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## IKV BRIEF

# MONITORING ACCESSION: THE 2023 TÜRKİYE REPORT

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## 2023 TÜRKİYE REPORT

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Olivér Várhelyi, European Commissioner for Neighbourhood and Enlargement, presented the 2023 Enlargement Policy Communication and Country Reports on 8 November 2023. The reports, which have been out for Türkiye since 1998, were released to the public in November of this year after a one-month delay. They address the current situation of candidate countries in terms of progress and alignment with EU acquis.

The 141-page 2023 report, which addresses Turkey's progress toward EU membership, evaluates the country in several areas, including democracy, the rule of law, and fundamental rights, while admitting that it has only achieved modest advancements in certain of these areas. As every year, the report emphasises that Türkiye remains a key partner and candidate country for the EU.

It highlights the high level of economic integration between the EU and Türkiye and recalls that Türkiye is the EU's 7th largest trading partner, and the EU is Türkiye's largest trading partner. However, since the decision to suspend accession negotiations in 2018, Türkiye has not reversed its trend away from the EU and has implemented accession-related reforms to a limited extent.<sup>1</sup>

In this İKV Brief, Türkiye-EU relations will be assessed based on the latest report of the Commission.

### Political Developments

The report states that the Turkish political leadership has consistently reaffirmed its commitment to the goal of EU accession and has expressed this at every opportunity. However, Türkiye has not taken concrete steps in this regard and has not developed any positive momentum in its reform agenda. In line with recent trends, the Report takes a critical approach in political criteria, with a particular focus on democracy, rule of law, fundamental rights and judicial independence. The report underlines that there has been a more pronounced backsliding in these areas compared to other areas.

It is noteworthy that the criticisms in the political criteria section are closely linked to the Presidential System of Government introduced in 2018. The report states that this system has significantly weakened the legislative and oversight functions of the Parliament and deprived it of effective checks and balances. The Report also severely criticises Türkiye's position on the rule of law and fundamental rights and states that alignment under this heading is still in its infancy. It emphasises that Türkiye has moved significantly away from meeting EU criteria in critical areas such as the judiciary, fundamental rights, democracy, public administration and human rights. The 2023 reporting period marks a worrying and sustained backsliding, highlighting the judiciary's non-compliance with

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<sup>1</sup> Council of the EU, "ENLARGEMENT AND STABILISATION AND ASSOCIATION PROCESS", "Council conclusions", 10555/18, ELARG 41 COWEB 102, 26.06.2018, <https://www.consilium.europa.eu/media/35863/st10555-en18.pdf>



European Court of Human Rights (ECHR) judgements, continued corruption, worsening human rights situation and unresolved structural deficiencies in the judicial system.

The report underlines that Türkiye is still at an early stage in implementing European standards on the rule of law and fundamental rights and draws attention to the regression during the reporting period. Despite judicial reform strategies, Türkiye is criticised for not adequately addressing critical issues such as judicial independence and improving human rights. According to the report, the judiciary in Türkiye faces serious shortcomings and continued pressure from politicians is affecting the independence of the judiciary. The report calls on Türkiye to create an environment for an independent judiciary system, strengthen the responsibilities of the magistrates, reform the Council of Judges and Prosecutors and ensure that judicial processes are fair and transparent.

The report says Türkiye made no progress in the fight against corruption at an early stage and during the reporting period. The report notes that glaring shortcomings persist, such as the absence of preventive measures and anti-corruption bodies in line with the UN Convention against Corruption. It is recommended to improve the legal framework and the institutional structure to reduce the political influence on corruption cases. The need to increase the accountability and transparency of public institutions is also emphasised. Türkiye is called upon to fulfil its international anti-corruption obligations, to implement GRECO recommendations and to show decisive political will to develop a robust anti-corruption strategy with a realistic action plan.

The report expresses concern about the deteriorating human rights situation in Türkiye due to the lack of progress on previous recommendations, with special emphasis on women's rights, LGBTQ rights and gender rights in recent years. The report states that while the legal framework guarantees human rights, it should be harmonised with ECHR case law.

