

Most-Favoured-Nation (MFN) Clause in Denmark

Danish competition law

There is no specific provision in the Danish Competition Act regulating Most-Favoured Nations clauses. The relevant EU legislation (VBER) applies in Denmark for competition matters on Most-Favoured Nations clauses.

Danish case law and guidance on Most-Favoured Nations clauses

Report on hotel booking platforms

The Danish Competition and Consumer Authority published a report in 2019 on the competition situation in the hotel sector. The report was initiated based on a request from the former Danish Minister of Business following inquiries from the sector. The report showed that there is a difference in prices on identical hotel rooms, the commission to hotel booking platforms had not increased and there was room for negotiating the commission. Further, the report showed that hotels have other alternatives to hotel booking platforms.

Case regarding booking.com

The Danish Competition and Consumer Authority was alongside other national competition authorities concerned about the use of “broad” Most-Favoured-Nation clauses by hotel booking platforms. The concern was related to the hotels being limited from offering better terms (e.g., price, number of rooms) through other sales channels including competing hotel booking platforms, and thus, limiting competition between booking platforms.

Following negotiations with the EU Commission and a number of member states, booking.com and hotels.com agreed to change the use of the broad Most-Favoured-Nation clauses and only applying “narrow” Most-Favoured-Nation clauses.