1st Global Forum on Digital Competition: Regulation and International Cooperation

(Summary)

Opening Remarks

Mr. Kazuyuki Furuya, Chairman, Japan Fair Trade Commission (JFTC), welcomed the participants. He noted that the Global Forum's timing coincides with significant developments in Japanese digital market regulation, specifically the passing and planned implementation of the Mobile Software Competition Act (MSCA), and represents Japan's commitment to shaping future digital market regulations and fostering enhanced stakeholder communication.

Mr. Furuya emphasized international cooperation as crucial for addressing global digital competition issues. The JFTC seeks to strengthen relationships through bilateral exchanges and multilateral efforts like this Forum, maintaining these bonds regardless of recent leadership changes across competition authorities. As confirmed at the G7 Joint Competition Enforcers and Policy Makers Summit in Rome, managing digital competition issues is now a shared global challenge.

In closing, Mr. Furuya, emphasized the JFTC's commitment to promoting fair competition through cross-border cooperation and stakeholder engagement, and hoped that the Global Forum would contribute to deepening discussions and friendly relations.

Keynote Speech

Mr. Hiroo Iwanari, Director General, Economic Affairs Bureau, JFTC and Deputy Secretary General, Cabinet Office Headquarters for Digital Market Competition, explained that the Forum addresses digital market regulation and international cooperation, and emphasized that flexible law application through stakeholder communication, combined with transparency, is vital for sustainable market development, innovation, and predictability.

The Forum will feature three panel discussions. The first examines how competition authorities are responding to digital market challenges, including ex-ante regulations and antitrust enforcement actions. The discussion will cover recent legislation such as Europe's Digital Markets Act (DMA), the UK's Digital Markets, Competition and Consumers Act (DMCCA), and Japan's MSCA, highlighting the importance of international cooperation in addressing shared regulatory challenges.

The second panel explores how companies and authorities can effectively communicate under new digital regulation regimes. The discussion will focus on achieving transparent and flexible law enforcement while avoiding adverse effects on user security and business innovation. It will also address resource constraints in gathering stakeholder feedback, a common issue among regulators.

The final panel addresses how to make digital regulations "future-proof" in a rapidly

evolving technological landscape. The discussion will examine when existing tools suffice and when new frameworks are needed. As the digital economy evolves, regulators must swiftly address competition issues and uncertainties through adaptable, evidence-based regulation.

Mr. Iwanari concluded by expressing hope that the discussions, featuring wide-ranging perspectives, will enhance global competition policies and business environments.

Panel Discussion①: Responses by Competition Authorities and International Cooperation in Digital Markets

Panelist Remarks

Mr. Takujiro Kono, Director of the International Affairs Division at the Japan Fair Trade Commission (JFTC), moderated the panel discussion. He explained that the digital marketplace is intensifying competition among companies in novel ways, while simultaneously creating new challenges for consumer protection and fair competition maintenance. The rise of the platform economy and increased data utilization necessitates the development of new regulatory frameworks. Globally, a significant challenge lies in determining how different nations' competition policies can work together and establish common ground. In light of this, the panel discussion will explore different authorities' initiatives and gather insights on international cooperation experiences and lessons learned.

Mr. Thomas Kramler, Deputy Director, Directorate-General for Competition, European Commission, provided insights into the DMA and the European Commission's approach to digital competition regulation. He began by explaining the genesis of the DMA. Traditional antitrust enforcement had various limitations, such as case-specific theories of harm that were not easily extrapolated, a "whack-a-mole" approach of fixing issues as they emerged, and lengthy proceedings. The DMA was proposed as a legislative tool to address these systematic issues and complement existing antitrust rules.

The DMA simplifies enforcement by identifying regulated companies through quantitative thresholds and incorporating direct obligations for gatekeepers. The Commission is currently investigating three main areas: app store steering restrictions, Google's search self-preferencing, and Meta's cross-platform data combination. Both specification and non-compliance procedures are available to ensure implementation.

