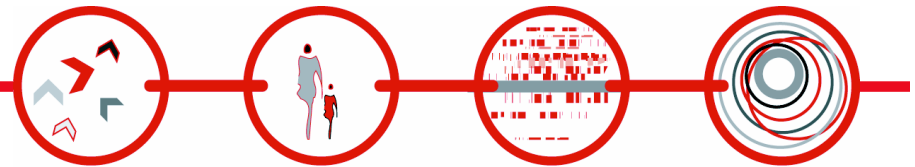


The need for sector specific regulation in a liberalized postal market – the Swedish experience

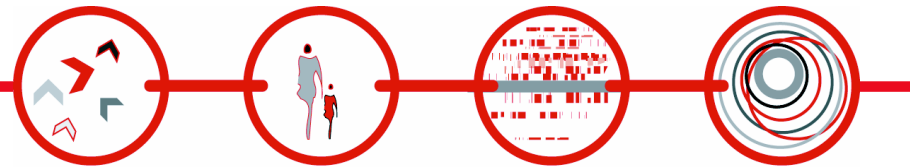
9th Königswinter Postal Seminar
November 2005

Sten Selander, Director Postal Affairs
National Post and Telecom Agency, Sweden



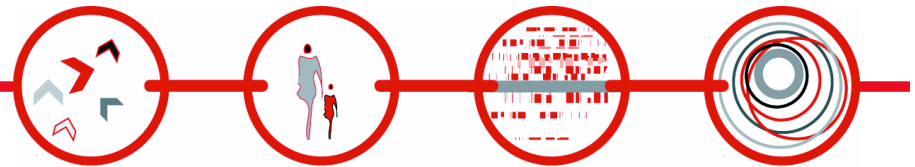
Customer reaction

- Inertia
- Huge benefits for active customers



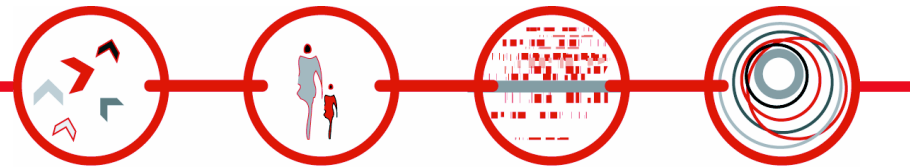
New entrants

- Underestimate the former monopolist's competitive advantages
- The rise of a strong and creative former monopolist
- Pricing the foremost tool of the former monopolist
- Temptation by the former monopolist to cross-subsidize
- Great risk of "legal lag".



The USO

- Will survive competition
- Will be carried out more efficiently
- New customer habits will affect the design of the USO
- Discussions on new service levels.



Sector specific regulation

- General competition legislation not enough
- Price cap to prevent temptation to cross-subsidize
- Application of article 14
- Non-discriminating terms and conditions
- Open infrastructure
- Avoid "legal lags"
- Do not underestimate the importance of resolving minor practical issues.

