

**The Implementation Council**  
KN 2024:04

Finansdepartementet (Ministry  
of Finance), enheten för  
offentlig förvaltning

Kopia KN NIM

### **Input to Sweden's position ahead of EU negotiations – proposal for the Digital Networks Act**

The Swedish Implementation Council's contribution to the Swedish position is presented in full in section 8. The Council's proposals in summary are:

- Update the wording on consumer protection so that they are adapted to the technological development that has taken place.
- Let the horizontal consumer legislation in Sweden primarily apply to the regulation of consumer aspects.
- Maintain the national spectrum allocation but work for a more equal level playing field between member states.
- Simplify the current regulatory framework and avoid more players having a heavy regulatory burden.
- Modernise SMP regulation with effective rules that continue to promote competition.
- Promote greater coordination of European regulations and bodies to make things easier for businesses.

## 1. Task of the Swedish Implementation Council

The Implementation Council is tasked with assisting the Government in its efforts to strengthen the competitiveness of Swedish companies by avoiding implementation above the minimum level and counteracting unjustified regulatory burdens, as well as reducing administrative costs and other compliance costs in connection with the implementation of EU regulations in Swedish law. The Implementation Council's work must be based on a company perspective.

The Implementation Council is to submit documentation and recommendations to the Government, partly as a contribution to Swedish positions in negotiations and partly on how EU legal acts can be implemented in Swedish law in a way that is not more far-reaching from a business perspective than what the legal acts require.

The Implementation Council's work is based on problem descriptions that have been communicated to the Council, mainly from industry organisations and their member companies. During the work on the documentation, contacts are also made with others who are familiar with the respective subject area, such as government agencies. In the light of the information gathered and in the context of the overall objective of the act in question, the Council makes a weighted and independent assessment of how the business perspective can be effectively addressed in each case.

In preparing this opinion, the Council has used oral and written submissions and feedback from individual conversations with:

- The industry organizations Confederation of Swedish Enterprise, TechSverige, Teknikföretagen, Mobility Sweden, Almega and Visita (from a user perspective).
- The companies Ericsson, Telia, Tele2, Stokab and Meta and a meeting with the TechAlliance where the following companies participated: Volvo Cars, Amazon, Kry, Ikea, Ericsson and Google. In addition, group discussions have been held with participating companies at TechSverige's Telecom council on 2 September 2025. During this occasion, participants included: Tele2, Telia, Stokab, Google, Amazon, Telenor, Unicorn Telecom, Global Connect, 3 Hi3G, Avivo, Stadsnätsföreningen, Ericsson, Global Connect and Cellnex.
- The Swedish Post and Telecom Authority (PTS) and RISE.

## 2. Relevant proposal for an EU legal act

This opinion concerns the European Commission's upcoming proposal for a legislative act: the Digital Networks Act (DNA).

## 3. Purpose, background and objectives of the proposal

The overall aim of the legislative act is to strengthen and ensure economic competitiveness, social welfare and security in Europe through access to high-quality digital network infrastructure.

The background to the development of DNA is primarily described as<sup>1</sup>:

- The sector is fragmented within the EU. This means that consumers and operators in the EU cannot use the full potential of the internal market. The two main reasons for fragmentation are described as national differences in the conditions attached to the general authorisation and the fact that the procedures and conditions for spectrum allocation are not sufficiently coordinated, but are only carried out through a voluntary and undocumented review.
- The regulatory framework is complicated and neglected, as it is not adapted to the market changes and technical changes that need to take place. For example, there is a lack of proactive measures to promote the decommissioning of copper networks and a lack of legal clarity in the rules on open internet and the regulation of innovative services.
- There are risks linked to the increased demand for access to the EU satellite market, combined with differences in authorisation procedures, can lead to discrimination between operators, forum shopping<sup>2</sup> and barriers to the development of cross-border satellite services, and the loss of benefits in terms of increased network resilience, coverage and life-saving services.
- There has been a lack of governance in this area over the past 15 years. For example, the Body of European Regulators for Electronic

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<sup>1</sup> In the written information document for consultation (call for evidence for impact assessment). Ref. Ares(2025)4545535 - 06/06/202

<sup>2</sup> When a party tries to choose the court or tribunal that is most favourable in an international dispute.