Mr. Kramler emphasized the importance of balance between regulatory dialogue and enforcement powers, noting that companies naturally test boundaries with new legislation. Furthermore, international cooperation remains crucial as regulators face similar issues and share goals of increasing choice, innovation, and freedom of action for companies.

Next, Mr. Ryota Inaba, Director, Office of Policy Planning and Research for Digital Markets, JFTC, explained that the newly created MSCA focuses on smartphones as indispensable devices for consumers and crucial business infrastructure. This supplementary law represents a significant development for the JFTC's existing Antimonopoly Act enforcement in the digital space.

Given the time-consuming nature of addressing challenges through existing competition laws, the MSCA aims to revise the competitive environment for apps, application stores, etc. The law is created in a way that balances privacy, security, competition, and innovation. While sharing similarities with the European Commission's DMA, such as the designation of regulated entities and prohibition of specific misconduct, the MSCA differs in its narrower scope, focusing specifically on the mobile ecosystem.

Full implementation is scheduled for December 2025, but there are several challenges for effective operations. The JFTC is considering constructing detailed rules and guidelines while clearly assessing their impact on users. Also, information from stakeholders will be crucial, hence the establishment of dedicated communication channels. The JFTC hopes that businesses see the MSCA as a business opportunity, and is strengthening implementation systems to support this.

Ms. Eleni Gouliou, Director of International, Competition and Markets Authority (CMA), explained the UK's new digital markets regime. While large technology firms have driven innovation, their concentrated market power has raised concerns about weakening competition, impacting business access and leading to reduced consumer choice and higher prices. The DMCCA aims to address these concerns in a targeted and proportionate manner.

The new DMCCA allows the CMA to designate firms with "strategic market status" (SMS) if they have substantial and entrenched market power in digital activities. The regime has three main pillars: conduct requirements, pro-competitive interventions addressing sources of market power, and merger reporting for deals over 25 million pounds with a UK connection.

In January 2025, the CMA launched its first investigations on whether Google's general search and search advertising services have SMS, as well as parallel investigations into Apple's and Google's mobile ecosystems. The Google search investigation acknowledges the company's dominant position with over 90% of UK search queries, while the mobile ecosystem investigations examine operating systems, app stores, and browsers used by 94% of UK adults.

Regarding enforcement, the CMA is committed to a participative approach with stakeholders to avoid procedural challenges and delays. The DMCCA enables the design of bespoke remedies, including the ability to trial solutions before full implementation. The CMA is focusing on four key principles: proportionality, pace, process, and predictability, while ensuring domestic and international coherence.

Ms. Melissa Hill, Deputy Assistant Director, Anticompetitive Practices II Division, Federal Trade Commission (FTC), addressed how both the FTC and the Department of Justice (DOJ) have significantly expanded their involvement in the technology space since 2020. The FTC has strengthened its organizational capabilities and has focused more attention on developments in technical fields in recent years.

Current enforcement actions under Section 2 of the Sherman Act have targeted several

significant cases of alleged monopolization, including the DOJ's successful prosecution of Google for search and ad tech monopolization, as well as ongoing FTC cases against Meta regarding social media acquisitions, Amazon concerning online marketplace monopolization, and Apple regarding smartphone market monopolization.

Application of U.S. antitrust laws to digital sectors presents unique challenges in defining markets with zero-price settings and evaluating factors like user lock-in and network effects. These cases face challenges including third-party reluctance to share information and resource-intensive technical analysis requirements.

International cooperation remains essential, as enforcers worldwide address similar conduct by the same firms. The FTC and DOJ maintain cooperation agreements with numerous foreign competition agencies and participate in multilateral forums to facilitate cross-border investigations and information sharing.

Discussion

Mr. Kono opened the discussion and asked about indispensable elements for international cooperation.

Mr. Kramler outlined two perspectives. On the agency side, while jurisdictions operate under different laws, their goals align closely, making remedy design the most promising area for cooperation. For regulated entities, attempting to play regulators against each other by limiting information sharing is likely to fail. Instead, given the global nature of business models, companies should work toward aligned remedies across jurisdictions.

Mr. Kono then asked the panelists what common issues should be resolved through international cooperation.

