



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 6.11.2007
COM(2007) 661 final

Proposal for a

COUNCIL DECISION

**on the principles, priorities and conditions contained in the Accession Partnership with
Turkey and repealing Decision 2006/35/EC**

(presented by the Commission)

EXPLANATORY MEMORANDUM

On 23 February 2006 the Council adopted the revised Accession Partnership for Turkey, based on the Commission's proposal presented on 9 November 2005. The partnerships contain short-term and medium-term priorities. Therefore the Commission considers it appropriate to present a proposal for an updated Accession Partnership for Turkey.

This fourth Accession Partnership with Turkey 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.

In order to respond to the Accession Partnership, the competent authorities in Turkey should develop a plan with a timetable and specified measures Turkey intends to take to this end. The Commission will monitor progress in implementing the priorities regularly.

The Accession Partnership priorities form the basis for programming the financial assistance of the Community, which will continue to be provided under relevant financial instruments, in particular Council Regulation (EC) No 1085/2006 of 17 July 2006 establishing the Instrument for Pre-Accession Assistance (IPA).

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

Proposal for a

COUNCIL DECISION

on the principles, priorities and conditions contained in the Accession Partnership with Turkey and repealing Decision 2006/35/EC

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 Partnership¹ in particular 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 Accession Partnership, as it will be submitted to Turkey, as well as on subsequent significant adjustments applicable to it.
- (2) On that basis the Council adopted an Accession Partnership with Turkey in 2001 and 2003².
- (3) The Commission's 2004 recommendation on Turkey stressed that the European Union should continue the monitoring of the political reform process and that a revised Accession Partnership should be proposed in 2005. Following that, the Council adopted a revised partnership in February 2006³.
- (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.

¹ OJ L 58, 28.2.2001, p. 1.

² Decision 2001/235/EC (OJ L 85, 24.3.2001, p. 13) and Decision 2003/398/EC (OJ L 145, 12.6.2003, p. 40).

³ Decision 2006/35/EC (OJ L 22, 26.1.2006, p. 34–50).

- (6) The Commission's Paper on enlargement strategy and main challenges 2006–2007 indicated that the partnerships would be updated at the end of 2007.
- (7) On 12 June 2006 the Council adopted Regulation (EC) No 1085/2006 establishing an instrument for pre-accession assistance (IPA)⁴, which sets out a new framework for financial assistance to pre-accession countries.
- (8) It is therefore appropriate to adopt a revised Accession Partnership which updates the current partnership in order to identify renewed priorities for further work on the basis of the findings of the 2007 Progress Report on Turkey's preparations for further integration with the European Union.
- (9) 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.
- (10) Decision 2006/35/EC should be repealed.

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.

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

Decision 2006/35/EC shall be repealed.

Article 4

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

Done at Brussels,

For the Council
The President

⁴ OJ L 210, 31.7.2006, p. 82.

ANNEX: TURKEY 2007 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, mobilizing 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 that, with a view to 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. Following the expected progress in the implementation of the short term priorities of the Partnerships, it is practice to update the partnerships every other year. Therefore, the Commission proposes to renew the Accession Partnership.

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

The revised Accession Partnership provides the basis for a number of policy /financial instruments which will be used to help Turkey 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 nevertheless, ultimately have to address all the issues identified in the progress reports, including consolidating the political reform process in order to guarantee its irreversibility and ensure its uniform implementation throughout the country and at all levels of the administration. 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

Political dialogue

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.
- Strengthen local administrations by reforming the central administration, devolving powers to local administrations and providing them with adequate resources.
- Adopt and implement legislation aimed at establishing a fully operational Ombudsman system.

Civilian oversight of the security forces

- Continue to align civilian control of the military in line with the practice in EU Member States. Ensure that the military does not intervene in political issues and that civilian authorities fully exercise supervisory functions on security matters.
- 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.
- Limit the jurisdiction of military courts solely to military duties of military personnel.

