**The integration of European electricity markets – Achievements to date and way forward**

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**Abstract**

The European model for electricity markets has been shaped by successive legislations and reforms driving some convergence of design. The initial focus in the 1990s was on creating an integrated market fostering efficient cross border trade and competition. Significant benefits were achieved thanks to the gradual market integration process which culminated with the network code process and the Clean Energy Package. However, changing policy priorities in the 2000s with the emergence of climate change and security of supply concerns have led to a revival of national uncoordinated state and regulatory interventions. European electricity markets have therefore in recent years evolved toward hybrid markets with a number of new building blocks including: i) support mechanisms for clean technologies; ii) capacity mechanisms addressing security of supply concerns; and iii) new planning processes to coordinate generation and grid development. These national and uncoordinated interventions have had in turn a number of side effects on the market functioning and raise the question of the need for further coordination of policies and governance to foster or even preserve market integration at the European level if the policy interventions are here to stay.

**Key Words:** Electricity market, liberalisation, market design, integration.

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