

COMMISSION OF THE EUROPEAN COMMUNITIES

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Proposal for a

COUNCIL DECISION

On the Principles, Priorities and Conditions contained in the Accession Partnership with Turkey

(presented by the Commission)

{SEC(2005) 1426}

EXPLANATORY MEMORANDUM

In December 2002, the European Council meeting in Copenhagen recalled its decision taken in 1999 in Helsinki that Turkey is a candidate State destined to join the Union. It strongly welcomed the important steps taken by Turkey towards meeting the Copenhagen criteria, and identified a number of priority areas for further work. In order to assist Turkey in its preparations towards EU membership, the European Council decided that the accession strategy for Turkey should be strengthened and invited the Commission to submit a proposal for a revised Accession Partnership, which was for the first time adopted in 2001.

In March 2003, the Commission presented a revised Accession Partnership with Turkey, which was adopted by the Council. In its recommendation of October 2004, the Commission proposed, in view of guaranteeing the sustainability and the irreversibility of the political reform process, the EU should continue to monitor closely progress of the political reforms. In particular, the Commission proposed the adoption of a revised Accession Partnership in 2005. In December 2004, the Council concluded that the European Union will continue to monitor closely progress of the political reforms on the basis of a revised Accession Partnership setting out priorities for the reform process.

This third Accession Partnership is based on the provisions of Council Regulation (EC) No 390/2001 which provides that the Council is to decide, by a qualified majority and following a proposal from the Commission, on the principles, priorities, intermediate objectives and conditions contained in the Accession Partnership, as it will be submitted to Turkey, as well as on subsequent significant adjustments applicable to it.

It lists short and medium-term priorities for the country's preparations for further integration with the European Union. The country is expected to respond to the Accession Partnership by preparing a plan, including a timetable and specific measures to address the Accession Partnership's priorities. The progress in implementing the priorities will be monitored through the framework of the mechanisms established under the Association Agreement as appropriate and through the Commission's Progress Reports.

The proposed Council Decision has no financial implications. In view of the above, the Commission invites the Council to adopt the attached draft Council decision.

Proposal for a

COUNCIL DECISION

On the Principles, Priorities, and Conditions contained in the Accession Partnership with Turkey

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 390/2001 of 26 February 2001 on assistance to Turkey in the framework of the pre-accession strategy, and in particular on the establishment of an Accession Partnership[1] and in particular to Article 2 thereof,

Having regard to the proposal from the Commission,

Whereas:

(1) Regulation (EC) No 390/2001 provides that the Council is to decide, by a qualified majority and following a proposal from the Commission, on the principles, priorities, intermediate objectives and conditions contained in the individual Accession Partnership, as it will be submitted to Turkey, as well as on subsequent significant adjustments applicable to it.

(2) The Commission's 2004 recommendation[2] on Turkey stressed that the EU should continue the monitoring of the political reform process on the basis of an Accession Partnership setting out priorities and that a revised Accession Partnership should be proposed in 2005.

(3) On that basis the Council adopted in 2001 and 2003 and Accession Partnership with Turkey[3].

(4) In December 2004, the European Council concluded that the European Union will continue to monitor closely progress of the political reforms on the basis of an Accession Partnership setting out priorities for the reform-process.

(5) On 3 October 2005, the Member States started negotiations with Turkey on its accession to the European Union. The advancement of the negotiations will be guided by Turkey's progress in preparing for accession, which will be measured, inter alia, against the implementation of the Accession Partnership, as regularly revised.

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1 OJ L 58, 28.2.2001, p. 1.
2 COM(2004) 656, 6.10.2004.
3 Council Decision 2001/235/EC of 8 March 2001 (OJ L 85, 24.3.2001, p. 13) and Council Decision 2003/398/EC of 19 May 2003 (OJ L 145, 12.6.2003, p. 40).

(6) In order to prepare for membership, Turkey is expected to develop a plan with a timetable and specific measures to address the priorities of this Accession Partnership.

HAS DECIDED AS FOLLOWS:

Article 1

The principles, priorities, intermediate objectives and conditions in the Accession Partnership for Turkey are set out in the annex hereto, which forms an integral part of this Decision.

Article 2

The implementation of the Accession Partnership shall be examined and monitored in the bodies established under the Association Agreement and by the Council on the basis of annual reports by the Commission.

Article 3

This Decision shall take effect on the third day following of its publication in the *Official Journal of the European Union*.

Done at Brussels,

For the Council
The President

ANNEX

TURKEY: 2005 ACCESSION PARTNERSHIP

1. INTRODUCTION

At its meeting in Luxembourg in December 1997, the European Council decided that the Accession Partnership would be the key feature of the enhanced pre-accession strategy, mobilising all forms of assistance to the candidate countries within a single framework. In this manner, the Community targets its assistance towards the specific needs of each candidate so as to provide support for overcoming particular problems with a view to accession.

