

## An independent Scotland would need to apply for EU membership and would be compelled to adopt the euro.

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Scottish first minister Alex Salmond argues that, should his country gain independence, it would be able to keep the pound and would automatically become a member of the EU. However, [Jo Murkens](#) points out that membership status would not be a given and would need to be applied for, with the attendant implication that Scotland would be obliged to adopt the euro.



What would Scotland's place in the European Union be as an independent Member State? Would it automatically continue to be a member? Would Scotland inherit the UK's opt-out from the Euro and keep sterling as its currency? The SNP's position on these matters is clear and decisive: Yes.

The clarity of the SNP's position is based on the assumption that an independent Scotland would be fully sovereign, i.e. have the political ability to make unilateral policy choices. This stance is especially bizarre in relation to the European Union. The SNP leadership used to argue that an independent Scotland would automatically continue to be an EU member. Now, somewhat confusingly, it asserts [a choice whether to join the EU or EFTA](#) (or neither, one presumes). It also claims freedom of choice over its currency and that it will choose sterling unless and until the Scottish people decide to adopt the Euro in a referendum (Jason Allardyce, Scots 'must use euro' if union ends, *Sunday Times*, 30 October 2011).

We need to deal with these claims in turn. First of all, there is no automatic right to membership of the European Union. Continued membership would only be possible with the approval of all 27+ Member States. The process of accession is laid out in Article 49 [TEU](#) and requires an application to the Council which, having consulted the Commission, must act unanimously. An absolute majority in the European Parliament must also agree to the new accession. But it is the second paragraph of Article 49 TEC that causes additional difficulty for an independent Scotland. According to this sub-clause:

*The conditions of admission and the adjustments to the treaties on which the Union is founded, which such admission entails, shall be the subject of an agreement between the Member-States and the applicant state. This shall be submitted for ratification by all the contracting states in accordance with their respective constitutional requirement.*

There may be some Member States who will be supportive of Scottish independence, especially if clear support for it was demonstrated in a referendum. There is also, obviously, no problem with Scotland meeting the formal criteria for membership: the Scots have enjoyed EU rights and obligations for almost four decades. But other Member States may oppose independence as secession, and as a dangerous precedent which should not be encouraged in Europe. In any event, an independent Scotland would have to join the EU as a new accession state, a process that could take many years. Scotland could keep a low profile and go for smooth and rapid acceptance by the EU, or it could enter negotiations in a spirit of confrontation and re-negotiate the terms of membership.

If it chose to re-negotiate membership, an independent Scotland could put the currency issue on the agenda. The loss of membership status following separation means that Scotland would no longer benefit from the UK's derogation from the single currency. An independent Scotland would not inherit the opt-out the UK negotiated for the Treaty of Maastricht. Of course, the politics of the Euro might have changed dramatically by the time Scotland becomes independent. But, currently, the formal position is as follows. All (old and new) Member States (except UK and Denmark, who secured opt-outs in the Maastricht Treaty) are expected eventually to join the Mechanism and to adopt the Euro. All the new Member States (after 2004) are legally obliged to adopt the Euro at some future point (with no opt-out clauses).

Formal EU law can at times appear unduly rigid: under the terms of the EU's Treaties, Greece and Italy, for instance, would have to leave the EU if they chose to leave the Eurozone – a result that defies the 'spirit' of the Treaties. But even if there suddenly was room for manoeuvre for an independent Scotland on the currency, the Euro would become another factor in the raft of negotiations (following a positive

independence referendum outcome in Scotland) with the Commission and the 27+ Member States, meaning that Scotland would have to negotiate a formal opt-out (which no other new Member State has secured).

None of the above suggests a true policy choice for the SNP. An independent Scotland will not automatically join the European Union, but will have to apply. EEA/EFTA membership is neither attractive nor realistic: its members have to adopt and implement EU law, but do not enjoy participation rights, and no one believes that the framework is open to new members. Both EU membership and the issue of the Euro will not be decided by the SNP or by the people of Scotland, but will be regulated (in principle) by the EU Treaties and (on the detail) by the Commission and the other Member States in negotiations with an independent Scotland.