## **Economic Performance**

The Economic Criteria section of the Türkiye Report emphasises concerns about Türkiye's lack of progress in alignment with EU economic standards. The Report states that, despite the advanced level of harmonisation, there has been a stagnation in recent years and no significant steps towards full harmonisation have been taken. Criticisms include loose monetary policy, reduced policy credibility, transparency problems and direct state intervention in price setting. Moreover, concerns about the independence of the Central Bank raise questions about Türkiye's commitment to sound economic management.

While recognising positive developments, such as economic growth, the report underlines challenges in the market economy, in particular monetary policy, the institutional environment and regulatory predictability. It calls on Türkiye to restore the independence of the central bank, tighten monetary policy, develop a credible fiscal consolidation plan, and improve the business environment. The report acknowledges progress in the digitisation of public services but underlines the challenges of the informal economy and state interference in the price-setting process. It highlights that the labour market in Türkiye has improved but structural challenges remain, particularly in youth and women's employment.



The report underlines the relevance of the Commission's 2022 recommendations and recommends that Türkiye improve its competitiveness by increasing educational enrolment, promoting labour market transitions, addressing NEET (Not in Education, Employment, or Training) youth and supporting women's participation. Recommendations also include diversifying energy sources, increasing renewable energy sources and improving SMEs' access to long-term finance. The report notes that although Türkiye is well prepared, limited progress has been made in adapting to competitive pressures within the EU and there are concerns about the education-market mismatch and slow spending on research and development.

### **Foreign Policy and Foreign Relations**

The criticisms made in previous years on security, defence and foreign policy issues continue in this year's report. Overall, Türkiye's level of alignment with the EU's foreign and security policies remains at 10%, while its foreign policy actions continue to contradict EU priorities.

The report criticises Türkiye for failing to comply with restrictive measures against Russia, refraining from condemning Russian aggression against Ukraine and failing to recognise and condemn Hamas as a terrorist organisation for its attacks on civilians in Israel. The report points out that Türkiye's foreign policy is at odds with EU values and interests.

Drawing attention to Türkiye's regional cooperation and good neighbourly relations, the report states that there were no drilling activities in the Eastern Mediterranean and the SCGA during the reporting period and recommends that Greece-Türkiye relations, which were quite tense until February 2023 but softened after the 6 February earthquakes, be maintained in good faith. It also emphasises the need for cooperation between the EU and Türkiye to ensure a stable and secure environment in the Eastern Mediterranean.

### **Environmental Concerns**

According to the report, Türkiye made limited progress during the reporting period, particularly in relation to a special chapter on transport mitigation policies and the update of the nationally determined contribution under the Paris Agreement. In the energy area, Türkiye is also reported to be moderately prepared and made limited progress overall. Noting that Türkiye's energy dependence on Russia is increasing, the report states that Türkiye has made progress on the expansion of renewable energy, reforms in the natural gas sector and harmonisation of legislation on nuclear safety. Türkiye submitted its updated national contribution under the Paris Agreement. Faced with critical environmental and climate challenges, Türkiye needs more ambitious and better coordinated environmental and climate policies, strategic planning, significant investments and stronger administrative capacity.

### **Ability to Assume Membership**

In terms of readiness to assume EU membership obligations, Türkiye's alignment is characterised as provisional and limited. The report notes that while significant progress



has been made in some areas, such as the free movement of goods, technical barriers to trade and discriminatory conditions against EU products persist. The Report emphasises that Türkiye needs to make further efforts to align in areas such as the free movement of workers, the right of establishment and freedom to provide services. Türkiye faces difficulties in free movement of capital due to restrictions on foreign ownership and capital movements. The country needs to address issues related to the fight against money laundering and terrorist financing. While progress has been made in company law and intellectual property, there has been a setback in state aid due to concerns over the legal framework, enforcement capacity and transparency.

