

Recent competition policy initiatives, legislative developments and challenges ahead

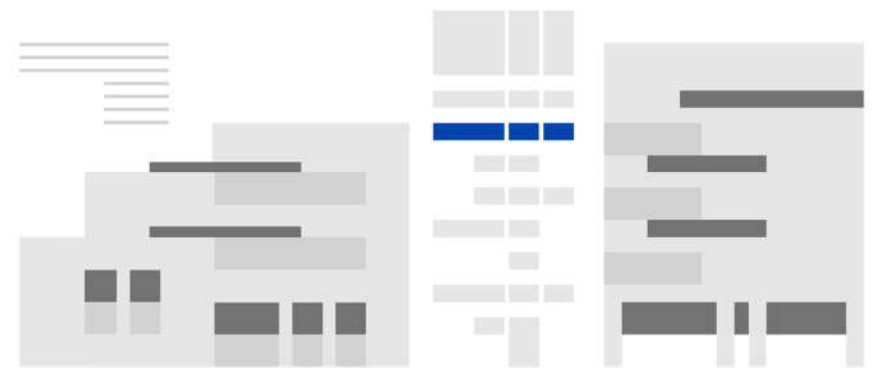
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Digital Markets Unit (DMU)

- Established within the CMA
- A new ex ante regulatory regime for the most powerful digital firms
- Promoting greater competition and innovation in digital markets, and protecting consumers and businesses from unfair practices
- Legislation expected shortly



The case for change: Competition problems in digital markets



- Lack of effective competition in digital markets arising from specific market features, compounded by firms' behaviour
- Firms also use mergers and acquisitions to build a strong position and reinforce it
- The accumulation and strengthening of market power by a small number of digital firms has the potential to cause significant harm

The case for change: Issues with existing tools

Backward-looking -
generally penalising
previous conduct rather
than shaping
future outcomes

**Slow to remedy
problems** - particularly
in fast-moving markets

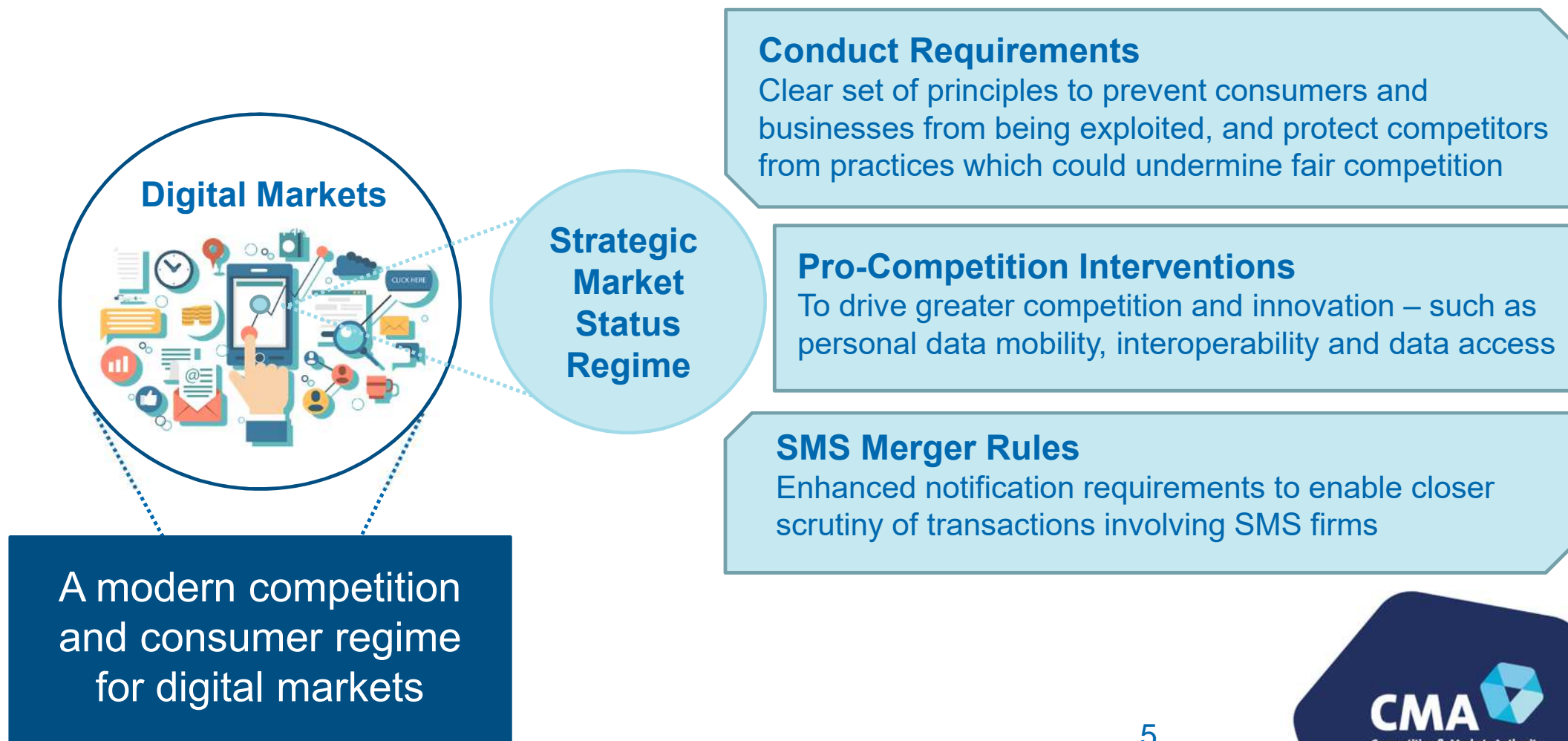
Often narrow scope -
necessary to mount a
successful case

Inflexible remedies -
with limited ability to
test, trial
and adapt over time

Risks of incoherence
across different cases

Capacity challenges –
each case requires
own competition
assessment

The Pro-Competition Regime



Using our existing powers while the DMU is in shadow form

	Competition enforcement cases	Consumer enforcement	Market studies and investigations	Mergers
Completed	<ul style="list-style-type: none"> Google Privacy Sandbox 	<ul style="list-style-type: none"> Social Media Endorsements 	<ul style="list-style-type: none"> Digital Advertising Market Study Mobile Ecosystems Market Study 	<ul style="list-style-type: none"> Facebook/Giphy Facebook/Kustomer
In Progress	<ul style="list-style-type: none"> Apple: App Store practices Google: App Store practices Google: AdTech Stack Google/Meta: Header Bidding agreement Amazon: Use of data and conduct on marketplace Meta: Use of data 	<ul style="list-style-type: none"> Fake Online Reviews Online choice architecture 	<ul style="list-style-type: none"> Market Investigation: Mobile Browsers and Cloud Gaming Cloud Market Study (being led by Ofcom) 	<ul style="list-style-type: none"> Microsoft/ActivisionBlizzard