Question for written answer E-002918/2023/rev.1 to the Commission

Rule 138

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Subject: Software licenses

Cloud computing has become a critical part of the digital infrastructure underpinning our economy and society. The growth of the European cloud market offers opportunities for providers of cloud services and for businesses, consumers and public administrations using these services, but there are signs of increasing concentration in the market – to the detriment of consumer choice, flexibility, openness and cybersecurity.

The artificial licensing restrictions created by some legacy software providers restrict European customers to specific cloud infrastructure. This increases the risks of concentration, which is even more challenging for systemic financial services companies. For example Microsoft restricts the use of its office productivity tools to Azure Cloud, limiting use of competitors' clouds<sup>1</sup>.

These concerns are underlined in the complaint to the Commission by Cloud Infrastructure Services Providers in Europe (CISPE) of November 2022, which identifies major obstacles to the growth of the European cloud industry and the effects of the lock-in created by the legacy players<sup>2</sup>.

- 1. Does the Commission agree that in a fast-paced market such as cloud computing, it is crucial to respond quickly to complaints about abuses of a dominant position and to ensure value for money for business owners, consumers and taxpayers throughout Europe?
- 2. Will the Commission commit to responding urgently to such complaints to ensure that economic damage does not result over a longer period?

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https://cispe.cloud/website\_cispe/wp-content/uploads/2023/06/Quantification-of-Cost-of-Unfair-Software-Licensing Prof-Jenny -June-2023 web.pdf

<sup>&</sup>lt;sup>2</sup> cispe.cloud/executive-summary-of-cispe-complaint-against-microsoft/