

**JOINT DECLARATION BY THE CONTRACTING PARTIES  
TO THE AGREEMENT BETWEEN THE GOVERNMENT OF ICELAND,  
OF THE ONE PART, AND THE GOVERNMENT OF DENMARK AND THE  
HOME GOVERNMENT OF THE FAROE ISLANDS, OF THE OTHER PART**

**In respect of goods covered, as regards Iceland, by Annex I to the Agreement on  
the European Economic Area**

Article 6(1) of the Agreement shall be interpreted so as to *inter alia* bestow upon the Contracting Parties a mutual obligation to grant the same rights as laid down in the Protocol on Veterinary Matters supplementary to the Agreement between the European Community, on the one part, and the Government of Denmark and the Home Government of the Faroe Islands, on the other part, of 8 December 1999, and Decision No 1/2001 of the EC-Faroe Islands Joint Committee of 31 January 2001 laying down the provisions to implement the Protocol on Veterinary Matters.

**In respect of transfers**

Each Contracting Party undertakes to create and maintain favourable conditions for investors of the other Contracting Party and to guarantee the free transfer of funds between the Contracting Parties in connection with investment and trade in goods and services.

**In respect of Nordic conventions**

The Contracting Parties agree that any rights and obligations accorded to them under conventions or agreements between the Nordic countries shall be regarded as minimum rights and obligations and no provisions in the Agreement shall diminish or reduce those rights and obligations.

**In respect of voting rights**

Bearing in mind the requirements of the Icelandic Constitution regarding the right to stand for election and cast a vote in elections to Alþingi, each Contracting Party shall undertake to explore the possibility of according natural persons of the other Contracting Party such right regarding the parliamentary elections to Alþingi in Iceland and Løgtingið in the Faroe Islands, with similar conditions as stated in Article 5 (2) C, iv of the Agreement.

### **In respect of the management of living marine resources**

It is not the purpose of the Agreement to restrict in any way the management or exploitation by the Contracting Parties of their respective living marine resources. The Contracting Parties undertake to actively explore the possibility of enhanced co-operation on their respective regimes regarding management and exploitation of living marine resources according to Article 7 of the Agreement.

Without prejudice to the need for effective management of their fisheries resources, both Contracting Parties agree to identify ways to facilitate fish processing and trade in fish between the the Faroe Islands and Iceland, with a view to removing any nuisances without delay.

Icelandic authorities will address this by finding a solution in the near future to the 10% surcharge of quota, when vessels fishing in Icelandic waters land their catch in the Faroe Islands. Faroese authorities will address this by finding a solution in the near future to the 30% surcharge of days-at-sea, when Faroese vessels fishing in Faroese waters have landed more than 25% of their catch outside the Faroe Islands and land their catch in Iceland.

No new provisions that diminish the possibility of enhanced trade in fish and fish processing between the the Faroe Islands and Iceland will be imposed after the date of signature of the Agreement.

### **In respect of Rules of Origin**

Given the anticipated participation of the Faroe Islands in the Pan-Euro-Mediterranean System on Rules of Origin, the Contracting Parties have agreed to temporarily extend the application of the Rules of Origin laid down in Protocol 3 to the Agreement between the Government of Denmark and the Home Government of the Faroe Islands, of the one part, and the Government of Iceland, of the other part, on Free Trade between the Faroe Islands and Iceland, signed on 6 August 1992. Protocol 2 to the present Agreement shall be duly amended when the participation of the Faroe Islands in the Pan-Euro-Mediterranean System on Rules of Origin becomes effective.

Hoyvík, 31 August 2005.

For the Government of Denmark  
and the Home Government of  
the Faroe Islands

For the Government of Iceland