

ACTIONS ON CLOUD AND BUSINESS SOFTWARE THROUGH THE UK DIGITAL MARKETS COMPETITION REGIME

31 March 2026

Summary

1. The CMA Board met on 25 March 2026 to determine the next programme of work under the Digital Markets Competition Regime (DMCR).¹ It decided to take a range of actions to address, in aggregate, issues across **cloud and business software**, so that UK businesses and public sector organisations can best select the digital infrastructure and tools that meet their needs.
2. The CMA's approach under the DMCR is to deliver the greatest possible impact for the UK as quickly and proportionately as possible, using the flexibility of the framework to select the most effective approach for each issue. This is evident in the careful tailoring of the first three Strategic Market Status (SMS) designations, where the CMA has consulted on the first set of conduct requirements in search, and on proposed commitments from Apple and Google in mobile. Further measures will follow on both.
3. The CMA can achieve impact through a mix of approaches. Some are legally binding, like SMS designations, conduct requirements and pro-competition interventions. Others draw on proactive steps firms take, enabled by our participative engagement with a range of firms across the ecosystem. Where, in the interest of speed to impact, the CMA takes the latter approach, it always retains the option to return to the more formal alternative if necessary. The flexibility of this approach is a novel and deliberate feature of the UK DMCR, which is already proving its worth in terms of both speed to impact and resilience to future developments in this fast-moving area.
4. The CMA's 2025 market investigation into cloud services (cloud MI) found that Amazon and Microsoft have positions of significant market power, and limits to customer choice as a result of: **data egress fees** and **barriers to interoperability restricting switching and multi-cloud**; and **licensing of Microsoft's key business software on the cloud**.²
5. Since the investigation closed in July 2025, the CMA has engaged participatively with UK customers, Amazon, Microsoft and their competitors on these issues. In consultation with the CMA, both firms are taking material steps to lower **egress fees** and **improve interoperability**, including as reflected in announcements the firms are issuing today.³ These actions create benefits for UK businesses, enabling greater scope for multi-homing to support customer choice and the resilience of UK tech stacks.
6. Alongside the cloud licensing concerns identified in the cloud MI, the CMA has heard wider concerns about **Microsoft's position in business software** – particularly productivity software, operating systems, database management and related security services. This software plays a vital role in the UK economy. The embedding of advanced AI (including assistants and emerging agentic technologies) into familiar workplace tools means this is a pivotal moment for the sector. The implications are significant for UK productivity, competitiveness and value for money across the private and public sector. The UK will benefit most where a broad range of competitors can integrate with Microsoft's business software, so that business and public sector organisations can mix-and-match AI software across suppliers that best suit their needs.
7. The Board has looked in the round at these closely connected issues across cloud services and business software to ensure UK businesses and public sector organisations can benefit from the best available products at the most competitive prices. It has therefore decided on the following programme of work under the DMCR:

¹ The Board discussion was chaired by Justin Basini as Senior Independent Director in place of CMA Board Chair, Doug Gurr, who recused himself from this decision.

² [CMA cloud services market investigation](#).

³ The actions announced by [Microsoft](#) and [Amazon](#) are outlined in annexes 1 and 2 to this paper.

- The CMA will continue active engagement with Microsoft and Amazon to ensure that they take further meaningful steps to promote choice for UK cloud customers, and that the Board can fully assess the extent to which their actions on **egress fees and interoperability** truly benefit UK customers. It will seek views from UK customers and competitors to inform this dialogue, and the Board will review progress in six months. The CMA will also work with government to support competition in cloud procurement.
- The CMA will launch an **SMS investigation into Microsoft’s business software ecosystem**, commencing in May. An SMS finding would allow the CMA to act on a major area from the cloud MI – Microsoft’s use of **software licensing** to affect competition in cloud. It would also provide a route to ensuring a level playing field among providers as AI-driven innovation reshapes competition in productivity software.

