

The EU Needs an Effective Digital Markets Act

We write to you as a large group of technology companies of all sizes operating in Europe from 14 different countries, as well as a business association of more than 45,000 digital SMEs, to urge you to include and support in the upcoming Digital Markets Act the stronger upfront rules for dominant “gatekeeper” firms detailed below. Such requirements are key to unleashing Europe’s economic potential and empowering market challengers to ultimately stand a chance for becoming global tech leaders.

- **Extend the interoperability provision to all core platform services, for all business and consumer offerings.** Interoperability is a key factor in the Internet’s original success and a key tool for the EU to gain digital sovereignty, restore opportunities amongst industry players of all sizes and promote fair competition on digital markets. An interoperability provision extended to all consumer platform services would result in more efficiency for businesses and public administrations, thus fuelling competition and innovation in the digital markets, by enabling companies of any size to compete with the gatekeepers on the basis of their merits.
- **Prohibit the gatekeepers’ harmful self-preferencing by introducing an explicit pre-installation and default setting ban for core platform services.** End-users should be able to select their preferred core platform service through for example a preference menu. Just the possibility to uninstall applications or to more easily change defaults is by far not enough to address the core of the problem, since 95% of users never change the defaults that come with their device. This is especially harmful on smartphones, now the main gateway to the Internet for most users.
- **Extend the bundling prohibition to ancillary services,** as narrowing the provision to core services only could still limit market contestability. Bundling is a common way for gatekeepers to extend their dominance into other services, rapidly taking over the related markets.

Digital markets where incumbent companies already benefit from large user bases are extremely hard to challenge due to the so-called “network effect”, even when other companies and startups conceive better, more innovative products. Gatekeepers build closed ecosystems - “walled gardens” - through the lack of interoperability, and then use bundling and self-preferencing to expand them into other products and services. Enforcing competition, consumer choice and interoperation with other service providers would allow European challengers to compete on the merits of their services.

The Digital Markets Act holds the potential to solve the above issues and unleash the European internet industry. **To move away from those walled gardens, we urge you to ensure that the DMA tackles barriers to interoperability, bundling and anticompetitive default setting through pre-installation.**

We hope you will seize this opportunity.

 <p>ArtabroTech (Spain)</p>	 <p>Collabora (United Kingdom)</p>	 <p>European DIGITAL SME Alliance (Belgium)</p>
 <p>eFoundation / eCorp (France)</p>	 <p>Ecosia (Germany)</p>	 <p>Element (United Kingdom)</p>
 <p>Greensoft (Serbia)</p>	 <p>Mailfence (Belgium)</p>	 <p>Mailo (France)</p>
 <p>Meetecho (Italy)</p>	 <p>Mojeek (United Kingdom)</p>	 <p>nabtel (Germany)</p>
 <p>Nextcloud Hub (Germany)</p>	 <p>Omnis Cloud (Luxembourg)</p>	 <p>Open-Xchange (Germany)</p>
 <p>PowerDNS (The Netherlands)</p>	 <p>Proton AG (Switzerland)</p>	 <p>RENVIS (Greece)</p>
 <p>Seeweb (Italy)</p>	 <p>Tanaza (Italy)</p>	 <p>Tutanota (Germany)</p>
 <p>UnivrSES (Sweden)</p>	 <p>Vivaldi (Norway)</p>	 <p>Yelp (United States)</p>

To learn more about the Coalition, please visit our website at <https://competitivedigitalmarkets.eu/>.