

Microsoft moves to avert EU antitrust clash over cloud

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Microsoft on Wednesday said it was loosening its licensing requirements with cloud companies as it seeks to fight off regulators after growing

complaints of monopolistic practices.

The tech titan is trying to avoid a replay of its epic battles against EU and US [antitrust enforcers](#) in the late 1990s that ended in major court cases and big fines.

At the heart of the controversy is a 2019 decision that made it more expensive for cloud companies to access Microsoft's Office 365 when they were running through [data centres](#) operated by rivals, such as Amazon or Alibaba.

European cloud companies complained to the European commission, the EU's antitrust regulator, accusing Microsoft of limiting customer choice.

They also said the [user experience](#) was made worse and that there are incompatibilities with certain other Microsoft products when not running on Azure, the company's own data operating system.

"We're just changing the licensing terms so that at their heart, cloud providers that are based in Europe can run Microsoft software pretty much the same way Microsoft can," company president Brad Smith told reporters in Brussels.

Smith insisted that the changes were a "first step" and that "we probably have some more things that we're going to need to do."

Microsoft over the years accumulated fines of 1.6 billion euros in Brussels for anti-competitive practices regarding its Internet Explorer browser, Windows operating system and software licensing rules.

The Redmond, Washington state-based company is also the subject of an earlier 2021 complaint to the European Commission by a different set of companies led by the German Nextcloud.

They denounced the "ever-stronger integration" of Microsoft's cloud services, which it said complicated the development of competing offers.

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