue traders are however creative and find new ways to scam consumers. Therefore, in order to identify problematic cases and new types of unfair practices and to take action against them, the CPC authorities have agreed to rapidly carry out an online investigation exercise in a coordinated and simultaneous manner (so-called Sweep).

In the course of the investigation the national authorities shall:

- Screen the online platforms of their choice (domestic or global) in order to examine, for example, which COVID-19 related product categories are available. At the same

time they will also gain insight into the effectiveness of the measures that have been proactively taken by the main internet platforms.

- Scrutinise the offers and advertisements made by certain traders in connection with products sold in order to meet the growing consumer demand resulting from the COVID-19 pandemic. This assessment shall include, among others, the following:
 - whether they contain unsubstantiated claims relating to the products' effectiveness against the COVID-19 virus;
 - the clarity of the information displayed concerning product prices, discounts and delivery terms;
 - whether they put pressure on consumers to purchase, for example by claiming that there is a shortage of products or the products are selling out fast;
 - whether e-shops and platforms provide clear information on the identity, the location and the contact details of the trader from whom the consumer will purchase the products.

The documents related to the investigation so far and the summary report of the results of the investigation are available on the <u>website</u> of the European Commission.

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