Communications (BEREC) and the Radio Spectrum Policy Group (RSPG), which has an advisory role vis-à-vis the Commission, are described as having played a limited role in promoting the internal market.

The aim of the new legislation is to modernise, harmonise and simplify the legal framework in order to drive and facilitate the necessary changes and development of the digital network. These include the transition from legacy networks to fibre, 5G and cloud-based infrastructure, the expansion of networks and the fact that cloud and edge computing systems become an integral part of the network infrastructure.

#### 4. Where in the process is the proposal?

The proposal on DNA was announced in the Commission's 2025 Work Programme and has been out for consultation between 6 June and 11 July 2025. A formal proposal from the Commission is scheduled to be adopted in Q4 2025.

The adoption of the act is planned to be accompanied by a review and evaluation of the European Electronic Communications Code and related legal acts. The Directive for the European Electronic Communications Code<sup>3</sup> was supposed to be transposed into national law in December 2020, but the Swedish legislation did not enter into force until August 2022. The Directive has been implemented in Swedish law through Lagen om elektronisk kommunikation (LEK).

#### 5. Responsible ministry

Ministry of Finance.

#### 6. Problem description from a Swedish business perspective

##### **Companies' attitudes to DNA are not consistent**

The view of the Digital Networks Act (DNA) differs between different actors. For telecom operators, the regulatory framework is of central importance and is expected to have significant consequences. Some of these companies

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<sup>3</sup> Directive (EU) 2018/1972 establishing the European Electronic Communications Code

believe that DNA is misguided and poorly substantiated, and believe that the Commission should refrain from proposing new rules if the ambition of regulatory simplification is to be achieved. The focus seems to be that it should be a regulation instead of a directive, which there are also different opinions about. It is also emphasised that DNA is only *one part* of a larger entity aimed at promoting investment, and should therefore not be seen as the only influencing factor.

The basic attitude of several industry organizations to DNA is positive. Despite the fact that it entails new regulation, which usually means increased regulatory burdens for companies, several industry associations believe that there is a need for more modern and up-to-date legislation than the current directive (Electronic Communications Act) as it is based on outdated legislation from when the market was different. At the same time, several of the telecom companies point out that the code, which replaced the directive from 2002, was introduced just a few years ago (2022)<sup>4</sup> and thus cannot be considered old. However, some believe that several older basic principles and values have continued to characterize the updated directive.

There are also differences of opinion as to whether the current directive should be replaced by a regulation or a directive. Several industry associations and Digital Europe see advantages in a regulation because the application of the current directive is very fragmented within the EU and a regulation can facilitate harmonisation between Member States. At the same time, some affected companies and industry associations have expressed that they prefer the regulations to remain a directive, in order for the national legislation to be better adapted to the Swedish market. The Swedish market is described by the companies as being further ahead in terms of the expansion of fiber networks and the switch-off of copper networks than several other member countries.

Companies with Over-The-Top Services (OTT), i.e. digital services via the internet, have expressed criticism of parts of the proposal. The trend is towards different product areas becoming increasingly interchangeable – for example, calls can take place both via traditional mobile networks and via apps. If the regulatory framework is extended to also include OTT players, a wider range of companies, such as Apple, Google and Meta, risk being

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<sup>4</sup> The EU directive was revised and adopted in 2018 and came into force in Sweden in 2022.

affected. Companies that are already covered by the current code also find it difficult to apply and therefore engage in advocacy work.

The ambition to significantly reduce the time for permit processes and to cut reporting obligations by 50 percent, as described in the basis for "have your say", is welcomed by the industries concerned.