How the CMA Board prioritises activity under the DMCR

8. The CMA Board has considered where the regime can deliver the greatest positive impact for the UK within the shortest timeframe.⁴
9. Its decision was informed by several key factors:
 - Acting in line with the CMA’s prioritisation principles, meaning we will consider:
 - How substantial the likely impact would be for the UK economy, its citizens and businesses (including the time taken to deliver that impact);
 - Whether the CMA is best placed to act, including considering international action which could effectively address UK concerns;
 - Resources required and whether the CMA has the right capacity in place;
 - The prevalence, and significance, of risks associated with actions we take;
 - The balance of our portfolio of cases across firms, markets, and technologies.
 - The government’s strategic steer for the CMA to use the regime independently, flexibly, proportionately and collaboratively to unlock opportunities for growth across the UK digital sectors and wider economy;⁵ and to support the government in delivery of the AI Opportunities Action Plan.⁶
 - The forward-looking context of rapidly evolving technologies, notably AI and emerging agentic capabilities – including enabling the rapid adoption of technology across the economy, and the competitiveness of UK businesses.
 - Market developments, including ongoing actions by the firms in the provision of cloud services, and further proposed action as a result of participative engagement with the CMA.

Limits on customer choice in business software and cloud

10. The UK DMCR was designed to unlock opportunities for companies of all shapes and sizes across the UK tech ecosystem, and the wider economy. These include opportunities for the largest firms to continue investing and innovating in a predictable,

⁴ [Overview of the CMA's provisional approach to implement the new Digital Markets competition regime.](#)

⁵ [Strategic steer to the Competition and Markets Authority.](#)

⁶ [AI Opportunities Action Plan.](#)

proportionate regulatory environment; opportunities for new entrants and scale-ups to innovate and thrive; and opportunities for UK organisations reliant on digital services to benefit from vibrant competition.

11. With AI expected to revolutionise the way organisations operate their IT infrastructure, the opportunity for a wide range of firms to develop new productivity-enhancing software solutions has never been stronger. A variety of technology companies are responding to this opportunity, investing large sums to build products supporting a variety of business needs. Some are already becoming commonplace, such as Microsoft Copilot, Enterprise GPT and Claude Enterprise.
12. In the UK, business and public sector customers will benefit most from this investment where they can mix-and-match software across suppliers that best suit their needs, and where a broader range of competitors can win business by offering the best products. This requires:
 - **For customers:** Products from different providers should interoperate easily so businesses can combine best-in-breed tools without unnecessary engineering spend.
 - **For competition and entry:** Competitors, including startups and scale-ups, must be able to integrate easily with incumbent, business-critical products already used across the UK.
13. A key focus for the CMA is therefore to understand whether incumbent technology firms sufficiently prioritise interoperability with each other and challengers. This is a key factor in ensuring UK businesses and public sector customers have the maximum opportunity to benefit from the best products at the most competitive prices in the market, and to unlock greater scope for diversification to support resilience of the UK's digital economy.

Business software

14. Business software is fundamental to modern corporate operations across the private and public sector. It enables office workers to collaborate effectively, helps organisations run efficiently and securely, and ensures that IT systems remain resilient against external threats.
15. A new era of business software is underway, with AI being rapidly integrated across a wide range of applications, and cloud infrastructure supporting more flexibility and availability of these products for businesses. AI enhanced tools can already automate routine tasks, support higher quality decision making, and unlock new ways of working. A shift to agentic AI is predicted to result in a further step change in the power of these tools. The government has highlighted the UK's ability to capitalise on these developments as critical for economic growth and international competitiveness.
16. Microsoft has been the key provider of business software for decades – centred on the Windows operating system and office applications, alongside SQL database products and related access and security services. Its ecosystem of products is core to the IT infrastructure of most UK businesses and the public sector. Microsoft's ecosystem innovation has delivered significant productivity upside across the UK economy, with its Azure cloud platform and Copilot products enabling further transformative opportunities for UK customers.
17. However, authorities internationally have also scrutinised Microsoft's actions in this sector, to ensure others are able to compete effectively with products in its portfolio. For example, in 2025 the European Commission accepted commitments from Microsoft to

address competition concerns relating to the tying of Teams to its popular software products.⁷