The first Accession Partnership for Turkey was adopted by the Council in March 2001. In the Commission's Strategy Paper on enlargement of October 2002, it was stated that the Commission would propose a revised Accession Partnership for Turkey. A revised Accession Partnership was then presented by the Commission in March 2003 and adopted by the Council in May of the same year. In its recommendation of October 2004, the Commission proposed, in view of guaranteeing the sustainability and the irreversibility of the political reform process, the EU should continue to monitor closely progress of the political reforms. In particular, the Commission proposed the adoption of a revised Accession Partnership in 2005.

Turkey is expected to develop a plan including a timetable and specific measures foreseen to address the Accession Partnership priorities.

The revised Accession Partnership provides the basis for a number of policy instruments which will be used to help the Candidate State in the preparations for membership. In particular, the revised Accession Partnership will serve as a basis for future political reforms and as a yardstick against which to measure future progress.

2. PRINCIPLES

The main priorities identified for Turkey relate to its capacity to meet the criteria defined by the Copenhagen European Council of 1993 and the requirements of the negotiating framework adopted by the Council on 3 October 2005.

3. PRIORITIES

The priorities listed in this Accession Partnership have been selected on the basis that it is realistic to expect that the country can complete them or take them substantially forward over the next few years. A distinction is made between short-term priorities, which are expected to be accomplished within one to two years, and medium-term priorities, which are expected to be accomplished within three to four years. The priorities concern both legislation and the implementation thereof.

The revised Accession Partnership indicates the priority areas for Turkey's membership preparations. Turkey will, in the end, nevertheless have to address all issues identified in the Progress Report. It is also important that Turkey fulfils the commitments of legislative approximation and implementation of the acquis in accordance with the commitments made under the Association Agreement, Customs Union and related decisions of the EC-Turkey Association Council for example on the trade regime for agricultural products.

3.1. Short-term priorities

Enhanced Political Dialogue and Political Criteria

DEMOCRACY AND THE RULE OF LAW

Public administration

– Pursue reform of public administration and personnel policy in order to ensure greater efficiency, accountability and transparency.

– Ensure effective, transparent and participatory local government, in particular through the implementation of recently adopted legislation.

– Establish a fully operational Ombudsman system.

Civil military relations

– Continue to align civilian control of the military with practice in EU Member States. Ensure that civilian authorities fully exercise their supervisory functions, in particular as regards the formulation of the national security strategy and its implementation. Take steps towards bringing about greater accountability and transparency in the conduct of security affairs.

– Establish full parliamentary oversight of military and defence policy and all related expenditure, including by external audit.

– Abolish any remaining competence of military courts to try civilians.

Judicial system

– Ensure consistent interpretation of legal provisions, including the new Penal Code, related to human rights and fundamental freedoms by all judicial authorities in line with the European Convention on Human Rights and its related case law.

– Ensure the independence of the judiciary, in particular as regards the High Council of Judges and Prosecutors and the appointment of new judges and prosecutors.

– Ensure equality of arms between the prosecution and defence during criminal proceedings, including layout of courtrooms.

– Continue the training of judges and prosecutors on the application of the European Convention on Human Rights and the case-law of the European Court of Human Rights.

– Strengthen the efficiency of the judiciary through, in particular, reinforcing its institutional capacity and adopting a new Code of Civil Procedure.

– Proceed with the establishment of regional intermediate courts of appeal.

Anti corruption policy

– Strengthen all institutions involved in the fight against corruption as well as co-ordination between them.

– Ensure implementation of the Regulation on Principles of Ethical Behaviour for Civil Servants and extend its provisions to elected officials, judiciary, academics and military personnel.

– Limit the scope of Parliamentary immunity in line with European practice.

HUMAN RIGHTS AND THE PROTECTION OF MINORITIES

Observance of International Human Rights Law

– Promote human rights with the active support of an independent, adequately resourced National Human Rights Institution in accordance with the relevant UN principles. Monitor human rights cases, including sound statistical data.

– Extend the training of law enforcement agencies on human rights issues and investigation techniques, in particular in order to strengthen the fight against torture and ill-treatment.

– Ratify the optional protocols to the International Covenant on Civil and Political Rights. Comply with the European Convention for the Protection of Human Rights and Fundamental Freedoms, including full execution of the judgments of the European Court of Human Rights.

– Implement legal provisions on the right to retrial in line with the relevant judgments of the European Court of Human Rights.

– Guarantee in law and in practice the full enjoyment of human rights and fundamental freedoms by all individuals without discrimination and irrespective of language, political opinion, race, sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation.

