

EUROPEAN COMMISSION

Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs

Industrial Transformation and Advanced Value Chains
Advanced Engineering and Manufacturing Systems

Brussels, 15th May 2018

MEETING APPLE- CAB BIÉNKOWSKA ON 15th May 2018

Participants:

- Apple: Jonathan Stuart Brown, Claire Darmon, Senior Government

Affairs Manager

- COM: <u>Kristian Hedberg, Carsten Bermig</u> (Cabinet Biénkowska),

(DG GROW)

Apple recalled the efforts put by industry in the development of the new Memorandum of Understanding (MoU). In Apple's view the new MoU satisfies the policy objectives of ensuring consumes' convenience and waste reduction. Apple stressed in particular the clear trend and efforts by industry to move towards the common standardised USB-C interface. They explained the advantages of USB-C, as a solution ensuring performance, safety and security. They stressed their participation in the USB standardisation work, which eventually resulted in the elaboration of standards on the connector, the cable, the power delivery and charger interoperability. They argued that the USB-C interface is currently the best solution to be used at the interface with the power supply. However, with respect to the end of the cable interoperating with the electronic equipment (smartphones or other devices), the manufacturer should be left the possibility to optimise the technical solution to the specific device (hence, the justification for still keeping the proprietary lightning solution for the iPhone) and look for innovative solutions.

COM pointed out that the expectation of the co-legislators was that a solution on a "common charger" would be found. The new MoU, on the contrary, still gives the possibility of using three different charging solutions. In addition, no mention is made of adaptors, which were discussed as a possible option to ensure interoperability, while keeping the possibility for manufacturers to still use proprietary solutions. Finally, the MoU does not cover fast charging.

On the issues of adaptors, Apple replied that cables themselves (detachable from the external power supply) are to be considered as adaptors. They argued that having an additional adaptor from USB-C to lighting on the phone side would only add waste with no benefit for the consumers. On the issue of fast charging, they stressed that this can be provided in a standardised manner through the USB-C and disagreement among industry was the main reason why fast charging was not covered in the MoU.

COM recalled the political expectations and encouraged Apple to come up with possible solutions going beyond the MoU. In the meantime, COM will consider the regulatory option.

Apple stated they may be willing to look at other options, upon condition that the legacy issue (continuous availability on the market of products already marketed, e.g. iPhones) is properly tackled. They pointed out the risks that a delegated act under RED may be challenged in Court, as one may claim that the Commission exceeded its power.

COM pointed out that a delegated act under RED is only one of the possible options to be considered. A proposal through ordinary legislative procedure is another option.

Both sides agreed to continue discussions at technical level.

(e-signed)