

EUROPE

Official European Union position:

“The Commission's position on the issue that you raise has been stated on a number of occasions since 2004. The Treaties apply to the Member States. When part of the territory of a Member State ceases to be a part of that State, e.g. because that territory becomes an independent state, the treaties will no longer apply to that territory. In other words, a new independent region would, by the fact of its independence, become a third country with respect to the Union and the Treaties would, from the day of its independence, not apply anymore on its territory.”

“As far as EU citizenship is concerned, this is not an autonomous status but is dependent on national citizenship. In accordance with Article 20 of the Treaty on the Functioning of the European Union (TFEU), only persons holding the nationality of a Member State are EU citizens. EU citizenship is additional to and does not replace national citizenship.”

- *EU Vice President's letters to the Scottish Parliament.*

Quotes

“If a part of the territory of a member state ceases to be a part of that state because that territory becomes a new independent state, treaties will no longer apply to that territory.”

"In other words, a new independent state would, by the fact of its independence, become a third country with respect to the Union and the treaties would, from the day of its independence, not apply anymore on its territory."

- *Herman Van Rompuy, EU Council President.*

"What I said, and it is our doctrine and it is clear since 2004 in legal terms, if one part of a country - I am not referring now to any specific one - wants to become an independent state, of course as an independent state it has to apply to the European membership according to the rules - that is obvious."

- *Outgoing EU Commission President Barroso.*

“Mr Van Rompuy and Mr Barroso are perfectly clear. I don't have to change a word.”

- *New President of EU Commission Jean-Claude Juncker.*



Viviane REDING

Vice-President of the European Commission
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Brussels, 20 March 2014
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Dear Ms McKelvie,

Thank you for your letter of 10 March 2014.

The European Union has been established by the relevant treaties among the Member States. The Commission, as the guardian of those treaties, is responsible for overseeing their implementation, including the implementation of provisions related to the accession of any European State to the Union.

The Commission's position on the issue that you raise has been stated on a number of occasions since 2004¹. The Treaties apply to the Member States. When part of the territory of a Member State ceases to be a part of that State, e.g. because that territory becomes an independent state, the treaties will no longer apply to that territory. In other words, a new independent region would, by the fact of its independence, become a third country with respect to the Union and the Treaties would, from the day of its independence, not apply anymore on its territory.

Under Article 49 of the Treaty on European Union, any European state which respects the principles set out in Article 2 of the Treaty on European Union may apply to become a member of the EU. If the application is accepted by the Council acting unanimously after consulting the Commission and after receiving the consent of the European Parliament, an agreement is then negotiated between the applicant state and the Member States on the conditions of admission and the adjustments to the Treaties which such admission entails. This agreement is subject to ratification by all Member States and the applicant state.

Yours sincerely,

*Ms Christina McKelvie, Convener
European and External Relations Committee
By email: Europe@scottish.parliament.uk*

¹ C 84 E/422. *Official Journal of the European Union* (3/4/2004)



Viviane REDING

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Brussels, 3 June 2014

Dear Ms McKelvie,

Thank you for your last letter of 11 April.

I have taken good note of the views and concerns you express. The Commission would like to refer to its previous reply on the upcoming referendum in Scotland and their possible implications.

As far as EU citizenship is concerned, this is not an autonomous status but is dependent on national citizenship. In accordance with Article 20 of the Treaty on the Functioning of the European Union (TFEU), only persons holding the nationality of a Member State are EU citizens. EU citizenship is additional to and does not replace national citizenship.

Yours sincerely,

*Ms Christina McKelvie, Convener
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FINANCES

Latest Government Expenditure and Revenue Scotland figures published by the Scottish Government in March 2014 with figures for the year 2012-2013:

TAX REVENUE FROM SCOTLAND INCLUDING NORTH SEA OIL:

£53.1 BILLION (9.1% OF UK TAX REVENUE)

TOTAL EXPENDITURE FOR SCOTLAND:

£65.2 BILLION (9.3% OF UK EXPENDITURE)

SCOTLAND'S NET FISCAL DEFICIT:

£12.1 BILLION (8.3% OF SCOTLAND'S GDP)

Scotland currently has a proportionally larger fiscal deficit than the United Kingdom (7.3% of UK GDP).

