

PRESS RELEASE

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Rising gas and electricity prices: the importance of competition in supply within an integrated European market

The European Federation of Energy Traders (EFET)¹ joined other industry associations represented in [Market European Stakeholders Committee \(MESC\)](#)² to respond to the rise in energy prices. Together, we urge the EU Commission and national governments to ensure that any toolbox of measures to help vulnerable customers does not endanger the operation of the wholesale market.

EFET understands that rising energy costs cause real challenges for small consumers and supports efforts to help the most vulnerable. In the case of independent retail suppliers as well as industrial and commercial consumers, continuing competition and liquidity in European energy markets will help them protect themselves from price volatility through hedging. Markets are also vital in creating incentives for the investment and innovation needed to remove carbon from the European energy mix.

As stressed in the joint MESC statement, competitive forces ensure efficient allocation of scarce resources and thereby contribute to absorption of price shocks and progress towards carbon neutrality. This will remain the case throughout Europe, as long as governments refrain from interference in the operation of energy and carbon markets and adhere to forthcoming EU Commission guidance.

¹ The European Federation of Energy Traders (EFET) promotes and facilitates European energy trading in open, transparent and liquid wholesale markets, unhindered by national borders or other undue obstacles. We build trust in power and gas markets across Europe, so that they may underpin a sustainable and secure energy supply and enable the transition to a carbon neutral economy. EFET currently represents more than 100 energy trading companies, active in over 27 European countries. For more information: www.efet.org

² The MESC participants are the key stakeholders involved in the implementation of European market network codes and guidelines. It is chaired by ACER, co-organised by ENTSO-E and the European Commission is an observer.