### **To some extent unclear what the Commission wants to achieve with DNA and how this will be achieved**

It is pointed out by some companies that it is unclear what it is that the Commission wants to achieve with DNA and, if so, how it will be achieved. For example, it is pointed out that it is unclear how the proposed regulatory relaxations will lead to an increase in investments in infrastructure. The idea that fewer and larger operators operating throughout Europe, pan-European operators, would be given the financial strength to invest more through regulatory easing, does not necessarily mean that this is also the case. On the contrary, it could lead to less competition. If DNA were to lead to a move towards pan-European operators, it would be detrimental to the Swedish market, according to several other companies. In the Swedish market for fiber networks, there is described as having higher competition<sup>5</sup> than in many other member countries, and pushing towards increased consolidation could lead to increased prices, an inhibited innovation power and a risk of a lower level of investment. Extensive or misdirected rules are also pointed out by some companies that can inhibit investments in new infrastructure, such as 5G. A slower 5G roll-out would in turn affect the development of key sectors of society such as the automotive industry, digital services and smart cities. A consequence of any shortcomings in the design and application of the regulations could mean that Sweden's potential in digitalisation is not fully utilised.

There is also some concern among companies that the national requirements in Sweden risk being more far-reaching than what is required at EU level. Historically, Sweden is often described as having chosen a stricter implementation of regulations compared to several other Member States, for example in southern Europe. This can create competitive disadvantages for Swedish players.

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<sup>5</sup> In the regional markets in Sweden, it may look different, and rather there are few players with a lack of competition.

**Need to update the wording on consumer aspects so that they are adapted to the technological development that has taken place**

Several industry associations point out that the rules on consumer protection aspects in LEK chapter 7, services to end users, are complicated and not technically neutral.

Divisions and classifications in the writings are not updated based on the developments that have taken place in the market. For example, there are no such things as "apps" in the current classification. Parts of Chapter 7 of the LEK are also applied differently depending on whether the service is number-based or not (so-called number-independent interpersonal communications services) or whether it concerns transmission services used for the provision of machine-to-machine services. These exemptions mean, among other things, that it is difficult for suppliers to determine whether they are covered or not. The outdated and non-technology-neutral wording is further described as inhibiting innovation and driving costs for the companies concerned.

These wordings in the LEK are also emphasized as being captured by consumer legislation in Sweden according to most industry organizations and companies that we have been in contact with. They therefore believe that the existing consumer legislation should be applied, instead of creating duplication of legislation and burdening more people by incorporating it into the new regulatory framework for DNA. Several of TechSverige's member companies express, among other things, that they are not satisfied with the wording in the LEK regarding contract information about transparency and contract periods. They believe that it would be better to rely on horizontal consumer protection legislation.

However, it should be added that some companies rather see it as desirable that consumer rules are incorporated into the new regulatory framework in order to increase consumer protection.

**Companies see difficulties in the EU taking over spectrum allocation, while there is a need for more level playing field between member states**

Companies are expressing concerns about a possible shift of spectrum allocation to EU level. At the same time, it stresses the need for more level playing field between Member States. According to several actors, today's national allocation system works largely well. The Swedish Post and Telecom Authority (PTS) is considered to have better conditions and knowledge of Swedish conditions than a European body. There is a concern that a centralized system risks leading to a "one size fits all" solution, which does not take into account the conditions and pace of development of the Swedish market. On the other hand, the importance of much stronger cooperation and more formalised forms of cooperation between the member states is emphasised. For example, reviewing each other's allocations is currently voluntary, something that is considered to need to be reviewed. Furthermore, there is also a desire to work for longer license periods and to review models and periods for payment of new licenses.

TechSverige expresses, among other things, that increased harmonisation may entail a risk that Sweden will be held back, with the aim of all member states developing at the same pace. The organisation therefore stresses that responsibility for spectrum allocation should not be left to Brussels, although greater coherence between Member States is desirable. This applies, for example, to the significant differences in permit requirements between countries.

BusinessEurope supports a transition to technology-neutral and equivalent access rules. The organization highlights longer license periods, easier renewals and "use it or lose it" clauses, i.e. that if someone does not use their assigned frequencies, they must be returned to be used for something else. This can promote investment and increase predictability. However, while BusinessEurope supports the centralisation of spectrum management, policy action in this area should take into account national specificities.

