



# CONCLUSION



### Falling prices

At present there is every reason to be optimistic regarding the single market for electricity. Member States are not only implementing the Directive fully and properly, but they are choosing structures and approaches that will ensure that competition is effective, and in most cases are liberalising far more rapidly than is required by the Directive. Already, prices in Europe are beginning to fall, as can be seen from Figures 7 and 8.

### Making a real single market: the future outlook

The implementation of the electricity Directive is not the last step towards the creation of a single electricity market. The Directive lays down the groundwork for the liberalisation of 15 electricity markets. Nevertheless, much remains to be done to achieve a single market for electricity. In this line the remaining barriers to intra-community trade should be identified and eliminated. Furthermore, the Commission, in close collaboration with the Member States and the electricity industry, should establish more coherent principles concerning a range of unresolved issues that can block cross-border trade. The development of tariff systems and trade facilitating mechanisms to enable the single market to become effective is of utmost importance. It will be the principal challenge that the Commission, together with national authorities and Europe's transmission and distribution industries, will be dealing with in the coming months and years.

Figure 7: % Modification of 1998 prices compared to 1994 for household consumers (7500 kWh)  
Prices in national currency/kWh, tax included, prices deflated

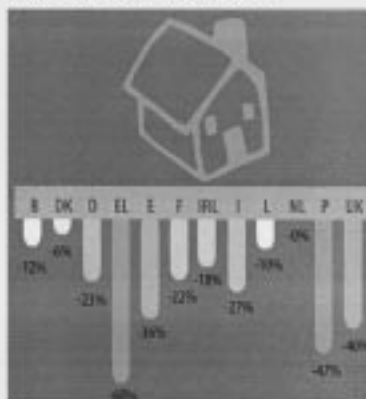
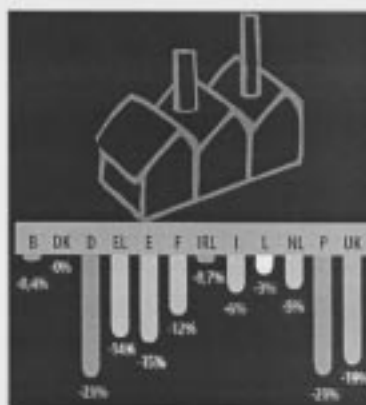


Figure 8: % Modification of 1998 prices compared to 1994 for industrial consumers (30 GWh)  
Prices in national currency/kWh, tax included, prices deflated



Source: Gasstat



