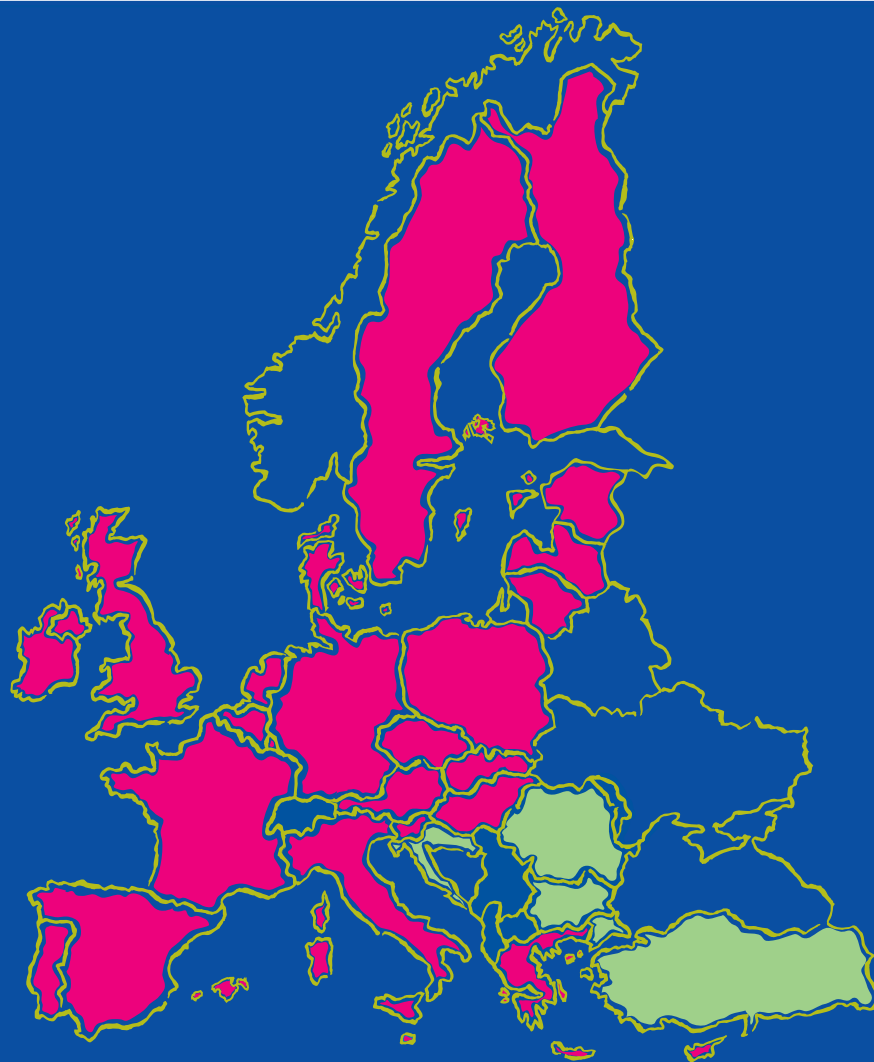




Foreign &
Commonwealth
Office

GUIDE TO THE EUROPEAN UNION



- How the EU works
- What the proposed EU Constitution says

Part 1

The European Union today

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The 25 member countries



United Kingdom



Austria



Italy



Belgium



Latvia



Cyprus



Lithuania



Czech Republic



Luxembourg



Denmark



Malta



Estonia



Netherlands



Finland



Poland



France



Portugal



Germany



Slovakia



Greece



Slovenia



Hungary



Spain



Ireland



Sweden

What is the European Union (EU)?

The EU is a unique partnership in which sovereign nations work closely together for the benefit of all their citizens.

Some basic facts about the EU:

- It is made up of 25 member countries with over 450 million citizens.
- It has only the powers its members give it.
- Any European country can apply to join, and any can leave.




The EU flag

How did the EU start?

Fifty years ago, the countries of Western Europe wanted to make sure they would never again fight each other, as they had in two World Wars. They also wanted to boost their economic recovery. Six of them (Belgium, France, West Germany, Italy, Luxembourg and the Netherlands) joined together in 1958 to create the European Economic Community (EEC), which later became the European Union.

Apart from peace and stability, the main goal was to make it easier for member countries to trade with each other. This remains one of the main purposes today. But over the years, the member countries of the EU have decided to work together in more areas. For example, through the EU, Europe's nations now work together to combat environmental pollution, organised crime and world poverty.





