EU/Iceland Agreement: supplementary rules in relation to the instrument for financial support for border management and visa policy

2023/0231(NLE) - 05/06/2024 - Final act

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 border management and visa policy, as part of the Integrated Border Management Fund.

NON-LEGISLATIVE ACT: Council Decision (EU) 2024/1606 on the conclusion, on behalf of the Union, of the Agreement between the European Union and Iceland on supplementary rules in relation to the Instrument for Financial Support for Border Management and Visa Policy, as part of the Integrated Border Management Fund, for the period 2021 to 2027.

BACKGROUND: Regulation (EU) 2021/1148 of the European Parliament and of the Council establishing the Instrument for Financial Support for Border Management and Visa Policy for the period 2021-2027 (BMVI Regulation) was adopted on 7 July 2021.

The purpose of the BMVI Regulation is to express solidarity through financing assistance to those (Member) States that apply the Schengen acquis provisions on external borders. It constitutes a development of the Schengen acquis to which the countries associated to the implementation, application and further development of the Schengen acquis participate (‘Schengen associated countries’ or ‘associated countries’).

On 21 February 2022, the Council authorised the Commission to open negotiations with Iceland, Norway, Switzerland and Liechtenstein for the arrangements on the financial contributions of those countries and the supplementary rules necessary for their participation in the Instrument for Financial Support for Border Management and Visa Policy (BMVI Regulation) for the period 2021 to 2027, including provisions ensuring the protection of the Union's financial interests and the powers of audit of the Court of Auditors, to be concluded pursuant Regulation (EU) 2021/1148 of the European Parliament and of the Council.

The negotiations with Iceland were successfully concluded by the initialling of the Agreement on 14 February 2023.

CONTENT: under this Decision, the Agreement between the European Union and Iceland on supplementary rules in relation to the Instrument for Financial Support for Border Management and Visa Policy, as part of the Integrated Border Management Fund, for the period 2021 to 2027 is hereby approved on behalf of the Union.

The Agreement:

- offers the opportunity for implementation of actions in shared management, direct and indirect management modes, and this Agreement should make it possible that the implementation in any of these methods can be realised in Iceland in accordance with the principles and rules of the EU on financial management and control;

- ensures that all rules applicable for the management of national programmes should apply in Iceland in the same way as for Member States;

- ensures, as well, that the mid-term review of the BMVI takes into account the delayed participation of the Schengen associated countries;

- extends the horizontal obligations concerning budgetary and financial controls to Iceland;

- contains a provision on European Travel Information and Authorisation System (ETIAS);

- states that to facilitate the calculation and use of the annual contributions due by Iceland to the BMVI, its contributions for the period 2021-2027 should be paid in five annual instalments from 2023 to 2027. From 2023 to 2025 the annual contributions are set in fixed amounts while the contribution due for the years 2026 and 2027 should be determined in 2026 on the basis of the nominal gross domestic product of all States participating in the BMVI taking into account the payments effectively made.

ENTRY INTO FORCE: 29.4.2024.