

10 May 2001

**UNICE VIEW ON SPEEDING-UP THE EU ELECTRICITY- AND GAS-MARKET
LIBERALISATION PROCESS**

**PROPOSAL FOR A DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE
COUNCIL AMENDING DIRECTIVES 96/92/EC AND 98/30/EC CONCERNING COMMON
RULES FOR THE INTERNAL MARKET IN ELECTRICITY AND NATURAL GAS**

(COM [2001] 125 FINAL)

1. UNICE already welcomed the European Commission's intention to accelerate complete liberalisation of European electricity and gas markets. On the basis of industry's positive experience in a number of countries of complete opening of primarily the electricity market for all consumers, we recommend complete market opening, in those EU Member States which so far have only implemented market opening for individual consumer groups as a function of the level of electricity and gas consumption.

UNICE stresses that market liberalisation is not the only task incumbent on the public authorities. Liberalisation must also go hand in hand with an economic policy that creates conducive framework conditions for the investment needed for developing infrastructure, including cross-border links.

2. UNICE therefore reacts positively to the Commission's intention of bringing forward the deadline for consumers to be able to choose electricity and gas suppliers freely. But technical feasibility needs to be taken into account.

This would result in earlier elimination of the present market imbalances and the associated distortions of competition that will continue to exist until there is complete opening of all national electricity and gas markets.

3. UNICE is in agreement with an intensification of unbundling. Practice has shown that effective unbundling makes a considerable contribution to fair competition. In that context, it should be verified whether the various unbundling provisions in relation to transport and distribution still make sense. For UNICE, it is essential that unbundling should help to ensure that there are no cross-subsidies, that the neutrality of network operators vis-à-vis all network users is guaranteed, that transparency is injected into network tariffication and that the comparative market principle is applied to all network utilisation compensation.

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4. UNICE stresses that Member States must in the future continue to have the option of liberalising their energy market by using the approach of negotiated access or regulated access to networks, as they choose.¹
5. For efficient opening of the energy markets across the EU, it is necessary that Member States ensure the availability of fair, transparent and broadly cost-reflective tariffs in their country.
6. More than in the past, the draft directive highlights the questions of security of supply and services of general interest, and even prescribes the obligation to provide a "universal service" in this connection. It is not clear what obligations and considerations are involved here. UNICE warns against regulating questions linked to security of supply and services of general interest in such a way that competition in electricity and gas supply or in their sub-markets suffers. UNICE acknowledges the concern about security of supply and services of general interest. But they must and can be addressed without making inroads into competition.

¹ MEDEF has some reservations on this point 4 since it fully supports the last proposals of the Commission