

An EU Association Agreement for Scotland

Report of a workshop by Yes for EU
March 2024



The EU is enlarging
– how can Scotland
join in?

Take part in this interactive workshop and explore the potential of an Association Agreement as a first step for independent Scotland to join the EU

Saturday 27th January, 1.30-4pm
Augustine United Church, George IV Bridge, Edinburgh EH1 1EL

The poster features a map of Europe with yellow stars, a question mark over Scotland, and logos for 'yes for EU' and the Scottish flag. Below the poster is a photograph of a group of people holding various national flags and a large blue 'YES' sign with yellow stars.



EU Association Agreement Workshop Report

The Workshop was held on the afternoon of Saturday 27th January 2024, in the Augustine United Church in Edinburgh. Its objectives were:

- To provide information on European Union (EU) Association Agreements and how they are used as a first step in the EU accession process.
- To discuss the changes needed to align Scotland's trading environment with EU standards as part of an Association Agreement between the EU and independent Scotland.

Participation

Thirty-three independence activists gathered in person to participate in the workshop.

Speakers

Heather Anderson, who was the last Member of the European Parliament (MEP) to represent Scotland before Brexit, a former organic farmer, and now an SNP councillor on Dundee City Council.

Dr Kirsty Hughes, who is an expert on Scottish-EU affairs and has published widely on the challenges of EU enlargement, deepening European democracy and EU integration.

Programme

(a) Introductory talks by the speakers

Following a welcome and a preview of the event by the Yes for EU Team, the workshop began with a short speech from Heather who reminded participants that 62% of Scots voted to remain in the EU in the 2016 referendum, and that the promise of EU membership is now the major deciding factor in changing voters from No to Yes for independence. She said that the only way for Scotland's voice to be heard in Europe was to become a full member of the EU.

This was followed by a 19-minute video of an interview with Dr Kirsty Hughes, who explained that an Association Agreement:

- is an interim 'deep and comprehensive' trade agreement that removes tariff barriers
- sets out the process of alignment with EU standards
- allows the possibility of free movement and early access to some EU institutions
- is a first step to joining the EU
- could be in place within 3 to 12 months after day one of Scottish independence.

Kirsty said that some EU funding may be available to assist with alignment. She stressed that joining EFTA/EEA is not part of a transition to EU membership.

(b) Participant discussion in small groups, on four trade-related topics

In groups of 5-7, each with a facilitator, participants were then asked to consider various types of trade-related barriers to alignment. They were given detailed information on each of the following areas of divergence and asked to consider how they could be overcome, so that Scotland could achieve closer alignment with EU regulations:

Topic 1. Trade borders with England and EU countries

Topic 2. The Scottish currency

Topic 3. Agriculture policy / Farm payments

Topic 4. Integration into the EU-wide electricity grid

For each topic in each group:

- Facilitators read out information which explained why it was currently non-aligned and therefore likely to be included in an Association Agreement, as well as relevant paragraphs from the Scottish Government's '*Building a new Scotland*' publications.
- Participants watched two or more short videos relating to each one (see Appendix).
- They then discussed the possible constraints to alignment and how these could be overcome, and wrote their answers on flip-chart papers. These answers appear *verbatim* in italics in this report.

Topic 1. Trade Borders with England and the EU

Information for participants

There are four main crossing points for heavy goods vehicles between Scotland and England: the A74(M)/M6 near Gretna Green, the A7 south-west of Hawick, the A68 south of Jedburgh and the A1 near Berwick-upon-Tweed. While England remains a third country, outside the Single Market and Customs Union, checks will be needed on goods being imported from England into Scotland to ensure that they have been produced according to EU standards.

Currently there are no ferries linking Scotland with mainland Europe. The proposed cargo/passenger ferry linking Rosyth with Dunkirk has (since mid-January 2024) been put on hold¹ due to a lack of "commitment" from the Scottish and UK Governments to help with start-up funding." MPs Douglas Chapman and Neale Hanvey are apparently lobbying for talks on a way forward.

¹ <https://www.dunfermlinepress.com/news/24069510.lack-government-support-puts-rosyth-ferry-plan-on-hold/>

What is the Scottish Government's policy?

