

Apple's new EU measures draw complaint from 34 digital organizations

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Changes Apple is making to its services in the European Union "make a mockery" of new antitrust rules in the bloc, 34 digital organizations complained to the European Commission this week.



They include app makers Epic Games and Spotify.

"We are very concerned that Apple's proposed scheme for compliance with the Digital Markets Act (DMA)... will not meet the law's requirements, therefore inhibiting our ability to deliver the benefits of the DMA to consumers as soon as possible," they said in a letter to the EU executive dated Friday.

Apple in January announced it was modifying how its iOS operating system, Safari browser and App Store operate in the 27-nation EU.

It said it was doing so to comply with the DMA, which clamps down on anti-competitive practices online in the bloc.

Apple and other big tech companies deemed "gatekeepers"—Google parent Alphabet, Amazon, Meta, Microsoft and TikTok owner ByteDance—have until March 7 to come into line with the DMA.

The EU law threatens fines of up to 10 percent of global revenue for non-compliance or 20 percent for repeat offenders.

Apple notably announced it was, for the first time, opening its App Store to rival apps and allowing payment services beyond Apple Pay on its iPhones.

New fee

But app developers going that route had to agree to a new "Core Technology Fee" from Apple that would charge them 50 euro cents (\$0.54) per download, for apps getting over a million downloads.

Many <u>app developers</u>—among them Epic Games, maker of the massively popular Fortnite game—say that is a huge cost for them.



They say it will simply line Apple's pockets and cement its gatekeeper status.

In their letter, the digital companies and associations said, "Apple's new terms not only disregard both the spirit and letter of the law, but if left unchanged, make a mockery of the DMA and the considerable efforts by the European Commission and EU institutions to make digital markets competitive."

Several companies and experts have expressed doubts about how much Apple's changes would ultimately broaden consumer choice and digital competition.

Contacted by AFP about the letter, the European Commission said that proposed compliance measures announced by designated gatekeepers would be "properly analyzed" once the March 7 deadline passes.

That analysis would be "in its completeness and not just based on few announcements", a spokesperson said.

"We are looking very carefully at how companies are complying and once we have full enforcement powers will not hesitate to act," the spokesperson said.

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