

## Committee on Internal Market and Consumer Protection (IMCO)

### Preparation Module

#### *The question of Tech monopolies*

*Recently, the European Union has started to crack down on monopolistic tactics of several tech mogul companies that prevent competition and deliberately limit the choices of consumers, by issuing heavy fines and changing regulations. How can the Union further protect consumers and tech companies alike from unfair competition by multi-billion corporations while also ensuring that it does not breach free market laws and non-governmental intervention?*

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**IMCO**

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Dear Delegates of the Committee on Internal Market and Consumer Protection,

As your Committee Presidents, we are delighted to welcome you all to the 60th international session of the Model European Parliament in Athens. During this session, you will be debating the question of tech monopolies and how to better encourage healthy competition and choice of products for customers in the European Union. Monopolies lead to a lack of consumer choice especially in the digital sector, which often has a hyper-concentrated market of large platforms with a firm grip on customers and data, made worse by aggressive acquisitions policies, with large corporations incorporating innovative start-ups and pursuing aggressive monopolistic policies.

The European Union has taken measures to attempt to force more competition among tech companies in the market, with the Treaty of the Functioning of the European Union (TFEU) laying the groundwork for the EU's strict prohibition of anticompetitive practices in 2007. More recently, the introduction of the Digital Markets Act (DMA) and the Digital Services Act (DSA) in 2022 has changed the treatment of large corporations in the tech sector and added to existing legislation. These acts have expanded the Union's regulatory powers and introduced the concept of Gatekeeper companies with unique responsibilities. How can the European Union guarantee that the values of the TFEU are effectively enforced in the tech sector and to what extent can legislation around the DMA and DSA be tightened to increase company responsibility rather than interfere in the free market?

Uniform prosecution and enforcement is a different question, with different member states having different degrees of National regulations as well. Some member states, such as Germany and Spain have been uncompromising in their fight against monopolistic practices by digital giants while other countries, such as Ireland, have granted tax breaks to big digital platforms. How can we ensure that different government policies in regards to the

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### enforcement of competition standards do not distort the competition in the European market?

Overall, the question of tech monopolies requires finding a balance between market regulation and free market policies, ensuring that, through the issuing of fines, laws and regulations, the interests of consumers and companies are protected. How can the Union further protect consumers and tech companies alike from Unfair competition by multi-billion corporations without breaching free market laws?

You as a delegate are tasked with navigating this complex issue of ensuring that the data and rights of customers remain firmly in their hands. The following links can help you as a basis for your research. If you have any questions or need any help, feel free to contact us anytime.

Lastly, we must ask you to write a **position paper**. The deadline for the submission of the position paper is **September 30, 23:59 CET**, and it should include:

1. An overview of the issue
2. The EU's actions on the matter so far
3. The actions of the country the delegate is representing
4. The personal opinion of the delegate in regard to what the committee should focus on during the meetings

Length: 1-1.5 pages max

Format: 12 pt Times New Roman, 1.15 spacing, full justification

Your CPs,

Socrates Stamatopoulos & Hannah Pagenstert

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### Overview of the EU's existing policy:

- [https://competition-policy.ec.europa.eu/antitrust-and-cartels\\_en](https://competition-policy.ec.europa.eu/antitrust-and-cartels_en)
- <https://uk.finance.yahoo.com/news/eu-opens-competition-investigations-apple-111404875.html?guccounter=1>
- [https://competition-policy.ec.europa.eu/antitrust-and-cartels\\_en](https://competition-policy.ec.europa.eu/antitrust-and-cartels_en)

### Tech Monopolies:

- <https://www.journaloftechlaw.org/2019/03/10/we-need-to-talk-about-data-how-digital-monopolies-arise-and-why-they-have-power-and-influence/>
- <https://www.openmarketsinstitute.org/learn/consumer-choice-monopoly>
- <https://observer.com/2024/02/earnings-recap-2023-google-microsoft-amazon-meta-apple/>
- <https://www.businessinsider.in/tech/news/apple-amazon-google-and-facebook-worth-more-than-5-trillion-are-reporting-q2-earnings-follow-along-/articleshow/77272722.cms>

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- <https://www.statista.com/chart/29273/investments-in-big-tech-companies/>

**Opinion articles on possible policies:**

- <https://www.nytimes.com/2019/05/09/opinion/sunday/chris-hughes-facebook-zuckerberg.html>
- <https://www.civildaily.com/news/tech-giants-facing-eu-scrutiny/>
- <https://www.channelnewsasia.com/business/google-apple-anti-competitive-breakups-global-regulators-4217846>