Safeguarding Iceland's interests under the framework of the EEA Agreement

Priority issues 2018

On 11 May 2018 the Icelandic government adopted a list of issues in the legislative process in the European Union (EU) which are seen as priority issues when it comes to safeguarding Iceland's interests under the framework of the EEA Agreement. This document constitutes an executive summary in English of the original list which is available here in Icelandic. The items on the list are to be monitored specifically and the views of Icelandic authorities expressed with the aim of safeguarding and promoting Iceland's interests. The list of priorities follows from a consultation process with the Icelandic Parliament (Albingi), the Association of Local Authorities, interest groups and stakeholders. It includes 25 items in 15 different policy areas. The issues are not listed in order of importance. Under each item a justification is set out for its prioritisation, its status within the EU is specified and potential actions are proposed. In most cases these items cover potential legislative or policy actions that are either under preparation by the Commission or being considered for adoption by the Council and the European Parliament. The Commission Work Programme served inter alia as a basis for the preparation of the list as well as the work programmes of the EEA EFTA States. This prioritisation concerns the administration's first steps towards safeguarding Iceland's interests. It is assumed that any relevant interests will continue to be considered, if need be, when the relevant acts are incorporated into the EEA Agreement, e.g. by requesting adaptations. The list of priorities will be reviewed in the end of 2018 and the results assessed.

The list is adopted as one of several key actions proposed by the Steering Group for the management of the EEA Agreement which was established in July 2014 with the aim of rendering Iceland's participation in the EEA more efficient and assess how best to preserve Iceland's interests under the Agreement. The Steering Group, which is led by the Prime Minister's Office, submitted its proposals in a <u>report</u> in December 2015. The first list of priorities was adopted in September 2016 for the period 2016-2017 and is available <u>here</u> along with a <u>progress report</u>.

The current list for 2018 contains the following items:

- <u>EU initiative</u>: Fertilisers organic fertilisers in free flow <u>Iceland's aim</u>: Ensure that Iceland can limit imports of specific organic fertilisers in accordance with the proposal. It is believed that specific pathogens contained in organic fertilisers could, unlike on mainland Europe, harm Iceland's fragile and isolated ecosystem. Iceland would amongst other measures like to include exact standards and processing methods for compost production in order to ensure pathogen destruction.
- <u>EU initiative:</u> Action plan against Antimicrobial Resistance
 <u>Iceland's aim</u>: To follow closely the work in the EU to counter increased resistance of microorganisms to antimicrobial treatments, especially antibiotics, in animals, food and humans, while also discussing the matter in various international organisations of which Iceland is a member. Cooperation with Norway and other Nordic countries is key in this respect.
- <u>EU initiative</u>: Quality of water for human consumption

<u>Iceland's aim</u>: Ensure that any revision of the current legislation is in line with the principle of subsidiarity and is not too cumbersome for small water distributors in Iceland.

- <u>EU initiative</u>: Legislative work in relation to the Energy Union and the 2030 climate and energy framework
 <u>Iceland's aim</u>: Follow-up closely legislative developments regarding Clean Energy for all Europeans and how they affect Iceland's interests. To raise awareness of Iceland's unique energy profile when it comes to utilisation of renewable energies and expertise especially in the area of geothermal energy.
- <u>EU initiative</u>: Energy Efficiency and Energy Performance of Buildings
 <u>Iceland's aim</u>: To safeguard Iceland's current exemption from the Energy Performance
 of Buildings directive granted since 99% of buildings are heated with renewable energy.
 A continued exemption is justified as reduction of greenhouse gases and dependency on
 imported fuels are not relevant for the building sector in Iceland.
- <u>EU initiative</u>: EU climate legislation in relation to the Paris Agreement <u>Iceland's aim</u>: Formal negotiations between Iceland and Norway are expected to begin in 2018 regarding joint fulfilment with the EU of the 2030 emissions reduction target. In the meantime, Iceland is analysing proposals of EU climate policy framework post-2020 to assess whether specific solutions will be needed for Iceland, particularly when it comes to land use, land-use change and forestry activities, as circumstances in Iceland differ from most other EEA States.
- <u>EU initiative</u>: Circular Economy Package <u>Iceland's aim</u>: Ensure any necessary adjustments linked to Iceland's small size and inefficient recycling situation are taken into account.
- <u>EU initiative</u>: Road Transport <u>Iceland's aim</u>: To avoid disproportionately onerous rules which do not impact the internal market due to Iceland's isolated geographical location.
- <u>EU initiative</u>: European Aviation Safety Agency (EASA) <u>Iceland's aim</u>: To focus on continued high level of aviation safety within the EEA and working on solutions regarding, oversight, enforcement and cross-pillar issues.
- <u>EU initiative</u>: Collaborative economy <u>Iceland's aim</u>: Follow the EU debate closely particularly given the growth of the tourism sector in Iceland. It is particularly important to learn and exchange experiences with other EEA Member States.
- <u>EU initiative</u>: Empowering competition authorities <u>Iceland's aim</u>: To enable mutual assistance and cooperation between National Competition Authorities in the EU and EEA EFTA States by finding solutions to the cross-pillar issue regarding decentralised enforcement of EEA competition rules.
- <u>EU initiative</u>: The Connectivity Package <u>Iceland's aim</u>: To ensure full participation without voting rights in the Body of European Regulators for Electronic Communications (BEREC).

