

D. CONCLUSIONS AND RECOMMENDATIONS

In the light of the above, the European Commission's conclusions and recommendations are the following:

- (1) This year's Regular Reports show that the Bulgaria and Romania have continued to make significant progress over the last year in implementing the accession criteria. They continue to fulfil the political criteria and are closer to fulfilling the economic and *acquis* criteria.
- (2) Accession negotiations with Bulgaria and Romania will continue on the same basis and principles that applied to the ten acceding states, in particular the own merits principle. As in the past, the pace of the negotiations will be determined principally by progress made by the negotiating countries in incorporating the *acquis* into their legislation and in building the capacity to implement and enforce it effectively. The Commission will continue to monitor the fulfilment of the negotiating countries' commitments.
- (3) The Union's stated objective is to welcome Bulgaria and Romania as members in 2007, depending on further progress in complying with the membership criteria. This objective must remain the firm focus of these two countries' preparations and the Commission will support them in achieving this goal. In order for accession to take place in 2007, a common Accession Treaty for Bulgaria and Romania should be signed at the latest towards the end of 2005, which would require that the negotiations be finalised in due time before that. This is to be preceded by the Commission's final recommendation on the readiness of Bulgaria and Romania for accession. The Thessaloniki European Council supported Bulgaria and Romania in their efforts to achieve the objective of concluding negotiations in 2004, inviting them to step up their preparations on the ground. Meeting this objective will depend on the real progress made on the ground and in the negotiating process on the basis of each country's own merits.
- (4) The Commission will present to the Council, at the beginning of 2004, a three-year common financial framework for the accession of Bulgaria and Romania in order to prepare the ground for the completion of negotiations. In line with the conclusions of the Thessaloniki European Council, discussions or agreement on future policy reforms, or the new financial perspective, shall neither impede the pursuit and conclusion of accession negotiations nor be prejudged by the outcome of these negotiations. The Commission considers that in order to ensure fairness vis-à-vis both present and future acceding countries and to simplify the negotiations, this financial framework should be based on the principles and methodology developed for the negotiations with the ten acceding countries. On this basis, the Commission will then propose to the Council common negotiation positions dealing with the financial implications in the fields of agriculture, regional policy and budgetary issues.

- (5) Over the past year, by accelerating the pace of reforms, Turkey has made determined efforts and significant progress towards achieving compliance with the Copenhagen political criteria and has made considerable progress towards meeting the economic criteria. Turkey has also continued progress towards meeting the *acquis* criteria, although much remains to be done in many areas. Many priorities under the political criteria in the revised Accession Partnership have been addressed. However, further efforts are needed. This concerns in particular the strengthening of the independence and the functioning of the judiciary, the overall framework for the exercise of fundamental freedoms (association, expression and religion), the further alignment of civil-military relations with European practice, the situation in the Southeast and cultural rights. Turkey should ensure full and effective implementation of reforms to ensure that Turkish citizens can enjoy human rights and fundamental freedoms in line with European standards.
- (6) The Commission will next year assess the progress made by Turkey towards meeting the accession criteria as requested by the Copenhagen European Council. The Commission will issue a report and a recommendation before the end of October 2004 on whether Turkey fulfils the Copenhagen political criteria. This should allow the European Council to decide, at its meeting in December 2004, on the possible opening of accession negotiations with Turkey.
- (7) As regards Cyprus the European Council has repeatedly underlined its strong preference for accession by a united Cyprus. 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. To this end the EU should reiterate its call to all parties concerned, in particular Turkey and the Turkish Cypriot leadership, to resume the talks on the basis of the UN Secretary General's proposal. The absence of a settlement could become a serious obstacle to Turkey's EU aspirations. The Thessaloniki European Council stated the Union's willingness to accommodate the terms of a settlement in line with the principles on which the EU is founded. The Commission is ready to assist in finding a speedy solution.