According to [An independent Scotland in the EU](#)², (pp. 55-56):

“This Scottish Government would expect to use a ‘Single Trade Window’ – a one-stop shop online platform where traders submit documents in advance, resulting in fewer and faster checks at the border. Many enforcement measures do not take place at the border itself. Instead, checks on goods are undertaken in shops or at other destinations, including food sampling to protect human health or customs and excise checks on alcohol to ensure that correct duties have been paid and that products are genuine. Through checks like these, and other systems such as spot-checks, we would ensure that the integrity of the European single market is maintained to protect consumers, confirm animal health and food safety and ensure fair taxation. This approach, and a UK-EU veterinary agreement, (which is favoured by UK Labour) would help minimise routine physical checks on goods using the main routes between England and Scotland. For minor routes, as along the Sweden-Norway border, Automatic Number Plate Recognition and cameras to monitor for non-compliance could be deployed.”

Questions for participants to discuss

Question:

- What are the key constraints to reaching full alignment with the EU on the borders with England and the EU27?

Participants' responses:

Lack of HGV car parks at the border with England.

Scottish customs agents are currently controlled by HMRC.

All big supermarkets are supplied from England.

No direct ferry link to Europe.

Some Scots may be concerned that passports will be required to cross the border into England.

Question:

- How can these constraints be removed?

Participants' responses:

Build infrastructure at the border.

Reassure the public that the Common Travel Area will be maintained after independence.

Fund the Rosyth to Dunkirk ferry.

² <https://www.gov.scot/binaries/content/documents/govscot/publications/strategy-plan/2023/11/building-new-scotland-independent-scotland-eu/documents/independent-scotland-eu-paper-7/independent-scotland-eu-paper-7/govscot%3Adocument/independent-scotland-eu-paper-7.pdf>

Topic 2. The Scottish Currency

Although independent Scotland can continue to use the pound at the beginning of accession talks, it would be expected that Scotland would introduce its own currency within five years in order to meet the accession criteria.

What is the Scottish Government's policy?

According to [An independent Scotland in the EU](#) (p. 52):

“This Scottish Government would apply to join the EU as soon as possible after independence whilst continuing to use sterling at the point of application. The process of establishing a Scottish pound would be closely aligned with the process of re-joining the EU.

In relation to the euro, as the European Commission has made clear, no timetable for member states joining the eurozone is prescribed and as for other new EU member states, joining the euro would happen only if both the conditions for doing so (known as the convergence criteria) were met and the Parliament of an independent Scotland decided this was the right course of action to take.

The architecture of the Economic and Monetary Union (EMU) explicitly stipulates that a country will only join the euro when it is ready, and the convergence criteria are there to ensure that introducing the single currency would be desirable both for the member state and the eurozone as a whole.”

According to [A stronger economy with independence](#)³ (pp. 34-35):

“Among successful independent countries there is no single approach to the currency regime. The choice of currency is a product of economic and financial history and political decision-making. For example, Austria, Belgium, Ireland, Finland and the Netherlands share a currency – the euro – while Denmark, Iceland, Norway, Sweden and Switzerland have their own currencies. However, Denmark pegs its currency to the euro (meaning that it shared a fixed exchange rate with the euro) and shares it with Greenland and the Faroe Islands. The decision to peg to the euro is a policy choice: Denmark’s main trading market is the European Union, so pegging provides price stability for trade with the 18 euro economies.

We propose two phases for currency policy after independence: In phase one, from independence day, Scotland would continue to use the pound sterling. This does not require any formal agreement with the Westminster Government. Sterling has been the legal currency in Scotland for centuries and is internationally traded. The continued use of sterling would allow time for new institutions, including an independent Scottish Central

³ <https://www.gov.scot/binaries/content/documents/govscot/publications/research-and-analysis/2022/10/building-new-scotland-stronger-economy-independence/documents/building-new-scotland-stronger-economy-independence/building-new-scotland-stronger-economy-independence/govscot%3Adocument/building-new-scotland-stronger-economy-independence.pdf>

Bank, to be established during transition and to build credibility, ensuring continuity for citizens and business during the phase immediately after independence.
In phase two, a new independent Scottish pound would be established. This would take place as soon as practicable through a careful and managed transition. The decision about when the economic conditions are right would ultimately be for the Scottish Parliament. Part of the remit of the post-independence Scottish Central Bank would include advising on these economic conditions”.

Questions for participants to discuss

Question:

- What are the key constraints to reaching full alignment with the EU, in terms of establishing the Scottish pound and moving towards the euro?

