

Turkey: membership application, 12 April 1987

2000/2014(COS) - 08/11/2000 - Supplementary non-legislative basic document

This Regular Report for 2000 on Turkey differs from that used in previous years on three points. Firstly, the part of the present report assessing Turkey's ability to assume the obligations of 29 chapters covering the acquis. Secondly, this part has been broadened to cover also Turkey's administrative capacity to apply the acquis under each of the chapters (previously discussed in a separate section of the report). Thirdly, the report includes, for the first time, a section assessing the progress made by Turkey in translating the acquis into its official language. This report takes into consideration progress since the 1999 Regular Report and looks at whether intended reforms referred to in the 1999 regular report have been carried out, and examines new initiatives. With regard to the relations between the European Union and Turkey, the Association Council met in April 2000 for the first time in three years and was chaired by Turkey. It adopted two important political decisions, one on the establishment of eight sub-committees of the Association Committee and other on the opening of negotiations for an agreement aiming at the liberalisation of services and the mutual opening of procurement markets between the EC and Turkey. A first round of negotiations was held. Trade volumes between the EU and Turkey have continuously increased, with the exception of the contraction of 1999. Since the establishment of the Customs Union, the importance of the two parties in each other's trade has been continuously increasing. In 2000, the EC has provided 52.9% of Turkish imports and has absorbed 53.1% of Turkish exports. After the reduction in trade which occurred in 1999, 2000 has seen a renewed increase in the Turkish current account deficit with the EC which might bring it to around EUR 9 billion by the end of the year (6% of GDP). Tourist revenues rose by about 5% in the first half of 2000, after a poor result in 1999. In general, manufactured goods circulate freely within the Customs Union territory although certain non-tariff barriers exist on the Turkish side. Some long-standing trade disputes are not being solved. In particular, the access for alcoholic beverages is restricted and lengthy and burdensome testing is carried out on certain products (e. g. ceramics and tiles). The trade in agricultural products is inter alia still hampered by the Turkish ban on imports of live bovines and beef from the Community. This constitutes a violation of the relevant decision under the Association Agreement. It nullifies the concessions on those products granted by Turkey to the EC, in exchange of the important concessions granted by the EC on Turkish agricultural products. The issue of the application of rules of origin for Turkish tuna products is also still outstanding. As far as Community aid is concerned, as requested by the European Councils of Helsinki and Feira, a single framework for cooperating all sources of EC pre-accession financial assistance for Turkey was adopted by the Commission in July 2000. This Regulation also provides the basis for the Accession Partnership for Turkey. Further steps imply that all funds available for Turkey should be put into one single budget. The Commission has just made such a proposal in the framework of the 2001 draft budget to support pre-accession assistance for Turkey. As part of the pre-accession strategy, there will also be a doubling of the yearly financial (grant) assistance to Turkey. From 2000 onwards the yearly allocation to Turkey has been set at 15% of the MEDA bilateral envelope, in addition to the EUR 50 million annual average allocation foreseen in the framework of the two European strategy/pre-accession strategy regulations. The first regulation adopted in April 2000 foresees EUR 5 million per year for 3 years; the second regulation is at present in the process of being adopted. It will provide EUR 45 million per year for 3 years. Overall the annual allocation to Turkey in 2000 will therefore amount to EUR 177 million. A positive development since the last regular report is the launching of the Turkish society of a wide-ranging debate on the political reforms necessary with a view to accession to the EU. Two important initiatives have been taken in this context: the signing of several international human rights instruments and the recent endorsement by the government of the work of the Supreme Board of Coordination for Human Rights. However, compared to last year, the situation on the ground has hardly improved and Turkey still does not meet the political Copenhagen criteria. Many aspects of the overall human rights situation remain worrying with freedom of expression and freedom of association and assembly still restricted. Turkey has made considerable progress in addressing the most urgent imbalances in the economy, yet the process of achieving a functioning market economy is not completed. It has on the other hand made substantial

progress in macroeconomic stabilisation. The privatisation of state enterprises has been successful and important steps for the reform of the agricultural sector, the social security system and the financial sector have been taken. Overall, Turkey's alignment with the Community acquis in the areas covered by the Customs Union is most advanced. Turkey has to start making substantial progress in alignment with the acquis in all other fields.