

GVH organized an international conference on green competition policy aspects

7 June 2023, Budapest – The Hungarian Competition Authority (GVH) hosted an international conference on the use of sustainability considerations in competition law analyses. The GVH has addressed the issue of sustainability on several occasions and in several forums. At this event, chief economists from three EU competition authorities, among others, discussed the economic analysis of the issue. Csaba Balázs Rigó, President of the Hungarian Competition Authority, stressed that green issues are gaining in importance, which is why the GVH is also paying increased attention to this area.

On 7 June 2023, the Hungarian capital hosted an international conference organised by the GVH on the role of environmental considerations in competition law enforcement. The GVH is one of the pioneers in this field, as it was the <u>first to assess the way and extent to which environmental sustainability considerations are reflected in competition law enforcement worldwide</u>.

The conference featured panel discussions on the issues of economic analysis and the state of the law in Hungary, with the help of prominent competition law experts. The topic of consumer welfare analysis was discussed by chief economists from the Hungarian and Dutch competition authorities, the European Commission's Directorate-General for Competition and the Member of the Greek Competition Authority's Competition Council, while the Hungarian case law was analysed by an expert from the GVH and representatives of the Hungarian legal profession.

"The GVH's position can be summarised in three points. First, we are open to genuine green arguments. The Hungarian Competition Act explicitly provides for their consideration as a ground for exemption from antitrust, and we are prepared to assess such arguments accordingly. It is not sufficient, for example, to make a general, vague reference to the protection of the environment as an objective - as was the case in a domestic case - since sustainability is not a "magic word" that would override rational assessment, especially in the case of infringements that most seriously threaten competition. Secondly, we believe that the domestic legislative environment and the EU guidelines together provide an appropriate framework for a proper assessment of such aspects. Third, we will not tolerate false green defence; we will not tolerate greenwashing!" – emphasised Csaba Balázs Rigó, President of the Hungarian Competition Authority, in his opening speech.

The president of the GVH referred to the <u>battery cartel case</u>, which the GVH uncovered a few years ago. Three battery manufacturers - Energizer, Duracell and Varta - have agreed to pass on the new tariff uniformly and in full to their customers following the introduction of the waste management charge. Although the parties invoked environmental protection objectives, they did not quantify or specify this in any other way, and the GVH's Competition Council imposed



fines of more than HUF 30 million on the undertakings, while the GVH successfully defended its decision in the appeal proceedings.

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