



EUROPEAN PARLIAMENT

2009 - 2014

Plenary sitting

13.11.2012

B7-0000/2012

MOTION FOR A RESOLUTION

to wind up the debate on the statement by the Commission

pursuant to Rule 110(2) of the Rules of Procedure

on the 2012 Progress Report on Iceland
(2012/0000(RSP))

Cristian Dan Preda

on behalf of the Committee on Foreign Affairs

B7-0000/2012

**European Parliament resolution on the 2012 Progress Report on Iceland
(2012/0000(RSP))**

The European Parliament,

- having regard to the decision of the European Council of 17 June 2010 to open accession negotiations with Iceland,
 - having regard to the results of the Accession Conferences with Iceland,
 - having regard to the Communication from the Commission to the European Parliament and the Council entitled 'Enlargement Strategy and Main Challenges 2012-2013' and to the Iceland 2012 Progress Report adopted on 10 October 2012 (COM(2012)0600),
 - having regard to its previous resolutions on Iceland, and particularly to the 7 July 2010 resolution on Iceland's application for membership of the European Union, the 7 April 2011 resolution on the 2010 progress report on Iceland and the 14 March 2012 resolution on the 2011 progress report on Iceland,
 - having regard to the meetings of the EU-Iceland Joint Parliamentary Committee,
 - having regard to Rule 110(2) of its Rules of Procedure,
- A. whereas Iceland fulfils the Copenhagen criteria and accession negotiations with Iceland were opened on 27 July 2010 after approval by the Council;
- B. whereas 21 chapters have been opened for negotiations out of which 10 have been provisionally closed;
- C. whereas, as underlined by the renewed consensus on enlargement, each country's progress towards EU membership is a merit-based one;
- D. whereas Iceland is already cooperating closely with the EU as a member of the European Economic Area (EEA), the Schengen Agreements and the Dublin II Regulation, and has already adopted a significant part of the *acquis*;
- E. whereas Iceland contributes to European cohesion and solidarity through the Financial Mechanism under the European Economic Area (EEA) and cooperates with the EU in peacekeeping and crisis management operations;
- F. whereas the stated goal of EU authorities is to present a final negotiation package which will take into account Iceland's specificities and expectations, while fully safeguarding the principles and *acquis* of the Union;

General remarks

1. Recalls that the Copenhagen criteria and the Union's integration capacity provide the basis

for accession to the EU;

2. Welcomes the opening of a significant number of negotiation chapters, marking the good progress made in the accession process; encourages Iceland to continue to work to achieve the closing benchmarks for applicable chapters; considers it important to create the conditions to complete the negotiations when both sides are prepared and after a thorough examination of all the remaining chapters, in order to ensure that its accession will be a success;

Political criteria

3. Welcomes the prospect of having as a new EU Member State a country with a well-functioning democratic tradition, strong institutions and civil society;
4. Takes note of the results of the advisory referendum held on 20 October 2012 on the proposals by the Constitutional Council for a draft Constitutional Act, where the majority of the Icelandic population expressed the will to use the Council's work as the basis for a new draft constitution;
5. Commends Iceland for its good record in safeguarding human rights and ensuring a high level of cooperation with international mechanisms for the protection of human rights; notes with satisfaction the preparation of a National Action Plan for the Respect of Human Rights;
6. Considers that Iceland benefits from an efficient and independent judicial system and welcomes the progress made regarding anti-corruption policies and towards the implementation of the recommendations of the Special Investigation Committee; further welcomes the strengthening of the Financial Supervisory Authority;
7. Recalls its invitation to the Icelandic authorities to harmonise EU citizens' rights concerning their right to vote in local elections in Iceland;
8. Notes again its concern about the political division inside the government and inside the political parties regarding EU membership and expresses hopes for a constructive debate in the upcoming election campaign for the Parliament, foreseen for spring 2013;
9. Is pleased to note that a significant number of Icelanders are in favour of the continuation of the accession negotiations; welcomes the government's transparent and inclusive conduct of the negotiation process and its support for a debate about the accession to the EU, as well as the involvement of the Icelandic society in the public discussions about EU membership;

Economic criteria

10. Welcomes Iceland's close economic ties with the EU; stresses that the EU is Iceland's largest trading partner and principal purveyor of Foreign Direct Investment;
11. Commends Iceland for its generally satisfactory track record in implementing its EEA obligations; notes that the EFTA Surveillance Authority has initiated proceedings against

Iceland at the EFTA Court in a number of cases;

12. Is pleased to note the good economic progress achieved by Iceland since the economic and financial crisis; takes note of the pattern of real GDP growth and of the consolidation of the budgetary policy, that has supported a gradual lowering of the inflation rate; further notes the gradual decrease in the rate of unemployment;
13. Is concerned that the implementation of Iceland's strategy for lifting of capital controls has progressed slowly and with limited success and recalls that the lifting of capital controls is an important requirement for the country's accession to the EU; welcomes in this respect the establishment of an Ad Hoc Group on the Removal of Iceland's Capital Controls consisting of representatives of the Icelandic Government and the Commission with participation from the European Central Bank and International Monetary Fund and looks forward for the results of their work;

Capacity to adopt the obligations of membership

14. Notes that Iceland has a good general capacity to adopt the obligations of membership;
15. Welcomes the new law on renewable energy sources and Iceland's track record in this field; believes that Iceland can make a valuable contribution to EU policies due to its experience; it is also convinced that closer cooperation in this field can have a positive impact on investment and thus on the economic and employment situation in Iceland and the EU and therefore encourages initiatives such as that of studying the possibility of linking the Icelandic power system with that of mainland Europe through a submarine cable;
16. Recalls that the Icesave dispute remains unresolved at this stage and that the ESA case against Iceland for breaching the EEA agreement is before the EFTA Court; welcomes, however, the three partial payments made by the resolution Committee of Landsbanki Islands hf to priority creditors in the winding-up of Landsbanki Íslands hf; takes note of the intervention of the Commission before the EFTA Court; stresses that the Icesave issue must be resolved outside the accession negotiations and must not be an obstacle in the way of Iceland's accession process;
17. Notes that some shortfalls remain in areas such as financial services, food safety and the free movement of capital; stresses the need to reduce barriers to market entry in some sectors of the economy;
18. Welcomes the preparations by the Icelandic authorities in the field of Agriculture and Rural Policy with the formulation of a strategy in order to ensure full compliance with the acquis under Chapter 11 (Agriculture and Rural Development) by the date of accession, taking into account the specific circumstance for agriculture in Iceland, by which they have fulfilled the opening benchmark for this chapter;
19. Taking account of the fact that both the Common Fisheries Policy and the Icelandic fisheries policy are currently being revised, calls on Iceland and the EU to approach this chapter of the negotiations in a constructive way with a view to reaching a mutually satisfactory solution for the sustainable management and exploitation of fisheries

resources and the prevention of unsustainable fishing practices within the then applicable acquis;

20. Warmly welcomes the provisional closure of Chapter 31 (Foreign, Security and Defence Policy) as an important symbolic moment in Iceland's accession to the EU process as it marks that the provisions in the Treaty on the European Union governing the Common Security and Defence Policy do not prejudice the specific character of the security and defence policy of Iceland as a country without armed forces; welcomes Iceland's continued support for civilian CSDP operations and its alignment with most declarations and decisions in the area of CFSP;

◦
◦ ◦

21. Instructs its President to forward this resolution to the Council, the Commission, the Vice-President of the Commission/High Representative of the Union for Foreign Affairs and Security Policy, the governments and parliaments of the Member States, the President of the Althingi and the Government of Iceland.