18. In July 2025, the cloud MI concluded that Microsoft's licensing practices limit customer choice and reduce competition in cloud services. It found that Microsoft charges Amazon Web Services (AWS) and Google Cloud Platform (GCP) wholesale input prices for some of its key business software that are much higher than those it charges customers on its own Azure cloud – making the use of this software more expensive on Microsoft's key rivals in cloud, and weakening the constraint they can exert for customers that use Microsoft's software in the cloud. The CMA is concerned that this may be reducing competition in a key infrastructure market in the UK, leading to a higher cost of doing business and a loss of productivity, as well as potentially exacerbating resilience concerns.
19. As part of the cloud MI and broader horizon scanning, the CMA has also heard from some rivals that they can face limitations in how they integrate with Microsoft business software – products that are core to how most UK businesses and large parts of the public sector operate. This can mean UK customers are unable to build an IT stack which combines the products best suited for them.
20. These issues could act as a barrier to innovation, growth and resilience in several ways:
 - Limits on the choice of UK customers could mean their spend with Microsoft is higher than it should be, with implications for investment and expansion.
 - These restrictions could also mean firms cannot make use of the technology that allows them to work and innovate most productively and efficiently, with implications for growth and competitiveness.
 - The risk that Microsoft can inhibit innovative tech companies from winning customers, limiting the scope for startups to scale, with implications for broader choice and resilience in critical infrastructure markets.
21. The importance of considering Microsoft's position in business software is accentuated by rapidly evolving developments in AI, notably AI agents. As these tools become an increasingly key part of the workplace, there is a unique opportunity now:
 - To ensure UK businesses and public sector organisations can choose the AI tools that deliver the greatest productivity gains for them; and
 - To support a level playing field where a range of companies (including UK startups) can compete effectively for business demand with innovative new software products.

Cloud

22. Cloud computing has become core infrastructure for the UK economy. It underpins digital services central to daily life – from banking and payments to streaming, e-commerce and public services. It provides the flexible, scalable computing that modern organisations rely on to operate efficiently and securely. For many UK firms, cloud is now an essential foundation for running services, storing and processing data, and maintaining resilience.
23. Cloud computing is also critical to the ability of UK businesses to innovate. It provides the computational power required for emerging AI systems, advanced analytics and research. As AI adoption accelerates, demand for cloud resources is forecast to grow significantly.

⁷ [Commission accepts commitments offered by Microsoft to address competition concerns related to Teams.](#)

24. AWS and Microsoft are the largest cloud providers in the UK, each with a share of up to 40% of UK customer spend on cloud services. Google is the third largest player, though currently significantly smaller in terms of its share of UK cloud spend. During the cloud MI, the CMA heard from UK customers that these services deliver real benefits, including access to innovative products that help them build and manage their own websites, company systems and consumer applications.
25. However, the CMA has also heard that it can be challenging for UK cloud customers to use services from more than one provider – contributing to AWS and Microsoft’s significant market power. Moving data between clouds can be costly due to egress fees, and managing applications across multiple clouds can be technically complex. As a result, companies may miss opportunities to switch to lower-priced offers or to combine best-in-breed services from different providers. Challenges for customers to build IT infrastructure that spans several clouds also make it harder to achieve resilience in the event one provider fails.
26. Overall, the cloud MI recommended that the CMA Board consider prioritising SMS investigations into AWS’ and Microsoft’s cloud services, with a view to improving the ability of UK customers to switch and multi-cloud in a dynamic market. It highlighted three areas for potential action: (1) reducing the cost of moving data by tackling egress fees; (2) improving the interoperability of AWS and Microsoft’s clouds; and (3) addressing Microsoft’s licensing practices.
27. Improving the interoperability of AWS and Microsoft’s cloud services and lowering egress fees would make it easier for UK customers to use more than one provider, increasing their ability to access the best products at the most competitive prices. This would support greater adoption and productivity gains – especially as advanced AI is rolled out, as well as better value for money.
28. Additionally, enabling greater scope for multi-homing could strengthen the resilience of IT systems during cloud outages, reducing disruption for businesses and users of cloud-based public services. Lowering barriers to switching could also create greater opportunities for emergent cloud challengers, from around the world, including those based in the UK, to compete for customer demand.

