EU/Iceland Agreement: supplementary rules in relation to the instrument for financial support for external borders and visa

2017/0088(NLE) - 06/06/2017 - Legislative proposal

PURPOSE: to conclude, on behalf of the European Union, the Agreement between the European Union and Iceland on supplementary rules in relation to the instrument for financial support for external borders and visa, as part of the Internal Security Fund, for the period 2014 to 2020.

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: the Agreement between the European Union and Iceland on supplementary rules in relation to the instrument for financial support for external borders and visa, as part of the Internal Security Fund, for the period 2014 to 2020 was signed, subject to its conclusion at a later date.

Article 5(7) of Regulation (EU) No 515/2014 of the European Parliament and of the Council provides that the **countries associated with the implementation, application and development of the Schengen *acquis***, among which Iceland, participate in the instrument in accordance with its provisions and that arrangements should be concluded to specify financial contributions by those countries and supplementary rules necessary for such participation, including provisions ensuring the protection of the Union's financial interests and the power of audit of the Court of Auditors.

CONTENT: the draft Council decision seeks the approval on behalf of the Union of the **Agreement between the European Union and Iceland** laying down supplementary rules in relation to the instrument for financial support for external borders and visa, as part of the Internal Security Fund, for the period 2014 to 2020.

The aim of the draft Agreement with Iceland is to establish the arrangements referred to in Article 5(7) of Regulation (EU) No 515/2014 and to enable the Commission to assume ultimate responsibility for implementation of the budget of the instrument in this associated country and determine its contribution to the Union budget in respect of this instrument.

For the years **2016 to 2018**, **Iceland shall make annual payments of EUR 563 999 to the budget of the ISF – Borders and Visa**. The contributions of Iceland for the years 2019 and 2020 shall be calculated in accordance with its respective Gross Domestic Product (GDP) as a percentage of the GDP of all States participating in the ISF – Borders and Visa.

The proposed decision is a **development of the provisions of the Schengen *acquis***. The United Kingdom and Ireland shall not participate in the adoption of the Decision and shall not be bound by it or subject to its application.

Denmark shall not participate in the adoption of the Decision and shall not be bound by it or subject to its application. It shall decide within six months after the Council has adopted this proposal whether it will implement the proposed decision in its national law.