In the area of consumer and health protection, Türkiye is reported to be well prepared but has made limited progress, in strengthening the health surveillance system. The recent earthquakes have severely affected the health system. In the area of digital transformation and media, Türkiye has shown some preparations and progress has been made in science and research, in particular through participation in Horizon Europe.

On the economic chapters, Türkiye's economic and monetary policies continue to regress, leading to the highest inflation in recent years. The Central Bank has been criticised for being subject to political pressure ahead of the elections and for applying negative real interest rates. Enterprise and industrial policy face challenges, which are not in line with EU principles, and there is moderate preparation in the areas of social policy and employment. Progress on taxation is also limited and problems persist in the Customs Union due to Türkiye's deviation from its obligations, leading to trade-related problems. The report highlights the impact of the February 2023 earthquakes on the labour market and education in the affected areas.

## **Chapter Overview**

Analysing the 33 chapters in the report, Science and Research and Trans-European Networks are at well advanced level (two chapters); Company Law at advanced level (one chapter); Free Movement of Goods, Intellectual Property Law, Financial Services, Consumer and Health Protection, Customs Union and Financial Control at good level preparation (six chapters); Free Movement of Capital, Public Procurement, Fisheries and Aquaculture, Transport Policy, Statistics, Regional Policy and the Coordination of Structural Instruments, Justice, Freedom and Security and External Relations at moderately prepared (eight chapters); Competition Policy, Digital Transformation and Media, Agriculture and Rural Development, Food Safety, Veterinary and Phytosanitary Policy, Economic and Monetary Policy, Social Policy and Employment, Environment and Climate Change, Foreign, Security and Defence Policy and Fiscal and Budgetary Provisions at some level of preparation (nine chapters); moderately (four chapters) on Energy, Taxation, Enterprise and Industrial Policy and Education and Culture; and at early stage (three chapters) on Judiciary and Fundamental Rights, Free Movement of Workers, Right of Establishment and Freedom to Provide Services.

Türkiye is prepared in the Company Law chapter by adopting financial reporting standards for small and micro companies; in the Financial Services chapter by strengthening the insurance market and developing new alternative financing instruments; in the Consumer and Health Protection chapter by strengthening the



supervision of health (safety) services and addressing serious transboundary health threats; in the Enterprise and Industrial Policy chapter by phasing out discriminatory treatment of certain EU products; in the Education and Culture chapter, in particular by continuing to implement the national qualifications system and increasing participation in some EU programmes; and in the Customs Union chapter by making limited progress. The Report also draws attention to the backsliding in the chapters on Judiciary and Fundamental Rights, Digital Transformation and Media, Agriculture and Public Procurement and Agriculture and Rural Development.

### **"Backsliding"**

The latest report is 141 pages and 75,522 words. The total number of pages of the 25 reports published so far is 2,744 and the total number of words is 1,392,465 (the longest report is the 83,072-word report in 2004 and the shortest report is the 1,119-word report in 1998).

The reports show that the importance of some issues has decreased over time, while others have increased and some new issues have been added. The top two issues that are always on the agenda are human rights and Cyprus. There is a word that we have recently come to recognise and which has been increasingly used since 2015: "backsliding". This word means that we have lost the ground reached during the enlargement process. In the 18th report in 2015, this word was used for the first time and five times, increasing in each subsequent report (14-24-27-26-33-25) and 26 times in this latest report. As can be easily predicted, the main conclusion of the report is "no progress on the accession path". There has been no revival in the accession process, which has long been described as "in the fridge" and then "in the deep freeze".

### **Critical Outlook to the Report**

Country reports serve as the primary tool used by the European Commission to monitor the advancements made by candidate countries and to pinpoint areas necessitating additional reforms. This approach is integral to keeping the public and political decision-makers informed about the ongoing status of the EU enlargement process. These reports, which are accessible to the public, are instrumental for journalists, academics, and various stakeholders, providing a means to assess the progress of candidate countries. Moreover, EU leaders rely on these reports to make well-informed decisions regarding the enlargement process.