Developments in cloud

29. The cloud MI recognised that the CMA Board would need to take into account any market developments as well as factors beyond the scope of its report when making its prioritisation decision, including the urgency of any other potential SMS investigations. The cloud MI therefore recommended that in the period pending the CMA’s decision on future designation investigations, developments in the relevant markets, including any actions by the cloud providers, be kept under review and that the CMA Board factor these into its prioritisation decision.
30. Since the cloud MI concluded in July 2025, the CMA has been engaging with UK customers and challengers to inform our understanding of their views on actions which could support better outcomes in the market. Customers have shared that they value the product innovation that AWS and Microsoft offer, and that the CMA should seek solutions which preserve these benefits.
31. Customers and challengers have pointed us to areas where greater interoperability could help them to multi-cloud, while still benefiting from the innovative products cloud providers offer. These include:
 - Reducing the cost of moving data between clouds, so that the best cloud products can leverage company data without unnecessary constraints.

- Making it easier to set up and manage the network and security requirements to run applications across clouds and to facilitate control of these applications (for example via a single interface).
 - Making it easier to create the required code to connect applications across clouds or to re-programme applications when they need to move between clouds; including ensuring public documentation on cloud products is complete and standardised.
32. Through the DMCR participative approach, the CMA has put the concrete asks of customers and challengers on interoperability directly to AWS and Microsoft, including discussions around which actions would most effectively tackle these concerns.
33. Based on this engagement, AWS and Microsoft submitted to the CMA Board actions they have taken, or plan to take, to support greater choice for UK businesses. These are laid out in Annex 1 and 2 and include:
- Action by both parties to remove egress fees from UK customers' contracts when they want to switch cloud provider. They will apply this for a switching period of at least 180 days, and as soon as a customer decides to switch at least one service.
 - Action by both parties to lower egress fees in UK customer contracts for moving data between their datacentres and those of rivals for multi-clouding purposes, including where UK customers use Microsoft's premium egress route within the UK.
 - Both firms will introduce new products that directly connect their datacentres to one another and to GCP, with scope for further connections with other clouds to be considered. This can reduce the engineering effort for customers to manage the network component of a multi-cloud architecture.
 - Action by both parties to extend to the UK (as relevant) anticipated steps by the EU to further support standards that can promote multi-cloud – which can ensure these benefits are extended to UK customers.
 - Both firms will provide a clear process for customers and competitors to request interoperability information and features. AWS already provides routes for customers and competitors to raise requests (including through its AWS Builder Centre), and MSFT will introduce one for competitors.
 - Positive developments in relation to AWS and Microsoft adopting standards for AI agents to connect to their cloud products, which in time may facilitate the ability to connect applications across clouds or to switch between clouds.
 - Positive developments in relation to the roll-out of AI agents that can support the migration of cloud workloads from on-prem infrastructure to the cloud, which are anticipated to also support switching in future. AI coding agents generally are expected to reduce the engineering effort needed to switch or multi-cloud, at least to a degree.
 - Both Parties have also taken some steps to make it easier for customers to manage applications across clouds – for example, AWS has made it easier to manage security across multi-cloud environments and Microsoft has extended its multi-cloud control panel. AWS has also signalled plans to continue further work on a multi-cloud management interface.
34. These changes reduce the cost of moving data between clouds and support greater interoperability between clouds – which can reduce expense and effort for UK businesses to use more than one cloud provider. However, their effectiveness at supporting greater choice for UK customers remains to be seen, and the CMA believes there is a need for further steps to make it easier for UK customers to manage applications across clouds.

