

Zoltán Nagy*

*The Hungarian Competition Authority's first five years in the European Union**

T*The author reviews the experience of the first five years of EU membership from the point of view of the Hungarian Competition Authority (GVH). He outlines the effects of the EU accession on competition, and describes GVH's competition supervision proceedings investigating the activities of undertakings, its competition advocacy aiming to influence state decisions, and the promotion of competition culture in an attempt to broaden people's knowledge of competition policy and competition. He describes the institutional replies to challenges, and the exploitation of opportunities arising from the cooperation with the Directorate General for Competition of the European Commission and the competition authorities of other Member States. Finally, he states that competition may be the way out from the economic crisis.*

CONSTANT TRANSITION

Hungary – together with nine other Member States – joined the European Union in 2004. It has also belonged to the Schengen Area for two

years now. The six-year term of the (first) Barroso Commission has come to an end, and Neelie Kroes as the European Commissioner for Competition is soon stepping down. It is time to assess the results. This period, as well as that of the approaching of East and West starting in the 1990's has had several favourable outcomes as far as we are concerned.

Although 2004, the year of the EU accession, was obviously a milestone, the approach towards the EU had in fact been a long process. Thus, in competition policy, like in several other areas, the accession did not have a shock-like impact.

In Hungary, like in all new EU Member States, a competition authority had operated for some time, and had gained considerable experience in jurisdiction. Establishing competition authorities was a logical step in the transition from planned economy to social market economy for example in Bulgaria, Czechoslovakia, Poland and Hungary in 1990–1991. Chronologically, that was not really different from the establishment of the Italian competition authority in 1990, the Swedish competition authority in 1992, and the Dutch competition authority in 1998.

The accession did not have a shock-like impact because both the experts at the competition authority and national regulators had been well prepared for the changes, and had

*The present article is the edited version of his lecture held at the conference "Assessing five years of competition policy, or what the period since the EU accession has provided for Hungary and the region" on November 25, 2009.

notified undertakings, lawyers and the general public of these. In this respect, we owe a lot to the active participation of the European Commission, the trainings and exchanges of experts organised by them, and to the fact that the European Competition Network (ECN)¹ had involved Hungary in its activity pooling the experience of the EU competition authorities since its establishment in 2002. Our colleagues in the new Member States also made huge efforts, and through such cooperation, national legislators gradually integrated EU law into the national legal systems. That process had started as early as in the mid-1990's.

The EU accession did not cause a sudden and sharp change because all social changes need time. Planned economies such as Hungary had had significant backlogs in respect of the social scale of values, the embeddedness of market mechanisms, the attitudes towards competition, and the awareness of the rules of competition, i.e. the culture of competition back in 1989. Such a cultural gap can only be bridged in a longer period of time.

THE EU AND COMPETITION

As we have seen, the EU accession is best regarded as a process, which has had a significant overall impact on markets and the competition in those markets.

Most importantly, the EU promotes the establishment of an integrated internal market with a lot of market players, where one can choose from a lot of potential business partners, sellers, and buyers – thus more freedom of decision and better economies of scale and economies of scope can be achieved. At the same time, there is a higher incentive to become more efficient as there are more competitors. That results in lowering prices. According to the research institute ICEG, the more intense competition due to entering the

integrated EU market and the removal of trade obstacles may have led to an average decrease of 1 to 2.5 per cent in consumer prices in the countries which joined the EU in 2004.²

The common internal market also increases social welfare through the gross domestic product; according to a European Commission analysis, the development of the common market between 1992 and 2006 increased the GDP of the EU by 2.2 per cent, and employment by 1.4 per cent, creating 2.75 million new jobs.³

EU law and the cooperation of those involved in jurisdiction across the EU create a more integrated and stable legal environment, thus enhancing legal certainty – in other words, there are fewer legal risks to be taken into account, which may make conducting business activities cheaper. GVH, the Directorate General for Competition of the European Commission and the competition authorities of the other Member States work for the same objectives, applying the same EU conform competition law, cooperating with each other, relying on practically the same tools.