– Ratify Protocol No 12 to the European Convention on Human Rights on the general prohibition of discrimination by public authorities.

Civil and Political Rights

Prevention of torture and ill treatment

– Ensure implementation of the measures adopted in the context of the "zero tolerance" policy against torture and ill-treatment in line with the European Convention on Human Rights and the recommendations of the European Committee for the Prevention of Torture.

– Intensify the fight against impunity. Ensure that prosecutors conduct timely and effective investigations of alleged cases leading to identification and punishment of perpetrators by the courts.

– Ensure implementation of the Istanbul Protocol throughout the country, in particular by increasing medical expertise.

– Ratify the optional Protocol to the UN Convention against Torture which provides for the establishment of a system of independent monitoring of detention facilities.

Access to justice

– Enhance the opportunities for effective defence such as access to legal aid and qualified interpretation services.

– Ensure that citizens are aware of and in a position to exercise their right to have access in private to a lawyer and to have relatives notified from the outset of their custody.

Freedom of expression, association and peaceful assembly

– Ensure the exercise of freedom of expression, including freedom of the press, in line with the European Convention on Human Rights and in accordance with the case law of the European Court of Human Rights.

– Continue to remedy the situation of those persons prosecuted or sentenced for non-violent expression of opinion.

– Implement all reforms concerning freedom of association and peaceful assembly in accordance with the European Convention on Human Rights and its related case law. Implement measures to prevent the excessive use of force by security forces.

– Align the relevant provisions applying to political parties with European practice.

– Align financing and auditing of political parties with European practice.

– Facilitate the domestic development of civil society and its involvement in the shaping of public policies.

– Facilitate and encourage open communication and cooperation between all sectors of Turkish civil society and European partners.

Freedom of religion

– Adopt a law comprehensively addressing all the difficulties faced by non-Muslim- religious minorities and communities in line with the relevant European standards. Suspend all sales or confiscation of properties which belong or belonged to non-Muslim religious community foundations by the competent authorities pending the adoption of the above law.

– Adopt and implement provisions concerning the exercise of freedom of thought, conscience and religion by all individuals and religious communities in line with the European Convention on Human Rights and taking into account the relevant recommendations of the Council of Europe's Commission against Racism and Intolerance.

– Establish conditions for the functioning of these communities, in line with the practice of Member States. This includes legal and judicial protection of the communities, their members and their assets, teaching, appointing and training of clergy, and the enjoyment of property rights in line with Protocol No 1 to the European Convention on Human Rights.

Economic and Social Rights

Women's rights

– Implement legislation relating to women's rights, particularly the Civil Code, the new Penal Code and the law on the protection of the family.

– Pursue measures against all forms of violence against women, including crimes committed in the name of honour. Ensure specialised training for judges and prosecutors, law enforcement agencies, municipalities and other responsible institutions and establish shelters for women at risk of violence in all larger municipalities, in line with current legislation.

– Further promote the role of women in society, including their education and participation in the labour market and in political and social life, and support the development of women's organisations to fulfil these goals.

Trade Union rights

– Ensure that full trade union rights are respected in line with EU standards and the relevant ILO Conventions, in particular as regards the right to organise, the right to strike and the right to bargain collectively.

– Reinforce social dialogue, and facilitate and encourage cooperation with EU partners.

Minority Rights, Cultural Rights and the Protection of Minorities

– Ensure cultural diversity and promote respect for and protection of minorities in accordance with the European Convention on Human Rights and the principles laid down in the Council of Europe's Framework Convention for the Protection of National Minorities and in line with best practice in Member States.

– Guarantee legal protection of minorities, in particular as regards the enjoyment of property rights in line with Protocol No 1 to the European Convention on Human Rights.

– Ensure effective access to radio/TV broadcasting in languages other than Turkish. Remove outstanding obstacles, particularly with regard to local and regional private broadcasters.

– Adopt appropriate measures to support the teaching of languages other than Turkish.

Situation in the East and Southeast

– Abolish the village guard system in the Southeast. Clear the area from landmines.

– Develop a comprehensive approach to reducing regional disparities, and in particular to improve the situation in Southeast Turkey, with a view to enhancing economic, social and cultural opportunities for all citizens.

– Pursue measures to facilitate the return of internally displaced persons to their original settlements in line with the recommendations of the UN Secretary General's Special Representative for Displaced Persons.

– Ensure fair and speedy compensation to those that have suffered loss and damage as a result of the security situation in the Southeast.

REGIONAL ISSUES AND INTERNATIONAL OBLIGATIONS

Cyprus

– Continue to support efforts to find a comprehensive settlement of the Cyprus problem within the UN framework and in line with the principles on which the Union is founded.