Ms. Hill noted that while jurisdictions may differ in their regulatory approaches, similar patterns of anti-competitive conduct have been identified worldwide. The FTC's 2023 Amazon lawsuit exemplifies these shared concerns, particularly regarding anti-discounting measures that parallel the European Commission's DMA. Similar overlaps exist in cases involving Google's search markets, online advertising, and app store regulations across multiple jurisdictions. Common ground exists in analyzing technology products, market dynamics, and potential remedies, underscoring the importance of international dialogue given technology firms' global reach.

Mr. Inaba pointed out the increasing complexity of digital markets, which requires expert technical analysis, and the JFTC is actively working to expand its technological capabilities, including establishing a new chief technologist position. Every country faces challenges in recruiting sufficient technical expertise, and knowledge-sharing and detailed discussions among regulators can help address these gaps.

Following up, Mr. Kono asked what means should be employed to resolve these common issues.

Ms. Gouliou noted that while competition authorities focus on their jurisdictions, they

also share common goals of opening digital markets to competition and fostering innovation. Minimizing regulatory divergence benefits SMS firms, new entrants, investors, and consumers. International engagement and open dialogue on a theoretical level and also on a practical level are important and can be conducted through multilateral networks.

In addition, agencies can cooperate effectively even without formal waivers by discussing legal regimes, case approaches, and analysis methods, though not confidential information. SMS firms that restrict information-sharing through waivers may face increased regulatory burden and potential divergence in remedy design. They should be encouraged to facilitate agency interactions for more consistent regulatory outcomes instead.

Internally, agencies face common issues in resourcing, prioritization, and technical expertise. Since 2019, the CMA has built an in-house data technology and analytics unit combining data scientists, engineers, technologists, behavioral scientists, and digital forensics experts, with plans for continued development.

Mr. Kramler highlighted remedy design as the most promising area for collaboration and noted that the most effective approach would be identifying specific technical topics where agencies face common challenges. Such topics could include choice screens, access to search data, and alternative distribution methods on app stores and their fee structures.

Mr. Kono then invited questions from the audience. The first question concerned the efforts by regulators to protect juveniles and children.

Mr. Inaba answered in the context of the MSCA. The protection of children, privacy, and security have been key considerations. Guidelines are being developed to clarify necessary actions and target specific cases from a child protection perspective. The JFTC is consulting various stakeholders and has established a dedicated expert committee, which includes specialists in juvenile and children protection legislation, to provide guidance.

Another question was asked regarding concerns about data security and international competition under Japan's MSCA.

Mr. Inaba explained that the new law incorporates measures to ensure security, such as protections against unauthorized data-sharing and leakage, while promoting competition. The SMCA's scope has limitations, however, and issues beyond its framework, particularly those involving national security, would require different approaches and measures. The JFTC is currently developing enforcement guidelines in collaboration with other government ministries and agencies.

Finally, a question was raised on how existing procedures would be continued following the enforcement of the MSCA.

Mr. Inaba explained that the new law maintains certain procedural elements from previous legislation, including affirmation and commitment procedures. At the same time, the MSCA will emphasize expeditious and proactive processes. Detailed operational aspects of the act remain under consideration.

Mr. Kono closed the session by expressing his hope that the discussions contributed to strengthening international cooperation and to aiding understanding of how competition law is being deployed globally.

Panel Discussion②: Communication between Companies and Authorities under Digital Regulation Regimes

Panelist Remarks

Mr. Yusuke Takamiya, Partner at Mori Hamada & Matsumoto and moderator of the session, framed the discussion around the importance of sustained dialogue between competition authorities and stakeholders in developing and operating competition regimes.

Ms. Filomena Chirico, Head of Unit, Digital Markets, European Commission Directorate-General for Communications Networks, Content and Technology, outlined the DMA framework and how communication occurs within it. The DMA operates as ex-ante regulation, establishing mandatory requirements and ensuring compliance through constructive dialogue rather than identifying specific wrongdoings. The dialogue process extends throughout the regulatory lifecycle. Multiple regulated entities can observe and comment on each other's compliance methods. Furthermore, market participants, including beneficiaries and end users, provide valuable information about market conditions without being formal complainants.