EU law is competition-friendly, and demands the opening of markets which have been closed to competition, thus creating new market opportunities. We have seen that for example in the markets of transportation, electrical energy, natural gas, and postal and telecommunications services.

It is also important to state that EU law is not dead letter: the European Commission monitors its integration into the national legal systems, and should that integration fail to occur, it intervenes, for instance by launching infringement procedures as it also happened in the case of Hungary, for instance regarding long-term agreements kept in effect in the energy sector.

Finally, it is through the activity of the Directorate General for Competition that the Commission can act directly to ensure that companies or the states that provide subsidies do not hinder competition.

GVH'S MISSION

As we have seen, the activity of the European Commission strongly promotes competition, and thus the activity conducted by GVH. The question is what the standards to be applied are and what GVH considers its objective?

The Hungarian Competition Authority conducts its activity so that markets function better, i.e. in a competitive manner wherever possible, for the benefit of consumers. Competition is the driving force that makes companies function more efficiently, taking customers' demands into consideration, and providing them with better and cheaper products. Thus, competition enhances the competitiveness of Hungarian companies and increases consumer welfare.

At the same time, relying on the competitive process does not render state regulation unnecessary. GVH is fully aware of that and does not endeavour to promote competition at all costs, but endorses creating a balance of state regulation, market self-regulation, and competitive behaviour to enable consumers to avail of the best possible services at the lowest possible prices.

Over the past five years, we have done a lot to ensure that markets really function for the benefit of consumers. My article focuses on a few important instances of that process.

THE ACTIVITY OF GVH

The activity of GVH rests on three main pillars: the competition supervision proceedings investigating the activities of undertakings, competition advocacy aiming to influence state decisions, and the promotion of competition culture in an attempt to broaden people's knowledge of competition policy and competition. Further information is obtained through sector inquiries, and an important condition of good and effective operation is close cooperation with Hungarian and foreign organisations.

Supervision of competition

The supervision of competition relating to market abuse takes up the largest part of GVH's resources.

Competition proceedings – restrictive agreements

In 2004, when our first large cartel investigations were in progress, a lot of people did not understand why it was a problem if competing firms conspired or divided the market among themselves. That does not seem to be a question any more: for instance a leader of a company who had been found involved in a cartel case was obliged to back down from the position of minister of economy earlier this year when his nomination was objected to, among others, by Transparency International because of his past including cartel cases. Years ago some leaders of companies thought that despite the fact that what they were doing was illegal, their political background made them untouchable. Since then several cartel cases brought to light and followed through by us have proved them wrong.

The breakthrough came in the summer of 2004. It was then that GVH imposed a 7 billion HUF fine in the motorway cartel case, which came as a lightning bolt. That was only one case in a long line of cases. We have uncovered several road construction, contractor, and IT cartels which cheated the state, i.e. all of us, every single taxpayer over the past few years.

Among them, there are some whose adverse price effects we consumers can directly feel in our wallets: the cinema cartel,⁴ the garage cartel,⁵ the GPS cartel,⁶ and the taxi cartel.⁷ The important cases are being investigated. Since 2004, the GVH has imposed cartel fines worth 26 billion HUF. Fines worth 16.3 billion HUF have already become effective. Our resolutions, similarly to the resolutions of the European Commission during Neelie Kroes's term as

Commissioner for Competition have stood up at court as well. (See Table 1)

For instance, our decisions in the motorway,⁸ the pension insurance institute,⁹ the Bartók Béla út reconstruction works,¹⁰ the car insurance,¹¹ the city of Győr,¹² and the IT tender of the Paks Nuclear Power Plant¹³ cartel cases are effective.¹⁴ Those who expected that it was possible to have these fines significantly decreased and the GVH decisions altered through court appeals were wrong.

There is one more restrictive agreement that I wish to mention briefly as in this case both GVH¹⁶ and the European Commission started proceedings. In 1996, Hungarian banks agreed to set the same interbank commission for Visa and MasterCard cards – while that could have been perfect ground for competition, asking retailers for lower commissions for the installation of card payment terminals.