Since 1958, many more European countries have chosen to join the EU. Britain joined in 1973. The EU's most recent enlargement took place in May 2004, when ten new countries joined, including eight formerly communist countries. The EU now has 25 members (see the map on page 7). Bulgaria and Romania are approaching the end of their negotiations to join the EU. Turkey and Croatia are also official candidates to join.

The EU's expansion brings benefits to new and existing member countries. These include greater prosperity, better security, and increased opportunities to travel, work, study or live in other European countries.

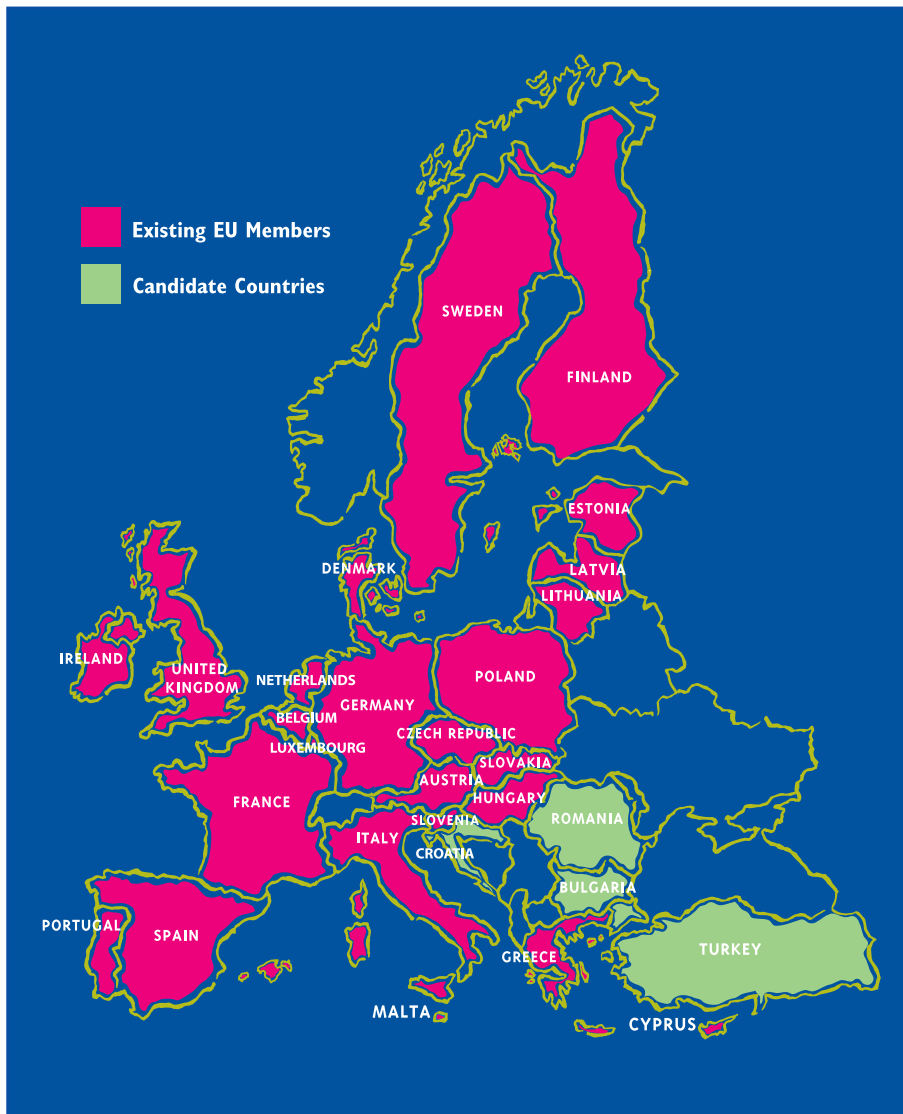
Why do we need the EU?

There are many things European nations do best when they work together. This is why Britain joined the EU. It's why we remain a member today. They include:

- removing trade barriers to boost growth and create jobs;
- improving our environment;
- improving standards and rights for consumers;
- fighting international crime and illegal immigration;
- bringing peace and stability to Europe by engaging with its neighbours;
- giving Europe a more powerful voice in the world.