– Implement fully the Protocol adapting the Ankara Agreement to the accession of the 10 new EU Member States including Cyprus[4].

– Undertake steps towards normalisation of bilateral relations between Turkey and all EU Member States, including the Republic of Cyprus[4].

Peaceful settlement of border disputes

– Continue the efforts to resolve any outstanding border disputes in conformity with the principle of peaceful settlement of disputes in accordance with the UN Charter including if necessary jurisdiction of the International Court of Justice.

Obligations under the Association Agreement

– Ensure implementation of commitments undertaken under the Association Agreement, including the Customs union.

Economic Criteria

– Continue to implement the current structural reform programme agreed with the IMF and the World Bank, in particular, ensure the control of public expenditure.

– Complete the implementation of the financial sector reform, in particular the alignment of prudential and transparency regulations and their surveillance with international standards.

– Safeguard the independence of market regulatory authorities.

– Accelerate the privatisation of state-owned entities, in particular of State owned banks, taking into account the social component.

– Continue with market liberalisation, and price reforms, in particular in the areas of energy, tobacco and sugar.

– Continue the economic dialogue with the EU, in particular in the framework of the Pre-accession Fiscal Surveillance procedures, with emphasis on appropriate measures to achieve macroeconomic stability and predictability and on the implementation of structural reforms.

– Implement means to address the problem of the informal economy.

– Improve professional training efforts, in particular for the younger population.

– Address labour market imbalances.

– Improve business climate, and in particular the functioning of commercial courts. To this end, improve the functioning of the commercial judiciary, paying particular attention to the independence of the judiciary and appropriate use of expert witness system.

– Complete the reform of the financial sector and continue reform of the agricultural sector.

– Ensure the improvement of the general level of education and health, paying particular attention to the younger generation and disadvantaged regions.

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[4] See also the declaration by the European Community and its Member States of 21 September 2005.

– Facilitate and promote the inflow of foreign direct investments.

ABILITY TO ASSUME THE OBLIGATIONS OF MEMBERSHIP

Free movement of goods

– Complete the removal of technical and administrative barriers to trade. Ensure effective in-market control and free movement of goods.

– Complete the identification of measures contrary to Articles 28-30 of the Treaty, and remove them. In particular, eliminate all non-automatic import licenses and implement mutual recognition principle in non harmonised areas.

– Remove all restrictions to free circulation of goods due to discrimination against carriers of member states, on the ground of their nationality or previous dockings.

– Ensure implementation of certification and conformity assessment and CE marking in compliance with the New and Global Approach directives; reinforce existing market surveillance and conformity-assessment structures with equipment and training and create compatible administrative infrastructure.

– Develop an effective legal metrology infrastructure and facilitate wider application of scientific and industrial metrology.

Right of establishment and freedom to provide services

– Define a methodology and roadmap to screen national legislation for potential obstacles to EC Treaty provisions related to the right of establishment and the freedom to provide services.

– Define and begin implementing a roadmap for the alignment with the acquis on the mutual recognition of professional qualifications, including the establishment of the necessary administrative capacity.

– Define a roadmap for the implementation of the postal services *acquis*.

Free movement of capital

– Remove all restrictions affecting foreign direct investments originating from the EU in all economic sectors.

Public procurement

– Accelerate alignment of the public procurement legislation with the acquis, in particular as regards concessions in the utilities sector and in relation with review procedures.

– Increase the capacity of the Public Procurement Authority to implement the new Public Procurement Law.

Intellectual property law

– Improve enforcement of the legislation on Intellectual property rights, by reinforcing administrative capacity and coordination including law enforcement agencies and the judiciary. Address in particular counterfeit of trade marks and piracy, especially on book and other media.

– Agree to a mutually acceptable solution with the EU on the pending generics applications in the pharmaceutical sector.

Competition

– Align with the acquis concerning State aids, including in sensitive sectors such as steel, establish a national state aid monitoring authority and ensure a strict control of state aids.

– Ensure transparency and continuous exchange of information in the competition and state aid field.

– Complete alignment in secondary legislation in the antitrust field.

Financial services

– Adopt the necessary implementing measures under the new banking law. Ensure consistent progress towards the implementation of the roadmap for the new capital requirements framework for credit institutions and investment firms.

– Strengthen prudential and supervisory standards in the non-bank financial sector, including by rationalising the supervisory structures where necessary.

Information society and media

– Ensure implementation of tariff and licensing legislation.

– Adopt and implement aligned legislation on electronic communications, notably in the areas of tariff and licensing legislation, leased lines, access & interconnection, carrier (pre-)selection and number portability. Strengthen the capacity and the independence of the television/radio regulatory authorities.

– Continue alignment of legislation in the field of audio-visual policy, in particular with regard to the Television without frontiers Directive.

