

European Commission Criticised for Weakly Regulating Big Tech

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European politicians and advocacy groups are adamant that the region's legislation is not hardline enough to dismantle the monopolies of Big Tech companies. In the last week, two open letters have been penned to regulators criticising how Apple and Google remain unchecked.

On Jan. 16, four digital rights groups responded to the measures proposed by the European Commission for Apple to ensure interoperability with iOS and iPadOS operating systems. They allege that Apple's current process for handling interoperability requests is convoluted, discouraging developers from submitting them.

"Gatekeeper" organisations — the most prominent tech firms operating in Europe, including Apple and Google's parent company Alphabet — must provide third parties with the tools they need to make their software and hardware products work seamlessly with their own, as per the Digital Markets Act.

SEE: EU Approves NVIDIA Deal With Run:ai, Pushes for Apple Interoperability

The next day, Club de Madrid, a network of former European heads of state, voiced its support of the Commission "end(ing) Google's monopoly over digital advertising technologies" through forced divestiture.

"Google's unchecked dominance, stemming from its 2007 acquisition of DoubleClick, has stifled competition and consolidated its control over every segment of the adtech

market," the 18 leaders wrote in a letter.

In June 2023, the Commission told Google that a "mandatory divestment" of part of its ad tech business would be the only way to address competition concerns. This came after an investigation yielded the preliminary view that the company had breached E.U. antitrust rules. According to Club de Madrid's letter, the Commission will announce the final outcome soon.

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Digital advocacy groups say Apple is still able to avoid interoperability with the existing Digital Markets Act

In September 2024, the European Commission initiated two proceedings under the DMA to guide Apple into enhancing interoperability between iOS, iPadOS, and third-party devices like smartwatches and headphones. Then, in December, it published its preliminary findings and proposed remediations.

Recommended measures include improving compatibility between iOS and features of devices such as smartwatches and earbuds. These features include notifications, automatic Wi-Fi connections, AirPlay, AirDrop, and automatic Bluetooth audio switching.

SEE: Meta and Apple Violated the Digital Markets Act, EU Charges

The authority also suggested that Apple make its process for developers to request interoperability within iOS and iPadOS features more transparent and predictable. This involves providing clear information about its internal features and timely request status updates.

However, Free Software Foundation Europe, ARTICLE 19, European Digital Rights, and Data Rights said that the Commission's proposals are "clearly deficient and structurally incapable of delivering effective interoperability." In their letter, the groups recommend that Apple should:

- Embrace interoperability by design as it is "required by the letter of the DMA" rather than relying on a reactive, request-based model.
- Not be allowed to "impose non-disclosure agreements solely at its own discretion" that block access to APIs.
- Be required to provide a standardised, freely accessible interoperability request form to developers, dedicate adequate resources for handling them, and offer greater transparency on a request's status or rejection.
- Not be able to use security claims to block effective interoperability.
- Be encouraged to offer "flexible" third-party APIs in response to interoperability requests, which accommodate diverse developer needs.
- Improve or overhaul its system for addressing interoperability-related bugs.

They also suggest that the Commission should appoint neutral conciliators to resolve disputes and prevent Apple bias.



In response to the Commission's proposed measures, Apple published a document outlining how granting access to its technology stack and, thus, user data could compromise privacy and security. It highlighted how Meta had made 15 requests for access to Apple's software tools that, if accepted, would provide swathes of user data, and that the company "has been fined by regulators time and again for privacy violations."

SEE: Meta Offers Less Personalised Ads for EU Users to Appease Regulators

Meta Communications Director Andy Stone responded to this on X: "Here's what Apple is actually saying: they don't believe in interoperability. In fact, every time Apple is called out for anticompetitive behavior, they defend themselves on privacy grounds that have no basis in reality."

Former European heads of state say that Google's dominance in the ad tech sector puts democracy at risk

The digital advertising technology sector, known as the "ad tech stack," includes various intermediaries facilitating the sale of online ads. Google owns four of these: Google Ads, DV360, AdX, and DoubleClick For Publishers.

Google Ads and DV360 are both used by advertisers to bid for advert spaces on websites and apps. DoubleClick For Publishers is a platform for managers of websites and apps where they can list their available ad space. AdX connects the two by matching the highest bidding advertiser with the website or app manager in a real-time auction.

Club de Madrid described this setup as "as if Goldman or Citibank owned the New York Stock Exchange." Google's ownership of a significant portion of the ad tech stack means that "Europe's democracy is still at risk" despite the publication of the pioneering DMA and Digital Services Act.

The group, which includes former heads of state from France, the Netherlands, Austria, Greece, Sweden, Belgium, Finland, and Poland, said that Europe's "reliance on foreign platforms" that influence the bottom line of news organisations could erode local journalism, ultimately resulting in the proliferation of misinformation, political and otherwise.

Club de Madrid made two recommendations in its letter:

1. Regulators should be given the resources and authority to implement structural remedies that restore fair competition, following decisive action in the ongoing Google investigation.
2. The Commission should actively seek to foster European innovation — such as by supporting startups, enforcing the DMA and DSA, and building independent digital infrastructure.

The second point specifically addresses recent criticism that lack of funding and over-regulation has led to a technological gap between Europe and other global superpowers like the U.S. Only four of the world's top 50 tech companies are European.



Club de Madrid also supports the sentiments voiced by Teresa Ribera, Europe's new competition commissioner, on Bloomberg TV where she said that Google's divestment order is still on the table.

In response to the letter, a Google spokesperson told the Wall Street Journal: "As we have said before, while we disagree with the European Commission's view, we have been engaging constructively." They added that the company is committed to creating value for publishers and advertisers.

Authorities across the world have taken issue with Google's adtech practices. The U.K.'s Competition and Markets Authority provisionally ruled that Google's dominance in the ad tech market is detrimental to competitors in September.

The Alphabet-owned company is also facing a similar antitrust lawsuit from a collective of online publishers in the U.K.. Ad Tech Collective Action alleges that Google has abused its dominant position in the digital advertising technology sector, leading to losses worth £13.6 billion.

Across the pond, an ongoing investigation by the U.S. Department of Justice alleges that Google "has unlawfully used the distribution agreements to thwart competition." Additionally, in August, a federal judge ruled that the tech company holds a monopoly on general search services and text ads and has broken antitrust law.

However, Google does not take these accusations lying down. In September, the tech company successfully overturned a €1.5 billion antitrust fine it received from the European Commission in 2019 for preventing third parties using its AdSense platform from displaying competitor ads next to Google search results.

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