

# Apple to allow EU customers to download apps without using App Store

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Apple is to allow EU customers to download apps without going through its own store, as the iPhone maker adapts to new Brussels laws. Under the changes the US tech company will also give iPhone users a range of browsers to choose from as their default, allow the use of alternative payment systems to Apple Pay, and permit the installation of alternatives to its App Store, which could theoretically include the Google Play store. But there is a catch: for the first time, developers who take advantage of the option will be charged a flat fee per installation, overturning free-to-play business models and limiting the sorts of apps that can bypass the store. Apple said it was bringing in the changes, which will work for any iPhone owner who downloads a March update to its iOS operating system, in order to comply with the EU's Digital Markets Act, which aims to introduce competition for so-called big tech "gatekeepers", such as Apple. Phil Schiller, the Apple executive in charge of its App Store, said: "The changes we're announcing today comply with the Digital Markets Act's requirements in the European Union, while helping to protect EU users from the unavoidable increased privacy and security threats this regulation brings." In official documents, Apple made clear its displeasure at being forced into the measures. "The DMA requires changes to this system that bring greater risks to users and developers," it said. "This includes new avenues for malware, fraud and scams, illicit and harmful content, and other privacy and security threats. These changes also compromise Apple's ability to detect, prevent, and take action against malicious apps on iOS and to support users impacted by issues with apps downloaded outside of the App Store." Apple's changes could be replicated in the UK in the near future, with the digital markets, competition and consumers bill expected to give the country's competition watchdog greater powers to regulate big tech. Apple said it would not charge a commission to developers of apps who avoided the App Store, but it would levy a "core technology fee" of €0.50 for each app installation, which would apply to apps downloaded in high volume. That fee will even apply when users install an app through Apple's own store, if the developers make the app available to iPhones through an alternative means. The fee is chargeable annually, since it triggers on updates as well as first installs, although reinstallations and updates within 12 months will be exempt. Apps will get their first 1m such "first annual installs" for free, which Apple says limits the fee to less than 1% of developers. The model will be welcomed by some services, such as digital media platforms, which could expect to rapidly recoup the per-user fee in smaller commissions on card payments. However, it is likely to be economically challenging for other sectors including free-to-play gaming that have a small core of users who pay money and many more who do not. That sector includes Epic Games, a persistent critic of Apple's stance on its App Store, whose flagship title, Fortnite, is free to play. It is not the first time a large platform holder

has proposed instituting a per-install fee. In September 2023, the gaming platform Unity announced a similar fee, charging game apps that used its technology \$0.20 per install after their first 200,000 installations. The resulting backlash eventually led to the departure of the company's chief executive and a significant overhaul of the fee scheme. As part of the announcement, and in an effort to foster loyalty to the App Store, developers who accept the new business terms will see the cut they pay Apple reduced from 15-30% to 10-20%, depending on what they sell and how they process payments. Nonetheless, Tim Sweeney, the founder of Epic Games, described the changes as "hot garbage". In a post on X, Sweeney said they were "a devious new instance of Malicious Compliance. They are forcing developers to choose between App Store exclusivity and the store terms, which will be illegal under DMA, or accept a new also-illegal anti-competitive scheme rife with new Junk Fees on downloads and new Apple taxes on payments they don't process." Rick VanMeter – executive director of the Coalition for App Fairness, a lobby group of mid-sized app developers including Epic and Spotify – said: "This plan does not achieve the DMA's goal to increase competition and fairness in the digital market – it is not fair, reasonable, nor non-discriminatory ... Apple's 'plan' is a shameless insult to the European Commission and the millions of European consumers they represent – it must not stand and should be rejected by the commission."