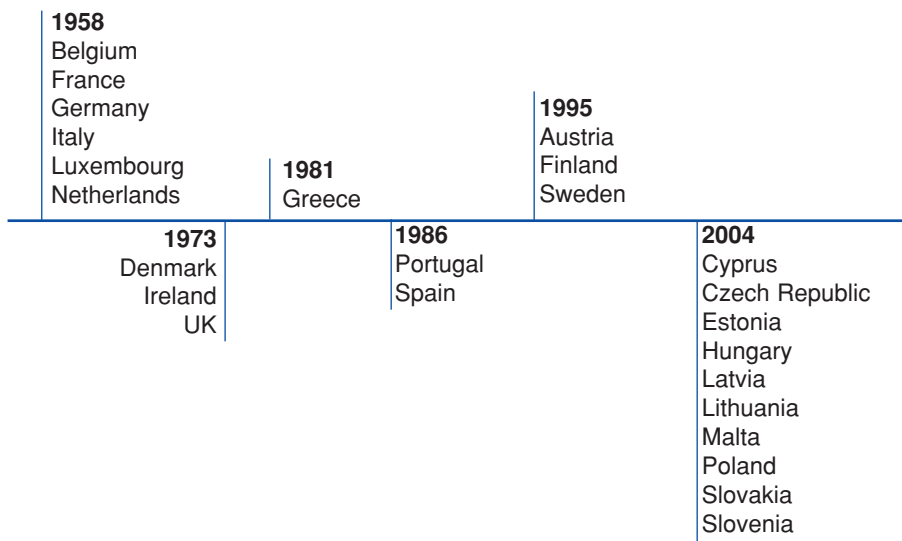


Map of the EU



Which countries are members?

The timeline shows which countries are members and the year they joined:



Each member country takes turns, for six months at a time, to chair EU meetings and represent the EU in international meetings. This is called holding the Presidency of the EU.

Britain will next hold the Presidency in the second half of 2005. We last held it in 1998.

Note: The EU Constitution would change the Presidency arrangements. See Part 2, page 34.

How do the countries work together?

The EU is based on treaties between its member countries. These set out what powers the EU has, and how it can use them.

These treaties have to be agreed by the governments of each member country, and by either its national parliament or its people (in a referendum) or both. Once member countries have agreed these rules, they are all expected to stick to them.

The first treaty was the Treaty of Rome, which created the European Economic Community in 1958. Important treaties since then include the Single European Act (signed 1986) which set out to complete the single market, and the Treaty of Maastricht (signed 1992) which turned the Community into the European Union and created a common foreign policy.

The Treaty establishing a Constitution for Europe (“the EU Constitution”) is the latest in this series of treaties.

The text of these treaties is widely available. You can find them most easily on the internet at:
<http://europa.eu.int/abc/obj/treaties/en/entoc.htm>

What are the main bodies of the EU?

- **The Council of Ministers** (made up of ministers from national governments). The Council is the EU's most important decision-making body. Its main task is to approve European laws. A government minister from each member country sits on the Council each time it meets. Member countries send different ministers depending on the subject being discussed. For example, Britain usually sends its Agriculture Minister when the Council is discussing agriculture. Sometimes a minister from the Scottish Executive or Welsh Assembly represents Britain. Most Council meetings are held in Brussels.

Every three months, the Presidents and Prime Ministers of the EU's member countries go to summit meetings, where they are usually assisted by their Foreign Ministers. These are known as **European Councils**, and their job is to set down the guidelines for the EU's work over the months ahead and to take the most important decisions.



- **The European Parliament.** Its main role is to consider most of the laws proposed by the Commission and approve them in agreement with the Council. It monitors the actions of the other EU bodies, and helps to set the EU's budget. Its members (MEPs) are elected every five years by the people of every member country. The Parliament meets in Strasbourg and Brussels.
- **The European Commission.** It proposes new laws for the Council and Parliament to consider, and implements existing ones. Every member country nominates one Commissioner. Its head is the President of the Commission. From 1 November 2004, the President of the Commission will be José Manuel Durão Barroso, the former Prime Minister of Portugal. The Commission is based in Brussels.
- **The European Court.** It ensures that European law agreed by all member countries is observed and applied fairly (though some issues such as foreign policy are outside its jurisdiction). Each member country sends a judge to the Court, which is based in Luxembourg.



How does the EU take decisions?

The member countries are in charge of EU decisions. This is how they are made:

The Commission decides that a law is needed, for example to remove trade barriers. It drafts a text and proposes it to the Council of Ministers. The Council discusses this proposal and, eventually, votes on it. Nothing can become law unless the member countries agree to it in this way.


On most subjects the European Parliament also needs to agree.

Some subjects are so important that all member countries have to agree before any decision can be taken. These include tax, foreign policy and defence matters.

But in most cases, countries take decisions in the Council by a “qualified majority vote”.