However, when examining the European Commission's reports on Türkiye, a recurrent theme emerges: a repetition of recommendations and criticisms. Beyond signalling Türkiye's apparent unpreparedness for EU membership, this recurrence raises questions about the Union's failure to offer a definitive membership perspective for Türkiye. The absence of innovative initiatives by the EU to eliminate political hurdles in Türkiye's EU process such as a resolution of the Cyprus issue further compounds the challenges Türkiye faces in navigating its path toward EU accession.

Compounding these issues is the European Commission's failure to furnish Türkiye with a coherent roadmap for accession. The absence of a well-defined and achievable





trajectory hampers Türkiye's ability to plan and implement necessary reforms effectively. This lack of clarity not only impedes progress but also diminishes the Commission's credibility in the eyes of Türkiye and other stakeholders.

Moreover, there is criticism surrounding the inconsistent application of accession criteria. The Commission's disparate treatment of various candidate countries has sparked accusations of unfairness, eroding the credibility of the entire accession process. The lack of transparency in the preparation of country reports, coupled with the absence of public consultation and independent scrutiny, exacerbates the problem. The Commission's failure to disclose the methodology used in assessing candidate countries further inhibits their ability to comprehend and challenge the assessments, fostering an environment of uncertainty.

Additionally, allegations of double standards persist, with critics contending that the Commission exhibits leniency toward certain EU member states or geopolitically significant nations, while adopting a more stringent stance with others, including Türkiye. This perceived bias is underscored by claims that the reports disproportionately highlight negative developments, undermining the recognition of positive strides made by candidate countries.

Ultimately, until both the European Commission and Türkiye demonstrate a willingness to foster further progress, Türkiye's EU membership bid will remain in an indeterminate. A crucial step toward resolution involves the Commission providing Türkiye with a clearly defined roadmap for accession and consistently applying the accession criteria in a fair and impartial manner. Concurrently, Türkiye must intensify its efforts to implement essential reforms and showcase unwavering commitment to the ideals of EU membership. Only through these concerted efforts can genuine optimism be harboured for Türkiye's eventual accession to the European Union.

### **Recent EU Enlargement Decisions**

The EU's decision to grant candidate status to Georgia while opening accession negotiations with Ukraine, Moldova and Bosnia has raised questions about Türkiye's place in the EU enlargement process. While these countries have made significant progress in recent years, Türkiye's membership bid has remained stagnant. In addition to Türkiye, the European Commission made a detailed assessment of the progress and current situation of Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia and, for the first time, Ukraine, Moldova and Georgia on their path to EU accession. The Commission's session focussed in particular on Ukraine, Moldova and Georgia, all of which applied after Russia's invasion of Ukraine, with a recommendation to grant candidate status to Georgia and start negotiations with the other two countries.

The country reports of Albania, Bosnia and Herzegovina, Montenegro, North Macedonia, Serbia, Montenegro, North Macedonia, Serbia and Kosovo were criticised on the rule of law and human rights. For Bosnia and Herzegovina, reforms in the justice system and inclusive rights are recommended; for Montenegro, the rule of law; for Macedonia, the fight against corruption and organised crime; and for Albania, new reforms are



recommended in areas such as property rights of individuals and the fight against corruption and organised crime.

Looking specifically at Serbia and Kosovo, the comments recognise the potential ongoing tensions between the two countries as an important obstacle to their EU accession process. Serbia is also criticised for the lack of independence of the courts and media and for Serbia's relations with Russia.

The EU's historic enlargement to Central and Eastern Europe has been the defining feature of its post-Cold War development. Following this enlargement, the EU has sought to promote stability, democracy and economic prosperity across the continent. However, this journey has been marked by both successes and challenges. The enlargements have been followed by debates on enlargement fatigue (growing public and political disenchantment with enlargement and economic, institutional, political and cultural concerns), concerns about the EU's absorptive capacity and uncertainty about where Europe's borders lie. Without putting all these debates to rest, the EU has revisited its enlargement agenda - with security and geopolitical concerns weighing heavily - while the Ukraine-Russia war rages on. While it remains to be seen how motivated these countries will be to join the EU or how fast they will become Europeanised, the fact remains that the EU is reaching a turning point in its policy towards its eastern neighbours. After many years, the EU enlargement agenda will certainly be preoccupied for a long time with ten countries joining the EU.

