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Answer given by Executive Vice-President Vestager
on behalf of the European Commission
(10.10.2022)

Transactions with an EU dimension are examined under the EU Merger Regulation. The EU dimension of a transaction is determined in particular by the annual turnover of the combined businesses. If each of the businesses concerned achieves more than two-thirds of its European sales within one and the same Member State, it is for the national competition authority of that Member State to assess the concentration. If both Vodafone Hungary and 4iG Nyrt. achieve more than two-thirds of their annual turnover in Hungary, the Commission will have no jurisdiction to investigate the transaction. Moreover, the Commission has no legal basis to compel referral of the case from the Hungarian competition authority.

Both public and private companies can be beneficiaries of State aid, provided that the applicable EU rules are complied with. Economic transactions carried out by public bodies (including public companies) do not constitute aid if they are carried out in line with normal market conditions.

Any State intervention financed by the Recovery and Resilience Facility that involves aid must comply with State aid rules. The Commission will continue to carefully assess and monitor the implementation of proposals made in this framework by the Member States, including Hungary, in line with EU rules.

Finally, the Commission has adopted on 18 September 2022 a proposal for a Council Implementing Decision on measures for the protection of the Union budget against breaches of the principles of the rule of law in Hungary.