

C. TURKEY IN THE ENLARGEMENT PROCESS – PROGRESS AND CHALLENGES

1. Progress made by Turkey in meeting the membership criteria

The European Council in Copenhagen in December 2002 recalled its decision in 1999 in Helsinki that Turkey is a “candidate state destined to join the Union on the basis of the same criteria as applied to the other candidate States”. It strongly welcomed “the important steps taken by Turkey towards meeting the Copenhagen criteria” and encouraged it to pursue the reform process energetically. It concluded that “if the European Council in December 2004, on the basis of a report and a recommendation from the Commission, decides that Turkey fulfils the Copenhagen political criteria, the European Union will open accession negotiations with Turkey without delay”.

At its meeting in Thessaloniki in June 2003, the European Council welcomed “the commitment of the Turkish government to carry forward the reform process, in particular the remaining legislative work by the end of 2003”, and supported its “on-going efforts made in order to fulfil the Copenhagen political criteria for opening accession negotiations with the Union.”

Over the past year the Turkish government has shown great determination in accelerating the pace of legislative reforms in the areas covered by the **political criteria**. It has also taken important steps to ensure their effective implementation, in order to allow Turkish citizens to enjoy fundamental freedoms and human rights in line with European standards. These efforts constitute significant progress towards achieving compliance with the Copenhagen political criteria.

Some of the reforms impinge upon sensitive issues, such as freedom of expression, freedom of peaceful assembly, cultural rights and civilian control of the military, and demonstrate the determination of the Turkish government to move ahead. Turkey has ratified two major UN Covenants on Civil and Political rights as well as on Social and economic rights. Several prisoners sentenced for non violent expression of opinion have been released. The legislation on combating torture has been considerably strengthened and incommunicado detention has been abolished. Many priorities under the political criteria in the revised Accession Partnership have been addressed.

However, in spite of the determination of the government, the Commission considers that Turkey does not yet fully meet the Copenhagen political criteria. A clear framework for guaranteeing political, civil, economic, social and cultural rights is not fully established, and more efforts are needed to enhance the coherence of legal provisions and practice.

As regards the legislative and regulatory framework, particular attention should be given to the strengthening of the independence and the functioning of the judiciary, the overall framework for the exercise of fundamental freedoms (association, expression and religion), further alignment of civil-military relations with European practice and the situation in the Southeast. Cultural rights should be guaranteed for all Turkish citizens regardless of their origin.

Implementation of the reforms has to be strengthened, which requires that all institutions and persons involved accept the spirit of the reforms. Responsibility for enforcing reformed legislation related to fundamental freedoms, provisions for re-trial, respect of European Court of Human Rights judgements, and measures to combat torture, lies largely with judges and prosecutors. On the other hand, executive bodies at all levels are also responsible for implementation of the political reforms. In a number of cases, for example in relation to cultural rights and freedom of religion, such bodies have narrowed the scope of the reforms by establishing restrictive conditions, hindering the objectives initially pursued. The setting up by the government of a Reform Monitoring Group in order to ensure the effective implementation of the reforms and to overcome bureaucratic resistance is encouraging in this respect.

The far-reaching changes to the Turkish political and legal system over the past year are part of a longer-term historical process, and the full benefit of these reforms will accrue to the Turkish people over a number of years. It will take time before the spirit of the reforms is fully reflected in the attitudes of executive and judicial bodies, at all levels and throughout the country, ensuring a track record of effective implementation. Nonetheless, there are already clear signs of improvement in terms of enjoyment of human rights and basic freedoms. It is, however, of great concern that Turkey has not executed many judgements of the ECtHR, by means of ensuring payment of just satisfaction or reversing decisions made in contravention of the ECHR.

The Commission recalls that efforts to resolve the Cyprus problem form part of the enhanced political dialogue between the European Union and Turkey. As repeatedly stressed by the European Council, Turkey, together with all parties concerned, has a decisive interest in providing determined support for efforts towards a comprehensive settlement of the Cyprus problem. The Commission considers that there are favourable conditions for the two communities to reach a comprehensive settlement of the Cyprus problem before Cyprus' accession to the EU on 1 May 2004. The absence of a settlement could become a serious obstacle to Turkey's EU aspirations.

The Commission also recalls the Helsinki European Council conclusions urging candidate countries to make every effort to resolve any outstanding border dispute and other related issues on the basis of the principle of peaceful settlement of disputes in accordance with the United Nations Charter.

