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Impact assessment – experiences from Sweden

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Impact Assessment = A^5

- Anatomize
- Analyze
- Assess
- Assemblage
- Assert

Disposition

- Introduction
- Method & Approach
- Case
- Conclusion
- Q&A

Start with…

- Capturing the relevant market
- Identify key players and stakeholders
- Set the regulatory process in motion
- Considering different remedies (regulator toolbox)
- Anticipated consequences of remedies
- Connect to policy & strategy

...capture the market drivers

- Market analysis
- Growth and profitability
- Capex and Cash flow
- Expectations and forecasts
- Sensitivity analysis
- Baseline scenario

=> Forward looking facilitates a market view

...combine four pillars

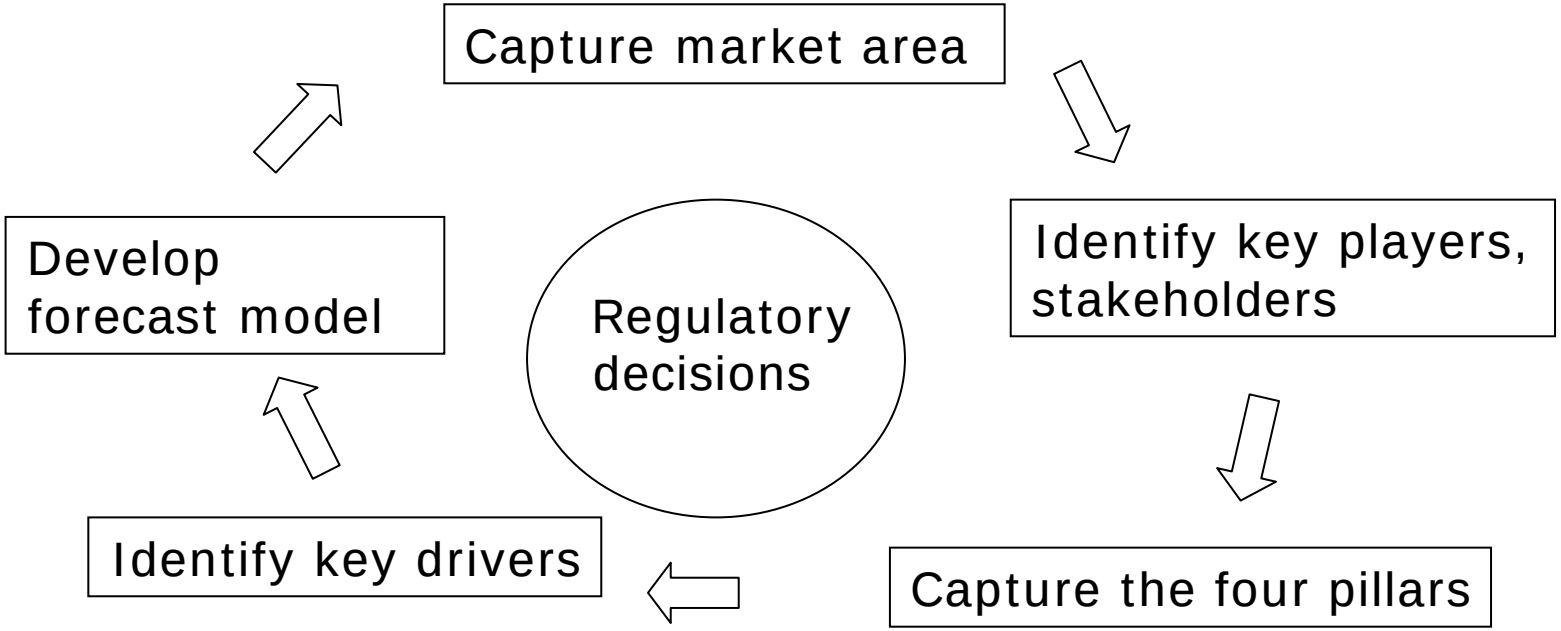
Society
public welfare, urban vs rural, security, IT-strategy

Competition
Long term sustainable competition

Investments
Incentive to climb the investment ladder

Consumer/corporate/public org
wide range of price worthy services

...in a iterative process



Case: Sweden, market #4: Network infrastructure access

- Despite NGN hype fiber investments are selective
- Full regulation but limited impact on capex level
- Baseline would no significant alteration to capex plans
- Negative for the SMP operator forced to open networks
- Market stagnation put focus on competition
- Maintained or enhanced level of competition ought to drive investments

The impact of the four pillars

Consumer

- Wider range of services
- Maintain alt operators as suppliers
- Fair prices
- Positive on consumer utility

Investments

- Negative on investment incentive
- But, limited impact on capex as it is selective and support from price regulation
- Push for Alt. op to climb the investment ladder

Competition

- Increased as SMP operator forced to open network
- Alternative operators able to compete on national services
- Lower entry barrier

Society

- Broader supply of services
- Positive on adoption and national diffusion
- Improved access positive on public welfare

Conclusion

- Anatomize the market structure, and stakeholders
- Analyze the parts and take a long term view
- Assess the impact for each of the four pillars
- Assemblage the total qualitative and quantitative material
- Assert an insight of the total impact

Q&A