This process has three parts:

- Each member country has a weighted vote - Britain, France, Germany and Italy each have 29 votes out of a total of 321. Other countries have fewer votes, according to their size. For a decision to carry, at least 232 votes must be cast in favour.
- These votes must be cast by more than 50% of member countries.
- The votes must represent at least 62% of the population of member countries.



Note: The EU Constitution would introduce some changes to the voting system. See part 2, page 40.

Where does the EU get its money?

Member countries pay a contribution to the EU every year, depending on how big and how wealthy they are.

The EU currently spends about 1% of the wealth of its member countries.¹

Some of the money Britain contributes is spent on EU projects in Britain. But most of the richer countries, including Britain, pay more into the EU than they get back. The poorer countries receive funds to help their economies catch up (see page 19).

Britain gets a rebate to make our payment fairer. This was agreed in 1984 and it cannot be changed without the agreement of the British Government and Parliament.

Even with this rebate, over the years Britain has paid more overall than countries of similar size and wealth like France and Italy. This is mainly due to excessive spending by the EU on agriculture - a spending pattern that was set before Britain joined the EU.



How much do I pay to the EU?

Over the past five years, Britain has paid on average about £120 per person per year to the EU after taking into account Britain's rebate. But since some of this money is spent in Britain, the cost per person is actually about £50 a year – just under £1 a week.²

In exchange for this, we get benefits from EU membership. Access to the single market alone generates extra wealth for European citizens (for more about the single market, see page 17). For example, in 2002 this was equivalent to nearly £300 per person.³

Each citizen also benefits in ways that are harder to quantify, such as an improved environment, trade deals negotiated by the EU, and better security.



What has the EU achieved?

The EU has achieved many things. For example:

- **A peaceful and stable Europe**

With Nato, the EU has played a major role in safeguarding peace and security in our region - and in spreading it to neighbouring countries. It is now difficult to imagine war between EU countries.

- **A bigger and wealthier European economy**

In 1992 the EU created a “single market” for all its members. This means you can work and do business across Europe just as you can in Britain. This single market has reduced bureaucracy, made trade easier, forced prices down, and made Europeans richer on average. Also we all benefit from the results of greater competition within the EU, for example through cheaper flights, phone calls and energy prices.

- **An EU with influence in the world**

One in eight members of the United Nations (UN) is a member of the EU. Europe is an equal partner to the United States in trade negotiations. EU peacekeepers have worked in Macedonia, Bosnia and the Democratic Republic of the Congo in Central Africa. Acting through the EU and on their own, member countries are also the world’s largest providers of international aid, helping to reduce worldwide poverty.

What does the EU do?

The EU has only the powers its member countries give it. It can work in only those policy areas where its member countries decide it can.

The following pages give more information about the most important of these areas:

- enabling businesses to trade freely and people to work where they want;
- creating an area of freedom, security and justice across Europe;
- helping poorer EU regions;
- improving our environment;
- supporting EU agriculture;
- giving Europe a stronger voice in the world;
- working together to build security;
- helping member countries to coordinate their economic policies to boost growth, stability and employment levels, and running the single currency – the euro – for those countries which have adopted it.



Enabling businesses to trade freely and people to work where they want

A major EU achievement has been the creation of the single market – allowing free movement of people, goods, services and money.

This means that European citizens can live and work anywhere they want within the EU. More than three-quarters of a million Britons have already taken advantage of this right by going to live in another EU member country.

And it gives EU businesses access to the world's largest free-trade area – a market of more than 450 million consumers without tariffs or other restrictions on internal trade. This increases competition and efficiency, and makes it easier to create jobs and wealth. Consumers benefit from greater choice, common safety standards and lower prices.

The EU is now building on the achievements of the single market to ensure that EU businesses can remain competitive as global trade opens up.



Creating an area of freedom, security and justice across Europe


EU member countries are working together to create an area of freedom, security and justice across Europe.

This means co-operation between the police and courts of each member country, and working together to tackle illegal immigration and abuse of the asylum system.

This co-operation enables us to pursue criminals across Europe, and enforce penalties imposed on them.

Britain and Ireland participate in fighting illegal immigration, but we also retain our own border controls and the right to choose whether to sign up to EU laws in this area.

All member countries, except Britain and Ireland, have agreed to scrap their border controls with each other. These are the “Schengen” arrangements – named after the village in Luxembourg where they were first agreed.



Note: The EU Constitution would introduce some changes in the area of freedom, security and justice.

See Part 2, page 38.

Helping poorer EU regions

The EU has various programmes to help poorer regions catch up with the rest of the EU. The programmes work through direct spending on transport and other infrastructure, and on training people and helping them learn new skills.