Agriculture and rural development

– Adopt the necessary legislative measures and set up suitable administrative structures to operate EU instruments related to rural development.

Food safety, veterinary and phytosanitary policy

– Further align the system of animal identification and registration for bovines with EU requirements and start action in view of the identification of sheep and goats and registration of their movements.

– Adopt a strategy to eradicate the main animal diseases.

– Prepare a program for modernising food-processing establishments to meet EU hygiene and public health standards.

– Implement residues and zoonosis control programmes.

Fisheries

– Align fisheries management, control, marketing and structural adjustment legislation to the acquis. Strengthen the administrative capacity.

Transport policy

– Remove all existing restrictions on Cyprus-flagged vessels and vessels serving the Cyprus trade and the provisions of the aviation agreements that discriminate member states' carriers on the basis of their nationality.

– Continue the alignment with the transport acquis in all transport modes.

– Strengthen maritime administration, in particular that of flag State control and improve the safety record of the Turkish fleet to be removed from the black list flag states of the Paris Memorandum of Understanding.

– Adopt a programme for adaptation of the Turkish road transport fleet to EU standards.

Energy

– Ensure independence and effective functioning of the regulatory authority concerning electricity, natural gas and nuclear energy.

– Ensure the establishment of a competitive internal energy market, in compliance with the electricity and gas Directives.

– Support the creation of a gradually integrated regional energy market as part of a wider European energy market. Remove restrictions on cross-border trade and third party access.

– Develop an energy strategy to facilitate the implementation of the legal framework in line with the acquis.

– Start alignment to the acquis on energy efficiency and renewable energy sources and develop administrative capacity in these sectors.

Taxation

– Continue alignment of excise duties and VAT, in particular in respect of applied rates, scope of exempt transactions, and tax structure and eliminate tax measures which may result in discriminatory treatments.

– Continue alignment with the acquis in the field of direct taxation, including provisions on exchange of information with EU Member States to facilitate enforcement of anti-avoidance and anti-evasion measures.

– Commit to the principles of the Code of Conduct for Business Taxation and ensure that future legislation complies with the principles of the Code of Conduct for Business Taxation.

– Intensify efforts to modernise and strengthen the Tax Administration with a view to increasing taxpayer's compliance and to improving the collection of direct taxes, as well as VAT and customs revenues, and other indirect taxes. Establish effective instruments to combat fraud.

– Begin preparations for the development of the necessary IT systems so as to allow for the exchange of electronic data with the EU and its Member States.

Statistics

– Complete the procedures for the adoption and enforcement of a new statistical law in line with EU standards. Ensure adequate training of staff and improve the administrative capacity.

– Reinforce the strategy for the development of statistics in particular in priority areas, such as: demographic and Labour market statistics, regional statistics, business statistics (including Business Register) and agriculture statistics.

– Adopt the pending classifications, and introduce the relevant Statistical Units in the business register.

– Improve the National Accounts methodology in line with ESA 95.

Social policy and employment

– Develop a yearly plan for financing investment, based on a realistic assessment of costs of alignment and of available public and private resources.

– Establish conditions for an effective social dialogue, inter alia by abolishing restrictive provisions on trade union activities and ensuring respect for trade union rights.

– Support social partners' capacity building efforts, in particular with a view to their future role in the elaboration and implementation of employment and social policy, notably through autonomous social dialogue.

– Continue efforts to tackle the problem of child labour.

– Reinforce the capacity of all institutions involved in the transposition of the acquis in the field.

Enterprise and industrial policy

– Pursue the restructuring of the steel sector in the framework of a comprehensive national programme aiming to ensure the viability of the sector, and the respect of the EU rules on State aids.

– Develop and implement a strategy for the promotion of foreign investment.

Regional policy and coordination of structural instruments

– Continue to develop the strategic framework for economic and social cohesion, aimed at reducing regional disparities.

– Establish the necessary legislative and administrative framework to absorb EU pre-accession funds.

Justice, freedom and security

– Continue to develop and strengthen all law enforcement institutions and align their status and functioning with European standards, including through developing inter-agency co-operation. Adopt a Code of Police Ethics. Establish an independent and effective complaints system to ensure greater accountability of the police and jandarmerie. Develop the use of modern investigative techniques and crime prevention strategies. Take steps to train and develop the capacity of the Judicial Police.

– Continue efforts to implement the National Action Plan on Migration and Asylum, to combat illegal migration and to conclude a readmission agreement with the EU.

– Begin implementation of the National Action Plan on Border Management, in particular through taking steps to establish a professional non-military border guard and through de-mining of the border.

– Adopt and implement a National Strategy on Organised Crime. Strengthen the fight against organised crime, drugs, trafficking in persons, fraud, corruption and money-laundering.

