

Do Cloud Computing Services Fall Under the Digital Markets Act?

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Cloud computing services do not act as intermediaries between business users and end users. Even when they provide marketplaces, these services do not have an entrenched and durable position, thereby falling outside the DMA's scope.

Introduction

The Digital Markets Act (Regulation (EU) 2022/1925, DMA) classifies cloud computing services as a core platform service (CPS). Cloud computing services provide scalable, on-demand infrastructure and services—such as storage—to businesses and, to a more limited extent, consumers. Gatekeepers providing a CPS must notify the Commission for designation if the service meets both qualitative criteria—reflecting the DMA's focus on intermediaries between businesses and consumers—and quantitative thresholds—establishing a presumption of gatekeeper status—based on turnover, market capitalisation, and user numbers.

To date, no cloud providers have notified their cloud services, as they do not meet the quantitative thresholds. Nevertheless, following calls from several stakeholders¹, the Commission opened, in November 2025, a market investigation into the potential designation of Amazon Web Services (AWS) and Microsoft Azure, alongside a separate investigation into new practices in cloud markets².

Designating cloud computing services under the DMA, however, is challenging. They do not naturally function as intermediaries between business users and consumers, which lies at the core of the DMA's gatekeeper concept. The Commission must therefore demonstrate, based

¹ Peggy Corlin, DMA Should Urgently Apply to Cloud and AI, Lead Lawmaker Warns, *Euronews*, 30 January 2025 (accessed 12 January 2026). Available at: <https://www.euronews.com/my-europe/2025/01/30/dma-should-urgently-apply-to-cloud-and-ai-lead-lawmaker-warns>

² Commission Launches Market Investigations on Cloud Computing Services Under the Digital Markets Act, *European Commission*, 18 November 2025 (accessed 12 January 2026). Available at: https://ec.europa.eu/commission/presscorner/detail/en/ip_25_2717

on qualitative and quantitative factors, that cloud services satisfy the conditions for gatekeeper status.

This analysis focuses exclusively on the designation of cloud services under the DMA, while the parallel investigation into new practices is outside its scope. It first outlines the applicable procedural framework, then proceeds to a substantive assessment in light of publicly available market studies by competition authorities. It concludes that cloud services may not meet the qualitative criteria for gatekeeper designation under the DMA.

Procedural Framework

Under Articles 3(8) and 17 of the DMA, a market investigation requires the Commission to establish that the service under investigation (i) qualifies as a CPS under the DMA (the definition requirement) and (ii) meets each of the qualitative criteria for gatekeeper status (the gatekeeper status requirement).

Definition Requirement

Article 2(13) of the DMA defines cloud computing services by reference to the Directive on Security of Network and Information Systems (Directive (EU) 2016/1148). Article 4(19) of that Directive defines cloud computing services as digital services that provide access to a scalable, elastic pool of shareable computing resources.

Gatekeeper Status Requirement

Article 3(1) of the DMA sets out three cumulative criteria: (1) a significant impact on the internal market; (2) provision of a CPS that constitutes an important gateway for business users to reach end users; and (3) an entrenched and durable position, or a foreseeable path toward such a position. Recital 14 clarifies that, in the context of cloud computing services, end users may include business users who use such services for their own purposes.

In assessing these criteria, Article 3(8) requires the Commission to consider a range of qualitative and quantitative factors, including turnover, market capitalisation, number of business users and end users, network effects, economies of scale and scope, access to data, vertical integration, and other structural characteristics. Under Article 17, the Commission

must conclude the investigation within twelve months and issue preliminary findings within six months from the date of the market investigation's opening.

Substantive Assessment

The Commission's press release refers generally to AWS and Microsoft Azure without specifying which cloud services may fall within the scope of the investigation. Clarifying the scope of the CPS is therefore a necessary starting point, before turning to the assessment of each qualitative criterion.

Scope of Cloud Computing Services

Recent market studies by competition authorities commonly distinguish between private, hybrid, and public cloud services. The French competition authority (FCA), in its 2023 market study on cloud services, focuses on public cloud services, which are shared infrastructures made available on demand³.

Public cloud services are typically segmented into:

- Infrastructure-as-a-Service (IaaS), providing access to computing infrastructure such as servers and storage;
- Platform-as-a-Service (PaaS), offering software and tools for application development; and
- Software-as-a-Service (SaaS), granting direct access to applications⁴.

In its 2024 Generative AI (GenAI) market study, the FCA also identifies Model-as-a-Service (MaaS), through which cloud providers offer access—often via Application Programming Interfaces (APIs)—to proprietary and third-party foundation models (FMs)⁵.

