



European Parliament

Variable Geometry Within the EU

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Status within the EU

The EU is a complex multifaceted organisation which allows for flexibility within member states, for example, as is the case for the Channel Islands or Isle of Man within the UK. There are a number of variations within the territory of Europe and the worldwide territories of the Member States which broadly fall within a number of models.

This paper has been produced jointly by Alyn Smith MEP and David Martin MEP as a contribution to ongoing debates about how Scotland, and indeed elsewhere, can interact with the European Union in the future. In themselves, few are directly analogous to anything Scotland would seek to achieve, and we, explicitly, do not propose any particular model as an option for Scotland's future.

Collectively, however, they illustrate the remarkable flexibility which can be shown by the EU, given political goodwill. Variable geometry may be a new term to many in Scotland, but it is common practice in Brussels and we believe illustrates the range of possibilities available to Scotland and the UK as we all seek to make the best of whatever our common future holds.

Full Membership

This is in one sense simple and self-explanatory since it means a state is one of the 28 member states of the EU, with a seat at the Council and MEPs in the Parliament. However, not all member states have the same status, notably the UK opts out of both the Eurozone and the Schengen area. Even this is not straightforward since the UK in turn opts back in to some aspects of Schengen, notably the SISII (Schengen Information Service II) to help facilitate European cooperation for law enforcement, immigration and border control purposes. However, the broad principles of EU membership, such as the four freedoms and implementing EU law, apply across the board.

Membership is therefore to some extent already flexible and there is even more room for flexibility within member states. An example of this moving further afield are the various British Overseas Territories which have Overseas Countries status (see specific section for more details).

Further information can be found:

https://europa.eu/european-union/about-eu/countries/member-countries_en

The Single Market

The Single Market is arguably the most significant achievement of the EU. It means that within its area of operation there are no regulatory obstacles to the free movement of persons, capital, goods and services.

There is some flexibility and certain territories have partial access to the single market rather than fully functioning membership. Some non-EU member states, such as those in the EEA, are also associate members of the Single Market.

Further information can be found:

https://ec.europa.eu/growth/single-market_en

Citizenship

EU Citizenship is automatically bestowed upon anyone who is a citizen of a member state. At its most basic level citizenship entitles you:

- To non-discrimination on the basis of nationality when the Treaty applies
- To move and reside freely within the EU
- To vote for and stand as a candidate in European Parliament and municipal elections
- To be protected by the diplomatic and consular authorities of any other EU country
- To petition the European Parliament and complain to the European Ombudsman
- To contact and receive a response from any EU institution in one of the EU's official languages
- To access European Parliament, European Commission and Council documents under certain conditions

Citizens also gain innumerable consumer, workplace and health and safety rights which are guaranteed by EU law.

Further information can be found:

<http://ec.europa.eu/justice/citizen/>

Schengen

The Schengen Agreement permits the free movement of people without being subjected to border checks within "the Schengen Area" of those member states fully signed up to the Agreement.

Further information can be found:

http://ec.europa.eu/dgs/home-affairs/what-we-do/policies/borders-and-visas/schengen/index_en.htm

Eurozone

This provides the common currency for 19 out of the 28 EU countries and is based upon the various agreements surrounding Economic and Monetary Union (EMU). In basic terms this means:

- The single currency and the euro area
- An independent monetary policy run by the European Central Bank (ECB)
- Coordination of economic policy-making between Member States
- Coordination of fiscal policies, notably through limits on government debt and deficit
- Single rules and supervision of financial Institutions within the euro area

Further information can be found:

http://ec.europa.eu/economy_finance/euro/emu/index_en.htm

Customs and VAT Unions

All EU Member States have to be part of the European customs union and the VAT union; however, third countries and territories can have an associated status. The customs union prevents internal tariffs and therefore requires a single trade policy on external tariffs. The VAT union means that all countries agree to charge VAT within certain thresholds to ensure the fair operation of the single market.

A tabular summary of the various VAT/Custom rules and where they apply.