– Develop and start implementing a National Drugs Strategy in line with the EU Drugs Strategy and Action Plan.

– Adopt a law on protection of personal data in line with the acquis and establish an independent supervisory authority.

– Designate a service with competencies to protect the euro against counterfeiting.

Science and research

– Start designing and applying an integrated research strategy.

Education and culture

– Facilitate the functioning of the National Agency to consolidate participation in the Socrates, Leonardo da Vinci and Youth Programmes. Promote participation in the Culture 2000 programme.

Environment

– Adopt a revised programme for transposition and implementation of the acquis. Develop a plan for financing investment.

– Continue to transpose and implement the acquis related to the framework legislation, international environmental conventions, and legislation on nature protection, water quality, Integrated Pollution Prevention Control and waste management. Implement and enforce the amended environmental impact assessment directive.

– Pursue the integration of environmental requirements into other sectoral policies.

– Develop a plan to strengthen administrative capacity, implementation and enforcement of environmental legislation.

– Pursue the development of transboundary water cooperation, in line with the water framework directive and international conventions to which the EC is a party.

Consumer and health protection

– Align with the acquis. In particular, including foodstuff legislation, and food safety.

– Further develop institutional structures for effective implementation, in particular with regard to market surveillance.

– Further develop systems for notification of dangerous products on national level and exploit the possibilities to exchange such notifications on international level through TRAPEX or other relevant systems.

Customs union

– Adopt new customs code to further align customs rules with the relevant acquis including preferential origin rules.

– Align legislation on free zones with the relevant acquis and enforce it, particularly for rules

concerning customs controls and tax auditing.

– Continue to strengthen the administrative and operational capacity of the customs administration and align internal procedures with the EU standards.

– Begin preparations for the development of the necessary IT systems so as to allow for the exchange of electronic data with the EU and its Member States, beginning with transit and tariff areas.

External relations and Foreign, security and defence policy

– Complete alignment with EC Common Commercial Policy, by aligning with EC preferential regimes including the new EC-Generalised System of Preferences regime.

– Continue efforts to conclude outstanding Free Trade Agreements with third countries.

– Progressively align policies towards third countries and positions within international organisations with those of the EU and its Member States including in relation to the membership by all EU Member States of relevant organisations and arrangements such as Wassenaar[5].

Financial control

– Ensure the timely implementation of the Law on Public Financial Management and Control.

– Adopt new legislation to reform the external audit function in accordance with International Organisation of Supreme Audit Institutions rules and in compliance with the Law on Public Financial Management and Control, to ensure the independence of the Court of Accounts.

– Establish effective procedures for the treatment of irregularities and cases of suspected fraud affecting pre-accession assistance, including the effective communication of irregularities to the Commission.

– Strengthen the implementation system for management of Community pre-accession funds and adapt it to evolution of Pre-accession instruments.

– Establish the administrative structures necessary for the effective and equivalent protection of the EU funds and for the cooperation with the European Commission Anti-Fraud Office (OLAF).

3.2 Medium –Term Priorities

Economic Criteria

– Complete the implementation of the privatisation programme.

– Complete the reform of the agricultural sector.

– Ensure the sustainability of the pension and social security system.

– Continue to improve the general level of education and health, paying particular attention to the younger generation and disadvantaged regions.

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[5] See Presidency statement with the consent of the Council of 3 October 2005: Paragraph 7 of the Negotiating Framework, which is covering all relevant international organisations, cannot be interpreted as prejudicing the autonomy of decision-making and rights of any of those international organisations or of their members, or of the Member States of the European Union.

ABILITY TO ASSUME THE OBLIGATIONS OF MEMBERSHIP

Right of establishment and freedom to provide services

– Remove restrictions on the right of establishment and on the freedom to provide cross-border services.

– Start alignment with the acquis on postal services. Start the liberalisation of the postal services and establish a national regulatory authority.

– Achieve substantial alignment with the acquis as regards recognition of professional qualifications.

Public procurement

– Ensure that public procurement rules are effectively implemented by contracting authorities and entities at all levels, including by developing and applying operational tools, providing training and strengthening the administrative capacity of contracting authorities and entities.

– Promote the use of electronic means in procurement procedures.

– Adopt a comprehensive national strategy to develop Turkey's public procurement system, including the use of electronic means in all stages of the procurement procedure.

Intellectual property law

– Complete alignment and ensure the enforcement of intellectual property rights by strengthening enforcement structures and mechanisms, including enforcement authorities and the judiciary.

Financial services

– Make substantial progress towards the implementation of the new capital requirements framework, in line with the BRSA's detailed roadmap.

– Make substantial progress towards the alignment of legislation with the *acquis* in the non-bank financial sector.

Company Law

– Complete alignment with the acquis.

