

Congress of the United States
Washington, DC 20515

July 28, 2023

Tim Cook
CEO
Apple, Inc.
One Apple Park Way
Cupertino, CA 95014

Mr. Cook:

Pursuant to Rules X and XI of the U.S. House of Representatives, we request information and documents from Apple regarding policies in place governing Apple’s iOS App Store and how these policies are impacting American leadership in emerging technologies including blockchains, nonfungible tokens (NFTs), and other distributed ledger technologies. As you know, we have written you before on App Store policies, specifically related to TikTok and other apps originating from China, and what you prioritize in your vetting process. It is our mission to promote American technological leadership to ensure our values are built into the foundation of new and innovative technologies.

We previously expressed concern about reports indicating that Apple had failed to implement rigorous application scrutiny making Americans vulnerable to foreign surveillance, particularly from adversarial actors like China. Today, it appears Apple may also use its market dominance in the opposite way, trying to maximize its profits by introducing rules to the App Store that “purposefully limit choice and stifle innovation at the expense of user experience.”^{1,2} While Apple has argued these rules increase security by creating a walled garden, many are concerned that Apple has used the App Store as a weapon against competitors.³ Apple has also been accused of “arbitrarily and unilaterally [applying] a series of technical and experience-limiting restrictions...”⁴ and of “routinely [blocking] our experience-enhancing upgrades.”⁵

In particular, it appears that Apple has used its App Store guidelines to increase its own profits and reduce the utility of apps in blockchains, NFTs, and other blockchain-related technology. For example, in December 2022 Coinbase accused Apple of forcing it to remove NFT transfers from its Wallet app on iOS.⁶ Coinbase claimed Apple was citing its App Store

¹ Foo Yun Chee, *Apple faces \$1 billion UK lawsuit by apps developers over app store fees*, (July 24, 2023) <https://www.reuters.com/technology/apple-faces-1-bln-uk-lawsuit-by-apps-developers-over-app-store-fees-2023-07-24/>

² Spotify Statement for the Record, Hearing titled “Online Platforms and Market Power, Part 2: Innovation and Entrepreneurship, House Committee on the Judiciary (July 16, 2019) <https://docs.house.gov/meetings/JU/JU05/20190716/109793/HHRG-116-JU05-20190716-SD012.pdf>.

³ Joan Solsman and Shara Tibken, *Even Apple’s ex-head of app reviews says App Store is unfair to Spotify, Netflix*, CNET (May 29, 2019) <https://www.cnet.com/tech/mobile/apple-app-store-is-unfair-to-spotify-netflix-former-app-reviews-head-shoemaker-says/>.

⁴ *Supra* note 1.

⁵ *Ibid.*

⁶ Mitchell Clark, *Coinbase says Apple forced it to remove NFT transfers from its iOS wallet*, The Verge (December 1, 2022), <https://www.theverge.com/2022/12/1/23488448/coinbase-ios-wallet-app-apple-nft-fees-in-app-purchase-store>

guidelines to require a 30% cut of the gas fees – a fee paid to the blockchain network to perform a given task – associated with any NFT transfer.⁷ Coinbase Wallet tweeted that “for anyone who understands how NFTs and blockchains work, this is clearly not possible. Apple’s proprietary in-app purchase system does not support crypto so we couldn’t comply even if we tried.”⁸

To comply with the App Store’s guidelines on NFTs, companies allege that they have been forced to roll out “lite” versions of their apps.⁹ For example, Axie Infinity worked with Apple for about two years, ultimately releasing a limited version which excluded core NFT mechanics and remains unavailable in the United States.¹⁰ In a release announcing its App Store approval, Axie Infinity recognized the importance of iOS access because “70% of Axie community members [finding] out about Axie from a friend or family member, so it’s important ... for Axie to be as easily shareable as possible.”¹¹

It is essential that Congress fully understand the App Store Guidelines and the extent these guidelines limit innovation and American technology leadership. Apple’s support of innovative new technologies such as blockchains, NFTs, and other distributed ledger technologies could solidify American leadership of these technologies.

We ask that you respond to the following questions no later than 5:00 p.m. on August 14th, 2023:

1. It has been publicly reported that Apple planned to offer “sideloading” in future iOS updates.¹² What is the status of these changes?
2. Please detail Apple’s policies as they relate to admittance on Apple’s App Store, including what factors are considered to determine if an app meets the data privacy and security standards.
3. Does Apple proactively audit apps to ensure they comply with App Store policies, or only after a user flags a concern?
 - a. If yes, how often does Apple audit apps on the App Store?
 - b. If no, why not?
4. If Apple determines an app is in violation of its policies, what steps does Apple take to address such violation?
5. Does Apple maintain a list of app developers who have abused user information or otherwise violated Apple’s policies to ensure such developers will not be allowed back on your platform?
 - a. If yes, please explain.

