

- reaffirms its strong commitment to implementing the Financial Services Action Plan (FSAP) and achieving fully integrated securities and risk capital markets by 2003 and financial services markets by 2005;
- asks the Council and the European Parliament to adopt as early as possible in 2002 the proposed Directives on Collateral, Market Abuse, Insurance Intermediaries, Distance Marketing of Financial Services, Financial Conglomerates, Prospectuses and Occupational Pension Funds and the International Accounting Standards Regulation.

Integrating European Energy, Transport and Communications Networks

36. Powerful and integrated energy and transport networks are the backbone of the European internal market. Further market opening, appropriate regulation, improved use of existing networks and completion of missing links will increase efficiency and competition, and ensure an adequate level of quality, as well as reduced congestion and thus enhanced sustainability.
37. In the field of **energy** the European Council:
- welcomes the first Commission report on the effective opening of the internal market for gas and electricity, agreed in Stockholm. It calls on the Commission to update it annually before every Spring European Council so that effective progress can be assessed;
 - urges the Council and the European Parliament to adopt as early as possible in 2002, the pending proposals for the final stage of the market opening of electricity and gas, including:
 - = Freedom of choice of supplier for all European non-household consumers as of 2004 for electricity and for gas. This will amount to at least 60% of the total market;

- = In the light of experience and at a date before the Spring European Council in 2003, a decision on further measures taking into account the definition of public service obligations, security of supply and in particular the protection of remote areas and of the most vulnerable groups in the population;
 - = Separation of transmission and distribution from production and supply;
 - = Non-discriminatory access for consumers and producers to the network, based on transparent and published tariffs;
 - = Establishment in every Member State of a regulatory function, within the appropriate regulatory framework, with a view to ensuring in particular effective control of the tariff-setting conditions;
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- urges the Council to reach as early as possible in 2002 an agreement for a tariff-setting system for cross-border transactions in electricity, including congestion management, based on the principles of non-discrimination, transparency and simplicity;
 - agrees the target for Member States of a level of electricity interconnections equivalent to at least 10% of their installed production capacity by 2005. Financing requirements should be met mainly by the enterprises involved;
 - urges the adoption by December 2002 of the revision of the Guidelines and accompanying financial rules on Trans-European Energy Networks (TEN), and notes the intention of the Commission to present the report on the security of supplies based on the results of the debate generated by the Commission's Green Paper on Security of Energy Supplies, in view of its next meeting in Seville;
 - invites the Commission and the Council to analyse at the Spring European Council in 2006 the global performance of the European internal energy market, in particular the degree of transposition of the regulatory framework, and its effects on consumer protection, infrastructure investments, effective integration of markets and interconnections, competition and environment.