35. The Board therefore believes that, regardless of any designation decision, it is essential that AWS and Microsoft continue to engage proactively with the CMA on cloud. This will ensure the CMA can assess the impact of the steps that AWS and Microsoft have taken so far, and enable it to identify further action they can take to improve customer choice. The Board therefore welcomes the proposal of both companies to continue the participative dialogue, anchored in evidence and data collated from customers and challengers directly by the CMA, as well as through AWS and Microsoft's businesses (including their interoperability request processes).
36. While the changes proposed by Microsoft go towards the egress and interoperability issues identified in the cloud MI, the CMA has not identified material progress in relation to the concerns with Microsoft's licensing practices, which are reducing competition in cloud. This was a factor in its decision to prioritise an SMS investigation into Microsoft's business software ecosystem.

Achieving impact across cloud and business software

37. After careful consideration, the Board has concluded that the greatest immediate benefit, with the fastest route to impact, would be achieved by prioritising an SMS investigation into Microsoft's business software ecosystem whilst continuing to engage actively and review progress in cloud services. This approach allows the CMA (should a designation decision be taken at the end of that investigation) to act on the most acute and cross-cutting issues across business software and the cloud market today, while continuing to use a participative dialogue with Amazon and Microsoft to drive further improvements in cloud.
38. A business software SMS designation would allow the CMA to tackle the concern that Microsoft's licensing practices may be undermining customer choice of cloud services – an area where the Board has not seen action that can address these issues since the cloud MI concluded. Such action would support greater choice and scope for multi-cloud use, strengthening competitive pressure and the resilience of UK organisations' IT architectures.
39. The case for prioritising a designation investigation into business software is particularly strong given the rapid integration of advanced AI into core tools, reshaping familiar products into increasingly powerful drivers of productivity. During this period of market evolution, it is important to consider whether there are constraints on UK customers' ability to make choices around deployment of advanced AI.
40. Such constraints could risk distorting competition in a critical and fast-developing layer of digital infrastructure, with implications for UK innovation, productivity and international competitiveness over the medium to long term.
41. The Board recognised the potentially critical role of advanced AI as a key driver of productivity growth across the UK economy and the importance of genuine choice for UK customers, as well as the opportunity at hand for challenger providers. Competition can shape outcomes at this critical stage.
42. The government has been clear that the UK cannot "own the AI stack", particularly the most capital-intensive upstream layers where options are currently limited to the largest providers. Instead, the AI Opportunities Action Plan emphasises the importance of competing in areas of strength today (such as AI applications) and maximising productivity benefits through accelerated national adoption, while continuing to develop and explore options for sovereign capabilities.
43. An SMS investigation into Microsoft's business software ecosystem would support these objectives, allowing the CMA to fully consider this area and whether any intervention could be beneficial. While other authorities are looking into some of these issues, it is

not clear that action taken elsewhere would address any issues we may identify in the UK with sufficient certainty. Given the importance of business software for UK customers and economic growth, the Board believes that the CMA is best placed to act through launching an SMS investigation.⁸

44. The Board has carefully reviewed the steps set out by Amazon and Microsoft in relation to cloud services, considering these alongside changes that have taken place in the cloud market since the MI reported in July 2025. The Board believes the actions set out can create benefits for UK businesses, enabling greater scope for multi-homing to support customer choice and the resilience of UK tech stacks. The Board expects to see these implemented as soon as possible.
45. The Board is clear that Amazon and Microsoft must continue to take further proactive steps to help UK customers multi-home and switch. Further CMA resource will therefore be dedicated to ongoing participative dialogue with both companies, so that the Board can fully assess the impact of the changes and identify further actions required.
46. The CMA will continue to gather evidence, including from customers and challengers, and (for example) information on interoperability requests received by Amazon and Microsoft from customers and challengers. The CMA will also continue to monitor changes proposed in the context of the European Data Act, to ensure relevant benefits are available to UK customers.
47. The CMA will keep under active review the steps that Amazon and Microsoft make towards strengthening the choice of UK customers in cloud, and the Board will review progress through the participative dialogue in six months.