Some regions of the United Kingdom get about £500 million a year from the EU.⁴ These include Northern Ireland; the Highlands and Islands of Scotland; Cornwall and the Scilly Isles; Merseyside; South Yorkshire; and West Wales and the Valleys.

Many well-known projects have been assisted by EU aid. For example, Cornwall's Eden project has received over £26 million from the EU, and the EU has given £30 million towards ferry and airport terminals and IT in the Highlands and Islands.

We also get a further £1 billion a year to help parts of the country to restructure and to support economic regeneration, innovation and enterprise.

For example, from 2000 to 2006 the East Midlands will receive £396 million of EU funds. The money is to help create new jobs, safeguard existing jobs, support firms and combat long-term unemployment in the region.



Improving our environment

On the environment, it is vital to work together to tackle serious common problems that cross national borders, such as pollution. The EU is strongly committed to sustainable development and to the Kyoto agreement on tackling climate change.

Co-operation with other European nations in the EU has brought us many benefits. Our beaches, rivers and drinking water are now cleaner. Many harmful emissions have been cut, making our streets less polluted and reducing acid rain. And many important habitats have been safeguarded, providing safe havens for endangered species.

Action to tackle environmental problems can create jobs and benefit the economy, for example by encouraging companies to make renewable-energy technologies like solar panels, hydrogen cells and wind turbines. This will help make the EU a leader in a growing global market.



Supporting EU agriculture

The Common Agricultural Policy (CAP) gives financial subsidies to Europe's farmers. It was set up to ensure no repeat of the postwar food shortages. Action to help farming and rural communities is still needed. But the world has moved on and getting the food we need at the best possible price now depends on open trade with the rest of the world.

The CAP was slow to respond to these changes. It became very inefficient and expensive, producing large surpluses of food and causing environmental damage.

Successive reforms have now improved the CAP to the benefit of Britain, the EU and developing countries. It no longer produces wine lakes or butter mountains. It is now moving away from encouraging over-production and towards protecting the countryside.

But the CAP remains expensive and prevents some of the poorest people in the world from selling products that would help them escape from poverty. Britain is pushing for further reform.



Giving Europe a stronger voice in the world

When the whole of Europe speaks with one voice, we can have more clout on the world stage. For example, sanctions or arms embargoes have more impact if imposed by 25 countries rather than one. We are stronger in trade negotiations if we negotiate as one economic bloc. And diplomatic initiatives, designed to improve our security, can be more effective with the support of European partners.

But all member countries have retained the right to pursue their own foreign policy, even after the common European foreign policy was established in 1993. Because foreign policy is a vital part of national sovereignty, there can only be a European policy if we all agree it. If not, each member country can go its own way.

When the 25 member countries agree a particular European policy, we commit ourselves to supporting it. This is known as the principle of loyal co-operation. It does not cause Britain problems, because if we had not agreed to a proposal, it would not have become a common policy in the first place. And if a common policy has been agreed, we would not want a partner to undermine it.



The EU is an important player in international development. Member countries, acting through the EU and on their own, provide more than half the world's official aid. The EU is the main trading partner of most developing countries. Collectively, the EU and its members can therefore play an important role in reducing global poverty and promoting a more stable, prosperous and democratic world.




Working together to build security

Nato and the alliance with the United States remain the guarantee of defence for most European countries.

But to complement Nato, Europe is setting up defence arrangements that allow European countries to take part effectively and quickly in peacekeeping and similar military and civilian operations where they want to work together. These have already been used to improve stability in the Balkans and in Africa.

These arrangements do not create a European army. There is no such thing, any more than there is a UN army. No British soldiers can be sent anywhere without the British Government's agreement. But these arrangements do help European countries to work together - voluntarily - to help boost peace and security in the world.



Note: The EU Constitution would introduce some changes to make European defence arrangements more effective. See Part 2, page 37.

Helping member countries to co-ordinate their economic policies

All 25 EU member countries work together where co-ordination will help them to boost economic growth, create jobs and make the EU more competitive. The EU provides a forum where the member countries can share best practice and learn from others' experiences in meeting the challenges of a modern economy.

12 member countries have decided to share a single currency (the euro).

Britain's policy on membership of the single currency was restated by the Chancellor in June 2003. In principle, the Government is in favour of British membership; in practice the economic conditions must be right. The deciding factor is the national economic interest and whether, on the basis of an assessment of five economic tests, the economic case for joining is clear and unambiguous. For more information on the five tests, see <http://www.hm-treasury.gov.uk>

A decision on joining the single currency is entirely separate from the decision on adopting the new EU Constitution.