Taken From:

https://ec.europa.eu/taxation_customs/business/vat/eu-vat-rules-topic/territorial-status-eu-countries-certain-territories_en

EU country / Territories related with EU countries	Territory of the EU	Customs rules apply	VAT rules apply	Excise rules apply
Austria	yes	yes	yes	yes
Belgium	yes	yes	yes	yes
Bulgaria	yes	yes	yes	yes
Croatia	yes	yes	yes	yes
Cyprus¹	yes	yes	yes	yes
Czech Republic	yes	yes	yes	yes
Denmark	yes	yes	yes	yes
Denmark / Faroe Islands	no	no	no	no
Denmark / Greenland	no	no	no	no
Estonia	yes	yes	yes	yes
Finland	yes	yes	yes	yes
Finland / The Åland Islands	yes	yes	no	no
France	yes	yes	yes	yes
France / French overseas territories	no	no	no	no
France / Guadeloupe, French Guiana, Martinique, Réunion, Mayotte, Saint-Martin	yes	yes	no	no
Germany	yes	yes	yes	yes
Germany / The Island of Heligoland	yes	no	no	no
Germany / The territory of Büsingen	yes	no	no	no
Greece	yes	yes	yes	yes
Greece / Mount Athos	yes	yes	no	no
Hungary	yes	yes	yes	yes

Ireland	yes	yes	yes	yes
Italy	yes	yes	yes	yes
Italy / Livigno	yes	no	no	no
Italy / Campione d'Italia	yes	no	no	no
Italy / The Italian waters of Lake Lugano	yes	no	no	no
Latvia	yes	yes	yes	yes
Lithuania	yes	yes	yes	yes
Luxembourg	yes	yes	yes	yes
Malta	yes	yes	yes	yes
Netherlands	yes	yes	yes	yes
Netherlands / Netherlands Antilles	no	no	no	no
Poland	yes	yes	yes	yes
Portugal	yes	yes	yes	yes
Portugal / Azores	yes	no	no	no
Portugal / Madeira	yes	no	no	no
Romania	yes	yes	yes	yes
Slovakia	yes	yes	yes	yes
Slovenia	yes	yes	yes	yes
Spain	yes	yes	yes	yes
Spain / Ceuta	yes	no	no	no
Spain / Melilla	yes	no	no	no
Spain / The Canary Islands	yes	yes	no	no
Sweden	yes	yes	yes	yes
United Kingdom	yes	yes	yes	yes
United Kingdom / Channel Islands	yes ²	yes	no	no

Other Countries of Territories	Specific rules	EU Treaties apply	Customs rules apply	VAT rules apply	Excise rules apply
Monaco	Treated as territory of France for customs, VAT and excise purposes	no	yes	yes	yes
San-Marino	Treated as territory of Italy for customs and excise purposes	no	yes	no	yes
Isle of Man	Treated as territory of the UK for customs, VAT and excise purposes	yes	yes	yes	yes
UK Sovereign Base Areas of Akrotiri and Dhekelia	Treated as territory of Cyprus for customs, VAT and excise purposes	no	yes	yes	yes
Gibraltar	...	yes	no	no	no
Falkland Islands	...	no	no	no	no
Andorra	...	no	no	no	no
Vatican City	...	no	no	no	no

EFTA

The European Free Trade Association (EFTA) is an intergovernmental organisation set up for the promotion of free trade and economic integration to the benefit of its four Member States: Iceland, Liechtenstein, Norway, Switzerland.

Crucially it manages the European Economic Area (EEA) Agreement which gives Iceland, Liechtenstein and Norway membership of the Single market. All EU member states are also members of the EEA.

Further information can be found:

<http://www.efta.int/faq>

Outermost Regions and Overseas Countries

These arrangements govern the relationship between the EU and various territories and countries around the world which are either a significant distance from Europe or have a special relationship with an EU Member State.

A map showing the location of the various OMRs and OCTs can be found after this section.

Outmost Regions (OMR)

The OMRs of the European Union comprise of:

- 5 French overseas departments — Martinique, Mayotte, Guadeloupe, French Guyana and Réunion;
- 1 French overseas community — Saint-Martin (since 2009)
- 2 Portuguese autonomous regions — Madeira and the Azores;
- 1 Spanish autonomous community — the Canary Islands.

Due to their peripherality there are special exemptions built into their EU membership, often on agricultural products.

Some of these areas use the Euro and remain part of the customs union.

