LEGAL REGIME OF COMPETITION IN HUNGARY

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Abstract

The harmonisation of national competition legislation with European Union law has largely been completed in Hungary, mainly by modifying the Competition Act of 1997. The main features of the Competition Act are unfair market practices, unfair influence on consumer decisions, agreements restricting competition (vertical and horizontal), abuse of a dominant position and merger control. In the area of state aid, there is a general prohibition on the provision of such aid, with the reservation that exceptions might be determined by government decrees. In view of Hungary's accession to the EU, from 1 April 2002, further laws have come into force that are to be enforced with the Hungarian Competition Act, creating a double set of regulations. The new rules incorporate certain European competition rules into Hungarian law.

Keywords: *Competition, Hungary, European Union, legislation, harmonization.*

JEL Classification: K21, K33

1. Introduction

The centralised nature of the enforcement system used to be reflected in the Commission's monopoly over the substance of Article 101(3) beneath the centralised enforcement framework of Regulation 17/62. The Commission enjoyed a massive margin of discretion in applying the stipulations laid down in Article 101(3) in order to warranty its coherent and uniform application all through the common market. It used to be feared that if the NCAs would be given powers to apply Article 101(3) they could contain their personal countrywide interests into their decisions. This function was definitely formulated in a 1993 Commission policy report, noting that "the grant of a derogation from the ban on restrictive agreements requires assessment of complicated monetary scenario and the workout of huge discretionary power, in particular the place distinctive objectives of the EC Treaty are involved. This assignment can solely be performed by the Commission".

2. European context

Regulation 1/2003 has fundamentally changed the enforcement device in order to relieve the Commission of its growing administrative burden and make the common enforcement extra effective. The change was once twofold. First, the Regulation shifted the enforcement from a notification to a self-assessment regime. Second, it decentralised the enforcement through entrusting the NCAs and national courts with energy to observe Articles 101 and 102 TFEU in parallel to the Commission[2].

The reason for decentralisation was once no longer basically administrative. Decentralisation additionally reflected a political objective of bringing "the decision-making manner nearer to citizens" via allowing buyers to tackle NCAs and countrywide courts in order to enhance the European citizens' appreciation of competition policy. As such, decentralisation was once considered as an important issue to furnish an improved and extra democratic political assist to the EU competition policy.

However, bringing the decision-making system nearer to residents carried an inherent threat that NCAs would include their own monetary and political hobbies into EU opposition policy. From the very launch of the Modernisation White Paper (European Commission 1999), it used to be feared that the NCAs' institutional, private and financial settings would permit countrywide governments and parliaments to have an impact on the result of the enforcement[3].

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[2] Brook, O., & Cseres, K. J., *Member States' Interest in the Enforcement of EU Competition Law: A Case Study of Article 101 TFEU* in M. Varju (ed.), *Between Compliance and Particularism: Member State Interests and European Union Law*, Springer, 2019, p. 149.

[3] Ibid, p. 149.

Particularly, given the vague wording of Article 101 TFEU, there was once a clear danger of the enforcement of the Article turning into situation to the discretion of each country wide enforcer, to its institutional, procedural and political characteristics and competition culture.

In addition to the risk to the integrity and effectiveness of EU opposition law, the possibility of exposing EU opposition enforcement to unique countrywide pursuits created a hazard of uneven application of EU competition policies throughout the Member States. Industry stakeholders, as well as the European Parliament and the Member States, pointed out that decentralised enforcement now not lead to re-nationalisation of EU competition policy[4].

Regulation 1/2003 delivered a decentralised enforcement machine for Articles 101 and 102 TFEU. The aim of decentralisation was once to make sure fantastic enforcement on the one hand, and to simplify administration to the greatest viable extent, on the other. The modern-day enforcement device is based on the premise that the NCAs should comply with and supplement the Commission's enforcement efforts, as a substitute than advancing the applicable monetary and political agendas in their Member States. Consequently, a variety of challenging and soft laws have been adopted at EU level to warranty uniform and regular application of Articles 101 and 102 TFEU. The multi-governance enforcement machine created is usually viewed as a major success of the European integration project.

