

22 April 2026

Comments of

ACT | The App Association

to the

**United Kingdom's Competition and Markets
Authority (CMA)**

regarding its

Call for Evidence Regarding

**Recent developments in relation to Apple's and
Google's app store rules**

Introduction and statement of interest

ACT | The App Association is a trade association representing small business technology companies from across the United Kingdom (UK), European Union (EU), and the United States (U.S.). Our members are entrepreneurs, innovators, and independent developers within the global app ecosystem that engage with verticals across every industry. We work with and for our members to promote a policy environment that rewards and inspires innovation while providing resources that help them raise capital, create jobs, and continue to build incredible technology.

Small and Medium-Sized Enterprises (SMEs) are a key engine of the UK technology economy

The UK has the third-largest tech sector in the world, valued at more than \$1.2 trillion. In 2021, 56 per cent of the digital sector's £182.1 billion gross value-add contribution to the UK economy came from SMEs. SMEs account for more than 50 per cent of all private sector jobs in the UK.¹

The small business-driven app economy is vital to UK prosperity

A huge amount of economic activity involves mobile apps, much of which we do every day without a second thought. A few examples include shopping, booking travel, gaming, banking, watching media, working, communicating, teaching kids in school, monitoring our health, and learning new languages. Apps are also used to control our homes, cars, factories, and medical devices, plus countless more activities, via the internet of things (IoT). These activities don't just generate money; they increase sustainability, boost productivity, and provide critical support to countless consumers and businesses.

The term we use for this broad ecosystem of economic benefit is 'the app economy', and it is a significant contributor to the UK's financial success. The direct revenues of the UK app economy in 2021 amounted to £33 billion. Including direct and indirect contributions, the app economy generated £74.8 billion in revenue throughout all sectors of the UK's economy in 2021, creating more than 400,000 jobs in the process.²

ACT appreciates this opportunity to provide input to the CMA on its call for input regarding proposed commitments from Apple and Google relating to app certainty and interoperability.

ACT comments

In its implementation of the 2024 Digital Markets, Competition and Consumers Act (DMCCA), the Competition and Markets Authority (CMA) is examining potential regulation of mobile ecosystems, specifically Apple's App Store and the Google Play store. Both are examples of curated online marketplaces (COMs) and have been designated as having Strategic Market Status. In July 2025, the CMA published roadmaps of proposed interventions and, just recently, secured commitments³ from Apple and Google to change the way their app stores and interoperability systems operate.

¹ Tech UK - [UK Tech SMEs: A Global Force to Be Reckoned With](#) - 2023

² Deloitte - [The App Economy in Europe](#) - 2022

³ CMA - <https://competitionandmarkets.blog.gov.uk/2026/02/10/improving-the-way-apple-and-google-deliver-app-store-services-and-enhancing-ios-interoperability-in-the-uk/> - 2025

ACT and our members urge policymakers, and the CMA in particular, to prioritise the needs of the small and medium-sized enterprises (SMEs) that drive the UK tech economy when considering any changes to regulation and to emphasise security, data privacy, and consumer confidence.

In general, ACT views the commitments secured by the CMA from Apple and Google relating to the App Store and Google Play in the UK as a positive development for the app ecosystem in the UK digital marketplace and a sensible solution to the CMA's concerns. ACT and our members have long called for⁴ many of these improvements, including greater transparency, predictability, and speed in app review; clear and objective rules for app ranking and notification when rules change; and protection for app developer data against use by platforms for their own apps. Apple and Google's commitments to CMA represent significant progress toward these goals. ACT also appreciates that commitments are more dynamic than lengthy formal processes, thereby bringing positive improvements to developers faster.

Recent Developments in Relation to Apple's App Store and the Google Play Store Rules re: Steering

Startups and SMEs leverage COMs to lower their overhead, gain access to global customers, and access a trusted marketplace. COMs create an environment where consumers feel more comfortable exploring new services and apps, especially from businesses they have never heard of, such as startups and SMEs. Without the brand recognition and established reputation of bigger competitors with large marketing budgets, SMEs rely on the trust and loyalty COMs build with consumers. Both consumers and SMEs benefit from having a bundle of services provided by COMs, including subscription management, data security, customer data collection, and marketing.

ACT and its members are not opposed to COMs charging a reasonable fee for these services. In fact, our primary concern is that policy proposals aimed at reducing or eliminating fees charged for link-outs to third-party stores or other means for COMs to recoup costs would have the unintended consequence of undermining COMs' incentive to provide robust services on their platforms. Today, COMs compete with each other to provide the best services in the realms of data security, intellectual property protection, consumer trust, and others. If larger third-party developers are incentivised to draw customers outside of the ecosystem and don't pay for the services they benefit from, these services may degrade over time as COM operators focus investments elsewhere. Because small developers generally lack the brand recognition to gather audiences outside of COMs in the same way, they will be worse off under such a system.