Interactions with wider policy questions

48. Against a volatile geopolitical backdrop, cross-party Parliamentary interest has been growing regarding the concentrated nature of UK cloud markets. Debate has included the potential implications for UK resilience (in terms of exposure to single points of failure or attack), as well as longer term strategic dependence and technology sovereignty.
49. Some Parliamentarians have argued that the UK should consider whether more should be done (including through government procurement frameworks) to support alternative providers across cloud, data infrastructure and AI, including by developing more domestic capability.
50. It is not for the CMA to determine the UK's policy position on issues like technology autonomy or sovereignty; to seek to sponsor domestic capability or capacity; to establish the appropriate level of resilience for the market; or address other broad technology, industrial or security policy questions. These involve trade-offs and broader considerations that are clearly for government to make.
51. However, the CMA's action on cloud and business software is likely to be able to contribute in a number of ways:

⁸ In Brazil, CADE has opened an investigation into Microsoft's conduct in corporate software and cloud computing, while in Japan the JFTC is examining whether Microsoft Azure restricts the ability of customers and rivals to combine services across providers. In 2025, the European Commission accepted commitments from Microsoft in relation to the unbundling of Teams (including interoperability and data portability). Microsoft has extended these commitments to the UK voluntarily, though they are not enforceable in the UK by the CMA. The EC also has opened market investigations to assess whether Amazon and Microsoft should be designated as gatekeepers for cloud services.

- Measures that improve competition can help set the conditions for a broader range of providers, large or small, from the UK or elsewhere, to compete and grow, if they have a compelling offer.
- Such measures can also support choice and resilience - for instance better interoperability can help UK customers use multiple providers to spread or mitigate against risk from outages.
- In its role as an enabler of competition, the CMA can provide input and advice to government on how the effective functioning of markets may contribute to wider objectives.
- As government itself buys these services, the CMA can help identify ways for effective competition to support good procurement outcomes; and in turn procurement decisions can help enhance competition in the wider market beyond government. The CMA is working across government to support approaches to procurement which leverage competition as a tool to achieve broader policy outcomes, including innovation, resilience and choice. As with these other areas of significant public spend, the Board encourages the CMA to engage with government to share market insight and advise on how procurement strategies can help deliver these benefits for the UK.

Next steps

52. The CMA will now finalise the steps to launch an SMS investigation into Microsoft's business software ecosystem, with a view to commencing an investigation in May 2026. The participative approach will be key at every stage of the investigation. We will consult with Microsoft and a wide range of stakeholders throughout the process, to ensure our decision is informed by the most up-to-date understanding of the market – and that any action taken delivers the best outcomes for UK businesses and the public sector.
53. Alongside this, a dedicated team will work to ensure that the steps announced by Amazon and Microsoft are delivered in a meaningful and timely way ahead of a progress update to the CMA Board in six months.

Annex 1: Summary of Microsoft actions since July 2025

Actions taken

Topic	Microsoft action	Scope
Egress – Multi-cloud data transfers charged no more than 'at cost'	In line with the EU Data Act, multi-cloud data transfers are capped at cost for Azure's standard ISP egress	Implemented September 2025, in the UK and EU
Interoperability – Migration agent	Released Azure Copilot Migration Agent, focussed on streamlining migrations from on-prem	Launched November 2025, globally
Interoperability – Control panel for multi-cloud deployments	Expanded features in Azure Arc (e.g. support for Google Cloud ⁹ and more active Kubernetes management)	Announced in November 2025 and March 2026, globally
Interoperability – AI standards	Rolled-out support for industry-led protocols like MCP Server and A2A protocol for a range of Azure services	Released Azure MCP Server October 2025, with further roll-out of MCP server anticipated