Key instruments in this regulatory framework include annual compliance reports, which have both public and comprehensive versions. Compliance workshops and technical meetings bring together regulated entities and beneficiaries to address complex technical matters that require specialized knowledge from technical experts.

The DMA requires regulated entities to maintain dedicated compliance offices and officers. Information requests and internal document reviews occur not necessarily due to suspected wrongdoing, but to understand companies' compliance approaches. The framework also introduces retention orders, which compel companies to preserve documents for future reference, and establishes a specific DMA whistleblower tool for anonymous reporting.

Ms. Mika Koizumi, Director, Research Institute for Small Business, Freee K.K., first explained that her company provides financial technology solutions to businesses from sole proprietors to public companies. She then emphasized the importance of dialogue with regulators in the digital field and explained that whereas many companies follow a three-line defense model where compliance functions sit in the second line within internal management units, Freee embeds these functions directly in the product development team as a kind of "1.5 line of defense." This structure enables the company to develop products from a small business perspective, while maintaining compliance and generating

policy proposals when existing laws prove outdated.

Speaking from personal experience, Ms. Koizumi also pointed out that the Japanese lifetime employment system often creates silos between administrative and private sector careers. She explained that the market needs "translators" who can foster mutual understanding between regulators and businesses, with career fluidity serving as a crucial bridge between both sides in the Japanese context.

Mr. Suguru Iwaya, Director, Digital Market Policy Office, Ministry of Economy, Trade and Industry (METI), discussed the 2021 Transparency Act, which regulates online shopping, application stores, and digital advertising. The Transparency Act establishes fundamental requirements for platform operators, including clear disclosure of platform conditions and proper handling of account terminations. METI's enforcement approach emphasizes co-regulation, where basic compliance requirements are set by law, but platform operators have flexibility in implementation methods. Annual evaluations are conducted using multi-stakeholder approaches to assess operator transparency and fairness.

To enhance communication with business users, METI has established dedicated consultation desks for each market segment, enabling bilateral communication between platform operators and users. The adoption of these consultation services varies across sectors. Budget constraints also present an ongoing challenge for these services.

When working with regulators, three key areas of mutual understanding are essential. First, regulatory requirements must be clearly communicated and understood. Second, different risk governance styles and practices among regulators need to be recognized and accommodated, and platform operators also employ various approaches to combat fraudulent activities. Third, understanding sector structure and commercial practices is crucial, particularly in complex areas like digital advertising.

Mr. Marcus Bartley Johns, Senior Director of Asia, Government Affairs and Public Policy, Microsoft, stated that comprehensive understanding benefits all stakeholders, including regulators, policymakers, companies, and society as a whole, and highlighted three key points.

First, collaboration and information sharing are most effective when approached as a multistakeholder, multilateral process rather than just bilateral exchanges between regulators and companies. Timely responses by companies to regulatory information requests forms a baseline, but the ultimate goal should be building trust between companies and regulators. Furthermore, broad engagement, beyond just the competition domain, helps enrich dialogues.

Second, regulatory guidance for companies carries significant value, particularly in clarifying new legislation, and specific guidance is more helpful than general statements. Detailed explanations of how rules apply to particular business models or products help create shared understanding between a regulator and a company.

Third, regulatory work increasingly spans regions with multiple jurisdictions and diverse languages and cultures, which can create practical challenges. Direct dialogue, rather than just written exchanges, can be very valuable for overcoming these issues by fostering trust and understanding.

Mr. Sean Dillon, Senior Director of Competition Law and Regulation, Apple, addressed approaches to effective communication between companies and regulators in digital markets. At Apple, compliance is grounded in corporate values, with priority given to creating innovative products while protecting consumer experience, safety, security, and privacy in a dynamic market with emerging threats. Apple approaches new regulations by prioritizing users and their expectations through comprehensive internal discussions involving privacy, security, business, and legal experts.

