

Coalition for Open Digital Ecosystems

CMA Consultation on the Draft Digital Markets Competition Regime Guidance

1. Background

The <u>Coalition for Open Digital Ecosystems</u> ("CODE") brings together companies sharing a commitment to four core principles, namely: (i) opening up digital ecosystems through cross-industry collaboration; (ii) promoting seamless connectivity and interoperable systems to fuel innovation; (iii) empowering consumers to choose devices and services with ease; and (iv) nurturing an environment of open access.

Launched in December 2023, CODE's membership includes various tech companies of very different sizes, activities, origins and business models.¹ Despite their mixed views and experiences, they all share the conviction that open digital ecosystems are better for businesses, consumers and society.

CODE's goal is to foster an open, constructive and evidence-based dialogue to help translate its guiding principles into effective practical solutions where appropriate, including with respect to regulatory frameworks such as the Digital Markets, Competition and Consumers Act 2024 ("DMCC Act").

CODE is committed to making a meaningful contribution to the pursuance of openness and interoperability by working together with industry players, civil society and public bodies. We welcome the opportunity to take part in the public consultation in respect of the draft guidance for the digital markets competition regime.

2. <u>CODE supports the core aims of the DMCC</u>

CODE's core values converge with certain goals underlying the DMCC; promoting market contestability and open choices, and creating new opportunities for competition, boosting diversity and ultimately increasing consumer welfare.

Although we recognise that there is no universal "one size fits all solution", as a matter of principle, businesses and consumers should be able to enjoy choice and interoperability across the ecosystems of different Strategic Market Status firms. Users should be able to freely select, use, and seamlessly move across a range of

¹ See <u>https://www.opendigitalecosystems.org/</u>. CODE members are Flywallet, Google, Honor, Lynx, Meta, Motorola, Nothing, Opera, Qualcomm, Vodafone and Wire. CODE is an open coalition and any company that subscribes to CODE's core principles is welcome to join.



connected devices and services, from smartphones to wearables, regardless of brands or operating systems.

Importantly, there is no inherent conflict between openness, on the one hand, and safety, integrity or privacy, on the other. The notion that open systems are inherently less secure than their closed counterparts is a common misconception, based on the flawed principle that closed systems are always more secure simply because their inner workings are hidden. True security should not depend on secrecy but on the robustness of the security mechanisms themselves. By being open, systems can build greater trust with users and stakeholders, who can verify security measures directly.

3. CODE looks forward to working with the CMA

CODE believes that the DMCC Act represents a significant opportunity to promote openness and competition in the UK for the benefit of businesses and consumers.

The forward-looking and flexible nature of the DMCC regime allows the CMA to tailor its interventions to achieve effective outcomes, opening up hitherto closed ecosystems, and to allow competition to flourish in new and emerging technologies such as cloud computing, virtual worlds and artificial intelligence.

We look forward to engaging further with the CMA in this area.