Can the EU overrule Parliament and the British Government?

Yes, in certain circumstances.

First, countries can be outvoted when the Council is taking decisions by majority vote. This can happen to Britain, but in practice it rarely does: Britain was outvoted only twice in 2001 and once in 2002. Much more often it works to Britain's advantage - because it is possible to outvote countries which are protecting special interests or trying to restrict access to their markets by British business.

Second, once an EU law is agreed by all member countries it takes precedence over laws of the member countries. This is known as the primacy of European law. Britain accepted this principle when we joined in 1973 and we have supported it ever since. Without it, any country could ignore European decisions that it disliked by passing national laws to undermine them. That would make European agreements pointless.

So when laws have been agreed at European level, all EU member countries' laws - including British laws - must be consistent with them.

A recent example was the French Government's ban on certain British beef exports. This ban broke EU laws. The European Court ruled against France, which was therefore forced to comply.



If the EU works so well, why is it unpopular?

Britain's relationship with the rest of Europe has always been controversial.

Some people have never believed Britain should be in the EU. Some of them object in principle to European institutions and rules. Some believe it is remote and unaccountable, others that it is inefficient, wasteful, or creates too much red tape.

Like most organisations, the EU is not perfect. EU leaders acknowledge this. Some of its policies need reform. Management of EU funds needs to improve. EU regulation can be overcomplicated.

The EU is trying to put this right. EU laws are being simplified and slimmed down. But we still need an effective legal European framework to ensure, for example, that the single market works properly.

The EU tends to be unpopular where it does the hardest jobs. For example, managing fish stocks means tough decisions to deal with over-fishing.

The new EU Constitution is an attempt to make the EU simpler to understand and more accountable.

Part 2

The new Constitution for the EU

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Where does the EU Constitution come from?

Since it started, the EU has grown from six members to 25. The world has changed too. Now we all face new challenges such as terrorism and globalisation. In 2000, the member countries decided that the EU's rules needed to be updated to reflect these changes and to adapt the Union to new challenges.

So they set up a group to suggest some changes. This group, called the "Convention", included MPs from the member countries' governments and opposition parties, plus representatives from some countries that had applied to be members, and representatives from the EU's institutions.

After listening to different views and discussing different options, the Convention suggested that the EU's rules be revised and laid out in one document - a new Treaty establishing a Constitution for Europe. They wrote a draft treaty and gave it to the governments of the member countries. These countries, including Britain, continued to refine the draft, and made many changes before agreeing to it in June 2004.



What exactly would the EU Constitution do?


The EU Constitution is an agreement among the 25 member countries on the rules by which their relationship will work, now that the EU has expanded. It brings together the main existing treaties in one simplified treaty which is easier to read and understand.

It sets out more clearly than before which powers the member countries choose to share. And it underlines for the first time that the EU has only those powers which the sovereign member countries agree it should have.

The EU Constitution also aims to modernise the EU's institutions and streamline its decision-making so that it can act more effectively on important issues like jobs, the environment and immigration.

The EU Constitution is not yet in force. The EU Constitution, and the new elements described in this section, would come into force only if all the member countries ratify it.

In Britain, Parliament has to legislate to put it into effect. Parliament will examine and approve the Treaty establishing a Constitution for Europe and then the British people will have the final say in a referendum.



You can find the full text of the Constitution on the FCO website www.europe.gov.uk or the EU's website (www.europa.eu.int).

What are its main new elements?

The changes in the new EU Constitution are important, but would not fundamentally alter how the EU works. Most of the EU would work in essentially the same way it does today. The EU Constitution would not change the central role of member countries in deciding their defence, foreign, economic and employment policies. It would not alter countries' right to set their own tax rates. Nor would it change the amount they pay to the EU.

The main new elements are:

- a full-time President of the European Council;
- a single figure, called the European Foreign Minister, whose role would merge two existing EU foreign policy jobs;
- giving national parliaments the power to ask for changes to proposed European laws;
- improving defence and security;
- more majority voting on criminal and police co-operation issues;
- a Charter of Fundamental Rights;
- from 2009, changes to the majority voting system;
- from 2014, a smaller Commission;
- recognition that devolved governments such as the Scottish Executive and Welsh Assembly have a role in Europe.

The following pages give more information about these elements.



The President of the European Council

As explained on page 10, Presidents and Prime Ministers meet at European Councils four times a year to set the strategy for the EU and take the most important decisions.