Further information can be found:

http://www.europarl.europa.eu/atyourservice/en/displayFtu.html?ftuid=FTU_5.1.7.html

Overseas countries and territories (OCT)

The OCTs cover 25 countries and territories, which have special links with various member states (namely Denmark, France, the Netherlands and the United Kingdom). OCTs are not part of the single market and must comply with the obligations imposed on third countries in respect of trade, particularly rules of origin, health and plant health standards and safeguard measures. These relationships are governed by EU law not that of the member states.

Crucially the arrangements mean that the residents of these territories are EU citizens as a result of the special relationships they hold with their respective member states. For example, residents of the Netherlands OCT are eligible for Dutch and therefore European Citizenship. Due to this many OCTs are eligible for EU funds and EU-wide cooperation agreements such as the Erasmus+ program.

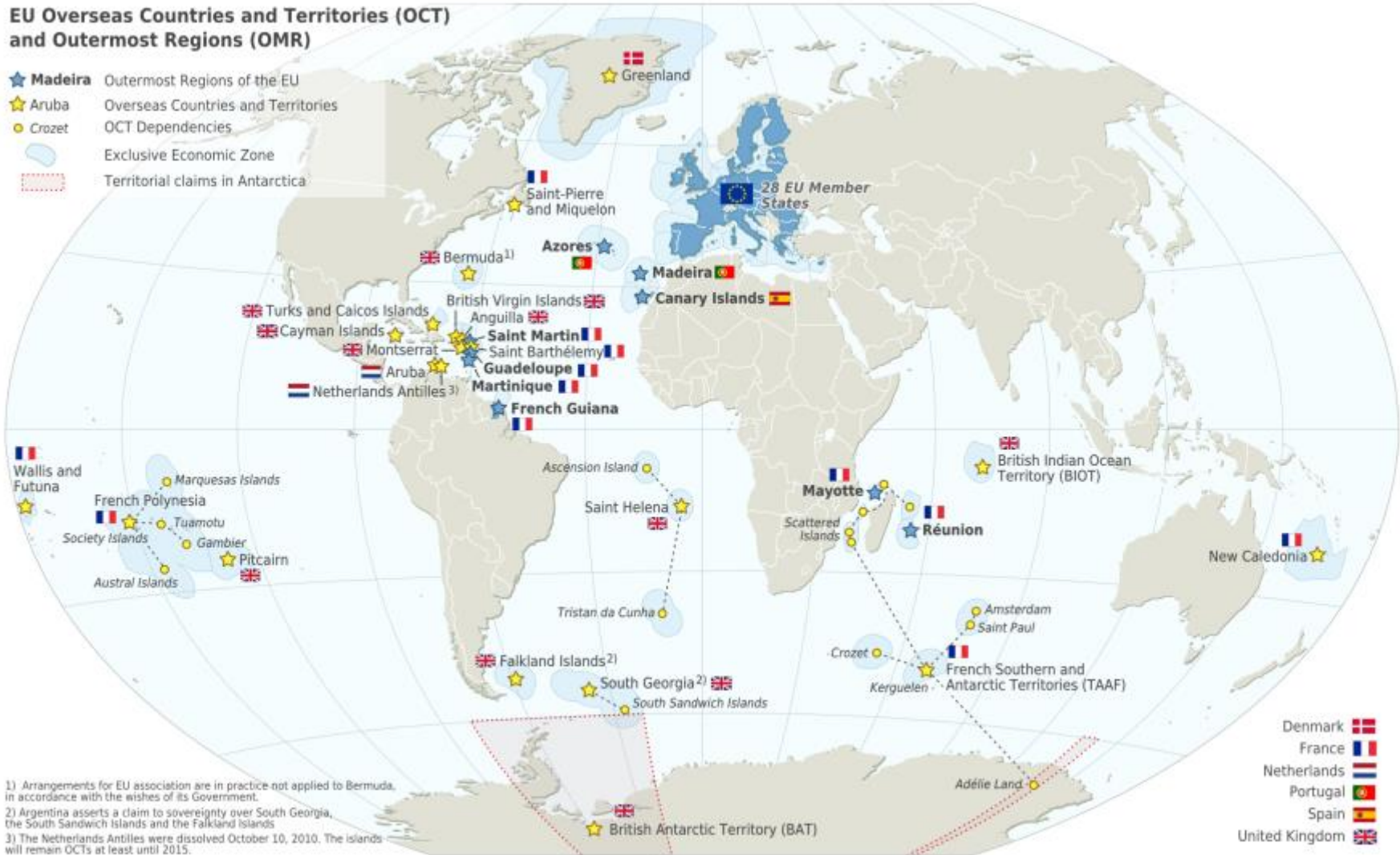
Further information can be found:

http://ec.europa.eu/europeaid/regions/octs_en

A map illustrating EU Overseas Countries and Territories (OCTs) and Outermost Regions (OMRs)

