

**2008 No. 121, 17 September**  
**Act on Iceland's International Development Cooperation.**

*Entered into force on 1 October 2008. Amended with Act No. 126/2008 that entered into force on 23 October 2008.*

■ Article 1. *General Provisions.*

□ The present Act lays down rules for Iceland's international development cooperation.

□ Iceland's international development cooperation shall be based on the Charter of the United Nations and other international conventions on development cooperation that the Icelandic Government has undertaken to comply with.

□ The main objectives of Iceland's international development cooperation are to support the efforts made by Governments in developing countries to eradicate poverty and hunger and to promote economic and social development, including human rights, education, improved health, gender equality, sustainable development and the sustainable use of resources. These objectives also extend to ensuring security at the international level, e.g. by promoting and preserving peace, peacebuilding and peacekeeping, and by providing humanitarian aid and emergency relief where needed.

■ Article 2. *Supreme Authority for Iceland's International Development Cooperation.*

□ Supreme authority for Iceland's international development cooperation is vested in the Minister for Foreign Affairs.

□ International development cooperation is funded by the State Treasury through the Althingi's annual budget appropriations.

□ [The Althingi elects seven representatives and seven substitutes to the Development Cooperation Committee for a four-year term]. The role of the Development Cooperation Committee is to ensure the involvement of the representatives of the parliamentary parties in policy debate and the Minister's decisions on long-term international development cooperation, *cf.* Articles 3 and 4.

■ Article 3. *Programme on International Development Cooperation.*

□ Every two years the Minister shall submit a proposal for a parliamentary resolution concerning the Icelandic Government's Programme on International Development Cooperation for a four-year period.

□ The Programme shall cover all contributions to international development cooperation and how they are divided between Iceland's long- and short-term policy objectives. Furthermore, the Programme shall include a comprehensive

overview of how the Minister intends to achieve its goals.

□ The Programme shall, *inter alia*, specify the percentage of the Gross National Income that is planned to be allocated to Official Development Assistance (ODA).

□ A draft proposal for a parliamentary resolution, *cf.* paragraph 1, shall be submitted to the Development Cooperation Committee and the Committee's deposition shall be attached to the proposal when presented to the Althingi.

■ Article 4. *Council on International Development Cooperation.*

□ The Minister appoints 17 members to a Council on International Development Cooperation for four-year periods and an equal number of substitutes. The Chairperson of the Council is appointed without nomination. The representatives on the Development Cooperation Committee shall serve as members of the Council and a further nine members shall be appointed as follows:

a. five in consultation with the partnership group of Icelandic non-governmental organisations involved in international humanitarian aid and development cooperation,

b. two in consultation with the cooperation committee for university level education,

c. two in consultation with the social partners.

□ The Council shall act in an advisory capacity in matters of policy making, for example as regards the Programme on International Development Cooperation, *cf.* Article 3, allocations to development cooperation and how they should be divided between multilateral and bilateral cooperation, and as regards prioritisation in development cooperation, including Iceland's participation in the work of multilateral organisations and the choice of partner countries.

□ The Council shall meet at least twice a year.

□ The Minister may lay down, in the framework of a regulation, more detailed provisions as regards the role assigned to the Council.

■ Article 5. *Multilateral Development Cooperation.*

□ The Ministry for Foreign Affairs is responsible for Iceland's multilateral development cooperation, in cooperation with international organisations and national and international non-governmental organisations, as appropriate, pursuant to the Government's Programme on International Development Cooperation, *cf.* Article 3.

■ Article 6. *The Icelandic International Development Agency.*

□ The Icelandic International Development Agency, ICEIDA, is a separate agency under the authority of the Ministry for Foreign Affairs.

□ ICEIDA is responsible for Iceland's bilateral development cooperation as mandated by the Minister in accordance with the Government's Programme on International Development Cooperation, *cf.* Article 3, and as further determined by the Ministry for Foreign Affairs.

□ The Minister may determine that ICEIDA's country offices shall be operated as embassies and may temporarily appoint ICEIDA Country Directors as *chargé d'affaires ad interim*, in addition to their duties as Country Directors, pursuant to Act No. 39/1971 on the Icelandic Foreign Service and subject to direct orders from the Ministry for Foreign Affairs and the Ambassador concerned, as applicable, in respect of regular Foreign Service assignments .

□ The Minister appoints the Director General of ICEIDA and lays down his/her terms of reference. The Director General shall hold a university degree and possess knowledge relevant to the field of operation of the Agency. He/she shall participate in the functions of the Ministry for Foreign Affairs concerning international development cooperation, as determined by the Minister. The Director General is responsible for the daily operations and running of the Agency. He/she employs the Agency's personnel.

□ The Minister lays down in regulation further rules regarding the role of ICEIDA and its relation to the Ministry for Foreign Affairs, as well as the role of ICEIDA country offices in development cooperation, foreign relations and the protection of Icelandic national interests.

■ **Article 7. *Government Employees Involved in International Development Cooperation.***

□ ICEIDA is authorised to employ personnel on a temporary basis to work on specific development cooperation projects abroad, for periods not exceeding five years at a time. ICEIDA may terminate any such employment contract with a notice of three months should the project be terminated or halted earlier than anticipated, or if the employee is unable to carry out his/her work due to circumstances in the host country.

□ The Ministry for Foreign Affairs is authorised, in consultation with ICEIDA, to employ ICEIDA personnel temporarily for periods not exceeding five years at a time. During his/her period of service, the employee is regarded as an employee of the Ministry on unpaid leave of absence from ICEIDA. In case of such employment, the provisions of Article 7 of Act No. 70/1996 may be derogated from. Equally, an official or an employee of the Ministry may be employed by ICEIDA.

□ Government employees posted abroad and engaged in development cooperation shall in the course of their duties honour all rules of international law that Iceland has committed to and entail legal obligations. They shall maintain confidentiality in regard to matters brought to their knowledge in the course of their work that must be kept confidential pursuant to agreements, laws and instructions given by their senior officers or according to the nature of the case. The obligation of confidentiality shall remain in force after the employment ceases. They are not permitted to participate in any political activities or protests in the country where they are posted.

■ **Article 8. *Implementation, Monitoring and Evaluation.***

The implementation of development cooperation shall follow best practice procedures, rules and guidelines of the international community, such as of the Development Assistance Committee (DAC) of the OECD, and the requirements set by the Icelandic National Audit Office regarding the treatment and custody of funds in the field of development cooperation. The implementation of the Programme on International Development Cooperation, *cf.* Article 3, shall be subject to regular monitoring and evaluations by external entities.

■ **Article 9. *Reports by the Minister for Foreign Affairs and Disclosure to the Althingi.***

□ Every other year, in conjunction with the proposal for a parliamentary resolution pursuant to Article 3, the Minister shall report on the implementation of the Programme on International Development Cooperation to the Althingi.

□ In addition to the provision in paragraph 1, the Minister shall report regularly to the Foreign Affairs Committee and the General Budget Committee on international development cooperation.

■ **Article 10. *Entry Into Force and Conflict of Laws.***

The present Act enters into force immediately.

□ . . .

**Transitional Provision.**

■ **I.** Those employees of ICEIDA, who are already working abroad, shall have the right to retain their current employee benefits pursuant to Article 7 of Act No. 43/1981, until the end of their term abroad, pursuant to their current contract of employment.

■ **II.** Notwithstanding the provision on entry into force, the ICEIDA Board of Directors shall retain its mandate pursuant to Act No. 43 of 23 May 1981 until 1 November 2008.