Judicial system

- Strengthen efforts, including through training, to ensure that interpretation by the judiciary of legislation related to human rights and fundamental freedoms is in line with the European Convention on Human Rights, with the case-law of the ECtHR, and with Article 90 of the Turkish Constitution.
- Ensure the independence of the judiciary from other state institutions in particular as regards the High Council of Judges and Prosecutors and the inspection system. More specifically, ensure that the High Council of Judges and Prosecutors represents the judiciary as a whole.

- 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

- Develop a comprehensive anti-corruption strategy and a central body to oversee and monitor its implementation. Improve coordination between all institutions involved.
- 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 immunities granted to politicians and public officials in line with European best practices and improve legislation on transparency in political party and election campaign financing.

Human rights and the protection of minorities

Observance of international human rights law

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

European Court of Human Rights

- Comply with the European Convention for the Protection of Human Rights and Fundamental Freedoms, and ensure full execution of the judgments of the European Court of Human Rights.
- Amend the criminal procedure Code so as to enforce the right to retrial in line with the relevant judgments of the European Court of Human Rights.

Promotion and enforcement of human rights

- Establish an independent, adequately resourced national human rights institution in accordance with relevant UN principles.
- Continue the training of law enforcement agencies on human rights issues and investigation techniques.

Civil and political rights

Prevention of torture and ill-treatment

- Ensure implementation of the measures adopted in the context of the "zero tolerance" policy towards 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.
- Ensure implementation of the Istanbul Protocol throughout the country, in particular by increasing medical expertise.

- 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.

Access to justice

- Strengthen efforts to ensure adequate legal aid and qualified interpretation services.

Freedom of expression

- Revise legislation on freedom of expression, including freedom of the press, in line with the European Convention on Human Rights and with the case law of the European Court of Human Rights.
- Remedy the situation of those persons prosecuted or sentenced for non-violent expression of opinion.

Freedom of assembly and association

- Continue implementation of all reforms concerning freedom of association and peaceful assembly in accordance with the European Convention on Human Rights (ECHR) and its related case law. Implement measures to prevent the excessive use of force by security forces.
- Align with best practices in EU Member States as regards legislation on political parties.

Civil society organisations

- Further strengthen 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

- Revise legislation on foundations in line with the ECHR and the case-law of the ECtHR.
- Ensure that non-Muslim religious communities can acquire legal personality and exercise their rights.
- Ensure the possibility of higher religious education for non-Muslim minorities, including the training of their clergy.
- Ensure equal treatment of Turkish and foreign nationals as regards their ability to exercise the right to freedom of religion through participation in the life of organised religious communities.
- Adopt legislation to prevent repeated prosecutions and convictions of those who refuse to perform military service for conscientious or religious reasons.

Economic and social rights

Women's rights

- Pursue measures to implement current legislation relating to women's rights and 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 increase the awareness of the general public, and of men in particular, concerning gender issues, and promote the role of women in society, including through their education and participation in the labour market and in political and social life; support the development of women's organisations to fulfil these goals.

Children's rights

- Ensure the full implementation of the Law on Child Protection and promote protection of children's rights in line with EU and international standards.
- Continue efforts to tackle the problem of child labour and improve the situation of street children.

Labour rights and trade unions

- 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.
- Further reinforce social dialogue, facilitate and encourage cooperation with EU partners.

Anti-discrimination policies

- 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, sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation.
- Strengthen efforts to revise curricula and textbooks so that discriminatory language is eliminated.

Minority rights, cultural rights and 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 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 peaceful enjoyment of possessions, in line with Protocol No 1 to the European Convention on Human Rights.

Cultural rights

- Improve effective access to radio and TV broadcasting in languages other than Turkish, in particular by removing remaining legal restrictions.

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

Situation in the East and Southeast

- Develop a comprehensive approach to reducing regional disparities, and in particular to improving the situation in southeast Turkey, with a view to enhancing economic, social and cultural opportunities for all Turkish citizens, including those of Kurdish origin.
- Abolish the village guard system in the Southeast.
- Clear the area of landmines.