The decentralised enforcement system of EU competition regulation also offers huge possibilities for the Member States to push their precise countrywide interests[5]. They have used two wonderful ways to restriction the utility of EU competition regulation in favour of promotion local interests. First, Member States adopted country wide measures that exclude or limit the enforcement of Article 101 TFEU. They have utilized procedural (de minimis) and great (issue or sector specific) measures that demand taking national pursuits into account in the software of Article 101 TFEU in the country wide territory. Second, some of the NCAs applied Article a hundred and one so as to deliver its enforcement in line with their national view on competition policy. The vague wording of Article 101 TFEU and the case regulation left the Member States sizable leeway to incorporate country wide interests in their regionally framed purposes of the EU regulation provisions[6].

The unique country wide measures and functions can be seen, on the one hand, as devices ensuring the internalisation of EU policies in the Member States. They link EU policies to national policies inside the regulatory space created through EU regulations and, in this way, they may foster similarly harmonisation and support the EU's integration efforts. On the different hand, these measures and enforcement practices can point to robust varieties of financial particularism and a "raw expression of political will" with the aid of country wide governments. This chapter have validated that the national rules have led to far-reaching outcomes[7].

3. First steps

Although the Competition Act includes numerous exceptional procedural regulations applicable to the proceedings of the HCA, the APA that contains the fundamental administrative procedural rules is additionally applicable. From 1 January 2018, Act CL of 2016 on the General Rules of Public Administration Procedures will enter into force as the new act on administrative procedure. With the entry into force, competition supervision tactics will fall outside the scope of the APA and it is possibly that all procedural policies will be protected in the Competition Act. This important overhaul is underway and entered into force early 2018[8].

In addition to the guidelines of the Competition Act on unfair manipulation of enterprise selections relevant, unfair business practices regulated by the UCP Act. The UCP Act pursuits to defend the activity of consumers, to foster honest market practices and to enhance the efficiency of

[4] Ibid, p. 151.
[5] Ibid, p. 168.
[6] Ibid, p. 168.
[7] Ibid, p. 169.
[8] Papp A, Horváth Á., *The Competition Law Context of Online Sales*, Ligue Internationale du Droit de la Concurrence (LIDC), Hungary report, 2018, p. 2.

combating unfair commercial practices, recognizing the weight of self-governance to do away with unfair industrial practices and to foster the enforcement of codes of habits hooked up within the framework of self-governance. The UCP Act is enforced by the HCA if the commercial practice is capable of notably affecting competition. The UCP Act implements the Unfair Commercial Practices Directive[9].

The Civil Code incorporates the time-honored guidelines for concluding contracts with the aid of electronic means. These include the provisions on the statistics to be furnished by the service provider before the conclusion of the contract and the process of conclusion (electronic contractual statement and confirmation). The same rules relevant to the provision of information society services are set forth in the E-Commerce Act. Both the Civil Code and the E-Commerce Act implement the Directive on Electronic Commerce. With respect to these factors of online sales, unique policies practice to economic offerings marketed by potential of distance communication. These are set forth in the Financial Distance Marketing Act, which implements the Directive on Distance trade of Commercial Services[10].

Under Hungarian competition law, commitment decisions and settlements can be utilized each for restrictive agreements and unilateral practices.

A commitment decision is reached when the HCA accepts the undertakings to proceed in a specific way to deliver its habits in line with the provisions of the applicable laws. The HCA may solely receive such commitments if it exact ensures the safety of public interest[11].

Undertakings proposing commitments prefer to keep away from an infringement choice by means of voluntarily bringing their conduct in line with opposition rules. Thus, one of the essential purposes of the commitment is to shut the proceedings of the HCA except any assertion of the infringement. Commitments grow to be binding upon the HCA's choice to accept the undertaking's commitment proposal. This ability that the task which proposes commitments is no longer obliged to acknowledge its liability, or to help the HCA in investigating its own or other parties' misconduct beyond the responsibility to act in precise belief in the course of the technique and not to misinform the HCA. A notion for dedication may additionally be filed at any time before the complaints terminate. However, if the idea is filed at an early stage of the proceedings (in the investigation phase) and consequently the HCA's procedural costs are appreciably decreased, then the HCA may additionally reflect on consideration on this as a purpose in favor of accepting the commitment[12].