For this reason, the competition between the

two card companies and the competition among the banks accepting card payment could only develop in a distorted, limited fashion. GVH imposed fines of nearly 2 billion HUF in this case.

Competition proceedings – consumer cases

Besides hardcore cartel cases, GVH has brought to light several other cases relating to the restriction of competition over the past six years.

For instance, our cases relating to the unfair manipulation of consumers were especially widely publicised. We have imposed fines worth as much as 100 million HUF (individually) for providing false information about discounted prices, advertising special offers without stocks available, and making unjustified advertising claims such as promises about the remedial effect of products in certain cases. (See Table 2)

Table 1

NUMBER OF CASES RELATING TO RESTRICTIVE AGREEMENTS, NUMBER OF INTERVENTIONS, FINES IMPOSED

	2004	2005	2006	2007	2008	2009**
Number of injunctions terminating cases*	28	25	19	15	6	6
<i>Out of which: number of interventions</i>	12	13	15	12	5	6
Fine (million HUF)	8,398	2,855	8,650	1,069	3	5,000

* Competition Council Resolutions and injunctions with commitment clauses

** Until November 24, 2009

Table 2

NUMBER OF CONSUMER CASES, NUMBER OF INTERVENTIONS, FINES IMPOSED

	2004	2005	2006	2007	2008	2009**
Number of injunctions terminating cases *	65	79	85	84	66	43
<i>Out of which: number of interventions</i>	50	54	66	81	64	41
Fine (million HUF)	321	439	1 823	1,286	714	818

* Competition Council Resolutions and injunctions with commitment clauses

** Until November 24, 2009

Such fines have finally started to take effect; firms that care about their reputation have become more and more careful when outlining their advertising messages and commercial practices so as not to make them misleading or unfair.

I find that a very important message because if, in a market, firms compete how to best trick consumers and those better at lying succeed while the fair ones go bankrupt, that market will not work for the benefit of consumers. Quite on the contrary, it will only serve to cause damage to them.

Since September 2008, the legislative background of this area has somewhat changed to comply with the EC regulation on unfair commercial practices. Since then, the National Consumer Protection Agency, the Hungarian Financial Supervisory Authority and GVH have been acting jointly in cases of unfair commercial practices affecting private individuals.¹⁷

We have had positive experience with the new institutional solution. The cooperation among authorities tends to be smooth, and the cooperation system established efficiently manages potential viewpoint differences.

Competition proceedings – abuse of dominant position

Even though it might be less widely discussed, GVH has also investigated important cases

relating to the abuse of dominant position and non-cartel restrictive agreements during this period. (See Table 3)

Dominant position proceedings can significantly contribute to the success of market openings, which has been exemplified by a proceeding relating to the rail transport market, initiated in 2005.¹⁸

Hungarian State Railways (MÁV Zrt.) hindered the operation of private railways which had been allowed to enter the market subsequent to the market opening in different ways such as demanding unjustified payment guarantees for using the rail network, rendering it difficult and in some cases impossible for private railways to access industrial rail lines and loading lines, and entering into freight contracts containing exclusivity clauses with mass freight transport undertakings of outstanding significance for periods of several years right before the market opening.

Subsequent to the GVH proceeding, it became clear for the two leading rail freight companies in possession of railway networks, i.e. MÁV and GySEV (Győr Sopron Ebenfurt Rail) that they had to provide other railway companies discrimination-free access. The intervention of the competition authority together with the domestic regulation harmonised with the EU railway liberalisation package led to the genuine opening of the rail freight market, as a result of which nowadays

Table 3

NUMBER OF CASES RELATING TO THE ABUSE OF DOMINANT POSITION, NUMBER OF INTERVENTIONS, FINES IMPOSED

	2004	2005	2006	2007	2008	2009**
Number of injunctions terminating cases *	31	25	33	13	7	1
Out of which: number of interventions	7	6	11	10	3	1
Fine (million HUF)	165	39	1,166	0	0	0

* Competition Council Resolutions and injunctions with commitment clauses

** Until November 24, 2009

those wishing to avail of freight services can choose between the services of 28 countrywide rail licence holders.