Other financial facts:

Scotland has far higher spending per head than England:

SCOTLAND: £10,152 (16% ABOVE UK AVERAGE)

ENGLAND: £8,529 (3% BELOW UK AVERAGE)

Oil revenues fell from £11.3 Billion in 2011-12 to £6.6 Billion, a decline of over 4 Billion. Oil is a volatile resource but as part of the UK such big declines do not impact on current spending. A separate Scotland would have to borrow significantly more, raise taxes or cut spending.

The SNP claim Scotland would save 600 million a year with separation by not having to contribute towards things like Trident and Westminster, but that would still leave a deficit of over 11 billion and require further significant cuts.

Oil revenues are used to fund current spending. If oil revenues were put into an oil fund as the SNP suggest, this would result in a larger deficit and require further cuts, tax increases or additional borrowing which will cost more.

The independent Institute for Fiscal Studies has said a separate Scotland would have to find an additional £6 billion of cuts or tax rises. That is more than the entire schools budget in Scotland.

SOME SNP CLAIMS:

“Scotland would be the 14th richest country in the world.”

Scotland is currently 14th in terms of GDP per capita, but this is as part of the United Kingdom. Separation would harm Scotland's economic position not strengthen it. Separation would only result in Scotland being listed on an international ranking rather than as part of the UK (which currently sits at 18th), it does not mean anyone would be any richer than they are at present. The fact Scotland is 14th on GDP per capita shows Scotland has not been held back within the United Kingdom. It's also important to remember that GDP per capita is different to overall size of an economy. The United Kingdom is the 6th largest economy in the world (with a GDP of over 1.5 trillion) and we are members of the G7, G8 and G20 of major economies, giving us more influence. A separate Scotland (with a GDP of under 150 billion) would not qualify for membership of the G20, or even a G30 if one existed.

“We must vote yes to save the NHS”

This is a desperate attempt by separatists to scare people into voting yes. Some key points to remember:

- The NHS is fully devolved to the Scottish parliament and only the Scottish parliament can privatise the NHS in Scotland. The SNP White paper (Scotland's Future) makes this clear.
- No matter what the NHS budget in England is, the Scottish parliament can choose to spend more or less on the NHS, it alone sets the priorities of the Scottish parliament's budget. The parliament has tax raising powers and is getting more tax raising powers, and will also be able to borrow money.
- The NHS budget in England has been increasing each year which has meant a rise in Scotland's overall budget which the Scottish Government can choose how to spend.
- The SNP have spent over 400 million since they came to power in 2007 on private sector involvement with the NHS.

“Why are we not Better together now / would you vote to join the UK today?”

We are better together today and that is why we should vote no and not leave the United Kingdom, and why it would be a good thing to join. Here are a few reasons why...

- The United Kingdom is the 6th largest economy in the world, with a GDP of over 1.5 trillion and we have the fastest growing economy in the western world. Scottish business benefits from unrestricted access to this market, trading twice as much with rUK as it does the entire world combined, helping to secure 100,000s of jobs.
- Membership of the United Nations Security Council as one of only 5 permanent members (alongside USA, China, Russia and France), making our views on global affairs important and this helps us shape a better world, whilst also giving us veto power over UN resolutions.
- As one of the largest economies in the EU, we are able to secure more opt outs from EU policies, this enables us to maintain border controls by not joining Schengen, and a permanent exemption from joining the Euro, something all new EU states must join.
- Part of the G7, G8 and G20 of major economies giving us influence to help shape global economic policies. In 2005 when the UK hosted the G8 we chose to focus on pressuring other countries to commit to give more aid to help reduce global poverty.
- Britain is the second biggest aid donor in the world saving millions of lives.
- A National Health Service free at the point of use across the UK for all British citizens.
- Greater research funding for Scottish Universities from a UK wide fund.
- The stability of the British pound sterling and the Bank of England as a lender of last resort, backed up by a population of 65 million people.
- A British welfare state and pension system that is stronger and more secure together.
- Full and unrestricted access to content from the BBC, a broadcaster with a budget of over 4 billion pounds a year, less than 400 million from Scotland.
- One of the most respected, advanced and capable Armed Forces in the world today, with a proud history which includes helping to end slavery and defeat fascism.
- Contracts worth billions and thousands of jobs secured thanks to Royal Navy warship building, which only happens within the United Kingdom.
- Renewable energy investment subsidised by bill payers across the United Kingdom.
- Full access to one of the largest embassy / consulate networks in the world.
- Being part of a larger British culture, Team GB sporting success, British technological and scientific advances, and celebrating our great shared history together.