If the HCA accepts the undertaking's commitments, the HCA does now not impose fines and does not even declare the undertaking's habits illegal. Then, the HCA adopts a decision to dismiss the lawsuits and to compel the party in question to undertake that commitment.

When the HCA imposes commitments on a party, it may additionally launch a so called "follow-up investigation" in order to verify whether or not the birthday party has complied with the undertakings in the dedication decision. The HCA may additionally revoke the dedication selection and impose a first-class if the unique selection used to be primarily based on deceptive data from the birthday party in question or if the birthday celebration has failed to comply with the imposed commitments. The deadlines of the follow-up investigation are a whole lot shorter (three months which may additionally be extended for a whole of 9 months). The difference in this case from the regular method is that the HCA wishes to prove the non-compliance or the deceptive behavior of the relevant party[13].

In contract procedures, the HCA, after the investigation record of the case handlers (i.e. when the statistics have already been established), invitations the events to admit their involvement in the infringement underneath investigation.

The challenge taking part in a settlement method may also get hold of a reduction of up to 30% from the fine.

Settlement is aimed at the swift termination of the opposition proceedings. The contract

[9] Ibid, p. 2.
[10] Ibid, p. 2.
[11] Ibid, p. 15.
[12] Ibid, p. 15.
[13] Ibid, p. 15.

announcement has to incorporate an acknowledgement of the undertaking's participation in the infringement. This ability that profitable settlement does now not contain more far-reaching habits requirements being imposed on the project in addition to what the HCA may additionally in any other case impose. In other words, it is no longer a precondition of a profitable contract that the task commits to right its conduct or indemnify third parties, etc.[14]

It is the competition council (the decision-making body of the HCA) which may also advise to the task to file an agreement declaration. The opposition council may also do this earlier than the announcement of objections is finalized, which also means that the venture which makes a agreement declaration is no longer obliged to aid the HCA in investigating its very own or different parties' misconduct. If the opposition council makes such a proposal, the assignment have to reply inside the closing date set by means of the opposition council, which can't be more than 15 days[15].

If the venture makes a contract declaration, it has to indicate to the HCA what it considers as the suited maximum amount of fines. If the HCA imposes fines in excess of this amount or if the announcement of objections or the final selection substantially differs from the contract declaration, the settlement declaration may additionally be withdrawn. In such case, the undertaking's preceding acknowledgement of the infringement cannot be used as evidence.

The Settlement Notice offers with the question of non-compliance with contract decisions. The party that participates in a settlement method can also solely revoke the written agreement declaration in the following circumstances.[16]

The first modern Hungarian competition act adopted in 1990 was primarily based on to a extremely good extent on the German and EC competition rules. The Hungarian Competition Authority (the Gazdasági Versenyhivatal, GVH), an impartial enterprise entrusted with the public enforcement of competition regulation has been striving to establish a notably considered popularity not only in the Hungarian public administration gadget but additionally at European level. The Europe Agreement and the practice for EU membership made regulation approximation inevitable[17]. In this chapter I will current how Hungarian competition rules and the exercise of the competition authority had been influenced via the EC and later the EU acquis.

The legally binding obligation to deliver home opposition rules in line with Community standards turned later into a manner of drawing proposal not only from EU hard regulation however additionally from gentle law units in instances where Hungarian competition guidelines have been applied. The story started out with the signature of the Europe Agreement (EA) in December 1991.

By that time, the GVH had already done its first year of implementing Act LXXXVI of 1990, the first modern-day act on opposition law in Hungary. The EA covered two competition associated provisions. Articles 67 and 68 EA noted - among others - competition law, where approximation used to be needed ‘as far as possible’. Article sixty-two EA integrated guidelines for agreements and abuses affecting alternate between the contracting events akin to these in EU law, and also provided that ‘implementing rules’ be adopted by using the Association Council.[18]

On this basis, busy work commenced to deliver the Hungarian opposition act in line with EU policies and to undertake the implementing rules of Article 62 EA. In the meantime, the Commission issued its White Paper on the guidance of the related nations for integration into the inner market. It was greater than two years after accession that the Competition Council first relied on EU law, alongside country wide competition regulation to set up an infringement in a case (Vj-180/2004) referring to certain marketing restrictions imposed by the Hungarian Bar Association on its members[19].