It remains to be seen whether these countries, which are at the centre of the EU enlargement agenda and have a painful history with Russia, will be able to implement reforms as quickly as the Central and Eastern European countries did in the 1990s. It seems that the excitement about the accession of Türkiye and the Balkan countries, which have been waiting at the door for decades, has reached a fever pitch. However, the EU should not forget this: As recent events in northern Kosovo have shown, conflict in the Balkans without EU engagement could return. While the Europeanisation reforms of the Balkan countries moving towards accession are undoubtedly important, the EU should also take steps to accelerate the accession of the Balkan countries to the EU:

- It could increase political conditionality by increasing the funds it provides for accession to these countries;
- provide technical assistance to these countries to help them implement reforms;
- promote the democratisation and stabilisation of these countries by providing them with support for fundamental values such as the rule of law, human rights and democracy.

The EU also needs a clear vision to address concerns within the EU prior to enlargement. This vision should include:

- Emphasise effective implementation: ensure a genuine commitment to the European acquis, values and norms;
- Address internal inequalities;
- Strengthen its institutional capacity.





Moving towards the 2030 enlargement of the EU requires sustained commitment from both the EU and the candidate countries and continued dialogue and cooperation between the EU and the participating countries to build a stronger and more united Europe.

### **Conclusion: Türkiye's Place in the New Enlargement**

Türkiye finds itself mired in the most negative feedback among the 10 country reports recently published, signalling a perceptible impasse in its EU membership journey. An analysis of reports from 2023 and preceding years paints a disheartening picture, suggesting that Türkiye is on the brink of exclusion from the impending wave of EU enlargement.

The European Union attributes the deadlock in Türkiye's EU membership process to glaring foreign policy disparities. The unresolved Cyprus issue, strained relations with Greece in the Eastern Mediterranean, and Türkiye's stance on regional affairs all contribute to this impasse. Furthermore, escalating contradictions with EU norms and values, including democratic backsliding, disregard for the rule of law and human rights, and encroachments on freedom of expression, have further strained the relationship.

From Türkiye's perspective, the EU's stance appears to lack an objective membership perspective, casting doubt on Türkiye's European identity. The perception persists that the EU is content to keep Türkiye waiting at the doorstep, regardless of Türkiye's fulfilment of the required criteria. The relationship between Türkiye and the EU seems enigmatic, with Türkiye increasingly dependent on its own actions rather than the decisions of the EU for the fate of its citizens and economy.

The key to Türkiye's aspirations for EU membership lies in its ability to showcase unwavering political will to meet the membership criteria. This resolute determination must manifest in tangible actions that strengthen democratic foundations, reinforce judicial independence, uphold the rule of law, and safeguard fundamental rights. Türkiye's pursuit of EU membership demands proactive steps rather than waiting on external validations.

In lieu of assigning blame externally, Türkiye must embark on a journey of introspection and self-assessment. Identifying the root causes of the stagnation in the EU accession process is crucial. This introspection should be laser-focused on areas requiring consistent and concrete progress to align with EU standards. Fulfilling the EU's accession criteria, addressing concerns raised by EU Member States, and engaging in a constructive dialogue with the EU are pivotal for Türkiye to pave the way for successful membership.

The opportunities to bridge the gap with the EU lie in Türkiye's hands, and by seizing them, Türkiye can not only draw closer to the EU but also foster its own democratic, economic, and social development. The onus is on Türkiye to transform challenges into opportunities, charting a course that not only aligns with EU standards but also propels Türkiye towards a future of meaningful integration and cooperation with the European Union.