– Adopt a general-purpose financial reporting framework in line with EU standards, making full use of the exemptions foreseen in the acquis.

– Strengthen disclosure requirements. In particular, adopt a general requirement for companies to file audited legal entity and consolidated financial statements in order to make them publicly available.

– Strengthen the capacity of all relevant authorities to monitor and enforce financial reporting standards.

Competition

– Consolidate enforcement in the antitrust and state aid field with special attention to monopolies and undertakings with special and exclusive rights.

– Pursue the restructuring of the steel sector in the framework of an agreed comprehensive sectoral

programme.

– Increase awareness of the anti-trust and state aid rules among all market participants and aid grantors.

Information society and media

– Complete the transposition of the acquis in the telecommunication area and prepare for full liberalisation of the markets.

– Complete alignment of audio-visual legislation and strengthen the capabilities of the independent television/radio regulatory authority.

Agriculture and rural development

– Continue work on the setting up of the Integrated Administration and Control System, in particular with regard to a land parcel identification system.

Food safety, veterinary and phytosanitary

– Align the veterinary, food safety, and phytosanitary legislation.

– Build up the necessary administrative capacity to implement the veterinary, phytosanitary and food legislation.

– Establish animal identification and registration system for sheep and goats in line with the EU requirements.

– Upgrade agri-food processing establishments so that they are in a position to respect EU food safety standards and legislation. Modernise dairy farms.

– Implement food safety control systems

– Set up a system of collections of cadavers and treatment of animal by-products.

– Implement eradication plans for the main diseases

– Align the system of plant variety registration with EU requirements.

Fisheries

– Complete the establishment of adequate administrative structures and equipment at central and regional level that can ensure the implementation of the Common Fisheries Policy.

Transport policy

– Complete the legislative and administrative alignment on all modes of transport. For road transport aim in particular at market access, road safety, road worthiness tests, road side inspections as well as social, fiscal and technical rules. Maritime transport should include maritime safety.

– Ensure implementation and enforcement of transport legislation in road, maritime and air transport (particularly air safety and air traffic management). To this end, improve implementation and enforcement capacity of related institutions for all aspects of civil aviation, road transportation and railways.

– Complete the restructuring of the national railway company and open up the railway market in conformity with the requirements of the acquis.

– Implement a programme of technical adaptation for the Turkish maritime and road transport fleet to comply with the Community norms.

Energy

– Complete alignment of national legislation with the acquis.

– Further strengthen administrative and regulatory structures.

– Restructure energy utilities and open up energy markets in conformity with the acquis.

– Ensure a high level of nuclear safety. When a nuclear energy production capacity is created, in particular strengthen the capacity, independence and resources of the regulatory authority in good time before the issuance of licenses begins. Ensure that environmental impact assessments (EIA) are carried out in full compliance with the EIA Directive.

Taxation

– Substantially advance work towards completing alignment with the tax acquis, as regards VAT, excise duties and direct taxation, including the Code of Conduct for business taxation.

– Continue strengthening and modernising the tax administration, including the IT sector, in order to improve collection of tax revenues. Continue preparations for the development of the necessary IT systems so as to allow for the exchange of electronic data with the EU and its Member States.

Economic and monetary policy

– Complete alignment with the acquis provisions concerning the prohibition of privileged access of public sector authorities to financial institutions and the prohibition of direct financing of the public sector.

Statistics

– Bring the Business Register up to EU standards.

– Align macro-economic statistics further with the acquis, in particular as regards GDP estimates, harmonised consumer price indexes, short-term indicators, balance of payments, and labour statistics.

– Strengthen the coordination role of the State institute of Statistics in order to improve the collection and processing of data originating in different governmental offices.

– Intensify the use of administrative sources for data collection.

– Complete harmonisation of finance statistics with the ESA 95 requirements.

Social policy and employment

– Complete transposition of the acquis and strengthen the related administrative and enforcement structures, including the labour inspectorates.

– Ensure implementation and enforcement of the social policy and employment acquis.

– Prepare a national employment strategy with a view to participation in the European Employment Strategy, including preparation and implementation of a Joint Employment Policy Review, and develop a capacity to monitor labour market and social developments.

– Prepare a national strategy on social inclusion, including data collection, in line with EU practice.

– Further develop social protection, notably by consolidating the reform of the social security and pension system with a view to financial sustainability, while strengthening the social safety net.

Enterprise and Industrial Policy

– Continue simplifying the business environment for SMEs, and align with the SME definition used in the EU.

Trans-European networks

– Implement the prioritised projects identified under the Transport Infrastructure Needs Assessment and in coherence with the European Community TEN-transport guidelines.

– Promote the implementation of projects in Turkey listed as projects of common interest in the European Community TEN-Energy Guidelines.