In June 2006, the GVH imposed an instead symbolic high-quality fine of HUF 5 million, the operative part of the decision genuinely declaring that the regulations have been anti-competitive

[14] Ibid, p. 15.
[15] Ibid, p. 15.
[16] Ibid, p. 16.
[17] Tóth T., *The reception and application of EU competition rules in Hungary: an organic evolution*, „Pázmány Law Working Papers”, no. 17, 2013, p. 2.
[18] Ibid, p. 3.
[19] Ibid, p. 13.

besides specifying which set of competition policies have been applied. Only the reasoning of the decision made it clear that the choice was once based on both Hungarian and EU competition norms. In order to underpin the software of EU rules, the Competition Council made references to the case law of the Court of Justice and additionally stated the relevant factors of the Commission's relevant guidelines. The advocate general of the EU Court's Wouters judgment was once defined in detail, since the case related to regulations of an expert affiliation overlaying the complete territory of a Member State.

The selection included a part discussing EU regulation and a phase relying on Hungarian in the latter of which reference to the points made concerning Wouters in the first part was avoided.[20]

One month after the Bar Association decision, the Competition Council imposed its highest ever first-class for an abuse of dominance. MÁV, the state-owned Hungarian railways agency had to pay HUF 1 billion for proscribing get admission to its community thereby impeding opposition following the liberalization of the freight transport quarter under EU law. In this decision, the relevant legal groundwork was stated in the operative phase of the decision[21].

In November the same year, any other EU-related cartel choice followed. The Competition Council fined various egg producing groups and their affiliation for records sharing, drawback of imports and promoting of exports in order to impenetrable steadiness in the Hungarian egg market. In addition to the EU regulations the competition policies of the Europe Agreement and Act X of 2002 imposing Article 62 EA were additionally invoked. The operative part of the selection definitely declared that the things to do had been anti-competitive; the legal foundation for this declaration was once defined only in the reasoning. Point 465 made it clear that the findings of the Competition Council were based on the Europe Agreement for the period between 1 April 2002 and 30 April 2004, Article a 101 TFEU from 1 May 2004 and the Hungarian Competition guidelines for the total period of the infringement. The reasoning of the inter-state commerce clause of Article one zero one TFEU was rather short. The Council dedicated simply one sentence to give an explanation for that this criterion was met considering that the habits included the complete territory of the country, defending the pastimes of all Hungarian egg producers, and from time to time additionally without delay restricting change with other EU countries. Neither the Commission's pointers nor the case regulation of the EU Court was referred to[22].

After supplying the mindset of the Competition Council towards making use of EU law I would like to analyse a set of dedicated substantial and procedural problems the place the effect of EU competition law can be witnessed.

As to the infringements dedicated through associations of undertakings, we have already noted that the GVH's exercise of both invoking or ignoring EU law was once as a substitute unpredictable. One reason, however not an explanation, may want to have been that the Competition Council adopts its choices sitting in panels of three or five council members, the composition of which adjustments from system to procedure. [23]

To keep away from inconsistent software of competition rules extra effort is required with the aid of the Council. In the above referred to Chamber of Hungarian Architects, the weak point was once that it condemned only the obligatory charge structure of the association and declared the amended, now recommended, costs in its reasoning lawful.

Whilst the Chamber is entitled under regulation to set recommended fees, below EU regulation which used to be utilized in the case, the GVH must have come to a unique conclusion beneath the case law of the EU Court. The case regulation is pretty clear - additionally referred to by the Council in other decisions on associations - that even recommended expenditures of associations are normally considered as anti-competitive. On this basis, the GVH need to have declared the relevant act of Parliament incompatible with former Articles 3, 10 and 81 EC and set up the infringement of EU Competition rules for the endorsed expenses as well[24] .

[20] Ibid, p. 14.
[21] Ibid, p. 15.
[22] Ibid, p. 16.
[23] Ibid, p. 19.
[24] Ibid, p. 19.