Internally displaced persons

- 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.
- Continue implementation of the law on the compensation of losses due to terrorism and the fight against terrorism. Ensure fair and prompt compensation of victims.

Regional issues and international obligations

Cyprus

- Ensure continued support for efforts to find a comprehensive settlement of the Cyprus problem within the UN framework and in line with the principles on which the EU is founded, whilst contributing to a better climate for a comprehensive settlement.
- Implement fully the Protocol adapting the Ankara Agreement to the accession of the new EU Member States, including removal of all existing restrictions on Cyprus-flagged vessels and vessels serving the Cyprus trade⁵.
- Take concrete steps for the normalisation of bilateral relations between Turkey and all EU Member States, including the Republic of Cyprus, as soon as possible⁶.

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.
- Unequivocally commit to good neighbourly relations; address any sources of friction with neighbours; and refrain from any action which could adversely affect the process of peaceful settlement of border disputes.

Economic criteria

- Continue to implement appropriate fiscal and monetary policies with a view to taking adequate measures to preserve macroeconomic stability and predictability. Implement a sustainable and effective social security system.

⁵ See also the declaration by the European Community and its Member States of 21 September 2005.

⁶ See also the declaration by the European Community and its Member States of 21 September 2005.

- Further strengthen economic policy co-ordination across different institutions and policy areas in order to provide a consistent and sustainable economic policy framework for the economy.
- Continue privatisation of state-owned enterprises.
- Continue with market liberalisation, and price reforms, in particular in the areas of energy and agriculture.
- Address labour market imbalances. To this end, improve incentive structures and flexibility in the labour market to increase the participation and employment rates; improve education and professional training efforts, thereby encouraging the shift from agriculture to a service-based economy.
- Improve the business climate. To this end, improve the functioning of the commercial judiciary and safeguard the independence of market regulatory authorities; improve bankruptcy procedures to address impediments to market exit.
- Identify and implement means to address the informal economy.

Ability to assume the obligations of membership

Chapter 1: Free movement of goods

- Abolish import permits or licence requirements, as well as disproportionate requirements for certificates in respect of products other than used motor vehicles.
- Submit to the Commission a plan for abolishing import permits on used motor vehicles.
- Complete the identification of measures contrary to Articles 28 to 30 of the EC Treaty, draw up a plan for their removal and introduce the mutual recognition clause into the Turkish legal order.
- Address the remaining issue on regulatory data protection for pharmaceutical products.

Chapter 3: Right of establishment and freedom to provide services

- Present a detailed strategy which should include a timetable of all necessary steps in terms of legislative alignment and institutional capacity in order to comply with the *acquis* covered by this chapter.
- Continue alignment with the *acquis* for the mutual recognition of professional qualifications, in particular by providing for a procedure for professional recognition distinct from academic recognition and by adopting the minimum training requirements set out in directive 2005/36/EC.
- Begin alignment with the *acquis* on postal services.

Chapter 4: Free movement of capital

- Continue to remove restrictions affecting foreign direct investments originating from the EU.
- Start to align payment systems legislation with the *acquis*.

Chapter 5: Public procurement

- Give an organisation for procurement the task of guaranteeing a coherent policy and steering its implementation.
- Present a comprehensive strategy which will include all reforms necessary for legislative alignment and institutional capacity building in order to comply with the *acquis*.

Chapter 6: Company law

- Adopt the new Commercial Code.

Chapter 7: Intellectual property law

- Improve the capacity of police, customs and judiciary to enforce intellectual property rights, including strengthening coordination between these bodies.
- Address, in particular, the counterfeiting of trade marks and piracy.

Chapter 8: Competition policy

- Adopt a state aid law in line with the *acquis* requirements and set up an operationally independent state aid monitoring authority able to fulfil existing transparency commitments.
- Finalise and adopt the National Steel Restructuring Programme in line with EU requirements.