EU Overseas Countries and Territories (OCT) and Outermost Regions (OMR)

- ★ **Madeira** Outermost Regions of the EU
- ★ **Aruba** Overseas Countries and Territories
- **Crozet** OCT Dependencies
- Exclusive Economic Zone
- ⋯ Territorial claims in Antarctica



¹ EU OCT and OMR map from WIKI Commons, used under This file is licensed under the Creative Commons Attribution. https://upload.wikimedia.org/wikipedia/commons/7/72/EU_OCT_and_OMR_map_en.png

Alphabetic list of variable geometry within the EU's Internal and External Relationships

This is a list of territories and nations which have some form of differentiated relationship with the EU. It does not claim to be complete but does cover the vast majority of the constitutional options that are currently in use.

Åland Islands

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✓	✓	partial	✓	✓	partial	✓	✗

The Åland Islands are part of Finland and have partial autonomy. They joined the EU with Finland through a separate referendum. The relationship with the EU is regulated by two bilateral agreements: a Free Trade Agreement and a Bilateral Fisheries Agreement.

Further information can be found:

<http://www.government.fo/foreign-relations/missions-of-the-faroe-islands-abroad/the-mission-of-the-faroes-to-the-european-union/the-faroe-islands-and-the-european-union/>

<http://www.formin.finland.fi/public/default.aspx?nodeid=49889&culture=en-US&contentlan=2>

Andorra

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✗	✗	✓	✗	✗	partial	✗

The EU customs union with Andorra is based on a 1990 Agreement which was updated in 2004 to provide a framework for cooperation on the environment, transport, culture, regional policy, veterinary matters and other areas. In regard to agriculture Andorran agricultural products that meet the conditions set out in the agreement these are exempt from import duties when entering the EU

There is also an agreement allowing Andorra to mint Euros up to a set maximum value.

In March 2014, the Commission recommended the opening of negotiations with Andorra, regarding its participation in the single market.

Andorra is not part of the Schengen area and border checks are in operation but it coordinates its visa requirements with the Schengen area and accepts Schengen visas. EU citizens may remain in Andorra for 90 days before applying for a work permit.

Further information can be found:

https://eeas.europa.eu/diplomatic-network/andorra/2050/andorra-and-the-eu_en

and

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=SWD:2012:0388:FIN:EN:HTML>

Portuguese Autonomous Regions

Both the Azores and Madeira are EU OMR. Curiously, they are members of the EU VAT area but by the Portuguese accession treaty can charge lower rates if they so desire. Currently the standard rate of VAT is 23% in Portugal, 16% in Azores, and 22% in Madeira.

Further information can be found:

https://ec.europa.eu/taxation_customs/business/vat/eu-vat-rules-topic/territorial-status-eu-countries-certain-territories_en

Azores

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✘	✔	✔	✔	✔	✔	✔	✔	✔

Madeira

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✘	✔	✔	✔	✔	✔	✔	✔	✔

British Crown Dependency

Jersey and Guernsey are both crown dependencies and have a relationship with the EU governed by article 335(5)(c) TFEU giving effect to Protocol 3 to the UK's Treaty of Accession in 1972.

They allow the free of movement of goods but not labour, services or capital. They are also outside the VAT area and along with the rest of the UK outside Schengen. Channel Island citizens are European due to also being UK Citizens but although they enjoy free movement for the purposes of travel they cannot work or reside within the EU unless they are connected to a UK citizen (through family etc.) or have spent five years of continuous residence in the UK.

Crucially, neither is part of the single market for financial services.

Further information can be found:

<http://www.channelislands.eu/>

Jersey

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	partial	✗	✗	✗	✗	✓	✗

Guernsey

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	partial	✗	✗	✗	✗	✓	✗

Isle of Man (Crown dependency)

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	partial	✗	✗	✗	✗	✓	✓

The Isle of Man is very similar in status to the Channel Islands except it is also a member of the EU VAT area.