Another location of convergence can also be observed in the system of fining policy in Hungarian law.

Fines in antitrust instances are the most essential deterrent sanctions. Their level is essential. Should the allocation of cartel cases amongst ECN members genuinely work the result of similar investigations in monetary phrases need to be the same. Equal remedy needs that the sanctions imposed on a company need to no longer fluctuate according to the identity of the competition agency. For the sake of consistency and the integrity of the system, national opposition authorities have to know not be allowed to adopt substantially differing fines for the same, or for the same kind of, infringement. Regulation 1/2003/EC does no longer incorporate policies related to the harmonization of sanctions, let alone financial penalties. There were some efforts within the ECN to obtain soft harmonization, but this is a location where huge differences can be witnessed amongst a range of Member States.[25]

The GVH posted its first ever fining recommendations in 2003.

The fining tips were withdrawn in 2009 due to the uncertain practice of evaluation courts and also with reference to the rising European excellent practice resulting in greater fines for cartels. It took for the GVH two years to post the new guidelines. It can be anticipated that this will now not lead to a good-sized increase in - no longer to point out a harmonization of - high-quality levels to the EU average. The new recommendations grant for the trebling of the former fine ranges solely in the case of public procurement cartels. Price fixing or market allocation affecting private commerce will be fined by using the GVH at about 6-8% of the relevant turnover, a parent a way under that applied now not solely by the EU Commission however additionally through many other Member States which have determined to adopt fining regimes successful of attaining stages close to those of Brussels.[26]

Cartels and other anti-competitive agreements and abuses of dominant positions are difficulty to parallel investigation by means of country wide opposition authorities based on EU and on nearly identical country wide competition laws. When unbiased companies merge or accumulate controlling stakes in every other, opposition regulation control is geared up following a one of a kind concept. Subject to the amazing opportunity of case transfers, there is a clear division of work between Brussels and national agencies, primarily based upon the applicable turnover executed with the aid of the parties.

Large concentrations successful of affecting the functioning of the single market are handled by the EU Commission in accordance with an EU regulation, whereas transactions below this stage are problem to opposition clearance at country wide stage situation to the sizeable and procedural provisions of domestic competition laws[27].

Due to this clear allocation of powers a Member State may also even figure out not to have a domestic device of merger clearance. This was once the case in some countries even in the nineties the place the EU Commission had the energy to analyze countrywide transactions referred to it by means of a national competition authority no longer accomplishing the thresholds of the Merger Regulation (this used to be the so-called Dutch clause). Even if a system of merger control is maintained at national level, which is the case in every and each Member State today, besides for Luxembourg, the vast and procedural regulations may additionally be quite divergent. Despite this, we may additionally conclude that most countrywide regimes copied the most important facets of EU competition law, including the significant test in accordance to which mergers are approved or prohibited, as nicely as some procedural problems such as the existence of stage 1 and 2 procedures reflecting the seriousness of rising opposition issues and the device of treatments to remedy these market issues[28].

The cause for this was that businesses logically desired to have comparable merger manage policies at both European and country wide level. Hungarian merger guidelines had been brought in

[25] Ibid, p. 20.
[26] Ibid, p. 21.
[27] Ibid, p. 22.
[28] Ibid, p. 27.

line with EU law under the affiliation agreement gradually. The dominance takes a look at was imported with an choice for conditional clearance situation to undertakings supplied by way of the merging events and later the two stage system used to be also installed on Hungarian grounds. When the EU decided to amend its substantive take a look at to carry it greater in line with the US approach, the Hungarian legislator additionally accompanied the pass after a couple of years, just like most other Member States[29].

The exercise of the Competition Council additionally harmonises with the European approach. Itil preferred to rely on well established EU exercise when decoding the considerable policies of country wide law. As a result, the effect of a merger notification ought to no longer depend upon whether or not it is notified in Brussels or Budapest. The remaining differences relate to timing, with countrywide processes taking from time to time much longer, and perhaps to the depth of investigations into challenging mergers. This is unsurprising thinking about that the EU Commission employs two dozen PhD economists under the chief economist, whereas the bureau of economists in Budapest has much extra modest capabilities to deal with economic proof on a day-by-day basis[30].