There has always been a President of the European Council. But until now, the President of the European Council has been the leader of the member country holding the Presidency. So chairmanship of the Council has changed every six months. This can mean frequent changes of direction, and a lack of coherence, continuity and efficiency. It has been criticised as a merry-go-round. And given the responsibilities which Presidents and Prime Ministers have in their own countries, they can't easily give EU business their full attention.

The EU Constitution would therefore create a full-time President of the European Council, probably a former leader of a member country, to chair meetings and ensure decisions are properly followed up. (It would also change the other existing Presidency arrangements so that teams of three member countries would hold the Presidency collectively for periods of 18 months.)

The President of the European Council would not be a President of Europe, but would work for the leaders of the member countries, and would only be able to act in accordance with their decisions. So a full-time President of the European Council would make the Council stronger and strengthen the influence of national governments in the EU.

Britain was a leading advocate of these changes.



The European Foreign Minister

At the moment two people have some responsibility in foreign affairs: the Council's High Representative for Foreign Affairs, and the External Relations Commissioner within the Commission. This has caused confusion and inefficiency.

The European Foreign Minister would unite these existing roles. He or she would be chosen by the member countries and could be dismissed by them. The European Foreign Minister would remain responsible to the Foreign Ministers of the member countries, but would also be a Commissioner.

The European Foreign Minister would not replace or overrule Foreign Ministers of the member countries. Instead he or she would work within guidelines they set, and would represent them when a European policy has been agreed. Member countries would retain ultimate responsibility for their own foreign policy. Britain and France would also keep their seats on the UN Security Council.

Member countries have agreed that if the EU Constitution comes into force, Javier Solana from Spain would be the first European Foreign Minister. He is the current High Representative and a former Secretary General of Nato.



A new role for national Parliaments

Some European Governments, including Britain's, have always consulted their national parliaments on proposed European legislation. Others have not. But in all cases the parliaments have had no means of expressing their point of view independently.

The EU Constitution would change this. If one third of national parliaments believed that a proposed law would be better carried out by national governments, the Commission would have to review it. In practice, it would then be very hard for such a law to proceed. The Scottish Parliament and Welsh Assembly would also be consulted.

This should involve the British Parliament even more in European decision-making, improving legislation and helping avoid unnecessary regulation.



Improving defence and security

The EU can already conduct military and civilian operations. The EU Constitution would clarify the relationship between the EU and Nato and help make Europe more capable of action.

The EU Constitution makes clear that Nato is the foundation for the defence of those EU member countries that are also members of Nato. The EU is not a rival to this.

But the EU Constitution would provide for Europeans to work together. For example, if there were a terrorist attack or natural disaster, member countries have promised to help each other deal with the consequences.

The EU Constitution would also encourage improvements to the military effectiveness of European countries. EU member countries could choose to make further commitments to improving their armed forces and making them available so that they could be deployed quickly when the need arose.

This should help encourage other European countries to spend more on defence, and to spend it better.

But British troops could not be sent anywhere without the agreement of the British Government. As is the case now, the EU would not be able to launch an operation unless all member countries agreed.



More qualified majority voting on justice and home affairs issues

Qualified majority voting (QMV) is the way member countries take most decisions in the Council (see page 12). When judicial and police co-operation powers were first given to the EU in 1992, there was no QMV in this area. This was because it was a new area, and the member countries wanted to be sure how policy would develop before committing themselves further.

Experience over the last ten years has shown that QMV helps the EU to work more effectively in this area, as in other areas, because it allows for easier decision-making. This is why the EU Constitution would extend QMV, for example to “mutual recognition”, the system that allows member countries to enforce each other’s judicial decisions. This would mean quicker, more effective cooperation in fighting terrorism and other crime across Europe.

The EU Constitution recognises that member countries’ legal systems and traditions differ. Even within Britain, Scotland has its own separate legal system. That is why the EU Constitution would allow a member country to opt out of any measures that it considers would affect fundamental aspects of its criminal justice systems, like habeas corpus (the right not to be detained unlawfully), trial by jury and sentencing.

In many areas, notably on asylum, immigration and borders, Britain would retain its existing flexibility to decide whether or not it wants to sign up to European laws in these areas.

The EU Constitution would not change Britain’s right to control its own borders.

The Charter of Fundamental Rights

The Charter of Fundamental Rights of the Union is included in the EU Constitution. It sets out a range of rights, freedoms and principles including, for example, your rights to life, liberty and security; the prohibition of slavery and forced labour; and the right to fair and just working conditions. The purpose of setting them out in the Charter is to make it clearer to the citizen what rights are respected at EU level. The EU has of course had to respect these rights for many years, but they have never so far been set out in one place in an EU treaty.