An effective working relationship with regulators is essential, and Japanese regulators have demonstrated leadership through transparency and clarity. Clear guidance on compliance requirements is particularly valuable, as legal provisions can be complex, and predictability in regulatory requirements is crucial for innovative companies, especially given the significant time and resources required for compliance changes. Apple's experience with Japanese agencies has been constructive, with interagency coordination providing diverse perspectives on consumer benefits.

In addition, it is important to ensure a balanced approach to stakeholder communication. While many successful app developers have become prominent advocates for new regulatory proposals, regulators need to remain open to all stakeholders' perspectives, particularly consumers who ultimately use the products.

Discussion

First, Mr. Takamiya asked the panelists for their key takeaways for enhancing communication between platformers and regulators.

Mr. Iwaya suggested that common ground must be established. Regulators need to understand business users' situations while also considering platform operators' risk management approaches, their position in value chains, and their grasp of regulations.

Mr. Dillon agreed with the importance of transparency and clear communication. He noted that dialogue between regulators and platforms must be iterative rather than one-sided, with clear guidance emerging from ongoing conversations. Operating under a presumption of good faith is also vital. Apple focuses on user safety, security, and privacy, which aligns well with regulators' priorities.

Ms. Chirico noted that while corporate cultures vary in their openness to ex-ante compliance, building trust is essential for productive dialogue. Also, speaking with regulators is particularly challenging for small businesses, who often fear retaliation from larger gatekeepers. Additionally, the DMA experience has shown that practical solutions emerge more readily when technical experts, rather than legal teams, lead discussions.

Mr. Bartley Johns expressed Microsoft's appreciation for engagement with the European

Commission on the DMA, emphasizing that while complete agreement is not always possible, working toward a shared understanding of technology and business models through dialogue is crucial.

Ms. Koizumi explained that Freee approaches regulatory communication by first providing comprehensive context, such as business distinctions, overall market dynamics, and technological developments. She also noted that business associations are vital in facilitating communication between regulators and FinTech startups, which typically lack dedicated legal and external affairs resources.

Mr. Takamiya then asked the panelists for their thoughts on the institutional design of communication with competition authorities, such as regulatory frameworks that would encourage more proactive dialogue between regulators and businesses to support the new challenges faced by businesses.

Mr. Bartley Johns advocated for practical spaces where regulators and industry can explore technology together, citing Singapore's financial sector, where stakeholders collaborate in sandbox environments to understand AI implications. Microsoft has had similar productive engagement with privacy regulators exploring privacy-enhancing technologies and their potential implications on existing regulations or development of new laws. While these specific models should not be directly copied for competition law, they demonstrate the value of direct engagement with technology.

Ms. Chirico described the European Commission's shift from traditional enforcement to more collaborative, non-adversarial relationships with businesses, citing the DMA's new specification decision tool that uses dialogue to transform vague obligations into clear compliance pathways and focuses on guiding companies toward compliance rather than penalizing failures.

Next, Mr. Takamiya asked Ms. Koizumi if Freee has any practical concerns in its communication with the Japanese regulatory authorities.

Ms. Koizumi highlighted her main concern regarding confidentiality protections when sharing sensitive business information and uncertainty about the actual level of protection of confidential information. She noted Japanese authorities' general resistance to establishing individual non-disclosure agreements (NDAs) with private companies, but suggested that implementing NDA confidentiality frameworks would encourage companies to share more current information.

Mr. Takamiya followed up by asking Mr. Dillon whether he had any concerns or ideas for improvement in relation to providing information and materials to regulatory authorities.

Mr. Dillon highlighted two key concerns: maintaining confidentiality of sensitive information, particularly given the increasingly technical nature of documents being shared, and ensuring proportionality in information requests. He also noted that meeting rapid response timelines can be challenging given the complexity of gathering technical

information.

Mr. Takamiya then requested the panelists to share their experiences interacting with the Japanese regulatory authorities and any best practices they would suggest for communications between companies and regulators.

Mr. Dillon described Apple's constructive relationship with Japanese authorities, praising their commitment to clarity and transparency, and noting how cross-agency communication, where regulators seek input from multiple ministries and agencies, has improved regulatory outcomes.