Akrotiri and Dhekelia (British Sovereign Base Areas)

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✗	partial	✓	✗	partial	✓	✓

This covers the Sovereign Base Areas which govern the UK military bases on the island of Cyprus. Although not currently part of Schengen the policy of matching Cyprus's EU relationship means that it will along with Cyprus be joining in the future.

Further information can be found:

<http://www.sbaadministration.org/index.php/laws-of-sbas>

British Overseas Territories

All of these have OCT status.

Anguilla

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✓	partial	✗	✗	partial	✗	✗

Bermuda

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✓	partial	✗	✗	partial	✗	✗

British Antarctic Territory

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✓	partial	✗	✗	partial	✗	✗

British Indian Ocean Territory

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✓	partial	✗	✗	partial	✗	✗

British Virgin Islands

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✓	partial	✗	✗	partial	✗	✗

Cayman Islands

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✓	partial	✗	✗	partial	✗	✗

Falkland Islands

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✓	partial	✗	✗	partial	✗	✗

Montserrat

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✓	partial	✗	✗	partial	✗	✗

Pitcairn Islands

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✓	partial	✗	✗	partial	✗	✗

Saint Helena, Ascension and Tristan da Cunha

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✓	partial	✗	✗	partial	✗	✗

South Georgia and the South Sandwich Islands

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✓	partial	✗	✗	partial	✗	✗

Turks and Caicos Islands

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✓	partial	✗	✗	partial	✗	✗

Büsingen am Hochrhein

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✓	✓	✓	✓	✓	✓	✗	✗

A German town which is part of the EU within Switzerland.

Campione d'Italia

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✓	✓	✓	✗	✓	✓	✗	✗

This is an Italian town within the territory of Switzerland.

Faroe Islands

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✗	partial	✗	✗	partial	✗	✗

The Faroe Islands are not part of the EU but Faroe residents can become EU citizens by becoming Danish citizens. The islands are not part of the Schengen Area but they are part of the Nordic Passport Union which allows for intra-Nordic travel without a passport. They have some limited access to the single market through a Free Trade Agreement.

French overseas regions

These are part of the OMR.

French Guiana

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✓	✓	✓	✓	✗	✓	✓	✗

Guadeloupe

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✓	✓	✓	✓	✗	✓	✓	✗

Martinique

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✓	✓	✓	✓	✗	✓	✓	✗

Mayotte

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✓	✓	✓	✓	✗	✓	✓	✗

In 2014 Mayotte, which was an OCT became an OMR.

Réunion

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✓	✓	✓	✓	✗	✓	✓	✗

Collectivist of Saint Martin

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✓	✓	✓	✓	✗	✓	✓	✗

This is classified as an OMR despite breaking away from Guadeloupe. This was confirmed in the Lisbon treaty.

French Overseas Territories

There are 6 French overseas territories which currently have OCT status within the EU. Some of these territories use the Euro but other territories, such as New Caledonia, use currencies tied to the Euro instead.

Saint Barthélemy

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✓	partial	✓	✗	✗	✗	✗

Until the end of 2011, Saint Barthélemy was an outermost region but in 2012 it became an OCT.

French Polynesia

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✓	partial	✗	✗	✗	✗	✗

French Southern and Antarctic Lands

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✓	partial	✓	✗	✗	✗	✗

Saint-Pierre and Miquelon

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✓	partial	✓	✗	✗	✗	✗

Wallis and Futuna

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✓	partial	✗	✗	✗	✗	✗

New Caledonia

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✓	partial	✗	✗	✗	✗	✗

Clipperton Island

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✓	partial	✓	✗			

Clipperton Island is uninhabited, therefore its status vis-à-vis the customs union and EU law is not clear and has never been tested.

Gibraltar

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✓	✓	✓	✗	✗	partial	✓	✓

Though the situation is not clear cut (for example, European Parliament Elections were not held until 2004) Gibraltar largely mirrors the UK with the same opt outs and opt ins.

Iceland

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✓	✗	✗	✓	✗	✓	partial	✗	✗

Iceland is a member of EFTA.

Heligoland

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✓	✓	✓	✓	✓	✓	✗	✗

A German island off the North-Western coast which is part of the EU but excluded from the Customs Union and VAT area.