The Confederation of Swedish Enterprise also supports DNA's aim to better coordinate the Member States' approval of spectrum in terms of deadlines and to establish common procedures and conditions for national authorisations. At the same time, it is emphasised that this work must not hamper the development of new technologies, business models or



willingness to invest in Europe. It also stresses the need to provide for the possibility of appeal to the Commission in case of poorly designed allocations and to ensure that spectrum can be made available quickly.

**If the principles of an open internet are included in the DNA, it is likely to mean that more companies are covered by the regulation**

The Commission is considering including the principles of an open internet (e.g. net neutrality, unregulated retail services and interconnection) in DNA, which may mean that more companies (mainly companies providing OTT services) than are currently covered by the LEK, will be covered by DNA. This is described by several industry associations and concerned companies burdening companies that provide OTT services with more regulations. There may also be a risk that these principles will be applied differently between Member States.

The industry associations highlight that there is a lack of an impact assessment of this and there are no clear market failures that need to be addressed through regulation. The Confederation of Swedish Enterprise assesses that the measure would be incompatible with the Commission's simplification agenda and instead risk further uncertainty and implementation costs, without clear benefits.

The development of OTT services is described by the Confederation of Swedish Enterprise, among others, as having had a more favourable development in terms of growth and profitability than other telecom companies over the past two decades. One reason for this may be the detailed rules on telecoms services to which operators are subject through the LEK. This applies, for example, to what the product information should contain, notice periods, binding periods, information about the extent to which the quality of the service is dependent on external factors, and more. These rules are expressed by industry associations as outdated, inhibiting innovation and cost-driving for the companies that are currently covered by the LEK. The fact that services such as WhatsApp and Messenger are not currently covered by LEK is therefore perceived by the telecom industry as not being a "level playing field". The design of the LEK is thus described as leading to an unequal regulatory burden on similar services, depending on whether they are produced over the internet OTT or in the traditional way in the telecommunications networks. There are therefore disagreements between the companies concerned as to whether DNA should be broadened

to include more people or whether the way forward is rather through the simplification of the rules of LEK and that DNA is not broadened.

OTT service providers, on the other hand, claim that they contribute to increased demand for telecom companies' services by offering services that consumers want and that require good infrastructure. Furthermore, these companies believe that their services are free of charge for the end user, who can start and end a service at any time and that it is therefore not relevant to be subject to regulation, e.g. on binding periods.

### **The relevance of SMP regulation is questioned and some believe that it is time to gradually phase it out**

The relevance of the regulation of Significant Market Power (SMP) is questioned by some actors, who believe that it is time to gradually phase it out. The SMP regulation, which is found in Chapter 5 of the LEK, was introduced to promote competition in markets where significant players have a dominant position. According to these actors, the regulation was relevant when it was introduced, but is no longer considered to fulfil the same function.

At the same time, some telecom operators emphasize that there are not sufficient reasons to change the SMP regulations, and believe that it would not lead to increased investments in Sweden. For example, the fiber network is described as being well developed in Sweden, which means that rules aimed at promoting fiber expansion are no longer considered necessary in a Swedish context. Furthermore, it is emphasised that any simplification of the rules should cover all market participants. A one-sided focus on SMP regulation is therefore considered illogical, as in practice it would only benefit a limited number of operators. An advantage of the SMP regulations that is highlighted by companies is that it is applicable when needed. The market structure is such that consolidations can lead to the emergence of new players with significant market power, which means that legislation is needed.

**Desire to consolidate European electronic communications bodies and regulations to increase efficiency and simplify communication for businesses**

There are currently several European bodies and regulations (BEREC regulation, Radio Spectrum Programme RSPG and Electronic Communication Code EECC) that companies need to relate to and consult in electronic communications, which is time-consuming and inefficient. The industry organizations believe that there is a need to consolidate these together to increase coherence between the regulations and thus reduce administration for the companies.

Security requirements need to be better coordinated in international forums in order to prevent fragmentation and not to create barriers in the internal market for electronic communications. Otherwise, it risks hampering resilience and life-saving services in Europe, according to the industry associations.