Mr. Bartley Johns echoed the positive experience, praising Japan's inclusive approach to digital policy development. At the same time, he suggested the need for structured dialogue mechanisms between regulators and stakeholders as implementation begins, potentially through formal forums like those in other jurisdictions.

Mr. Takamiya also asked for the regulatory panelists' perspectives.

Ms. Chirico emphasized the importance of coordinated regulatory oversight in digital markets, highlighting the DMA's High-Level Group as a mechanism for facilitating communication among regulators.

Mr. Iwaya highlighted the need for regulatory networking and cross-ministerial coordination.

Lastly, Mr. Takamiya invited closing comments from the panelists.

Mr. Dillon noted the value of candid and direct guidance from regulators, effective and constructive communication, and user experience.

Mr. Bartley Johns concluded that there is no one-size-fits-all approach, but the panel has shared great ideas and practices to build on.

Ms. Koizumi stated that communication and regulations are two sides of the same coin and emphasized the need to enhance competition and collaboration at the same time through trial and error.

Ms. Chirico recognized the value of the discussions, which should contribute to efforts that ultimately benefit users and consumers.

Panel Discussion③: How to Make Digital Regulations "Future-Proof"

Panelist Remarks

Mr. Simon Vande Walle, Professor, University of Tokyo, and moderator of the discussion, explained that the session's central question is how to ensure digital regulations remain effective over time. No magical formula exists for future-proofing regulations, but the session's goal would be to explore concrete steps for regulators and businesses when rules need to adapt to rapidly evolving circumstances. Future-proof regulations must be flexible

enough to handle emerging technologies and new business models without becoming obsolete, while also maintaining predictability and innovation incentives for businesses.

Mr. Andrew Francis, Director, Digital Platforms Branch, Australian Competition and Consumer Commission (ACCC), detailed Australia's digital platform regulation efforts. The ACCC has conducted market inquiries that have identified significant competition and consumer issues in digital services and generated recommendations spanning competition law, consumer law, small business protection, and media regulation.

Australia has proposed an ex-ante competition regime introducing requirements for designated digital platforms deemed critical to the Australian economy. The legislation would establish overarching principles, designation powers, broad obligations, and enforcement mechanisms, with the ACCC enforcing obligations once a platform is designated by a government minister. Initial priorities for investigation include app marketplace services, ad tech services, and potentially social media services.

The Australian digital market presents a dynamic yet concentrated environment. While new entrants like TikTok can rapidly gain significant user bases and new AI-powered services continuously emerge, established players like Google in search and Facebook in social media have maintained dominant positions. In this context, future-proofing means keeping regulation effective amid rapid and broad changes to services and market conditions. Regulation should be flexible to enable timely responses to market changes but also targeted to address specific issues proportionately and minimize unintended consequences such as dampening innovation incentives. International cooperation would be crucial for learning from different jurisdictions' experiences.

Mr. Takamasa Kishihara, Managing Director, Mobile Content Forum (MCF), outlined MCF's history and its role in digital regulation. Established in 1999 with the launch of Japan's i-mode mobile internet service, MCF has extensive experience in co-regulation activities and has contributed to various regulatory initiatives. It helped formulate guidelines to open up the i-mode charging system and established a social media content moderation certification system for juvenile protection.

MCF has also helped implement requirements for developers to disclose smartphone user information collection practices. Furthermore, it has engaged in co-regulation efforts with regulators and platform operators such as Apple and Google, particularly in areas of content moderation and online crane games.

Recent activities include establishing a consulting desk under the Transparency Act, where self-regulation serves as the basic policy. This approach promotes innovative initiatives by digital platform operators, though challenges remain regarding liability, responsibility, and enforceability. The key lies in developing effective incentive systems and striking a balance between enforcement and flexibility. In addition, during the new smartphone legislation deliberations, MCF and other business associations have advocated for a shift from a platform operator-dependent growth model to one promoting multi-player competition for user benefit.