Chapter 9: Financial services

- Continue alignment with the new capital requirements for credit institutions and investment firms and with the other related directives (deposit guarantee scheme, winding up and reorganisation, financial conglomerates, bank accounts).
- Strengthen prudential and supervisory standards both in banking and in the non-bank financial sector, including the establishment of an independent regulatory and supervisory authority.

Chapter 10: Information society and media

- Adopt a new Electronic Communications Law aligned with the current EU Regulatory Framework.
- Complete the adoption and implementation of the key "starting conditions" for the 2002 EU regulatory framework.
- Continue alignment of legislation in the field of audio-visual policy, in particular with regard to the Television without Frontiers directive.

Chapter 11: Agriculture and rural development

- Establish an IPARD agency (Instrument for Pre-accession Assistance Rural Development Component) accredited in compliance with EU requirements.
- Lift restrictions on trade in beefmeat, live bovine animals and by-products.

Chapter 12: Food safety, veterinary and phytosanitary policy

- Adopt a framework law on food, feed and veterinary matters compliant with EU requirements and which allows a complete transposition of the EU *acquis*.
- Ensure the operationality of the system for the identification and registration of bovines and registration of their movement in compliance with the EU *acquis*, and start the implementation of an appropriate system for sheep and goats in order to trace movements.
- Take the necessary measures to allow the Thrace region to be recognised by the World Organisation on Animal Health as a foot and mouth disease free zone with vaccination.
- Classify all agri-food establishments by category based on the EU *acquis* and prepare a National Programme for upgrading those establishments.

Chapter 13: Fisheries

- Reinforce the administrative structures in particular by creating a central unit in charge of all fisheries matters. Particular attention also needs to be paid to strengthening fisheries inspection and control services.
- Adopt the revised Fisheries Law in line with EU requirements.

Chapter 14: Transport policy

- Adopt the Railways Framework Law in order to gradually open the Turkish rail transport market and provide for the separation of functions regarding infrastructure management and provision of services.
- Continue alignment with and implementation in the maritime sector paying special attention to the effective implementation of pollution prevention. Further strengthen maritime administration, including the improvement of the safety record of the Turkish fleet and the implementation of the maritime security *acquis*.
- In the field of aviation, work towards a technical solution to ensure the necessary communication in order to guarantee the appropriate level of air safety in the South Eastern Mediterranean region.
- Engage in a process towards the recognition of "Community designation" and provide a clear strategy for the progressive alignment to the *acquis* on the Single European Sky.
- Align with and implement the relevant provisions and specificities of the European Civil Aviation Conference's policy statement in the field of civil aviation security.

Chapter 15: Energy

- Continue alignment with and implementation of the *acquis* on the internal gas and electricity market and on cross border exchanges in electricity, also with a view to possible membership of the Energy Community Treaty. Ensure the implementation of fair and non-discriminatory rules for the transmission of gas.
- Continue to develop the capacities of the different regulatory authorities and ensure their independence.

- Strengthen administrative capacity and continue alignment in the energy efficiency field, promote high-efficiency cogeneration, and develop renewable energy in transport, electricity and heating/cooling, including the setting of appropriate and ambitious targets and incentives.
- Accede to the Joint Convention on the Safety of Spent Fuel Management and Radioactive Waste Management

Chapter 16: Taxation

- Take practical steps leading to a substantial reduction in discriminatory taxation of alcoholic products, imported tobacco and imported cigarettes, and present a plan with clear milestones, and agreed with the Commission, for the rapid elimination of any residual discriminatory taxation.
- Pursue alignment of VAT and excise duties, in particular on structure and applied rates.
- Continue strengthening and modernising the tax administration, including the IT sector, in order to increase compliance and improve collection of tax revenues and to reduce the informal economy.

Chapter 18: Statistics

- Produce timely key national accounts indicators in accordance with ESA 95.
- Align the methodology and the organisational set-up for collecting information to provide agriculture statistics in line with EU requirements.
- Finalise establishment of the business register.