Competition proceedings – concentrations

The GVH decisions relating to company mergers tend to be of interest only to the businesspeople and lawyers concerned within the sector.

However, such decisions may considerably affect consumer welfare: the justified prohibition of concentrations prevents competition from decreasing significantly and thus for example prices from rising, whereas unjustified prohibition reduces relative welfare. That is why it is good to know that GVH has significantly increased the role of economic analysis – besides dominant position cases and some other cases – in merger assessments as well. (See Table 4)

In the market of tabloid news, the analysis of the concentration of two newspaper publishers resulted in the following: the anticompetitive effect was proved so convincingly that hearing about GVH's intention to prohibit the merger, the applicant called it off,¹⁹ presumably reckoning that they could not even carry it out with the help of a commitment or a judicial review.

Offering to undertake a commitment was not an acceptable solution in another case: GVH prohibited the merger of Hungarian

Telekom and ViDaNet²⁰ because it would have led to the two infrastructures, the land-line telephone and cable television networks so far competing with each other in the market of household internet access being concentrated in one hand, and the market power thus created could not have been limited by either the mobile internet or the access based competition.

However, in other cases, for example in the Strabag and Cemex merger²¹ (which actually finally failed to be carried out because Strabag called off the purchase), the economic analysis established that exactly that merger of two firms with significant market shares could easily be harmonised with competition requirements through small-scale corrections, and by the undertaking of a commitment.

Competition advocacy

GVH does not only deal with competition proceedings, and the abuse cases and merger notifications of companies. Very often it is not companies, but the state that limits competition, doing so without counterbalancing competition limitation with any positive social effects. In such cases, GVH – to use a technical term – advocates competition, trying to draw attention to certain harmful effects, either while presenting an opinion on draft legisla-

Table 4

NUMBER OF CONCENTRATION CASES, NUMBER OF INTERVENTIONS, FINES IMPOSED

	2004	2005	2006	2007	2008	2009**
Number of injunctions terminating cases *	65	70	43	46	37	28
Out of which: number of interventions	2	1	3	3	2	4

* Competition Council Resolutions and injunctions with commitment clauses

** Until November 24, 2009

tion, or expressly addressing the ministry, regulator, or parliamentary committee concerned. (See Table 5)

In other cases, I put forward recommendations addressed to the Parliament in the annual report of the Authority. Since 2004, in my parliamentary reports I have made 12 recommendations to the Parliament proposing, among other things, the reregulation of the motor vehicle originality examination market, and – three times – the enhancement of the efforts to promote competition in the electrical energy market.

Unfortunately, such recommendations of ours have often failed to create a stir. For example, we will yet have to see the establishment of the regional energy market, a Hungarian or regional energy exchange, and too much electricity producing capacity falls under the feed-in obligation at a high price, making electricity more expensive and draining the liquidity of the competitive market.

It is especially sad when the state tries to promote the right and indeed important objectives relying on the wrong tools, as it happened in the case of the food production chain code earlier this year. It is not a coincidence that agriculture is given special treatment at EU level, within the framework of Common Agricultural Policy (CAP).

The right tool to protect producers needs to be found, one which can achieve its aims without harming competition, efficiency or consumer welfare. It is not to be prescribed what

percentage of the goods on the shelves should be produced domestically; however, it is expedient to support producers' self-organisation, producer-trader associations, and different forms of marketing cooperation, to ensure transparency and predictability, and to prevent buyers, i.e. chain stores from making later amendments to contracts with suppliers as they wish, imposing new fees or worsening conditions. GVH is open for consultation. If asked, we help create competition-friendly solutions.