Regional policy and coordination of structural instruments

– Continue to strengthen the administrative capacity for the implementation of regional policy at both central and regional level.

– Establish multi-annual budgeting procedures setting out priority criteria for public investment in the regions.

Justice, freedom and security

– Align the status and functioning of the jandarmerie with European standards.

– Pursue alignment of visa legislation and practice with the acquis.

– Continue with alignment with the acquis in the field of asylum, through the lifting of the geographical limitation to the Geneva Convention; strengthening the system for hearing and determining applications for asylum and developing social support and integration measures for refugees.

– In the field of drugs, continue to strengthen the National Focal Point.

– Continue to develop the capacity of the customs service, including through the conclusion of customs co-operation agreements and the introduction of mobile surveillance units.

– In the field of data protection, ensure implementation of the acquis through the establishment of an independent supervisory authority.

– Adopt and implement the acquis and best practices on migration with a view to preventing illegal migration.

– Continue alignment with the acquis and best practices, in line with the National Action plan on Border Management, so as to prepare for full alignment with the Schengen acquis.

– Adopt and implement the acquis in the fields of corruption, fight against drugs, organised crime, money laundering, judicial cooperation in criminal and civil matters, criminal law protection of the euro and of the Community's financial interests.

Education and culture

– Align with EU policies for the protection of cultural diversity, including in the light of the UNESCO Convention on Cultural Diversity.

Environment

– Continue alignment with the acquis and strengthen the institutional, administrative and monitoring capacity to ensure environmental protection, including data collection.

– Integrate sustainable development principles into the definition and implementation of sectoral policies.

– Ensure full transposition and progressive implementation and enforcement of the strategic environmental assessment directive, as amended.

– Adopt and implement a national waste management plan.

Customs Union

– Complete alignment of customs legislation in particular on free zones, dual-use goods and technologies, precursors and counterfeited and pirated goods.

– Continue efforts to modernise customs controls and operations and ensure that all customs offices are equipped with IT infrastructure.

– Continue preparations for interconnectivity of the IT systems with the EU.

Financial control

– Reinforce the current management and control capacity of all institutes involved in the management of Community pre-accession funds under DIS.

– Prepare all institutions involved in the management of Community pre-accession funds for accreditation under the Extended Decentralised Implementation System (EDIS).

– Prepare for the designation of an operationally independent anti-fraud service.

– Reinforce the capacity of the administrative structures established for the protection of the EC's financial interests.

4. PROGRAMMING

Financial assistance for the priorities identified in the Accession Partnership will be made available through annual financing decisions taken by the Commission, following the procedure set out in Article 8 of Council Regulation (EC) No 2500/2001 on pre-accession financial assistance for Turkey (for the 2006 programme) and in the Regulation for the Instrument for Pre-accession Assistance (IPA), once this has been adopted (for the 2007-2013 programmes). The financing decisions will be followed by a Financing Agreement signed with Turkey.

5. CONDITIONALITY

Community assistance for financing projects through the pre-accession instruments is conditional on the respect by Turkey of its commitments under the EC-Turkey Agreements, including Customs union Decision 1/95 and other decisions, further concrete steps towards satisfying effectively the Copenhagen criteria and in particular progress in meeting the specific priorities of this revised Accession Partnership. Failure to respect these general conditions could lead to a decision by the Council on the suspension of financial assistance on the basis of Article 5 of Regulation (EC) No 2500/2001. Specific conditions are also included in individual annual programmes.

6. MONITORING

The implementation of the Accession Partnership shall be examined through the framework of the mechanisms established under the Association Agreement as appropriate and through the Commission's Progress Reports.

The Association Agreement sub-committees provide the possibility to review implementation of the Accession Partnership priorities as well as progress as regards legal approximation, implementation and enforcement. The Association Committee discusses overall developments, progress and problems in meeting the Accession Partnership's priorities as well as more specific issues referred to it from the sub-committees.

The monitoring of the pre-accession financial assistance programme shall be carried out jointly by Turkey and the European Commission through a Joint Monitoring Committee. In order to ensure the effectiveness of monitoring, projects being funded under each Financing Agreement must incorporate verifiable and measurable indicators of achievements. Monitoring based on these indicators will assist the Commission, the PHARE Management Committee (and its successor under IPA) and Turkey in subsequently reorienting programmes where necessary and in the design of new programmes.

The PHARE Management Committee ensures that actions financed under the pre-accession programme are compatible with each other as well as with the Accession Partnership as laid down in Council Regulation (EC) No 2500/2001[6].

The Accession Partnership will continue to be amended as necessary in accordance with Article 2 of Regulation (EC) No 622/98.

[6] OJ L 342, 27.12.2001, p. 1.