Chapter 19: Social policy and employment

- Establish conditions for an effective social dialogue at all levels, *inter alia*, by adopting new legislation eliminating restrictive provisions on trade union activities and ensuring full trade union rights.
- Provide an analysis of undeclared work in Turkey and draw up a plan to tackle this problem in the context of an overall action plan for the enforcement of the *acquis* for the benefit of the entire workforce.
- Finalise the work on the Joint Inclusion Memorandum (JIM) and the Joint Assessment Paper on Employment Policy Priorities (JAP) and actively implement both follow-up processes.

Chapter 20: Enterprise and Industrial policy

- Adopt a revised comprehensive industrial policy strategy and a revised SME action plan.

Chapter 22: Regional policy and coordination of structural instruments

- Reinforce the establishment of institutional structures and strengthen administrative capacity in the areas of programming, project preparation, monitoring, evaluation and financial management and control, particularly at the level of line ministries, to implement EU pre-accession programmes as a preparation for the implementation of the Community's cohesion policy.

Chapter 23: Judiciary and fundamental rights

- Strengthen efforts to align its legislation with the *acquis* on the protection of personal data and to establish an independent data protection supervisory authority.
- *See for other priorities the section on political criteria.*

Chapter 24: Justice, freedom and security

- Continue to strengthen all law enforcement institutions and align their status and functioning with European standards, including through developing inter-agency cooperation. Adopt a code of ethics and establish an independent and effective complaints system to ensure greater accountability covering all law enforcement bodies.
- Continue efforts to implement the National Action Plan on Asylum and Migration (including through the adoption of a roadmap), increase capacity to combat illegal migration in line with international standards.
- Conclude urgently a readmission agreement with the EU.
- Make progress in the preparations for the adoption of a comprehensive asylum law in line with the *acquis* including the establishment of an asylum authority.
- Continue efforts to implement the National Action Plan on integrated border management including through the definition of a precise road map. Steps should be taken to establish the new border law enforcement authority.
- Implement the national strategy on organised crime. Strengthen the fight against organised crime, drugs, trafficking in persons, fraud, corruption and money-laundering.

Chapter 26: Education and Culture

- Enhance the administrative capacity of the Lifelong Learning and Youth in Action National Agency in order to be able to deal with the increased workload.

Chapter 27: Environment

- Adopt a comprehensive strategy for the gradual transposition, implementation and enforcement of the *acquis*, including plans for building up the necessary administrative capacity at national, regional and local level and required financial resources, with an indication of milestones and timetables.
- Continue transposition, implementation and enforcement of the *acquis*, in particular horizontal and framework legislation, such as the environmental impact assessment, including transboundary aspects, as well as strengthening of administrative capacity.

- Adopt the National Waste Management Plan.

Chapter 28: Consumer and health protection

- Further align with the consumer and health *acquis*, including in the areas of blood, tissues and cells and tobacco, and ensure adequate administrative structures and enforcement capacity.
- Strengthen the courts capacity, including through training, to ensure consistency in interpretation of consumer legislation.

Chapter 29: Customs Union

- Align legislation on free zones with the relevant *acquis*, particularly for rules concerning customs controls and tax auditing.
- Strengthen the enforcement capacity of the customs administration, particularly regarding fight against illegal trade and counterfeit. Continue the preparations for interconnectivity of the IT systems with the EU.
- Eliminate the customs duty relief for goods covered by the Custom Union and which are sold in duty-free shops to travellers entering in Turkey.

Chapter 30: External relations

- Align with the EU position in the World Trade Organisation, as regards the Doha Development Agenda and in the OECD.
- Complete the alignment with the European Community regime on generalised system of preferences (GSP).
- Continue efforts to conclude outstanding free trade agreements with third countries in line with the *acquis*.