Though Apple and Google's policy changes in response to Japan's Smartphone Act, Europe's Digital Markets Act (DMA), and judicial proceedings in the United States have not yet crossed the line into eliminating the bundle of services that make COMs so beneficial to SMEs, we remain concerned that evolving implementation and enforcement could still have negative results.

European Union

ACT has significant concerns about DMA and other *ex-ante* competition regulations that it has inspired in jurisdictions around the world. If not implemented with small enterprises in mind, some

⁴ ACT - <https://actonline.org/wp-content/uploads/competition-policy-priorities.pdf>

of the obligations for gatekeepers that restrict their ability to curate the apps on their stores and to fund their provision of services essential to small developers with fewer resources will lock such developers out of the market. Further, the DMA's broad-stroke obligations for online platforms have opened the gate to malicious actors and put end users' data and safety at risk. App developers rely on the safe environment platforms provide to keep bad actors out of the app ecosystem, gain consumers' trust, and innovate. We continue to urge European policymakers to implement DMA in a manner that enables all SMEs to innovate, grow, and thrive in a fair, competitive, and safe app ecosystem.

Japan

During the development of the Smartphone Act and the post-passage process of determining their implementation approach, ACT has urged the Japanese Fair Trade Commission to carefully study the effects of DMA and to fill gaps in the law to allow COMs to continue protecting users from fraud, financial crime, and scams and to protect small businesses and consumers by protecting intellectual property rights. ACT and its members are concerned that, in its current form, the Smartphone Act does not allow COMs sufficient leeway to remove copycat apps that misuse the intellectual property of legitimate apps from their stores. This may create an environment where bad actors can widely distribute apps containing malware, engage in aggressive data harvesting, or release copycat apps that use other developers' intellectual property to syphon users.

United States of America

While the United States has not yet passed broad digital platform competition legislation analogous to DMA or the Smartphone Act, there has been significant activity in the courts. An issue of particular concern to ACT and our members has been the notion of app store catalogue access by third parties that has emerged in the *Epic Games v. Google LLC* litigation. This proposed remedy would require Google to make the Play store catalogue of apps available to third-party stores without the prior permission of app developers. This remedy treats apps as mere items on a shelf, rather than small businesses in their own right that have strong interests in contracting decisions and the use of their intellectual property. We have filed several amicus briefs⁵ at various stages of this litigation and urge CMA not to pursue policies like this one that override the rights and autonomy of SMEs.

Trust and security are of paramount importance to SME developers. If fee structures are altered to incentivise a significant portion of app store activity to move outside of COMs and into third-party stores or the open web, where protections against bad actors are uncertain or non-existent, the risk to users of downloading a pirated and potentially malicious app increases significantly.

In addition, if app distribution moves significantly outside of today's COMs, SME developers with small teams and limited resources weigh the cost to adapt their apps and business processes against the potential customer expansion. If they decide against listing their app on a certain third-party store, or do not do their own distribution on the open web, this creates an opportunity for copycat apps to be present on a multitude of third-party app stores and websites. Customers who are looking for the original app after hearing of it through word-of-mouth or the original developer's

⁵ <https://actonline.org/wp-content/uploads/App-Association-Amicus-24-6274-23-Oct-2024-Stamped-24-Oct-2024.pdf>

marketing efforts receive a degraded experience, damaging the small business' reputation and trust.

We urge the CMA to approach this issue sensibly and ensure that security is front and centre of their thinking at all times. We also encourage them to listen to the voices of startups and SMEs who rely on trust in interoperability for their businesses to succeed.

What Startups, Scaleups, and SMEs Need from Policymakers

SMEs are the backbone of the UK's tech sector, and any regulation should be aimed at ensuring they can grow, innovate, and flourish.

We urge policymakers to give full consideration to the impact on startups and SMEs of any market interventions on app stores and digital platforms, rather than designing policies that further benefit a handful of already large businesses. Any changes should be designed to ensure strong data and privacy protections and robust cybersecurity measures are maintained. Without this, consumers will lose trust in the app ecosystem, causing devastating harm to SMEs.

Conclusion

ACT welcomes the opportunity to contribute to the CMA's Strategic Market Status investigations. SMEs drive the UK's digital economy, and the UK has a chance to take a balanced approach, avoiding the harmful unintended consequences seen in other jurisdictions, where overregulation has burdened SMEs while reinforcing the dominance of large firms. Policymakers must ensure interventions enhance competition without disrupting the stability of digital ecosystems.

We look forward to working with the CMA to support a fair, secure, and innovative app economy.

Sincerely,

Mike Sax
Founder and Chairperson

Stephen Tulip
UK Country Manager