⁷ Coinbase Wallet [@coinbasewallet], *Twitter*, (December 1, 2022), <https://twitter.com/CoinbaseWallet/status/1598354820905197576?s=20>

⁸ Coinbase Wallet [@coinbasewallet], *Twitter*, (December 1, 2022), <https://twitter.com/CoinbaseWallet/status/1598354821983125506?s=20>

⁹ Liam J. Kelly, Alys Key, *Axie Infinity Rolls Out ‘Lite’ Version of Crypto Game on Apple App Store*, Decrypt (May 17, 2023), <https://decrypt.co/140437/axie-infinity-rolls-out-lite-version-crypto-game-apple-app-store>

¹⁰ *Ibid.*

¹¹ *Play Origins on your iPhone Today!*, The Lunacian (May 17, 2023), <https://blog.axieinfinity.com/p/play-origins-on-your-iphone-today>

¹² Ivan Mehta, *Apple will reportedly allow sideloading apps with iOS 17*, TechCrunch (December 14, 2022), <https://techcrunch.com/2022/12/14/apple-will-reportedly-allow-sideloading-apps-with-ios-17/>.

- b. If no, why not?
6. Does Apple review each app for foreign ownership prior to admitting such app onto the App Store?
 - a. If yes, what steps does Apple take to vet each app regarding foreign ownership, including whether apps or app developers have a direct or indirect relationship with foreign governments, specifically China?
 - b. If no, why not?
7. Does Apple review each app on the App Store for critical vulnerabilities?
8. Does Apple plan to build apps using blockchain or related technologies?
9. Blockchains such as Solana have released developer kits to enable more secure blockchain apps.¹³ One component is a secure vault which keeps private keys, seed phrases, and secrets within the smartphone's "secure element," a standard chip which protects sensitive information from unauthorized access.
 - a. Has Apple explored how the "secure element" could be used to enable blockchain innovation and the security of user's information?
10. We understand that apps go through review by automated tools.
 - a. What are these tools called and what do each of these tools do?
 - b. Are there best practices available for app developers to adhere to for these tools?
11. Many app developers have voiced concerns that the App Store Review process provides minimal feedback during a pending review. What steps has Apple taken to provide developers more visibility and up to date information on the status of the pending app reviews, such as at the review's stage and progress?
12. How are App Store reviews prioritized? Does the App Store review process prioritize apps that support in-app purchases?
13. Is there a way for app developers to escalate ecosystem-affecting reviews which affect many 3rd party developers?
14. If an app developer asks for an expedited app review, how does Apple change its app review process?
15. Do some accounts get a human point of contact to discuss app reviews? If so, what criteria qualifies them for access to this contact? What channels are available for communication outside of the portal?
16. According to emails provided to the House Committee on the Judiciary,¹⁴ you set up an "App Review Fast Track" for Chinese tech giant Baidu, a company with close ties to the Chinese Communist Party.¹⁵ Why did you do that? What processes does Apple have in place to ensure a lack of corruption in the fast-tracking process?
17. What are the criteria for escalation to the App Review Executive Review Board (ERB) and what documentation is required for this additional process?
18. Who participates in the App Review Executive Review Board (ERB)? What are the steps the ERB takes when evaluating an app?

¹³ *Solana Mobile Stack begins new era of web3 with mobile-first Android platform*, Solana (June 23, 2022), <https://solana.com/news/solana-mobile-stack-reveal>

¹⁴ *Demonstratives Used At Hearing*, Hearing entitled "Online Platforms and Market Power, Part 6: Examining the Dominance of Amazon, Apple, Facebook, and Google, House Committee on the Judiciary (July 29, 2020), <https://docs.house.gov/meetings/JU/JU05/20200729/110883/HHRG-116-JU05-20200729-SD025.pdf>

¹⁵ Emily Feng, *Chinese tech giants like Baidu and Sina set up Communist Party committees*, Financial Review (October 11, 2017), <https://www.afr.com/world/asia/chinese-tech-giants-like-baidu-and-sina-set-up-communist-party-committees-20171011-gyyh5u>

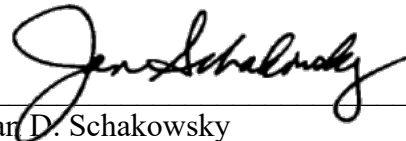
19. We understand that Apple often asks for additional documentation as part of the app review process. What types of documents are requested?
20. Is the assessment of whether and how Apps is in compliance with the law done by legal professionals, and if so, is there an appeals process that might allow respective counsels to discuss details?
21. If an app connects with its customers through an app downloaded from your platform, do you, through your policies or otherwise, limit the methods an the app can use to contact such customers through a channel Apple does not control? Why?

If you have any questions, please contact our staff. Thank you for your prompt attention to this request.

Sincerely,



Gus M. Bilirakis
Chairman
Subcommittee on Innovation, Data, and
Commerce



Jan D. Schakowsky
Ranking Member
Subcommittee on Innovation, Data, and
Commerce