



Global Competition/Antitrust Platform Regulation Snapshot

Australia¹

The Australian Competition & Consumer Commission (ACCC) is considering whether there is a need for reform or a new regulatory framework to address the competition and consumer concerns identified in digital platform services markets to date. This report is the fifth interim report for the Digital Platform Services Inquiry, considering issues identified in the Digital Advertising Services Inquiry and Digital Platforms Inquiry 2017-2019.

China²

Over the past year, platforms and other internet companies in China have been and will continue to be in regulatory crosshairs. Following the release of the Antitrust Guidelines for Platform Economies in February 2021, State Administration for Market Regulation (SAMR) launched a vigorous enforcement campaign targeting the sector. China's 14th Five-Year Plan for the Modernization of Market Regulation this year identifies ensuring "orderly competition" among platforms as a top priority. SAMR has already imposed gun-jumping fines in 13 transactions in the internet sector in 2022.

European Union^{3,4}

The EU's Digital Markets Act (DMA) will ban platforms (they call "gatekeepers to the digital sector") from imposing unfair conditions on businesses and end-users by making it easier to unsubscribe from core platform services, uninstall pre-installed core platform services, stop the installation of software by default alongside the operating system, provide advertising performance data and ad pricing information, and allow developers to use alternative in-app payment systems (allowing end users to download alternative app stores).

India⁵

With the growing prominence of digital markets in India, the Competition Commission of India (CCI) has assessed issues like net neutrality, leveraging, network effects, and collection of data leading to accumulation of market power, in both its merger assessment and enforcement cases. While India is a relatively new regulator compared to its international peers, the CCI has been quick to adapt to the emerging issues of the digital markets.

Japan⁶

Japan has participated fully in these regulatory trends, conducting research on the use of the digital platforms in recent years that lead to the implementation of the Act on Improvement of Transparency and Fairness in Trading on Specified Digital Platforms (the "Act") in February 2021, which designates digital platform operators, requires disclosure of digital platforms' terms of use, enables mutual understanding, requires annual reports and evaluation, spells out enforcement, and details users' rights. The Act has extraterritorial applications as well, since it applies to all operators of digital platforms that provide services to the Japanese market regardless of where they are based.

Saudi Arabia⁷

In March 2022, the Saudi Communications and Information Technology Commission (CITC) issued a public consultation on the second draft of the Kingdom's Digital Content Platforms Regulation. The updated regulation signals a shift in the Kingdom's treatment of platform operators or service providers. For example, the definitions of platform operators under Article 2 were streamlined and simplified, articulating the improved benefit to the providers.

¹<https://www.accc.gov.au/focus-areas/inquiries-ongoing/digital-platform-services-inquiry-2020-2025/september-2022-interim-report>

²<https://www.omm.com/resources/alerts-and-publications/alerts/china-competition-and-trade-review-issue-6/>

³https://ec.europa.eu/commission/presscorner/detail/en/QANDA_20_2349

⁴<https://www.europarl.europa.eu/news/en/press-room/20220315IPR25504/deal-on-digital-markets-act-ensuring-fair-competition-and-more-choice-for-users>

⁵<https://globalcompetitionreview.com/guide/digital-markets-guide/first-edition/article/india>

⁶<https://www.omm.com/resources/alerts-and-publications/alerts/new-regulation-of-digital-platforms-in-japan/>

⁷<https://www.arabnews.com/node/2056826>



South Africa⁸

In March 2022, the South African Competition Commission briefed Parliament's Portfolio Committee on Trade and Industry on its Economic Concentration Report, highlighting patterns of concentration and participation in the South African economy. It includes details on the Commission's power to launch market inquiries into highly concentrated industries and its increased authority to impose structural remedies on businesses in these sectors. Such remedies are deemed necessary to remove barriers to entry for new participants, primarily for small and mid-size enterprises and firms owned or controlled by historically disadvantaged persons.

South Korea⁹

South Korea's parliament approved the Telecommunications Business Act that bans major app store operators such as Google and Apple from forcing software developers to use their payment systems, effectively stopping them from charging commissions on in-app purchases. Specifically, the amendment to this Act bans app store operators with dominant market positions from forcing payment systems on content providers and "inappropriately" delaying the review of, or deleting, mobile content from app markets. It also allows the South Korean government to require an app market operator to "prevent damage to users and protect the rights and interests of users," probe app market operators, and mediate disputes regarding payment, cancellations, or refunds in the app market.

United Kingdom¹⁰

The UK has now published its consultation on proposals for the new pro-competition regime. A Digital Markets Unit (DMU) has been established within the Competition and Markets Authority (CMA) to operationalize the future pro-competition regime for digital markets.