Participants’ responses:

No independent Scottish bank.

Pensioners and mortgage holders may be worried about the value of the new Scottish pound.

Scottish public worried about having to adopt the euro.

Question:

- How can these constraints be removed?

Participants’ responses:

Set up the Scottish Central Bank as soon as possible.

Challenge myths on maintaining the value of the pension.

Encourage shops to accept the euro.

Explain that adopting the euro is not obligatory and depends on satisfying ‘convergence criteria’.

Topic 3. Agriculture policy / Farm payments
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Information for participants (provided by Heather Anderson)

Agricultural policy is devolved to the Scottish Government and farm payments are continuing as they did under the old EU Common Agricultural Policy (CAP). These payments have favoured farmers who own the most land. There is hope that the new Agriculture Bill will cap the highest payments and provide a larger proportion of funding for environmental improvements that reduce carbon emissions. The EU’s ‘Farm to Fork’ strategy⁴ aims to reduce the use of pesticides and artificial fertilisers and encourage more organic farming.

⁴ https://food.ec.europa.eu/horizontal-topics/farm-fork-strategy_en

What is the Scottish government's policy?

According to [An independent Scotland in the EU](#) (p.54):

“Re-joining the CAP would provide our rural economy with a stable funding framework and a guaranteed budget for agriculture for future years. As a member state, Scotland would work with others to continue to improve how the CAP supports the transition to net-zero and nature restoration.”

Questions for participants to discuss

Question:

- What are the key constraints to achieving full alignment with the EU's agriculture and environment policies?

Participants' responses:

The new Agriculture Bill will ensure continued alignment with the CAP, though payments to farmers are limited due to loss of EU funds.

The number of organic farms is declining.

Too many absentee landowners.

- **Question:**

How can these constraints be removed?

Participants' responses:

Increase payments to organic farmers.

More community-owned farms needed.

Adopt Andy Wightman's land reform bill

Topic 4. Integrating Scottish renewable electricity into the EU-wide grid

Information for participants

All EU Member States are committed to turning the EU into the first climate neutral continent by 2050. To get there, they pledged to reduce emissions by at least 55% by 2030, compared to 1990 levels⁵. This means increasing access to electricity from renewable sources across Europe. This is being done by increasing the number of interconnectors between countries, both on land and under the sea.

The onshore transmission network in Scotland is privately owned. Scotland's surplus electricity is sent to England via the privatised National Grid⁶. Two new electricity 'superhighways' are being built: East Lothian to Durham and Peterhead to Drax in North Yorkshire. Some of Scotland's electricity is then exported to France, Belgium, Netherlands and Denmark, via England's undersea cables or interconnectors. The total amount of electricity exported from Scotland in 2022 was worth £4 billion.

⁵ https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal/climate-action-and-green-deal_en

⁶ https://en.wikipedia.org/wiki/National_Grid (Great Britain)

England currently has eight under-sea interconnectors with neighbouring EU countries, including the latest Viking Link, which stretches 475 miles from Lincolnshire to Southern Jutland in Denmark and took 5 years to construct. Scotland has only one short interconnector that links Western Scotland with Northern Ireland. Ten EU countries are planning to build an off-shore grid in the North Sea⁷.

What is the Scottish government's policy?

According to [An independent Scotland in the EU](#) (p. 46):

“Scotland is an energy-rich nation. Scotland generates more renewable energy than is required to power all households in Scotland. We are also a net exporter of electricity, with our exports being enough to power all households in Scotland for over two years. Our production and capacity for further export will increase in future. An independent Scotland could also play a role and support the EU's priorities to develop the offshore grid and renewable energy potential in the North Sea.”

Question for participants to discuss

Question:

- What are the key constraints to integrating Scotland's renewable electricity with the EU's Europe-wide grid?

Participants' responses:

Scotland does not have any interconnectors with mainland Europe, The privatised National Grid plc is set up to transmit renewable electricity that is generated in Scotland, directly to England.

The grid is currently being upgraded to carry even more Scottish renewable electricity to England and Wales.

Question:

- How can these constraints be removed?

Participants' response:

Since the generation and supply of electricity, oil and gas is a reserved matter, in the hands of the Westminster government, independence is the only answer to this question!