Liechtenstein

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✓	✗	✗	✓	✗	✓	partial	✗	✗

Despite being a member of Schengen *de facto* limitations on free movement of workers exists as a result of indefinite use of safeguard measures.

Livigno

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✓	✓	✓	✓	✓	✓	✗	✗

This is an Italian Ski town within Switzerland.

Monaco

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✗	partial	✓	✓	partial	✓	✓

Relations between the EU and Monaco extend to currency and internal customs/VAT regulation. However, Monaco may not claim EU origin for the purposes of international trade. Some EU law applies through various agreements.

Monaco is not a Contracting Party to the Schengen Convention. However, recognising that its territory is within the external borders of the Schengen area, two separate bilateral agreements with France mean that Monaco nationals can travel freely without a visa throughout the whole of the Schengen area. Monégasque residence permits are viewed as equivalent to Schengen visas.

Further information can be found:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=SWD:2012:0388:FIN:EN:HTML>

Mount Athos

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✓	✓	✓	✓	✓	partial	✓	✓	✗

An autonomous area of Greece and due to its religious status, Greece negotiated in its accession that it maintain its ancient 'special legal status'. It is part of the Customs Union but outside the VAT area and (although women are forbidden from entering and you need a special permit to do so) is still part of the Schengen Area.

Netherlands Overseas Territories

There are 6 Netherlands territories which have OCT status.

Aruba

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✓	partial	✗	✗	✗	✗	✗

Curaçao

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✓	partial	✗	✗	✗	✗	✗

Sint Maarten

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✓	partial	✗	✗	✗	✗	✗

Bonaire

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✓	partial	✗	✗	✗	✗	✗

Sint Eustatius

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✓	partial	✗	✗	✗	✗	✗

Saba

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✓	partial	✗	✗	✗	✗	✗

Norway

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✓	✗	✗	✓	✗	✓	partial	✗	✗

Norway is a member of EFTA.

Samnaun

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✗	✓	✗	✓	✓	✗	✗

This is an enclave of Switzerland. It is not only outside the EU VAT area but also outside of the Swiss VAT area.

San Marino

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✗	✗	✓	✗	✗	partial	✗

In 1991 the EU and San Marino signed a customs union which covered industrial and agricultural products, with some exceptions.

Following a referendum in 2013 which (after failing to reach quorum by 4000 votes) San Marino decided not to join the EU. It therefore relies on a series of bi-lateral deals. Although it is not a member of Schengen it has an open border. San Marino has signed a bilateral agreement which allows San Marino nationals to work and reside in Italy.

Spanish Autonomous Communities

Canary Islands

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✓	✓	✓	✓	✓	✓	✓	✗

These Islands are OMR.

Ceuta and Melilla

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✓	✓	✓	✓	partial	partial	✗	✗

Two Spanish cities in Northern Africa which are technically part of the EU; however, they are excluded from the CFP, CAP, Customs Union and VAT area.

Svalbard

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✓	✗	✗	✗	✗	✗	partial	✗	✗

This is technically part of EFTA due to being administratively part of the Kingdom of Norway. It is however outside the Schengen area though in practice free movement of people exists (with exceptions surrounding work permits).

Switzerland

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✓	✗	✗	✓	✗	✓	✓	✗	✗

Switzerland remains a part of the Single Market through a series of bilateral arrangements rather than membership of the EEA as the other EFTA members do.

Turkey

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✗	✗	✗	✗	✗	✓	✗

From 1995 there has been a Customs union with Turkey that excludes agriculture.

Vatican City

EFTA	EU Member	EU Citizenship	Single Market	Euro €	Schengen	EU Law	Customs Union	VAT Area
✗	✗	✗	✗	✓	✗	✗	✗	✗

Although not a member of Schengen it has an open border with the EU.

EU Trade Deals

The EU signs three main types of trade agreements. These are signed for different reasons. Association Agreements are economic, political and cultural agreements. Deep and Comprehensive Free Trade Agreements are to reduce tariff and non-tariff barriers with developed economies (they tend to be technical agreements and less ambitious than Association Agreements). Finally, economic partnership agreements are usually for setting up unilateral trade preferences to aid developing countries.