Chapter 31: Foreign, security and defence policy

- Continue to align with EU common positions, declarations, statements and demarches on Common Foreign and Security Policy (CFSP).
- Align policies towards third countries and positions within international organisations with those of EU and member states including in relation to the membership by all EU member states of relevant organisations and arrangements such as Wassenaar.

Chapter 32: Financial control

- Adopt an updated Public Internal Financial Control (PIFC) Policy Paper and derived PIFC legislation.
- Adopt pending legislation to guarantee the functioning of the Turkish Court of Accounts in line with the International organisation of supreme audit institutions (INTOSAI) standards and guidelines.
- Set up an operationally independent anti-fraud coordination structure for the protection of the EU financial interests.

3.2. Medium-Term Priorities

Economic criteria

- Complete the privatisation programme.
- Ensure the sustainability of public finance.
- Continue to improve the general level of education and health, paying particular attention to the younger generation and women.
- Upgrade the country's infrastructure, in particular in energy and transport, in order to strengthen the competitiveness of the economy at large.

Ability to assume the obligations of membership

Chapter 2: Freedom of movement for workers

- Ensure that the Public Employment Services have adequate capacity to guarantee participation in the EURES (European Employment Services) network.
- Continue to strengthen the administrative structures, in particular for the coordination of social security schemes.

Chapter 3: Right of establishment and freedom to provide services

- Further remove restrictions on the right of establishment and the freedom to provide cross-border services
- Continue alignment on the *acquis* for postal services.
- Continue alignment with the *acquis* for the mutual recognition of professional qualifications and, in particular, work towards repealing nationality requirements.

Chapter 5: Public procurement

- Implement the public procurement strategy.
- Promote the use of electronic means in procurement procedures.

Chapter 6: Company law

- Adopt a general-purpose financial reporting framework in the area of corporate accounting and auditing in line with EU standards.
- 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.

Chapter 7: Intellectual property law

- Continue alignment and ensure an effective enforcement of intellectual property rights.

Chapter 8: Competition policy

- Align secondary legislation in the state aid field.

- Ensure transparency in the area of state aid in line with existing bilateral commitments. Inform the Community of all aid schemes in force and notify in advance any individual aid to be granted.

Chapter 10: Information society and media

- Continue the transposition and implementation of the *acquis* in the electronic communications area and prepare for full liberalisation of the markets.
- Further align with the audio-visual *acquis* and strengthen the independence and administrative capacity of the regulatory authority.

Chapter 11: Agriculture and rural development

- Continue developing the system of land identification and the National Farmer Registration System to prepare for controls on agricultural land.
- Start preparing the implementation of pilot actions relating to environment and the countryside, in view of future implementation of agri-environmental measures.

Chapter 12: Food safety, veterinary and phytosanitary policy

- Adopt control measures for animal diseases and set up eradication plans where this is justified by the animal health situation.
- Enhance laboratory and control capacities in the food safety, veterinary and phytosanitary domain in particular as regards reference laboratories, residue testing (including control plans) and sampling procedures.
- Align the legislation on Transmissible Spongiform Encephalopathies (TSE) and animal by-products and start to set up the necessary collection and treatment system.

Chapter 13: Fisheries

- Set up a reliable stock assessment system to provide accurate information on marine resources.
- Adapt the existing fleet register to EU requirements.

Chapter 14: Transport policy

- Continue the legislative and administrative alignment to the transport *acquis* in particular as regards road transport and air safety.
- Strengthen the capacity to implement EU *acquis*, including control measures, in line with EU standards.

Chapter 15: Energy

- Ensure the establishment of a competitive internal energy market, in compliance with the electricity and gas directives. Further strengthen administrative and regulatory structures needed for a functional and competitive energy market.
- Adopt a nuclear law which ensures a high level of nuclear safety in line with EU standards.

Chapter 16: Taxation

- Continue alignment of excise duties and VAT, in particular as regards deductions, exemptions, special schemes, tax refunds and the application of reduced rates.

Chapter 18: Statistics

- Reinforce the coordinating role and improve the administrative capacity of Turkstat to ensure more timely collection, processing and dissemination of data.

