II. ENLARGEMENT

18. Decisive progress has been made in the accession negotiations during the first six months of the year. The negotiations are now entering their final phase.

19. The road map adopted in Nice has been followed with the adoption of common positions concerning the chapters on "Agriculture", "Regional policy and coordination of structural instruments", "Financial and budgetary provisions" and "Institutions". Financial and other questions which were not dealt with when common positions were finalised on these chapters will need to be settled as soon as possible, while taking account of the conclusions of the General Affairs Council on 17 June 2002.

20. As regards compliance with the accession criteria, the European Council stresses that it is important that the candidate countries should continue to make progress in the implementation and effective application of the *acquis*. The candidate countries must take all necessary measures to bring their administrative and judicial capacity up to the required level. In this connection, the European Council welcomes the Commission report on the specific action plans in this area and on the follow-up of commitments undertaken during negotiations, singling out in particular the conclusions of the Council on 10 June 2002 in the fields of justice and home affairs and of the veterinary and plant health *acquis*.

21. Taking account of all these factors and in order to enable the European Council to be held in the coming autumn to decide which will be the candidate countries with which negotiations can be concluded at the end of 2002:

(a) the Council will have to take the appropriate decisions in order to communicate all the items lacking in the financial package to the candidate countries in early November, and

(b) the Commission will have to draft appropriate recommendations in the light of the regular reports.

22. The European Council reaffirms that, if the present rate of progress in negotiations and reforms is maintained, the European Union is determined to conclude the negotiations with Cyprus, Malta, Hungary, Poland, the Slovak Republic, Lithuania, Latvia, Estonia, the Czech Republic and Slovenia by the end of 2002, if those countries are ready. The principle of differentiation must be fully complied with until the end of the negotiations. Drafting of the Treaty of Accession should continue so that it can be completed as soon as possible after the conclusion of the accession negotiations. It would seem reasonable to expect that the Treaty of Accession could be signed in spring 2003. The objective remains that these countries should participate in the elections for the European Parliament in 2004 as full members. However, this
common aim can be realised within the time frame envisaged only if each candidate country adopts a realistic and constructive approach.

23. Bulgaria and Romania have achieved considerable progress over the last few months. The European Council encourages them to pursue their efforts and reiterates its commitment to give them full support in their preparation for accession. An updated road map and a revised and enhanced pre-accession strategy should be adopted in Copenhagen for the candidate countries still engaged in negotiations. An increase in pre-accession financial aid could also be contemplated. Furthermore, if the current pace is maintained, a more precise timetable could be set for these countries' accession process by the end of the year.

24. In respect of the accession of Cyprus, the Helsinki conclusions are the basis of the European Union's position. The European Union's preference continues to be for the accession of a reunited island. The European Council fully supports the efforts of the Secretary-General of the United Nations and calls upon the leaders of the Greek Cypriot and Turkish Cypriot communities to intensify and expedite their talks in order to seize this unique window of opportunity for a comprehensive settlement, consistent with the relevant UN Security Council resolutions, hopefully before conclusion of the negotiations. The European Union would accommodate the terms of such a comprehensive settlement in the Treaty of Accession in line with the principles on which the European Union is founded: as a Member State, Cyprus will need to speak with a single voice and ensure proper application of European Union law. The European Union would make a substantial financial contribution in support of the development of the northern part of a reunited island.

25. The European Council welcomes the reforms recently adopted in Turkey. It encourages and fully supports the efforts made by Turkey to fulfil the priorities defined in its Accession Partnership. The implementation of the required political and economic reforms will bring forward Turkey's prospects of accession in accordance with the same principles and criteria as are applied to the other candidate countries. New decisions could be taken in Copenhagen on the next stage of Turkey's candidature in the light of developments in the situation between the Seville and Copenhagen European Councils, on the basis of the regular report to be submitted by the Commission in October 2002 and in accordance with the Helsinki and Laeken conclusions.

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