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This development is interesting and notable in itself. However, equally or perhaps even more interesting, is the role played by competition law in the process. Most observers agree that competition law only played a limited role in this transformation due to the limited ability of competition law to address the special problems and complexity of the electricity and telecommunications sectors. These observations are based on perceived shortcomings in regulating these complex sectors of industry. As it will be demonstrated the observations are not only incorrect but also fail to do justice to the very active role played by competition law. Looking back on the process of liberalization that started more than 25 years ago, it is apparent that absent the ‘sledgehammer’ effect of its competition law tools, the EU Commission would have been significantly worse positioned in extending the internal market concept to the provision of electricity and telecommunication services. Arguably, the whole liberalization process would never have come about or would have taken a different direction. However, in this process competition law has been ‘twisted’ to a point of giving it a certain regulatory flavour.

The purpose of this book is to develop the understanding of the liberalization process in its entirety including the role played by competition law. Moreover, some words of caution will be offered against expanding the application of competition law to these sectors further without careful consideration of the long term ramifications for the sectors and competition law.
Between Regulation and Deregulation

Studies on the limitations of competition law and its ambiguous application to the supply of electricity and telecommunications in the EU
Between Regulation og Deregulation

Studies on the limitations of competition law and its ambiguous application to the supply of electricity and telecommunications in the EU

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Christian Bergqvist

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Copenhagen July 2016

Christian Bergqvist
Today no one questions the benefits of allowing consumers to choose freely between suppliers of electricity and telecommunications services. This is however a fairly recent development. Not long ago the provision of these services was reserved for few national public sector incumbents, who were often also entrusted with regulatory tasks.

This development is interesting and notable in itself. However, equally or perhaps even more interesting, is the role played by competition law in the process. Most observers agree that competition law only played a limited role in this transformation due to the limited ability of competition law to address the special problems and complexity of the electricity and telecommunications sectors. These observations are based on perceived shortcomings in regulating these complex sectors of industry. As it will be demonstrated the observations are not only incorrect but also fail to do justice to the very active role played by competition law. Looking back on the process of liberalization that started more than 25 years ago, it is apparent that absent the 'sledgehammer' effect of its competition law tools, the EU Commission would have been significantly worse positioned in extending the internal market concept to the provision of electricity and telecommunication services. Arguably, the whole liberalization process would never have come about or would have taken a different direction. However, in this process competition law has been ‘twisted’ to a point of giving it a certain regulatory flavour.

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