**Possible impact on essential services of accelerating the transition from 2G/3G to 5G/6G**

If the Commission's proposal for DNA will further affect the transition time from 2G/3G to 5G/6G, the companies that supply, for example, home alarms and social alarms highlight the importance of this transition taking place safely from an end-customer perspective.

The companies underline that they are not opposed to the transition in substance, but that a premature shutdown of the 2G and 3G networks, before the new networks are fully deployed, risks creating serious safety problems for users. Against this background, it is proposed that the transition period be extended and coordinated in such a way as to ensure continuity and protect the safety and rights of users.

No concrete proposal for a time frame has been presented, but an extension of about three to five years has been estimated as reasonable on the part of the companies.

## 7. Implementation Council Analysis

### **Industries and companies concerned**

Based on the assumption that DNA would cover, to a large extent, the same industries that are currently covered by the LEK, actors that offer public electronic communications networks or publicly<sup>6</sup> available electronic communications services will be affected. These include: telecom operators, providers of internet services, providers of interpersonal communication services such as e-mail and messaging services, and it also includes users. Today, 722 actors are registered according to LEK.<sup>7</sup> There are several industry organizations that believe that more companies (including hyperscale companies/large cloud provider companies) will be covered by DNA, or at least parts of DNA, than will be affected by LEK.

### **Consequences for Swedish companies**

#### *Increased administrative and other compliance costs*

The European Commission has not yet presented the proposal for DNA, nor is there an impact assessment in place yet. Industry organisations and companies therefore find it difficult to assess the possible additional costs that the regulations may entail.

However, the basis for "Have your say" states that the proposal is expected to lead to a reduction in reporting costs of approximately 50 percent. At the same time, several industry organizations emphasize that if DNA will cover more industries than the current code does, their costs will increase. Telecom operators also describe that the introduction of DNA and a transition from LEK would entail costs in the form of, among other things, working hours that need to be spent on adapting to the new regulations. According to the operators, new regulation always means increased costs, including for the production of new policy documents, their mapping and adaptation of CRM systems.

There is also concern that costs are increasingly passed on to companies when introducing DNA. According to the industry associations, this may lead to a reduction in other investments in, for example, infrastructure.

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<sup>6</sup> The public nature of the electronic communications network or the public availability of the electronic communications service means that they are open to a wider range of users.

<sup>7</sup> [Notified operators | PTS](#)

Another example given is that if the 5G toolbox were to be made mandatory, it would require companies to set aside funds for this, funds that could instead have been used for infrastructure development.

In addition, several companies and relevant industry associations emphasize the importance of not passing on the costs of network expansion to the users of the networks. It stresses that users already pay fees for their services, and this is said to be inappropriate and risks creating financial uncertainty for these companies if this were to be the case.

Some industry organizations also highlight the extent to which the responsibility for the expansion of robust networks can be transferred to private actors, and how this should be paid for in the long term to be sustainable.

### *Impact on Swedish companies' competitiveness*

The Electronic Communications Act (LEK) gives national regulators the freedom to require operators to adopt costly security measures according to operators. This risks further fragmenting the internal market and resulting in disparities in potential returns on investment in digital networks. The cloud services market is also hindered from cross-border operations due to national restrictions, which are often justified on security grounds.

Simplifying the current regulatory framework is described by industry associations, among other things, as being able to make a positive contribution to competition and encourage investment in redundant and comprehensive terrestrial, submarine or satellite communication infrastructure. This, in turn, could benefit our preparedness, resilience and security.

Some major players have stated that the operator market is fragmented within the EU and that it will not be solved if national licences and conditions are retained. They believe that there is a need for greater concentration within the EU in order to be able to scale and that this is a way to achieve a functioning internal market for services. In the EU there are many operators, while in countries such as the United States there are only a few. The Commission's thesis is that higher concentration can lead to higher margins, which in turn can lead to increased investments. However, it is important in the event of an increased concentration of operators that the authorities are aware that the current competitive situation remains healthy. From a Swedish perspective, it should be ensured that a redistribution to

large pan-European players does not mean that Swedish infrastructure coverage is neglected.

