



Shared Policy Objectives for Competition in Digital Markets

Governments across the world are seeking to address competition concerns in fast-moving digital markets. Our shared objective is to promote a globally coherent approach to competition policy and ensure open, contestable digital markets.

1. Competition is key to unlocking the full potential of the digital economy

Competitive digital markets can be an engine for economic growth, will drive innovation, increase productivity and deliver better quality and fairly priced goods and services for consumers. The underpinning objective of policy and regulatory approaches must be to foster the conditions which promote competition across digital markets.

2. The unique features of digital markets give rise to competition concerns

Digital markets are often characterised by network effects, economies of scale, the aggregation of large amounts of data and platform business models. The features of digital markets make them particularly prone to 'tip' in favour of a dominant incumbent. This may further entrench their position, hinders the chances for new firms to compete and grow, and next generation innovation to emerge

Effective pro-competitive policies must address barriers to entry for new and challenger firms in digital markets, allowing for greater choice for businesses and consumers. Policy and regulatory approaches should support open, contestable markets with outcomes, pricing and contractual conditions that reflect the benefits of competition.

3. We need to take a proactive approach to drive competition in digital markets.

Our policies should recognise the novel characteristics of digital markets and empower enforcement authorities and regulators to address market power and the harm it causes.

Regulators and enforcement authorities should rapidly build the tools and capabilities necessary to understand the competitive impact of digital markets and be attentive to new business models, innovation, and next-generation technology. The pace of change and reliance by consumers and small businesses on digital platforms necessitates rigorous, evidence driven regulation which provides clear, timely expectations for firms and the ability to address competitive problems early.

4. We must work together to ensure a globally coherent approach

Digital markets are truly global. We maximize our impact and effectiveness when we work together. This includes cooperation through regular dialogue, exchanging information and sharing of research and best practice. We seek to deepen cooperation and align international policy and enforcement approaches based on our shared interests in promoting competition in digital markets.