Ms. Felicity Day, Senior Competition Counsel for APAC, Google, shared insights on creating future-proof digital regulation. Ms. Day emphasized that the competition landscape requires regulations flexible enough to adapt to technological change while encouraging innovation, with current AI developments exemplifying how technology is transforming industries. She then shared three key lessons from Google's experience with ex-ante regulatory initiatives globally.

The first key lesson centers on the importance of regulatory safeguards that balance both company and regulator objectives. Companies need freedom to innovate while regulators must ensure access to pro-competitive products. Japan's smartphone legislation demonstrates this balance through built-in justifications for obligations, such as user convenience and security.

The second lesson focuses on regulatory consistency across platforms and sectors. Inconsistent rule application can create poor user experiences. Regulations need to be applied uniformly across different platforms to avoid fragmented user experiences.

The third lesson concerns the necessity of evidence-based interventions. This is illustrated by Google's implementation of DMA data portability requirements, where the company developed a comprehensive data portability tool through extensive testing and stakeholder engagement and continues to enhance it based on multi-party regulatory dialogue.

Mr. Euan MacMillan, Senior Director, Digital Markets Unit, CMA, outlined the UK's approach to future-proofing digital market regulations through the DMCCA. The overall aim of the UK legislation is to promote growth, opportunity, and prosperity, while ensuring regulations remain targeted, proportionate, and responsive to market dynamics. The regime emphasizes minimal regulation and maximum innovation.

The UK's approach differs from other jurisdictions by providing a framework for designing and implementing bespoke regulations over time, rather than establishing predefined requirements. The framework provides flexibility in three ways. First, SMS designations are discretionary, lasting five years with the possibility of early de-designation if market conditions change. Second, regulatory requirements can be amended through secondary legislation if they fall within a list of 13 permitted types. Third, mandatory regular reviews of both designations and requirements ensure ongoing adaptation, including the ability to test and trial new approaches with designated companies.

There are, nevertheless, some challenges with this approach, including the slower pace of implementation, uncertainty for stakeholders, the need for substantial technical expertise, and the need for international coordination to harmonize regulations and minimize business costs across jurisdictions.

Discussion

Mr. Vande Walle asked the panelists if any lessons could be drawn from past remedies in traditional competition law cases, what some flaws were, and how those are being

addressed under new ex-ante regulations.

Mr. Francis noted that competition cases require lengthy timelines, making enforcement particularly ineffective in fast-moving digital markets. Traditional remedies often prove inadequate as they fail to tackle underlying structural issues and markets may experience irreversible changes before implementation. Traditional analytical tools are also ill-suited for digital markets due to challenges in defining relevant markets and measuring service quality improvements.

Mr. Vande Walle followed up by asking how new ex-ante rules would address the "whack-a-mole" issue.

Mr. MacMillan acknowledged the persistence of this challenge but emphasized that new frameworks allow for more nimble responses through consistent oversight. The shift from case-by-case groups to a permanent regulatory body ensures coherent decision-making and sustained engagement with regulated firms.

Mr. Vande Walle asked how authorities should measure the effectiveness of digital market regulations.

Ms. Day highlighted choice screens as a good example. The engineering team at Google conducts qualitative and quantitative research on user behavior and collaborates with the JFTC on these metrics. This ensures better alignment with actual user preferences. Choice screen regulations should focus on ensuring effective user choice rather than forcing market share redistribution. Measurement should therefore center on user experience metrics.

Mr. MacMillan outlined the UK's three-tiered approach to market monitoring: tracking process metrics, evaluating specific regulations against goals using benchmark data, and assessing overall market outcomes through improvements in pricing, quality, and innovation.

Next, Mr. Vande Walle asked Mr. Kishihara for his expectations for the MSCA and how MCF is preparing for its entry into force.

Mr. Kishihara believed that digital regulation should strengthen competition among app stores, application operators, and settlement services. The MCSA should provide a flexible foundation adaptable to the digital industry's pace while incorporating private sector perspectives, ultimately benefiting consumers.

Mr. Vande Walle then requested Ms. Day to elaborate on how evidence-based adjustments to rules can be made in practice, what kind of data regulators should collect for this, how those data can be shared.