If DNA were to lead to a move towards pan-European operators, it would be detrimental to the Swedish market, several companies have argued. Since the Swedish market for fibre networks is described as having higher competition<sup>8</sup> than in many other member states, increased consolidation could lead to increased prices, an inhibited innovation capacity and the risk of a lower level of investment. It is uncertain to what extent such pan-European operators would see the Swedish market as attractive enough to invest in new infrastructure, and it is feared not least that the willingness to invest and expand in more sparsely populated areas would decrease as the cost in these areas would be set against the cost (and earning potential) in other parts of the EU. A reduced interest in investments in Sweden could then affect all companies and users in Sweden who do not get access to new technology and new infrastructure. For Swedish competitiveness, it is vital that our companies can continue to take part in both fixed and mobile digital modern infrastructure in large parts of our country.

It is also important that the legislation is adapted to the different market situations in Europe's member states and that there is a distinction between infrastructure and services, according to e.g. fiber operators.

## 8. The Implementation Council's basis for Sweden's position for upcoming EU negotiations

### *Recommendations linked to DNA*

#### **Update the wording on consumer protection so that it is adapted to the technological development that has taken place**

Update and rewrite chapter 7. LEK – services to end users to adapt them to today's conditions and the technological development that has taken place.

#### **Let the horizontal consumer legislation in Sweden primarily apply to the regulation of consumer aspects**

Let the consumer legislation that already exists in Sweden primarily apply, instead of also introducing regulations on this in DNA. This is in order,

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<sup>8</sup> In the regional markets in Sweden, it may look different, and rather there are few players with a lack of competition.

among other things, to avoid double regulations for consumer protection and thus difficulties of interpretation for companies.

**Maintain the national spectrum allocation but work for more equal conditions between member states**

The national spectrum allocation in Sweden should be retained, but at the same time work should be done for more equal conditions between member states. If spectrum allocation is centralised to Brussels, there is a risk of insufficient adaptation to Swedish market conditions and that prices will rise. Swedish companies risk being disadvantaged if there are attempts to regulate increased concentration with pan-European operators.

There is also a need to review and change the requirements and criteria of the national spectrum allocation for the payment of new licences, so that companies do not have to pay large sums upfront.

**Simplify the current regulations and avoid more players being covered by a heavy regulatory burden**

Make sure to simplify the rules for the actors covered by the current regulations instead of allowing more companies (mainly OTT services) to be covered by the new regulations in DNA. Otherwise, the regulations risk weighing on additional companies and thus inhibiting development and growth.

**Modernise SMP regulation with effective rules that continue to promote competition**

There is also a need for continued regulation of network access for other players in order to promote competition and technological development. The current regulatory framework is considered outdated based on the current situation where there are other networks. However, access to these networks is also important for the benefit of the entire business community. New rules should therefore ensure this.

**Increased coordination of European regulations and bodies to simplify for businesses**

Increased coordination of European telecommunications regulations and bodies (BEREC regulation, Radio Spectrum Programme RSPG and Electronic Communication Code EECC) is needed in order to simplify and streamline for businesses.

*Other submissions*

**The transition period from 2G/3G to 5G/6G should be adapted from a consumer safety perspective and driven by the market**

If DNA will affect the transition period from 2G/3G to 5G/6G in Sweden, the time aspect should be adapted from a consumer safety perspective in the sense that consumers have time to change networks. It is also important that the shift is driven in collaboration with those affected, to enable flexibility and efficiency in technology shifts.

**There is a need for clarification at EU level about when companies can deviate from the net neutrality rules within the Open Internet Access Regulation**

There is a need for clarification at EU level about when companies can deviate from the net neutrality rules in the Open Internet Access Regulation 2015/2120. There are challenges when it comes to the interpretation of the regulation, and there is otherwise a risk that member states will lose momentum in relation to other countries.

The contact person in this case is Committee Secretary Veronica Götherström and Secretary General Lena Hägglöf (förnamn.efternamn@regeringskansliet.se).

Decided by the Swedish Implementation Council on 28 October 2025.

*This document has been machine translated from Swedish to English.*