(see: [Devolved and Reserved Powers](#)⁸)

⁷ <https://bylines.scot/politics/scots-paying-more-for-energy/>

⁸ <https://www.parliament.scot/about/how-parliament-works/devolved-and-reserved-powers>

Final discussion

- All participants agreed that full EU membership is the preferred option for independent Scotland.
- Most participants agreed that the process of aligning with EU standards and rules is complicated and requires additional funding for infrastructure and public education concerning the changes that will be necessary.
- Some said that Westminster politicians are deliberately under-developing the electricity grid in Scotland and under-resourcing transport links to Europe, because they think that Scottish independence is inevitable.
- It was felt that the workshop has provided much-needed information and discussion, and there were several requests for this workshop to be repeated with other Yes groups.

Appendix 1

Videos shown during the workshop

Introduction

YouTube (Yes for EU): [What is an Association Agreement?](#) An interview with Dr Kirsty Hughes (19 min)

YouTube (Council of Europe): [Association Agreements Roundup](#) (1.57 min)

Trade Borders with England and the EU

YouTube (European Parliament): [Free Movement of Workers](#) (0.45 min)

YouTube (Irish Foreign Ministry): [Common Travel Area](#) (1.09 min)

YouTube (Daily Record): [New Ferry Route Between Scotland and Europe](#) (1.23 min)

The Scottish Currency

YouTube (SCOTONOMICS): [Caribbean Currencies and Scotland's Currency Options](#) (6.19 to end = 4.36 min)

YouTube (euronews): [Twenty Years of the Euro](#) (1.01 min)

Farm Payments

YouTube (Scottish Government): [Scotland's billion euro boost](#) (2.34 min)

YouTube (The Soil Association) [Agroecology croft](#) (2.52 min)

Integrating Scottish renewable electricity into the EU-wide grid

YouTube (Wind Europe): [Let's help Europe go electric!](#) (3 min)

YouTube (National Grid UK): [What are interconnectors?](#) (2.21 min)

Independence Live YouTube Video of the workshop: [Scotland in the EU](#) (1hr 11mins)

Appendix 2

Some additional sources on independent Scotland and the EU, and EU accession including Association Agreements.

Articles / books / online sources

Hughes, K. (ed. 2020) An Independent Scotland in the EU: Issues for Accession
<https://www.centreonconstitutionalchange.ac.uk/sites/default/files/2020-03/An%20Independent%20Scotland%20in%20the%20EU.pdf>

Salamone, A. (2023) An open letter to candidates for FM on Scotland and the EU
<https://www.thenational.scot/politics/23363560.open-letter-candidates-fm-scotland-eu/>

Gethins, S. (2022) 'Hidden in Plain Sight: The Importance of Scottish Foreign Policy'. In Hassan, G. and Barrow, S. (eds) A Better Nation - the Challenges of Scottish Independence.

Whitford, P. (9th May, 2022) [Twitter/X thread] 10 reasons why Scotland should be in the EU. Available at <https://threadreaderapp.com/thread/1523596727013756928.html>

Websites

Scottish Centre on European Relations (archive) - <https://euromovescotland.org.uk>

Europe for Scotland - <https://europeforscotland.com/>

Believe in Scotland - www.believeinscotland.org

Gerry Hassan - <https://gerryhassan.com/about/>

Bylines Scotland - <https://bylines.scot/>

Sceptical Scot - <https://sceptical.scot/>

UK in a Changing Europe - Scotland pages - <https://ukandeu.ac.uk/theme/scotland/>

Webinar talks by experts/authors, available on the Yes for EU YouTube channel:

https://www.youtube.com/channel/UC_Vpu_KwXR0sCd7SDO8exoA

Dr Philippa Whitford MP: 'Scotland - a European nation'
<https://www.youtube.com/watch?v=QOurwg7hKG0&t=2s>

Anthony Barnett: 'Will Scottish independence spell the end of Brexit?'
<https://www.youtube.com/watch?v=xbZXE9EHGP8&t=9s>

Paul McAleavey: 'Taking the High Road for Scotland's environment post-Brexit'.
<https://www.youtube.com/watch?v=T0WZrTYELzl&t=4s>

EU sources on accession and association agreements

EU Enlargement

https://european-union.europa.eu/principles-countries-history/eu-enlargement_en

EU Steps Towards Joining

https://neighbourhood-enlargement.ec.europa.eu/enlargement-policy/steps-towards-joining_en

EU Monitor - Association Agreements

[Agreement procedure \(ACC\) - EU monitor](#)