Unfair business practices are no longer considered as section of EU competition law. However, in some Member States, like in Hungary, the time period 'competition law' continually referred to guidelines on unfair alternate and business practices as nicely - regulations protecting not solely competition as such however also traders and customers directly. The motive why we want to dedicate some concept to this topic is twofold. First, the endeavor of the GVH in usual is closely influenced with the aid of cases belonging to the unfair exercise location of opposition law, with a regular 50% of cases every year decided on this felony basis. Second, and greater importantly, the important guidelines on unfair commercial practices have been harmonized at EU degree in 2006 when the so called UCP Directive took effect. Basically, it includes straightforward prohibitions on unfair business practices, its annex, also referred to as 'the blacklist' overlaying 31 types of advertising conduct that are regarded illegal. Member States revel in some freedom solely as regards the institutional and procedural preparations of the machine hooked up with the aid of the Directive[31].

4. Recent developments

The spine of the Hungarian competition law is the Competition Act. This has entered into force on 1st January 1997 changing the former opposition act enacted in 1992[32]. The act has been amended several times for the reason that its enactment.

The Competition Act covers the following main issues, the prohibition of unfair competition as a ordinary clause, the prohibition of unfair manipulation of patron choice, the prohibition of agreements proscribing monetary competition, the prohibition of abuse of a dominant position and merger control.

Beside these provisions the act additionally defines the Hungarian Competition Autority (Gazdasági Versenyhivatal – GVH) as the single authority generally able in questions associated to the act and to the country wide factors of Community opposition legislation. In this recognize the act describes the structure, the financing, the features and the competencies of the GVH by particular provisions. The act also defines the policies of the processes for the GVH[33].

Act LXXXVII of 1990 on Price-setting shall additionally be taken into consideration. According to this act the maximum of the rate that can be charged via the respective telecoms operator in return for terrestrial transmission of radio and television programmes shall be defined annually via a decree of the minister of informatics and telecommunications. The prices for 2005 had been determined by using the decree of the minister No. 2/2003 on the maximal fees for radio and television

[29] Ibid, p. 27.
[30] Ibid, p. 27.
[31] Ibid, p. 28.
[32] European Commission (Competition/Media/Reports), *Market Definitions in the Media Sector. Comparative Legal Analysis (Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia),* EMR (Institut für Europäisches Medienrecht), 2005, p. 4.
[33] Ibid, p. 5.

broadcast transmission. The Act on Price-setting is additionally relevant in the case of dial-up Internet calls on localised cellphone networks. In this recognize the minister of informatics and telecommunications determines the proportion of the rate for the smartphone service that is to be transferred to the Internet access providers pursuant to the policies of this act[34].

Beside the general framework provided through the Hungarian competition regulation quite a few aspects of the audiovisual enterprise are difficulty of sector-specific regulation. To some extent these sector-specific rules are additionally originating at least partially in competition policy objectives. The most necessary of these is the effect of telecommunications legislation.

The relevant competition authority – as already indicated above – is the Hungarian Competition Autority (Gazdasági Versenyhivatal – GVH). It is responsible for the implementation of opposition regulation in common on an ex-post basis. Beside the GVH the National Communications Authority (Nemzeti Hírközlési Hatóság – NHH) incorporates aut the duties of the country wide regulatory authority for the telecommunications sector. As such the fundamental role of the business enterprise is to implement the policies related to sector-specific ex ante regulation[35].

The GVH is an unbiased authority enjoying an excessive degree of institutional autonomy.

The role of the GVH is to put in force the regulations of the Competition Act, to carry out its tasks described in the Act on Price-setting, to lift out the duties assigned to the competition authority of a Member State by using the Community competition law.

Any other obligation for the GVH can only be prescribed by using an act. An instance for this is given via Act LVIII. of 1997 on industrial marketing things to do (Advertising Act), that entrusts the GVH with positive duties associated to client protection in advertising.

Beyond the everyday implementation of the law the GVH also fulfils an advisory role.