As regards the **economic criteria**, Turkey has significantly improved the functioning of its market economy, while macroeconomic imbalances remain. Further decisive steps towards macroeconomic stability and structural reforms will also enhance the Turkish capacity to cope with competitive pressure and market forces within the Union.

Economic stability has increased with the continuation of the disinflation process, and structural reforms and the modernisation of Turkey's market regulations and institutions have advanced. The disinflation and reform process should be maintained, in particular by maintaining fiscal discipline, by restructuring and further privatising the banking sector and by deregulating markets. In order to enhance the growth potential of the economy, the inflow of foreign direct investment should be encouraged by removing remaining barriers. A selection of statistical indicators can be found in *Annex 6: Main statistical indicators (2002)*.

Turkey's **alignment with the *acquis*** has progressed in most areas but remains at an early stage for many chapters. It is most advanced in chapters related to the EC-Turkey Customs Union but in this respect Turkey is not fully meeting its obligations. Alignment is also more advanced in areas where other international obligations exist which are similar to the *acquis*. Further legislative work is required in all areas, and Turkey should focus on implementing its National Programme for the Adoption of the *Acquis*, in line with the Accession Partnership priorities, more consistently across all chapters. Also, new legislation should not move away from the *acquis*. Details on progress in the different chapters of the *acquis* can be found in the conclusions of the Regular Report on Turkey.

In many fields implementation is weak. Administrative capacity in different areas needs to be strengthened to ensure that the *acquis* is implemented and enforced effectively. In some cases, administrative reform should entail the establishment of new structures, for example in the field of state aid and regional development. Where new regulatory bodies have been set up, their autonomy should be assured and they should be provided with sufficient staff and financial resources.

The full conclusions of the Regular Report on Turkey can be found in *Annex 2: Conclusions of the Regular Reports on Bulgaria, Romania and Turkey*.

2. Pre-accession strategy for Turkey

Over the past twelve months the European Union has significantly strengthened the pre-accession strategy for Turkey. The Commission will continue to implement this strategy in its different areas, particularly in view of the report and recommendation that it will present next year on Turkey.

A revised Accession Partnership was adopted by the Council on 19 May 2003. Its purpose is to assist the Turkish authorities in their efforts to meet the accession criteria with particular emphasis on the political criteria. It also forms the basis for programming pre-accession assistance from Community funds.

The enhanced political dialogue has continued intensively under the Danish, Greek and Italian Presidencies. Among the items discussed are the political reforms in Turkey, human rights, Cyprus, and the peaceful settlement of disputes, as well as wider international issues. As from 2003 the Commission is supplementing the enhanced political dialogue with regular detailed consultations with the Turkish authorities on Turkey's progress in complying with the political criteria. This approach will be further developed in order to ensure a better mutual understanding of the issues involved. The enhanced economic dialogue between the EU and Turkey covering issues of macroeconomic performance and stability and economic reforms is being pursued intensively.

The process of legislative scrutiny, carried out in the sub-committees of the Association Agreement, is being supplemented by TAIEX seminars and technical meetings or workshops on specific subjects.

The negotiations for the extension of the EC-Turkey Customs Union to services, and the mutual opening of public procurement markets, are continuing with a view to their finalisation in 2004.

In 2003 Turkey has started to participate in the European Environment Agency and the following *Community programmes*: Enterprise and Entrepreneurship, Gender Equality, Combating Discrimination, Combating Social Exclusion, Incentive Measures in the field of Employment, and the Sixth Framework Programme on Research. Preparations for participation in a number of other programmes, including full participation in the educational programmes in 2004, are under way.

In April 2003 agreement was reached between the European Parliament, Council and Commission to include Turkey in the pre-accession heading of the financial perspectives and to provide substantially increased financial assistance for the period 2004-2006, amounting to €1 050 million over the three years. Particular attention will be paid to providing assistance to both government and non-governmental bodies in areas related to the political criteria.

Overall the impact of Community assistance to Turkey is increasingly positive. As from October 2003 implementation of pre-accession financial assistance programmes has been devolved to the Turkish authorities under the “Decentralised Implementation System” (DIS). Meanwhile the Commission continues to take responsibility for a large number of on-going projects. The backlog in commitments of EU finance for Turkey has been further reduced in 2003. The Commission will verify whether Turkey is meeting its obligations under DIS and continue to strengthen its Representation in Turkey to ensure the continued success of its financial co-operation programmes.