³ Autorité de la concurrence, Opinion 23-A-08 of 29 June 2023 on Competition in the Cloud Sector, 29 June 2023 (accessed 13 January 2026). Available at: https://www.autoritedelaconcurrence.fr/sites/default/files/attachments/2023-09/23a08_EN.pdf

⁴ *Ibid.*

⁵ Autorité de la concurrence, Opinion 24-A-05 of June 28, 2024, On the Competitive Functioning of the Generative Artificial Intelligence Sector, 28 June 2024 (accessed 13 January 2026). Available at: https://www.autoritedelaconcurrence.fr/sites/default/files/commitments/2024-09/24a05_eng.pdf

The DMA definition is broad and encompasses access to shared computing resources, without distinguishing among these service categories. It is therefore sufficiently broad to encompass IaaS, PaaS, SaaS, and MaaS within its scope. The definition requirement could thus be met.

Assessment of the Gatekeeper Criteria

Criterion N°1: Significant Impact on the Internal Market

Available data primarily concern national markets. The FCA found, in its cloud services market inquiry, that Amazon and Microsoft accounted for 46% and 17% of IaaS and PaaS revenues in France in 2021, while AWS, Microsoft, and Google Cloud accounted for around 80% of spending growth⁶. If comparable data are established at the European Union level, this criterion could be satisfied.

Criterion N°2: Role as an Important Gateway

Cloud services—whether IaaS, PaaS, SaaS, or MaaS—do not generally function as gateways enabling business users to reach end users. They typically provide access to infrastructure, software, tools, or FMs to a single user group, primarily businesses.

However, several cloud providers operate cloud marketplaces that enable the distribution of their own services alongside those of third-party independent software vendors (ISVs)⁷. Similarly, MaaS marketplaces have emerged to distribute proprietary and third-party FMs⁸.

In these cases, cloud providers act as intermediaries between vendors and buyers, both of whom are business users. While this intermediary role resembles that of a gateway, it does not involve business users reaching end users in the traditional DMA sense. The Commission could nevertheless interpret business users who rely on these services for their own purposes as end users, thereby potentially satisfying the gateway criterion.

⁶ Autorité de la concurrence, Opinion 23-A-08 of 29 June 2023 on Competition in the Cloud Sector, 29 June 2023 (accessed 13 January 2026).

⁷ *Ibid.*

⁸ Autorité de la concurrence, Opinion 24-A-05 of June 28, 2024, On the Competitive Functioning of the Generative Artificial Intelligence Sector, 28 June 2024 (accessed 13 January 2026).

With respect to MaaS, the FCA explicitly notes that any DMA assessment would need to verify whether such services genuinely function as interfaces between business users and end users⁹. Accordingly, if the Commission limits its analysis to cloud or MaaS marketplaces, the gateway criterion could, in principle, be fulfilled.

Criterion N°3: Entrenched and Durable Position

Market studies indicate that cloud marketplaces currently play a limited role in the cloud sector. According to the FCA, marketplace transactions accounted for only a negligible share of hyperscalers' cloud revenues in France in 2020 and are expected to remain marginal, even though the FCA notes that marketplaces are increasingly important for cloud providers and vendors¹⁰. The Dutch competition authority, in its 2022 market study on cloud services, reached a similar conclusion¹¹.

Although marketplaces may generate indirect network effects—whereby more developers attract more customers and vice versa—the FCA notes that developers continue to rely on alternative distribution channels, including direct sales, independent intermediaries, and competing marketplaces. Those marketplaces include AWS, Microsoft Azure, Google Cloud, OVHcloud, Oracle, and IBM¹².

A similar assessment applies to MaaS marketplaces. While the FCA identifies MaaS as an important point of contact between FM developers and business users, alternative channels remain available, including competing MaaS platforms (e.g., AWS, Microsoft Azure, Google Cloud, OVHcloud, IBM, and Nvidia), open-source repositories (e.g., Hugging Face), and direct API-based distribution (e.g., Meta Llama)¹³.

In light of these factors, cloud and MaaS marketplaces are unlikely to hold an entrenched and durable position, or to be on a clear path toward such a position in the near future.

⁹ *Ibid.*

¹⁰ Autorité de la concurrence, Opinion 23-A-08 of 29 June 2023 on Competition in the Cloud Sector, 29 June 2023 (accessed 13 January 2026).

¹¹ Autoriteit Consument & Markt, Market Study into Cloud Services, 2022 (accessed 13 January 2026). Available at: <https://www.acm.nl/en/publications/market-study-cloud-services>

¹² *Ibid.*

¹³ Autorité de la concurrence, Opinion 24-A-05 of June 28, 2024, On the Competitive Functioning of the Generative Artificial Intelligence Sector, 28 June 2024 (accessed 13 January 2026).

Conclusion

The Commission's investigation into AWS and Microsoft Azure may ultimately focus on cloud and MaaS marketplaces, provided these services are found to function as intermediaries between business users and end users. Even under this narrow interpretation, however, the limited revenues, attractiveness to third parties, and availability of alternative marketplaces and distribution channels suggest that these services are unlikely to meet the entrenched and durable position criterion.

Against this background, the Commission may decide not to designate AWS or Microsoft Azure as gatekeepers under the DMA. Potential competition concerns in the cloud sector may instead be more effectively addressed through general competition law and sector-specific instruments, notably the Data Act (Regulation (EU) 2023/2854), which aims to reduce entry barriers in cloud markets.

About

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