Sector inquiries

The knowledge of a market necessary for successful competition advocacy and competition proceedings is often acquired through sector inquiries. If GVH detects signs of competition problems within a market, it initiates a sector inquiry to clarify the situation, based on which, if necessary, it puts forward regulatory proposals, or launches competition proceedings. Since 2004, we have conducted sector inquiries in connection with mortgage credits, electrical energy, the electronic media, and switching banks. (See Table 6)

Naturally, in the course of our sector inquiries we take into consideration the inquiry experience of the Directorate General for Competition and other competition authorities. For example, in the course of our inquiry dealing with switching financial service

Table 5

NUMBER OF MOTIONS RECEIVED BY GVH, NUMBER OF MOTIONS IN A REPLY TO WHICH GVH GAVE SHORT OR DETAILED OPINIONS

Year	Motions received	Short opinions	Detailed opinions
2004	606	12	158
2005	612	52	123
2006	382	62	50
2007	507	86	89
2008	362	53	62

**SECTOR INQUIRIES BY GVH,
INQUIRY PERIODS**

Sector	Inquiry period
Mobile radio telephone services	2001–2002
Mortgage credits	2004–2005
Electrical energy	2004–2006
Switching banks	2007–2009
Electronic media	2007–2009

providers, initiated in early 2007, we took into consideration an earlier sector inquiry conducted by the Commission which had analysed bank services for private individuals and small businesses.

Still, that does not mean copying by any means. For instance, switching banks was only tangentially dealt with, in one chapter of the Commission inquiry, while the GVH inquiry expressly focused on that topic.

Cooperation

Very often, full cooperation with sector regulators has been the key to success. It is especially so in cases of market openings, but usually tends to hold true for regulated sectors.

In relation to promoting switching banks we successfully cooperated with the Hungarian Financial Supervisory Authority. In the field of unit-linked insurances, our professional cooperation was also there behind the outlining of the total cost ratio. During the electrical energy sector inquiry and electricity auctions we have cooperated with the Hungarian Energy Office.

In several other cases, for instance in relation to naked ADSL's, we have worked together with the National Communications Authority.

Naturally, international cooperation is also crucial in the activity of GVH, as it is to be further elaborated below.

Culture of competition

No state intervention is the best state intervention – because it means that players of the economy function honestly within an adequately outlined regulatory framework, and there is no need for the sanctions of GVH or other authorities. We are not there yet, but we are going in the right direction.

We think the most important thing for firms obliged to comply with competition law is to be aware of their legal obligations and realise that breaking competition law is not worth it. We have already made big steps in enhancing consciousness.

According to a 2007 opinion poll,²² virtually all heads of companies had heard about GVH, and what is more, 92 out of 100 about the Competition Act, too (in contrast with 86 out of 100 in 2004). However, the improvement in the depth of their knowledge is much more significant.

In 2007, 81 per cent of heads of companies knew that competitors were forbidden to make agreements on dividing the market – while in 2004 only 61 per cent seemed to be aware of that. The massive fines imposed by GVH, and its decisions and initiatives that received wide-scale publicity had a part in attention and awareness raising: in 2007, 83 per cent of heads of companies knew that those breaking competition law could be sanctioned with fines, while in 2004 only 56 per cent had.

EFFORTS MADE TO ENHANCE OPERATION

Just as competition forces companies to improve their performance, state administration bodies need to pay special attention to enhancing their operation.

For GVH, a higher profile means a higher and higher workload. The number of those contacting our customer service section has more than doubled in four years, and the number of complaints and reports investigated by us has grown 2.5 times as high as it was four years ago. It is a positive change; however, it imposes a considerably heavier workload on my colleagues while our headcount has been virtually unchanged, i.e. approximately 125. (See Table 7)

We have tackled challenges by amending legislation, making reporting to us a formalised process, and making it possible to terminate cases not worth continuing for example because they do not promise any success with an injunction instead of a resolution. Naturally, we have also taken serious steps in order to lighten the administrative burdens of undertakings, for instance by increasing the merger threshold figure by 50 per cent.