United States¹¹

In October 2020, the majority staff of the House Subcommittee on Antitrust, Commercial, and Administrative Law published a set of recommendations to promote competition in technology markets, as the result of a 16-month investigation that directed attention to the actions of big tech companies like Alphabet (the parent company of Google), Amazon, Apple, and Facebook (now Meta). The House Judiciary Committee advanced six bills in June 2021 that paralleled many of these recommendations, focusing on the anticompetitive impacts of self-preferencing, mergers and acquisitions, data accumulation, and network effects related to digital platforms. Most recently, the Senate Judiciary Committee voted to advance the American Innovation and Online Choice Act and Open App Markets Act in early 2022.

⁸<https://www.globalcompliance.com/2022/04/09/south-africa-competition-commissions-power-to-address-economic-concentration230322/>

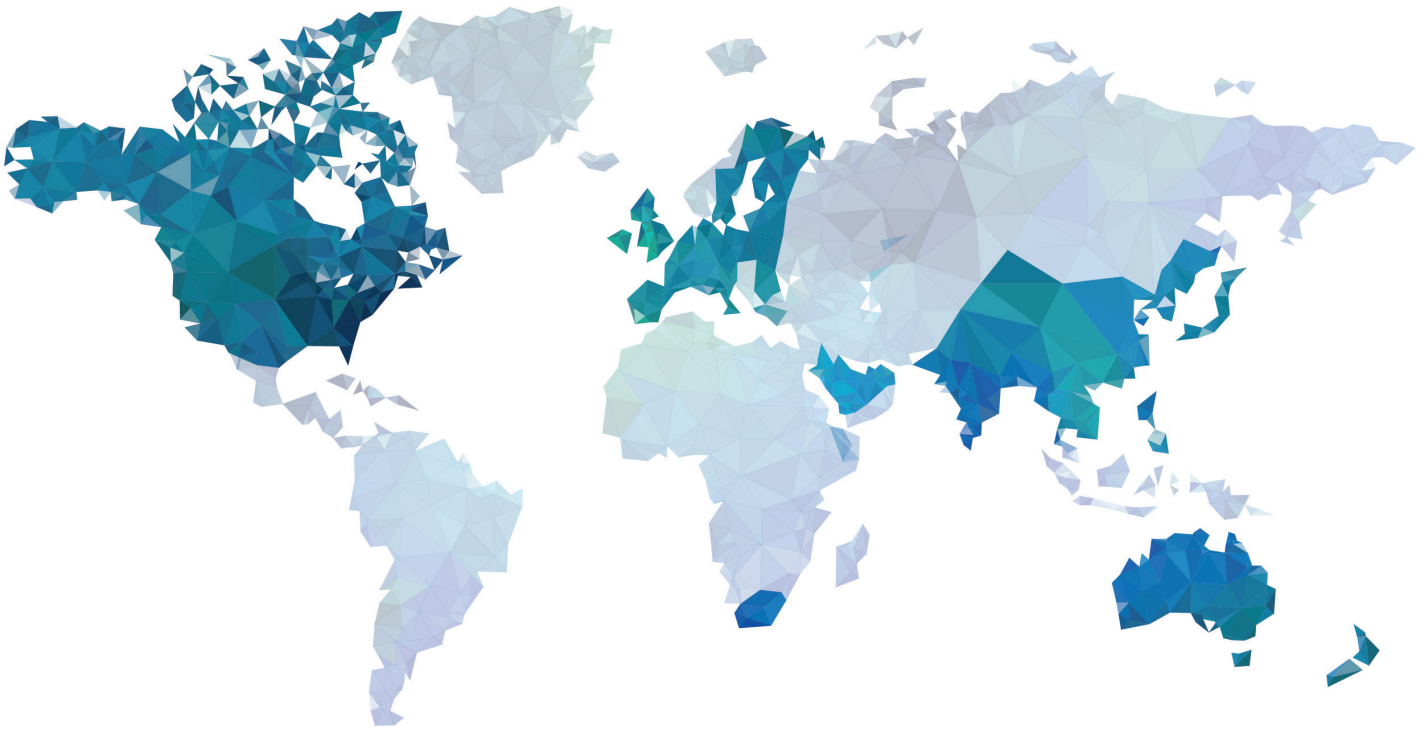
⁹<https://www.reuters.com/technology/skoreas-parliament-passes-bill-curb-google-apple-commission-dominance-2021-08-31/>

¹⁰<https://www.gov.uk/government/collections/digital-markets-unit>

¹¹<https://www.csis.org/analysis/breaking-down-arguments-and-against-us-antitrust-legislation>



Global Competition Activity Map



Where are there ongoing competition/antitrust efforts that impact App Association members?