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Vodafone Sweden appeals against PTS' decision

"PTS does not have sufficient expertise"

"We are strongly critical to the Swedish National Post and Telecom Agency's (PTS) decision. Such far-reaching regulation that affects the entire mobile phone market should not be based on such defective and insufficient analyses," says Elisabet Ohlsson, Director Regulatory & Legal Affairs of Vodafone Sweden, who is today appealing against PTS' decision to regulate Vodafone Sweden's interconnect fees. "PTS' eagerness to regulate impedes competition and strengthens Telia's position."

Vodafone Sweden is today appealing against the decision of the Swedish National Post and Telecom Agency (PTS) to classify Vodafone Sweden as dominating operator (known as SMP status – Significant Market Power) and to regulate Vodafone Sweden's interconnect fees. Vodafone Sweden also demands that the County Administrative Court immediately suspends (inhibits) the decision.

"PTS eagerness to regulate, means that all mobile operators' interconnect fees are now being regulated. It is obvious that the PTS wishes to regulate the mobile market to the greatest possible extent, despite the fact that the basis of their decision and market analysis does not fulfil the high demands of quality that legislation demands," says Elisabet Ohlsson. "They have fallen into the trap that the Swedish Competition Authority warned for – the pitfall of over-regulating."

Vodafone Sweden refers in its appeal to a number of deficiencies that demonstrate that the PTS does not possess the expertise required to perform this kind of market and competition analyses. The new legislation that the PTS uses – the Electronic Communications Act – states that extremely well-performed market analyses shall precede each decision to regulate the market.

"PTS does not possess the expertise required to make this kind of decision, which jeopardises competition for the entire telecom market. Market and competition-related legal issues should instead be handled by the authority that has the greatest knowledge and experience within this area, namely the Swedish Competition Authority," emphasises Elisabet Ohlsson.

It is now up to the County Administrative Court to take a decision with regard to Vodafone Sweden's appeal.

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