In this context the GVH offers assistance to the Government in forming its opposition policy, and also presents records and know-how to the Parliament. The GVH provides annual reviews to the Parliament on its activities[36].

The GVH is led by its chairperson who is assisted via two vice-chairpersons. All of them are appointed by means of the president of the republic for a six years' term of office. The chairperson is nominated by way of the high minister. The two vice-chairpersons are nominated with the aid of the chairperson. His thought is submitted to the prime minister, who – as a signal of his consent – passes the nominations to the president of the republic. The leaders of the GVH are topics of strict incompatibility guidelines and can be relieved of their positions only in special cases. As regards the organisational components the position of the Competition Council (Versenytanács) shall be noted[37].

This is notably the decision-making mechanism of the GVH. The Competition Council is led through one of the vice-chairpersons. Its members are appointed through the president of the republic upon the nomination of the chairperson of the GVH for a six-year term. The contributors are independent; no instructions may also be given to them. They are situation to the identical incompatibility regulations as the chairperson and the vice-chairpersons of the GVH. The Competition Council acts with full autonomy granted to it by using the Competition Act, its decisions are made in its three-member (exceptionally five-member) panels.

The inquiries and investigations are carried out by the workplace of the GVH numbering about 120 public officials. Within the office the function of the investigation sections is remarkable. These specialised gadgets deal with strategies of a given sector of the economy or with processes of specific types. In this respect they assess notifications as to whether there is perfect basis for launching an inquiry ex officio, pursue the opposition supervision lawsuits and put-up proposals for the selections of the Competition Council, take a look at the enforcement of the choices made by means of the Competition Council, scrutinise the competition and the operation of the respective markets.[38]

The intending of the GVH may also be initiated both upon software or ex officio by the authority itself. The first stage of the proceeding is the investigation. This is carried out via an official

[34] Ibid, p. 5.
[35] Ibid, p. 6.
[36] Ibid, p. 6.
[37] Ibid, p. 6.
[38] Ibid, p. 7.

of the investigating part concerned. The investigator's challenge is to prepare the case for the selection of the Competition Council. Having mounted the facts and gathered the helping evidences he submits his findings to the Competition Council along with his proposals in a form of a report. The investigator's file does no longer bind or hinder the Competition Council[39].

The second stage is the intending of the Competition Council. The unique panel of the council makes the choice on the merits of the case on the groundwork of the report submitted by using the investigator. As a standard rule this decision has to be made on a trial but on the joint request of the events the trial would possibly be omitted. In instances of finding a violation of the policies of the Competition Act the Competition Council might also apply a large vary of sanctions. In this recognize the council may declare a positive exercise unlawful, order the removing of a situation violating the act, restrict the practice in contrary with the provisions of the act, impose obligations, in particular the responsibility to enter into contract where an unjustified refusal to create or to hold business members of the family terrific for the type of the transaction has been found, and order a corrective announcement to be published.

The Competition Council might also impose a fine in these cases. The best viable amount of such a pleasant is ten percentage of the worried undertaking's internet turnover in the preceding year[40].

The Competition Act also creates the opportunity for the Competition Council to remedy instances besides imposing sanctions. In cases the place the practice below reviews jeopardises the freedom of opposition solely to a minor diploma the council may order the suspension of the proceeding for a described duration of time if the defending party undertakes to refrain from this exercise and to take the measures which are necessary to forestall any injury the place the risk of such harm occurring exists or measures fantastic to treatment infringements already committed.

In this case the intending can also be terminated supplied that a post-investigation indicates that the venture complies voluntarily with the selection of the council. It shall be noted that this answer can't be utilized in instances started upon the application of a party.

In case of appeal the selections of the Competition Council are concern to judicial review[41].

5. Conclusions

The Hungarian competition law usually corresponds to the EC competition law.

The domestic competition authority makes use of commonly the equal criteria to assess the applicable markets as the community regulation.

The variations between the media markets defined by using the European Commission and through the Hungarian Competition Council mainly originate in the restricted variety of topics scrutinised so some distance by means of the GVH in assessment with the Commission's notably richer practice.

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[39] Ibid, p. 7.
[40] Ibid, p. 7.
[41] Ibid, p. 8.