

The Competition Authority also fights inflation

The GVH protects consumers, helps undertakings

29 November 2022, Budapest – The Hungarian Competition Authority (GVH) is enhancing its competition law efforts to curb inflation. The GVH launched a six-month series of consultations to keep informed of market developments and to raise awareness among economic operators of the importance of complying with competition law in the current inflationary environment. The GVH hosted the Hungarian Bakers' Association at the first event of the series of consultations.

The inflationary environment poses a serious challenge to undertakings, which are often faced with steep increases in some of their costs, which they are unable to manage without raising their own prices. At the same time, it is important not to make the situation worse by restricting competition, as this would lead to further price increases, which would put consumers in an increasingly difficult situation. After the outbreak of the war in Ukraine, the European Competition Network (ECN), which brings together the competition authorities of the Member States of the European Union and the European Commission, [published a joint statement](#) on the application of competition law in wartime, which the GVH considers to be guiding.

Therefore, the Hungarian Competition Authority launched a six-month series of consultations to get informed about what is happening in the markets and to raise awareness among economic operators and their representative associations of the key importance of fair competition in order to curb inflation.

Csaba Balázs Rigó, president of the Hungarian Competition Authority, pointed out in relation to the launch of the series of consultations: *“The GVH protects consumers, helps undertakings. In times of inflation, knowledge of the economic circumstances of market players is essential for the correct application of the competition law. In addition, strengthening the competition law awareness of undertakings is important, because if they pass on their extra costs to consumers in a coordinated way, they are in breach of the competition law. Instead, it is expected that market players find innovative ways to contain their rising costs. Everyone has to play their part in curbing inflation.”*

At the first event of the series on 29 November 2022, László Bak, deputy president of the Hungarian Competition Authority, held a consultation with the leaders of the Hungarian Bakers' Association on current issues related to inflation management. At the meeting, the Vice President of the GVH informed the participants about the current situation and ideas of the association and the market players it represents, and about the opportunities and limitations arising from competition law rules.

József Septe, chairman of the Hungarian Bakers' Association, emphasised: *"The biggest problem undertakings currently face is uncertainty, dealing with unpredictably rising input costs. We help the baking industry to adapt to the changed economic environment by providing professional information, anticipating trends and presenting opportunities for undertakings to apply for grants."*

The GVH would also like to call the attention of market players in other sectors that are in difficulty or are likely to be in difficulty, as well as the associations representing them, to the possibility of consultation. Those involved may indicate their interest to the Hungarian Competition Authority at the e-mail address inflacioskonzultaciosorozat2022@gvh.hu

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