Internal changes have been equally important. We have established two big sector offices, and separated the detection of cartels and con-

sumer protection from the rest of our activities, thus creating the opportunity to adequately emphasize them, similarly to stressing the importance of competition culture by founding the Competition Culture Centre in 2005.

We have also taken steps to measure the efficiency of the Authority. Based on the findings, the reform of the different internal systems is now in progress.

We have implemented several other changes to improve our work. To coordinate GVH's efforts to advance competition culture we established the Competition Culture Centre in 2005.²³ The reader might be familiar with their tenders, competitions, and publications such as Versenytükö (‘‘Competition Mirror’’) and Pénziránytű (‘‘Money Compass’’), compiled in cooperation with MNB and PSZÁF, and books such as Competition Policy by *Massimo Motta*, or The Power of Productivity by *Lewis*, published by the Centre.

Also, we find it crucial to always proceed in compliance with the law. To ensure that we created our Legal Office in July 2005, and to achieve higher efficiency at court, we established our Court Representation Office last year.

Our decisions are generally in compliance with the legislation in effect. Approximately 40 per cent of our decisions issued subsequent to competition proceedings in non-merger cases

Table 7

NUMBER OF INSTANCES WHEN THE GVH CUSTOMER SERVICE SECTION WAS CONTACTED AND NUMBER OF COMPLAINTS AND REPORTS RECEIVED BY GVH

Year	Number of instances when GVH customer service was contacted	Number of reports and complaints
2004	1,635	847
2005	2,276	1,046
2006	2,308	1,102
2007	3,290	1,480
2008	4,298	1,994
2009*	3,950	1,233

* Until November 24

are challenged at court, and courts modify 10–15 per cent of the decisions that have been asked to be reviewed, i.e. 4–6 per cent of all non-merger decisions, in a legally binding manner.

We endeavour to align the legislative framework, our inquiry methods and our analytical tools to the best international practices. For instance, as part of that effort, the SIEC (or SLC)²⁴ test has been implemented in merger control, we have inserted the requirement providing more efficient protection for firms applying for leniency in the Competition Act, and we keep developing our cartel detection methods.

We constantly aim to provide better and better economic analyses so that our decisions and suggestions best serve competition, consumers, and welfare.

GVH wishes to increase the standards of competition policy, and thus competition and consumer welfare not only in Hungary, but also in the whole of the Central Eastern European region. It is our common interest. For that purpose we established OECD-Hungary Regional Centre for Competition in Budapest in cooperation with OECD in Paris in 2005. The Centre organises educational and professional programmes, and six or seven trainings a year drawing on the professional expertise of OECD and GVH. Last year for instance 201 competition officials, judges, and sector regulators from 34 countries participated to spread the knowledge in different corners of Europe from Sweden to Albania, from Spain to Azerbaijan. We have the impressions that the experience accumulated by GVH over the past 19 years is worth passing on – thus, we also assisted the Ukrainian competition authority and the Cyprus competition authority in the framework of programmes of technical assistance.

To promote exchanges of experience and dialogues we usually organise one international conference per year, which is why we take the comparisons of views and information queries

organised within the framework of ECN very seriously and fully exploit the opportunities offered by these.

We are trying to learn from the good examples, and thus we have transformed our leniency policy based on the leniency model of ECN, the European Competition Network. ECN is not merely a smoothly functioning cooperation allocating cases relating to commerce among the Member States among the EU competition authorities. Naturally, that is an important task of its, and so are the coordination of the investigatory measures relating to these particular cases, and the provision of a uniform interpretation of law. However, it is more than that: it is a real forum of cooperation where competition authorities help each other by sharing specific information on different markets and by presenting different methodologies to each other, partly through sectoral and other task forces.

ECONOMIC COMPETITION AND THE ECONOMIC CRISIS

As a result of the economic crisis, the trust of many has been crushed as far as markets are concerned. Some people have gone as far as deeming too much competition the root of all problems. However, it was not competition but the lack of adequate regulations that led to the inadequate operation of markets.

