



The EFTA Side of the European Economic Area

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It is SDA policy that Scotland should seek membership of the EFTA side of the European Economic Area (EEA), and should not apply to join the EU side. A considerable amount of nonsense has circulated regarding the alleged disadvantages of membership of the EFTA/EEA as opposed to the EU/EEA side. Commentators all too often advance a catalogue of mythology that been repeated far too often from hearsay alone. Seldom does one see a reference to any sources, above all the Agreement on the European Economic Area that came into force on 1 January 1994.

It is alleged that the EFTA states have to implement EU regulations and directives with no say in their drafting. Apart from the reality that no democratic government either would or could put itself into such an untenable position, the allegation is utter nonsense. Under the EEA Agreement, especially Articles 99 to 101, the EFTA members have exactly the same rights as the EU side of the EEA, as the following extracts show (since the Agreement predates the European Union, read EU for EC):

Article 99: 1. As soon as new legislation is being drawn up by the EC Commission in a field which is governed by this Agreement, the EC Commission shall informally seek advice from experts of the EFTA States in the same way as it seeks advice from experts of the EC Member States for the elaboration of its proposals.

Article 100: The EC Commission shall ensure experts of the EFTA States as wide a participation as possible ... in the preparatory stage of draft measures... In this regard, when drawing up draft measures the EC Commission shall refer to experts of the EFTA States on the same basis as it refers to experts of the EC Member States. ...the EC Commission shall transmit to the ... Council the views of the experts of the EFTA states.

That disposes once and for all of the mythology that the EFTA states have no say in the formulation of EU legislation, but there is more to it than that. All the EFTA members of the EEA are represented individually on its governing bodies, including the EEA Joint Committee, EEA Council, EEA Court of Justice, etc., but its EU members are represented collectively by the EU Commission.

The same applies to the all-important "top table" of the World Trade Organisation (WTO), to which the EU and EEA are subordinate. The EFTA members retain their individual voices in the WTO, whereas the EU members have only one collective voice.

Is this a seat at the "top table"? What happens when a collective EU motion to the WTO represents the interests of France and Germany, but runs diametrically counter to the interests of Scotland?

With the voting power of a nation of 5 millions within a union of 500 millions, Scotland as an EU member would be in a position ten times worse than the one we are presently with good reason trying to escape.

The EEA financial commitments are laid down in Articles 115 to 117 of the EEA Agreement, and are elaborated in protocols 38a, b and c. These contributions are specifically for the reduction of economic and social disparities between the EEA member states – a kind of development aid. They are NOT contributions to the general EU funds.

Even the notoriously tight-fisted Swiss voters agreed by a substantial referendum majority to pay them, for the privilege of staying out of the European Union.

The Scottish Democratic Alliance has calculated, on the basis of the Swiss and Norwegian payments, that Scotland's contribution to the solidarity funds for weaker EEA member states would be of the order of £200 millions annually.

That contrasts with Scotland's present payment to the EU, which in 2010 amounted to £845 millions and is steadily climbing due to the meltdown of the Euro currency. As an EU member state, independent Scotland's net payment would certainly be considerably higher than at present.

Only a tiny fraction of our own money comes back to us as grants, although these are all too often mendaciously represented as generosity on the part of "Europe".

Added to this is the loss of wealth creation capacity due to the EU Common Fisheries Policy, which is now costing Scotland nearly £2,000 million every year. The Common Agriculture Policy has been a similar financial and social disaster.

An equally important reason for switching to the EFTA side of the EEA would be the reduction by around three quarters of the volume of EU legislation that would have to be processed and applied in Scotland.

The diplomatic and administrative time and expense involved in coping with this flood of legislation is a serious economic factor that is proving a considerable burden for smaller EU member states like Slovenia and others.

Norway and Switzerland both implement EU regulations and directives that they are not obliged to observe, but they do so voluntarily when this is seen to be convenient or to have advantages for them. EU members have no option but to fall into line.

There is nothing to prevent Scotland in the EFTA side of the EEA from trading with all 50 European states, including the half of Europe that is not in the EU.

Furthermore, all the Four Freedoms of the EEA Internal Market are available to its EFTA members. As many Scots know from years of commuting between Scotland and continental Europe, citizenship rights, freedom of travel, health care, pension rights and the rest are all guaranteed within the EEA, and not just the EU.

The EU is based to a considerable extent on fraudulent misrepresentation that would land the directors of a private sector organisation in court – e.g. a “European” Parliament with 27 member states that is only one of four European parliaments and represents only a part of Europe. The 56-member OSCE Parliamentary Assembly in Copenhagen represents double the number of states, and the whole of Europe.

How often do we see references to a “European Court of Justice (ECJ)”? In fact, no such institution exists, not even the name. The EU court is a domestic tribunal that adjudicates only on EU-internal regulations, directives and other matters concerning only its 27 member states. It has no European legal jurisdiction whatsoever, especially not over genuine European law emanating from the other major all-European institutions like the Council of Europe, the OSCE or the UNECE, which unlike the EU are all repositories of important international treaties.

It is time for hard facts and reality to replace this mythology. We don’t need the Euro catastrophe to convince us that all is not well with the EU experiment. What we have to ensure is that Scotland is not sucked into this disaster waiting to happen.