Ms. Day advocated for a more sophisticated approach than traditional market testing, one where ex-ante regulatory regimes must identify concrete harms and establish clear causal links to market impacts. Regular data-sharing between platforms and agencies reveals

core issues, as has been shown through Google's work with the CMA. Evaluation of interventions should combine post-implementation metrics with targeted experiments to measure impacts and prevent unintended consequences.

Mr. Vande Walle questioned how competition authorities can verify the reliability of data from digital platforms and whether other stakeholders can provide counterbalancing data.

Mr. MacMillan explained that regulatory oversight must be evidence-based and that authorities can either appoint their own expert or approve a company-appointed one to conduct experiments and test algorithmic changes. While data from immediate experimental changes is valuable, regulators must balance this against long-term market transformation and the potential impact of future market entrants.

Mr. Kishihara acknowledged MCF's challenge in sharing direct market information but emphasized that MCF and other business associations can provide valuable evidence about user needs and consumer trends, citing how the mobile business was shaped by understanding young users' preferences rather than operators'.

Mr. Vande Walle then asked about the trade-off between the need to collect evidence and the need to take swift action.

Ms. Day advocated for focusing data requests on essential evidence, maintaining open dialogue between regulators and companies about data collection methods, and taking an iterative approach to regulation, starting with less intrusive interventions while continuing to gather evidence for potential adjustments. Google is currently exploring this iterative approach with the JFTC.

Mr. Francis noted this challenge's particular relevance in dynamic markets like AI. Australia's proposed approach includes considering successful international remedies for application domestically and potentially adapting them swiftly for the Australian market. Like in other jurisdictions, Australia's framework includes flexibility through exemptions, allowing benign conduct to continue and existing obligations to be reevaluated based on evidence.

The panelists were then invited to comment on international cooperation for future-proofing regulations.

Mr. MacMillan emphasized how international cooperation enables shared learning and efficient implementation, for example through joint market analysis and divided experimental approaches. Company waivers would facilitate sharing sensitive information to implement successful remedies more quickly across jurisdictions.

Ms. Day acknowledged the benefits of international cooperation and consistency in reducing costs and freeing engineering resources for innovation, while cautioning against broad information sharing, particularly during litigation, and emphasizing the need for locally tailored solutions.

Next, Mr. Vande Walle asked Mr. Kishihara about MCF's experience working on co-regulation with the Japanese government and applicable lessons.

Mr. Kishihara noted that while legislative changes in Japan are slow, guidelines can be implemented effectively with JFTC's data-driven oversight. He emphasized the need for co-regulation and highlighted Japan's potential to pioneer new regulatory approaches.

Finally, Mr. Vande Walle invited concluding thoughts from the panelists.

Ms. Day expressed appreciation for the thoughtful discussion and hoped for continued dialogue on these issues.

Mr. MacMillan noted the alignment among different regulatory regimes, despite being in their early stages. While not all solutions are clear, competition authorities are wrestling with similar problems and reaching similar conclusions about the path forward.

Mr. Francis emphasized that future-proofing digital regulation requires iterative development and constructive engagement between stakeholders, with international regulators sharing lessons to enhance competition and consumer choice across jurisdictions.

Closing Remarks

Mr. Masaya Sakuma, Deputy Secretary General, Headquarters for Digital Market Competition, Cabinet Secretariat, delivered the closing remarks. He thanked the participants for their attendance and noted that the thought-provoking panel discussions on digital market regulation and international cooperation have helped prepare for Japan's upcoming MCSA.

The Global Forum has strengthened relationships among regulatory authorities and improved understanding among businesses and regulators, which will lead to more transparent and predictable law enforcement. Going forward, digital market issues will continue to require knowledge-sharing among policy officials, businesses, researchers, and practitioners worldwide.

A second Digital Competition Global Forum will take place in Tokyo in December 2025, when the MCSA takes full effect. With new technologies such as generative AI emerging globally, authorities need to work together on competition issues. The priority should be to create an environment that encourages business innovation while maintaining open communication with stakeholders.

Mr. Sakuma ended by expressing hope for the growth of global competition policy and looking forward to the next forum.