The Charter does not create new rights, but simply highlights existing ones. It binds only the EU's own institutions, and binds member countries only when they are implementing European laws. The Charter does not in itself establish any new powers or tasks for the EU. And it explicitly requires the EU and its institutions to take full account of national laws and practices in many of the most sensitive areas.



Changes to the voting system

The current system of voting in the Council of Ministers when it makes final decisions on EU laws is complex. As explained on page 12, it has three parts, including votes weighted for each member country.

The EU Constitution would replace this with a simpler system from 2009. It would abolish weighted votes. Under the EU Constitution's new system, for a vote to pass, it would have to be supported by 55% of member countries (15 in an EU of 27 member countries) representing 65% of the EU's population.

The EU Constitution would also move more areas to qualified majority voting (QMV). This would lead to more efficient decision-making. But QMV would not apply to areas of vital national interest. In these areas, member countries would still all have to agree. In other words, Britain and other countries would keep their vetoes on the most essential issues.



Changes to the Commission

When the new Commission comes into office in November 2004, each member country will have one Commissioner so there will be 25 full Commissioners in all.

The EU Constitution would streamline the Commission from 2014. It would reduce the number of Commissioners to two-thirds the number of member countries (18 in an EU of 27). This means that not every member country would have a Commissioner all the time. Member countries would, however, take equal turns to provide a Commissioner.

This aims to make the Commission more effective and better able to take decisions. Commissioners do not represent their member countries – like the current treaties, the new EU Constitution would specifically forbid them from doing so.



What would the EU Constitution not do?

Debate about the new EU Constitution went on for many months, including in the Convention on the Future of Europe and at two summits of EU leaders. During this time there was a lot of speculation about what the EU Constitution would mean. This led to many false alarms and misconceptions – for example, it was suggested that:

- Britain would be forced to join the euro;
- the EU would set our taxes;
- we would lose our EU budget rebate;
- we would lose our seat on the UN Security Council;
- the EU would seize control of our oil supplies;
- we would lose control of our army;
- our foreign policy would be dictated by the EU.

In fact, none of these things is true.

Some, however, are still widely believed. One of the aims of this booklet is to explain what the new EU Constitution would actually mean.



The EU Constitution: a summary

The EU Constitution aims to create a more efficient and effective Europe, better able to concentrate on the issues that really matter to its people - like boosting jobs and prosperity, tackling cross-border issues such as crime and pollution, and representing Europe's interests in the world.

The EU Constitution would:

- make the EU simpler to understand, with the Union's main treaties reorganised into a single document and a clearer definition of the EU's powers;
- involve national parliaments much more in the EU's debates;
- modernise the EU's institutions and streamline its decision-making;
- establish rules that should serve as the foundation of the EU's work for many years; ensure the EU remains flexible enough to work with 25 members, and more in the future.



Notes and sources

Notes

- In many places, for simplicity, this booklet uses the term “Britain”. It should be taken to mean the United Kingdom (i.e. England, Wales, Scotland and Northern Ireland).
- Also for simplicity, the booklet uses the term “EU” throughout. It should be taken to refer to what is now the EU and the European Community (previously the European Economic Community).
- The EU Constitution would preserve the existing relationship between the EU and the Crown Dependencies (the Isle of Man and the Channel Islands).
- Gibraltar is not part of the United Kingdom, but is part of the European Union. A few areas of the EU treaties do not apply to it. Citizens of Gibraltar vote in European Parliament elections.

Sources

- 1 This figure (rounded up from 0.98%) is from table 2.1 of “European Community Finances: Statement on the 2004 EU Budget and Measures to counter fraud and financial mismanagement” (HMT, April 2004)
- 2 These figures are drawn from the European Commission's Annual Report on Allocated Expenditure, converted at the average annual exchange rate specified in the EC Finances White Paper, and averaged using population data based on “European Economy” figures.
- 3 This figure comes from the economic study of the impact of the single market: http://europa.eu.int/comm/internal_market/10years/docs/workingdoc/workingdoc_en.pdf. This study calculated that Gross Domestic Product in 2002 was €164.5 billion (£110 billion) higher thanks to the single market - making Europe's 380 million citizens (in 2002) £289 better off each, on average.
- 4 Department of Trade and Industry figures. For more information, see <http://www.dti.gov.uk/europe/structural.html>

For more information

A good place to start is the Foreign and Commonwealth Office's website on Britain and the EU: www.europe.gov.uk

You can also find a wide range of information on the site of the European Union: http://europa.eu.int/index_en.htm

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