1. Customs Unions

- eliminate customs duties in bilateral trade, for example between the EU and Turkey.
- establish a joint customs tariff for foreign importers.

2. Association Agreements, Stabilisation Agreements, (Deep and Comprehensive) Free Trade Agreements and Economic Partnership Agreements

- remove or reduce customs tariffs and non-tariff based barriers in bilateral trade, for example the EU-South Korea trade agreement.

3. Partnership and Cooperation Agreements

- provide a general framework for bilateral economic relations
- may leave customs tariffs as they are for EU exporters, but may provide unilateral tariff-free entrance for third country exporters, for example the EU-Chad agreement.

A Complete alphabetical list of all Current EU Trade Relationships

NB. This includes some countries already addressed in more detail in the previous section.

Further information can be found:

http://ec.europa.eu/trade/policy/countries-and-regions/agreements/index_en.htm

Country	Agreement type	Date Signed
Albania	Stabilisation and Association Agreement	22 May 2006
Algeria	Association Agreement	1 September 2005
Andorra	Customs Union,	1 July 1991
Armenia	Partnership and Cooperation Agreement	9 September 1999
Azerbaijan	Partnership and Cooperation Agreement	17 September 1999
Bosnia and Herzegovina	Stabilisation and Association Agreement	1 June 2015
Cameroon	Interim Economic Partnership Agreement	28 February 2009
Canada	Comprehensive Economic and Trade Agreement (CETA)	30 October 2016
CARIFORUM States	Economic Partnership Agreement	Provisionally applied
Central America	Association Agreement with a strong trade component,	29 June 2012
Chile	Association Agreement and Additional Protocol	1 March 2005
Colombia and Peru	Trade Agreement	26 July 2012
Egypt	Association Agreement	1 June 2004
Faroe Islands	Agreement	1 January 1997
Georgia	Association Agreement	1 July 2016
Iceland	Agreement	1 April 1973
Iraq	Partnership and Cooperation	11 May 2012

	Agreement	
Israel	Association Agreement	1 June 2000
Ivory Coast	Economic Partnership Agreement	3 September 2016
Jordan	Association Agreement	1 May 2002
Kazakhstan	Enhanced Partnership and Cooperation Agreement	30 April 2016
Kosovo	Stabilisation and Association Agreement	1 April 2016
Lebanon	Interim Agreement	1 March 2003
Madagascar, Mauritius, the Seychelles, and Zimbabwe	Economic Partnership Agreement	August 2009
Mexico	Economic Partnership Political Coordination and Cooperation Agreement	1 July 2000
Moldova	Association Agreement	1 July 2016
Montenegro	Stabilisation and Association Agreement	29 April 2010
Morocco	Association Agreement	1 March 2000
Norway	Agreement	1 July 1973
Palestinian Authority	Association Agreement	1 July 1997
Papua New Guinea and Fiji	Interim Partnership Agreement	ratified by Papua New Guinea May 2011
Russia	Partnership and Cooperation Agreement	1 December 1997
San Marino	Customs Union	1 December 1992
Serbia	Stabilisation and Association Agreement	1 September 2013
South Africa	Interim Trade, Development and Co-operation Agreement	1 January 2000
South Korea	Free Trade Agreement,	13 December 2015
Southern African Development Community (SADC)	Economic Partnership Agreement	provisionally applied, signed on 10 October 2016

Switzerland	Agreement	1 January 1973
Syria	Co-operation Agreement	1 July 1977
The former Yugoslav Republic of Macedonia	Stabilisation and Association Agreement	1 April 2004
Tunisia	Association Agreement	1 March 1998
Turkey	Customs Union	30 December 1995
Ukraine	Deep and Comprehensive Free Trade Agreement (previously signed an Association Agreement, 29 May 2014)	1 January 2016
West Africa	Economic Partnership Agreement	provisionally applied, 3 September 2016

The EU has also concluded negotiations but not yet finalised deals with the following countries

East African Countries (EAC)	Interim Economic Partnership Agreement , end of negotiations,	16 October 2014
Ecuador	Trade agreement, legal revision ended	17 February 2015
Singapore	Free Trade Agreements	initialled on 17 October 2014
Vietnam	Free Trade Agreement	negotiations concluded on 1 February 2016

A map illustrating the worldwide EU Trade Relationships