- <u>EU initiative</u>: Cyber security

<u>Iceland's aim</u>: To increase Iceland's capacity in the area of cyber security and the cooperation and coordination with other EEA Member States in line with the directive on cyber security of networks and information systems (NIS directive).

- <u>EU initiative</u>: Review of the Financial Supervisory Authorities

<u>Iceland's aim</u>: To ensure that the principles agreed in October 2014 by the EEA EFTA and EU Ministers of Finance continue to apply when it comes to new legislation in this field. With regard to governance structure, any solution reached on the EU side must ensure the same level of participation for the EEA EFTA States as the current situation, that is, full participation except for the right to vote. Iceland's position is that direct supervision at the European level should be limited to exceptional instances where national supervision is obviously inferior due to the nature of the supervised entities.

- <u>EU initiative</u>: FinTech

<u>Iceland's aim</u>: Follow closely the work taking place in the EU and in the European Financial Supervisory Authorities to promote and ensure the interests of Icelandic innovators, financial institutions and consumers in this fast-paced field.

- <u>EU initiative</u>: Post-2020 Framework Programme for Research and Innovation <u>Iceland's aim</u>: Excellence and openness should be the most important guiding principles of the post-2020 framework programme for research and innovation. Simplified administrative and financial procedures, increased efficiency, transparency, accessibility and interdisciplinary research within the new programme framework should be promoted as set out in Iceland's preliminary position on the next EU Framework Programme for Research and Innovation (FP9).
- <u>EU initiative</u>: Post-2020 programme for education, youth and sport <u>Iceland's aim</u>: To participate actively in the formulation of a new programme framework with a view to promoting Iceland's priority areas.
- <u>EU initiative</u>: Post-2020 culture programme <u>Iceland's aim</u>: To participate actively in the formulation of a new programme framework with a view to promoting Iceland's priority areas.
- <u>EU initiative</u>: Better Regulation
 <u>Iceland's aim</u>: To follow potential proposals for legislative change through the REFIT programme and make use of new channels to give feedback to the Commission.
- <u>EU initiative</u>: Medicinal products for human use <u>Iceland's aim</u>: Ensure to make electronic or digital product information on medicine available for patients and health care.
- <u>EU initiative</u>: Posted workers <u>Iceland's aim</u>: To support work which has been undertaken to counter social dumping and letter box companies.
- <u>EU initiative</u>: European Labour Authority

<u>Iceland's aim</u>: To follow developments closely in collaboration with key interest groups given that the proposed new authority will encompass a range of bodies including EURES, in which Iceland currently participates in.

- <u>EU initiative</u>: Work Life Balance

<u>Iceland's aim</u>: To be actively involved in best-practice exchange among the EEA EFTA States and to ensure that the proposal which sets out a number of new or higher minimum standards for parental, paternity and carers' leave will not negatively impact any rights currently enjoyed in Iceland. Participate in the Advisory Committee on Equal Opportunities for Women and Men.

- <u>EU initiative</u>: Social Security coordination

<u>Iceland's aim</u>: Follow closely the developments of the proposal, which aims at adjustments to ensure that the rules are fair, simpler to apply and easier to enforce. Promote Iceland's interest within the Administrative Commission for the coordination of social security systems and in particular through the Nordic cooperation.

- <u>EU initiative</u>: European Accessibility Act

<u>Iceland's aim</u>: Welcomes and supports the initiative, which will set common accessibility requirements for certain key products and services that will help people with disabilities to participate fully in society, while emphasising that the financial and administrative burden should be kept to a minimum especially for Small and Medium Sized Enterprises (SMEs). Follow developments and coordinate work on the proposal in cooperation with relevant experts from other Working Groups under the EFTA structure.