If the prudential rules regulating the activities of banks are too lenient, the solution is to make them stricter and not to make market entry more difficult or to limit price competition. If the quality of certain imported foods is bad, it is food safety that needs proper monitoring regarding both imported and domestic products.

Thus, I find it important to draw certain lessons on economic policy and regulation, especially regarding the financial sector.

I am convinced that competition and competition policy are not part of the problem, but rather part of the solution. It is not only me stating that but also experts specialising in the field.

GVH has published an analysis by the International Competition Network (ICN) in Hungarian, which concludes that as a result of the operation of competitive, dynamic markets, productivity and economic welfare have increased all over the world, and that practical experience also confirms that competition has a beneficial effect on markets, and that serious competition and competition policy may help an economy to recover.

Economists generally agree that competition policy has an important part to play in enhancing productivity, whereas, economically speaking, government measures that eased competition policy during former economic crises were harmful because they hindered the self-correcting mechanisms of the economy from functioning properly.

JOINT RESPONSIBILITY

GVH conducts its activity in the interest of Hungarian and European consumers, and the

Hungarian and European economies, within which we wish to minimise costs and maximise profits for all those concerned by the operation of GVH and for all stakeholders.

The purpose of imposing a substantial fine is not to fill a gap in the state budget, but to teach a company that breaking the law does not pay. It is the price to pay to learn a lesson, which in fact need not be paid by anyone who knows better or can take a hint – and either does not break the law or applies for leniency relating to past participations in cartels.

We need to teach consumers that it is worth doing some comparative shopping to find better offers, and it may be well worth switching service providers such as banks.

As decision makers of state organisations, we need to pay attention to the social and economic effects of the regulatory frameworks established by us, aiming to achieve the desired positive effects by imposing the smallest possible regulatory burden.

It is our choice what kind of a European community and norms we are creating, and I am convinced that enhancing entrepreneurial skills and creativity and strengthening competition do not simply serve our interest: neither Hungary, nor the European Union can be successful without them.

NOTES

¹ <http://ec.europa.eu/competition/ecn>

⁴ Vj-70/2002

² ICEGEC [2007]: Price differentials between Hungary and the EU Member States. <http://www.gvh.hu/domain2/files/modules/module25/4296140F4F413654.pdf> (in Hungarian)

⁵ Vj-51/2005

⁶ Vj-26/2006, Vj-166/2006

⁷ Vj-92/2005

³ Ilzkovitz, Fabienne et al. (2007) Steps towards a deeper economic integration: the Internal Market in the 21st century. A contribution to the Single Market Review European Commission, Directorate-General for Economic and Financial Affairs Economic Papers No. 271 http://ec.europa.eu/economy_finance/publications/publication784_en.pdf

⁸ Vj-27/2003

⁹ Vj-28/2003

¹⁰ Vj-138/2002

¹¹ Vj-51/2005

¹² Vj-20/2005

¹³ Vj-21/2005

¹⁴ For an outline of the decisions in public procurement cartel cases, the list of effective resolutions and further information see <http://www.gvh.hu/kozbeszerzesikartell>.

¹⁵ Vj-18/2008

¹⁶ COMP/34.579

¹⁷ Act XLVII of 2008 on the Prohibition of Unfair Commercial Practices against Consumers (fttv) came into effect on September 1 2008. It reregulated commercial practices in compliance with Directive 2005/29/EC concerning unfair commercial practices (UCP).

¹⁸ Vj/22/2005

¹⁹ Vj-155/2008

²⁰ Vj-158/2008

²¹ Vj-146/2008

²² The opinion polls referred to here were conducted on a sample of 300 people by TÁRKI Social Research Institute. Detailed results of several polls relating to the state of competition culture are available at <http://versenykultura.hu>, under the heading “Versenykultúra felmérések” (Competition culture surveys) in Hungarian.

²³ The website of the Competition Culture Centre can be found at <http://versenykultura.hu>.

²⁴ Significant impediment to efficient competition, Substantial lessening of competition