Europe Should Learn from Britain and Japan on Tech Regulation

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Britain and Japan show that predictability and legal certainty are compatible with robust rules of law in tech regulation. Europe should follow their lead.

On 12 February 2026, European leaders will meet to bolster European competitiveness by deepening the single market and advancing a pro-growth, pro-innovation regulatory agenda. The gathering takes place in a new geopolitical climate, in which Europe's flagship tech regulation—the Digital Markets Act (DMA)—is at the centre of the debate, given its impact on innovation from the world's largest tech firms and on transatlantic trade relationships.

The DMA has become particularly sensitive. It seeks to ensure competitive and fair digital markets by imposing obligations on the largest online platforms, reshaping how they operate in Europe, and impacting how they deliver their innovation to businesses and consumers. These include measures such as choice screens that allow users to select their preferred search engines. Of the seven firms designated as "gatekeepers", six—Alphabet, Amazon, Apple, Booking, Meta and Microsoft—are American or subsidiaries of American companies; the seventh is ByteDance, a Chinese firm. The Trump administration has branded the DMA anti-American and has warned of possible trade retaliation should Europe refuse to roll it back.

This is hardly new. Washington has repeatedly criticised Brussels' tech rules, and Brussels has repeatedly stood its ground on them. The latest pressure has not softened the Commission's tone.

Against a backdrop of broader geopolitical tensions—including disputes over Greenland—Europe has doubled down on the language of the rule of law. Speaking at the World Economic Forum in Davos, President Macron argued that Europe's strength lies in certainty and predictability, even while acknowledging that its regulatory system remains too slow and in need of reform.

On the DMA, he is partially right. The regulation provides clear dos and don'ts. Yet, several stakeholders—including the regulated companies themselves—have raised concerns about how the DMA is implemented. They point not to the absence of rules, but to their lack of proportionality, certainty, and predictability in enforcement, leading some gatekeepers to delay the launch of their innovative products and services in Europe, as Apple did with its live translation feature in its latest AirPods, or Google with Google AI Overviews and AI mode. At stake is not only the health of transatlantic relations, but Europe's own competitiveness.

Former Italian Prime Minister Mario Draghi's influential report on the future of European competitiveness—the intellectual backbone of the Commission's current agenda—offers useful guidance. In implementing tech rules. Draghi argued that Brussels must avoid unnecessary administrative and compliance burdens and legal uncertainties, while enforcing compliance more quickly through clearer, more robust processes. In other words, tech rules must be simpler, better and faster.

Some countries have already absorbed this lesson. The United Kingdom and Japan stand out as jurisdictions that pursue the same goals as Europe—promoting digital markets—but through more predictable and adaptive regulatory models. Brussels would do well to follow their lead.

In Britain, digital competition regulation follows a pro-growth logic that explicitly seeks to preserve innovation and legal certainty. The competition authority applies its "four Ps"—proportionality, pace, predictability and process—to design targeted interventions addressing clearly identified harms. Measures come with transparent roadmaps, timelines and consultation mechanisms. In January 2026, for instance, the authority proposed remedies against Google to support competition in search, including a choice screen, following detailed explanations in its roadmap and stakeholder engagement. Firms know what is expected of them, when, and why.

Japan has opted for a similarly pragmatic approach. Tokyo introduced a dialogue-based regime to promote competition in mobile ecosystems, targeting Apple and Google. Before the rules became fully applicable in December 2025, the competition authority issued extensive guidance to help the regulated firms implement the required measures and engaged repeatedly with stakeholders. Crucially, it also weighs the security and privacy justifications firms raise to protect their ecosystems against risks. For instance, unlike the DMA, Japan does not mandate so-called "sideloading"—direct downloads from the web—accepting Apple's argument that this could expose users to greater security risks. Competition policy, in this model, does not override all other considerations: innovation, privacy, and security.

Brussels has taken a different path. Since the DMA became applicable in 2022, the Commission has yet to publish formal implementation guidelines, despite repeated calls from stakeholders. Although it engages in regulatory dialogue, the process lacks structured consultation mechanisms and remains opaque—often described by stakeholders as a black box. Some provisions, such as those requiring gatekeepers to grant free access to software and hardware features, risk chilling innovation by undermining gatekeepers' ability to recoup investment, and may sit uneasily with established principles of property rights. More troubling still, enforcement has drifted from the DMA's original objectives, with investigations—such as those in the cloud computing sector—appearing increasingly driven by political considerations aimed at promoting European competitiveness, risking transforming the DMA into a tool used to favour European companies.

This lack of certainty, predictability, transparency, and consideration for proprietary rights undermines Europe's own case for the rule of law and its pro-innovation agenda. Legal certainty does not come from having rules alone; it comes from knowing how they will be applied. Predictability, certainty, and property rights are not concessions to large tech firms—they are a precondition for investment, compliance, and innovation.

Brussels still has time to adjust. By May 2026, the Commission must evaluate the DMA and decide whether to amend it, including through legislative proposals. Some improvements would require little more than a change in approach: issuing clear guidelines, conducting genuinely transparent and formal regulatory dialogue, and insulating enforcement from political pressure. Others may require legislative tweaks to strike a better balance between opening digital markets and safeguarding innovation, security and privacy.

Europe does not need to weaken its tech rules to respond to foreign pressure. But it does need to modernise how it enforces them. The UK and Japan show that it is possible to be firm, fast, predictable and innovation-friendly at the same time. If Europe wants to stand by its rule of law and become more competitive, it should follow them.

About

Digital Competition

Digital Competition (https://www.digital-competition.com/) is a digital and competition expert services for businesses, law firms, and government agencies, dedicated to promoting open digital and competition policies that foster innovation. Led by Dr. Christophe Carugati, a passionate and impartial expert in digital and competition policy, we bring together legal, economic, and policy expertise to deliver cutting-edge research, strategic advice, think tank initiatives, regulatory intelligence, tailored training, and high-impact conferences. Digital Competition is committed to addressing the most pressing challenges in the rapidly evolving digital and competition policy landscape. This opinion was conducted independently and received no funding. It reflects solely the views of its author, not those of its clients, which include Amazon, Alphabet, and Apple.

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