Chapter 19: Social policy and employment

- Continue transposition of the *acquis* and strengthen the related administrative and enforcement structures including the labour inspectorates, in association with social partners.
- Enhance capacity to assess and monitor labour market and social developments and address structural problems.

Chapter 21: Trans-European networks

- Give priority to projects identified under the Transport Infrastructure Needs Assessment (TINA) and to projects of common interest listed in the European Community TEN-Energy Guidelines.

Chapter 22: Regional policy and coordination of structural policy instruments

- Develop at central level, regional and local level the administrative capacity for the implementation of possible future Community cohesion policy.

Chapter 24: Justice, freedom and security

- Accelerate efforts to set up an integrated border management system in line with the *acquis*, based on close interagency coordination and professionalism of staff, covering inter alia a pre-screening mechanism to identify persons in need of international protection at borders.
- Continue with alignment with the *acquis* in the field of asylum, in particular through the lifting of the geographical limitation to the Geneva Convention and through strengthening protection, social support and integration measures for refugees.
- Ensure compatibility of Turkish legislation with the *acquis* in civil matters and strengthen the capacity of the judiciary to apply the *acquis*.

Chapter 27: Environment

- Continue to transpose and implement the *acquis* related to the framework legislation, international environmental conventions and legislation on nature protection, water quality, chemicals, industrial pollution and risk management and waste management.
- Pursue integration of environmental requirements into other sectoral policies.

Chapter 28: Consumer and health protection

- Ensure a high level of protection through the effective enforcement of consumer protection rules and involvement of relevant consumer organisations.
- In the area of mental health, develop community-based services as an alternative to institutionalisation, and ensure allocation of sufficient financial resources for mental health care.

Chapter 29: Customs Union

- Complete alignment of customs legislation on dual-use goods and technologies, precursors and counterfeit and pirated goods.

Chapter 32: Financial control

- Align the Turkish Criminal Code with the protection of the EU's financial interests (PIF) Convention and its protocols.

4. PROGRAMMING

Financial assistance for the priorities identified in the Accession Partnership will be made available through two financial instruments: programmes adopted before and in 2006 will be implemented in accordance with Council Regulation (EC) No 2500/2001 of 17 December 2001 concerning pre-accession financial assistance for Turkey. Programmes and projects adopted as of 2007 will be implemented in accordance with Council Regulation EC No 1085/2006 of 17 July 2006 (IPA). Under both instruments, the Commission has adopted respectively will adopt financing decisions, followed by a financing agreements signed by the Commission and Turkey. The financing agreements serve as legal basis for the implementation of the concrete programmes.

Turkey has also access to funding from multi-country and horizontal programmes.

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 to suspend financial assistance on the basis of Regulation (EC) No 2500/2001 or on the basis of Article 21 of Council Regulation (EC) No 1085/2006 (IPA). Specific conditions are also included in individual annual programmes. The financing decisions will be followed by a financing agreement signed with Turkey.

6. MONITORING

The implementation of the Accession Partnership shall be examined using 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 and progress as regards legal approximation, implementation and enforcement. The Association Committee discusses overall developments, progress and problems in meeting the Accession Partnership priorities as well as more specific issues referred to it by the sub-committees.

The monitoring of the pre-accession financial assistance programmes shall be carried out jointly by Turkey and the European Commission through a joint monitoring committee (JMC) /IPA 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 JMC/ IPA Monitoring Committee and Turkey in subsequently reorienting programmes where necessary and in the design of new programmes. The JMC/IPA Monitoring Committee ensures that actions financed under the pre-accession programmes are compatible with the Accession Partnership.

The Accession Partnership will continue to be amended as necessary in accordance with Article 2 of Council Regulation (EC) No 622/98 of 16 March 1998 on assistance to the applicant states in the framework of the pre-accession strategy, and in particular on the establishment of Accession Partnerships⁷.

⁷ OJ L 85, 20.3.1998, p. 1