Forthcoming action

Topic	Microsoft anticipated action	Who and where it applies	Anticipated impact	Timing
Egress – Contractual rights	Amend UK customer contracts to put egress policies regarding free switching and at-cost multi-cloud on a legal footing	UK customers	Makes free and at-cost egress a contractual right for UK customers	As soon as reasonably practical (and within two months)
Egress – Free switching on premium network	Extend free switching to cover transfers using Microsoft's premium network (MGN)	UK customers using Azure services in UK datacentres	Removes egress charges where customers use Microsoft's premium network for switching	Applies immediately, formalised in contracts as soon as possible

⁹ For example: [Expanding Azure Arc for Hybrid and Multicloud Management | Microsoft Community Hub](#).

Topic	Microsoft anticipated action	Who and where it applies	Anticipated impact	Timing
Egress – Extended switching window	Extend the free-egress switching window from 60 days to 180 days	UK customers using Azure services in UK datacentres	Gives complex migrations longer to complete without losing free-egress eligibility	Applies immediately, formalised in contracts as soon as possible
Egress – Broaden the definition of “switching”	Expand the switching scenarios that qualify for free egress to include: (a) exiting Azure entirely; and (b) exiting a single Azure service.	UK customers using Azure services in UK datacentres	Allows partial switching to benefit from free egress	Applies immediately, formalised in contracts as soon as possible
Egress – At-cost multi-cloud on premium network	Allow at-cost egress for multi-cloud on MGN from UK datacentres	UK customers for multi-cloud use cases from UK datacentres	Extends ‘at-cost’ egress to premium network pathways	Applies immediately, formalised in contracts as soon as possible
Interoperability – Directly connect with data centres of AWS and GCP	Connect Azure data centres to AWS and GCP datacentres	Globally based on datacentre availability	Reduce the engineering effort for customers to manage the direct network components of a multi-cloud architecture	Go-live by summer 2026 for AWS, and early 2027 for GCP
Interoperability – Directly connect with data centres of other cloud providers	To be assessed based on requests made via Microsoft’s new interoperability request mechanism		Supports multi-cloud – including for alternative clouds	Ongoing
Interoperability – EU standards mirrored in UK	Implement in the UK any standards Microsoft adopts under the EU Data Act (once published in the EU repository & referenced in the Official Journal)	UK customers using Azure services in UK and EU datacentres	Support multi-cloud, UK customers benefit from the same standards Microsoft deploys for the EU	When a relevant standard is adopted/ implemented in the EU
Interoperability – Dedicated request mechanism	Create a new interoperability request mechanism for competing clouds / cloud independent software vendors (ISV)	Competing cloud providers and cloud ISVs	Creates a formal route to submit interoperability requests and get structured responses	Operational within the next 6 months

Topic	Microsoft anticipated action	Who and where it applies	Anticipated impact	Timing
<p>Dialogue – Information sharing and further steps</p>	<p>Microsoft will engage in an ongoing dialogue with the CMA, to assess the impact of steps taken, and to identify further steps to support switching and multi-cloud.</p> <p>As part of an ongoing dialogue with the CMA, Microsoft will share information with the CMA on the uptake of new schemes, products and processes that can support switching and multi-cloud – alongside information on interoperability requests received by Azure, including via its new process</p>	<p>CMA</p>	<p>Enables the CMA to assess the uptake and impact of actions targeted at improving switching and multi-clouding, and what further steps can support choice for UK customers. The CMA will supplement this with evidence from direct customer and competitor engagement</p>	<p>Ongoing</p>

Annex 2: Summary of AWS actions since July 2025

Actions taken

Topic	AWS action	Scope / detail
Egress – Free multi-cloud to facilitate switching	Clarified that customers can request credits for multi-cloud data transfers during the period of switching	Introduced October 2025, globally
Egress – Prominence of free switching	Increased visibility of free switching programme	Introduced October 2025, globally
Interoperability – Data portability	In line with EU Data Act requirements, AWS has published portability cards for its key services and an online register of all data structures and formats in which exportable data is available to customers across AWS's 200+ services	In line with the EU Data Act entering into force in September 2025
Interoperability – Identity and Access Management (IAM)	Announced IAM Policy Autopilot that supports AI coding assistants quickly creating baseline IAM policies that customers can refine as their application evolves	Announced November 2025
Interoperability – IAM	Announced IAM Outbound Identity Federation that customers can use to federate AWS identities to third-party services	Announced November 2025
Interoperability – AI standards	Rolled-out support for recently launched industry-led protocols like MCP and A2A protocol for a range of AWS products	Started 2025, with further roll-out of AWS MCP servers and A2A protocol support

Forthcoming actions

Topic	AWS anticipated action	Who and where it applies	Anticipated impact	Timeline
Egress – Contractual rights	Publish a UK Customer Switching and Portability Addendum that applies automatically, to introduce at-cost multi-cloud to UK customers and put egress policies regarding free switching and at-cost multi-cloud on a legal footing	UK customers	Makes switching, portability and multi-cloud egress process a contractual right for UK customers	Applies immediately and automatically to UK contracts
Egress – Extended switching window	Extend the free-egress switching window from 90 days to 180 days	UK customers	Gives complex migrations longer to complete without losing free-egress eligibility	Applies immediately and automatically to UK contracts
Interoperability – Directly connect with data centres of Microsoft and GCP, with a free tier	AWS Interconnect multiloop product with Google and Microsoft, including with a free tier to allow customers to transfer data directly between data centres at no charge	London region at launch, globally in due course	Reduce the engineering effort for customers to manage direct network components of a multi-cloud architecture, and lower the cost of moving data	Expected imminently with Google, summer with Microsoft
Interoperability – Directly connect with data centres of other cloud providers	Open to extending AWS Interconnect multi-cloud to additional partners	To be determined	Supports multi-cloud – including for alternative clouds	Ongoing
Interoperability – EU Standards extended to the UK	Work with the CMA so UK customers benefit from EU interoperability standards as they develop	UK customers	Support multi-cloud, UK alignment with EU outcomes, where relevant	When a relevant standard is adopted/implemented in the EU
Interoperability – Support open authentication standards on AWS MCP server	Allow alternative authentication more compatible with third-party AI tools	Those using third-party developer tools to build with AWS	Support multi-cloud	In coming months

Topic	AWS anticipated action	Who and where it applies	Anticipated impact	Timeline
Interoperability – Multi-cloud security	Improve the customer security experience when working across clouds	All customers	Support multi-cloud	In the next 6 months
Interoperability – Simplified management of multi-cloud deployments	Continue to develop an AWS multi-cloud management interface	All customers	Support multi-cloud	In the next 3-6 months
Interoperability – Documentation	Continue to make improvements to the structure, clarity and discoverability of AWS documentation to ensure that it is helpful to customers and easy to navigate across AWS services	All customers	Allow customers to more easily develop with portability in mind, and switch existing services	Ongoing
Dialogue – Information sharing and further steps	<p>AWS will engage in an ongoing dialogue with the CMA, to assess the impact of steps taken, and to identify further steps to support switching and multi-cloud.</p> <p>AWS will share information with the CMA on the uptake of new schemes, products and processes that can support switching and multi-cloud – alongside information on interoperability requests received by AWS from customers and other third parties</p>	CMA	Enables the CMA to assess the uptake and impact of actions targeted at improving switching and multi-clouding, and what further steps can support choice for UK customers. The CMA will supplement this with evidence from direct customer and competitor engagement	Ongoing