

Secretary to the Aarhus Convention Compliance Committee
United Nations Economic Commission for Europe
Environment Division
Palais des Nations
CH-1211 Geneva 10, Switzerland

Sent by courier and a copy by e-mail to: aarhus.compliance@unece.org

Communication to the Aarhus Convention Compliance Committee

I. INFORMATION ON CORRESPONDENT SUBMITTING THE COMMUNICATION

Names and addresses:

Eldvötn-samtök um náttúruvernd í Skaftárhreppi, Hörgsland, 881 Kirkjubæjarklaustur, Iceland.

Fjöregg, félag um náttúruvernd og heilbrigt umhverfi í Mývatnssveit, Postbox 4079, 660 Mývatn, Iceland.

Fuglaverndarfélag Ísland / BirdLife Iceland Hverfisgata 105, 101 Reykjavík, Iceland.

Landvernd (Icelandic Environmental Association). Þórunnartún 6, 105 Reykjavík, Iceland.

Náttúruverndarsamtök Austurlands, Post box 43, 700 Egilsstaðir, Iceland. Náttúruverndarsamtök Íslands, Hringbraut 121, 101 Reykjavik, Iceland.

Náttúruverndarsamtök Suðvesturlands Austurgata 29b, 220 Hafnarfjörður, Iceland.

Ungir umhverfissinnar, Pósthússtræti 3-5, 101 Reykjavik, Iceland.

Represented by:

Magnús Óskarsson, attorney-at-law.

Skólavörðustígur 12,

101 Reykjavík,

Iceland.

mo@logmal.is +354 511 2000

II. STATE CONCERNED

Iceland.

III. FACTS OF THE COMMUNICATION

This complaint relates to Icelandic legislation in the field of intensive fish farming. More specifically the case is about intensive farming of salmon in two fjords in an area of Iceland called The Westfjords (Vestfirðir) which is a large peninsula in north-western Iceland. The fjords are Patreksfjörður and Tálknafjörður.

The complainants, Landvernd and Náttúruverndarsamtök Íslands, are leading nature conservation and environmental nongovernmental organizations (NGOs) in Iceland. The complainants work on environmental issues in all of Iceland and the surrounding ocean. The complainant Ungir umhverfisverndarsinnar is an environmental nongovernmental organization that works on environmental issues in all of Iceland and the surrounding ocean that aims to be an environmental forum for young people.

The complainants Náttúruverndarsamtök Suðvesturlands, Náttúruverndarsamtök Austurlands, Fjöregg and Eldvötn are local environmental NGOs in southwest Iceland, eastern Iceland, in the Mývatn area in northern Iceland and in the Skaftárhreppur area in southern Iceland, respectively. The complainant Fuglaverndarfélag Íslands (BirdLife Iceland) is an NGO aimed at protecting and conserving Iceland's birds and their habitat.



In September and October 2018, The Icelandic Complains Committee for cases regarding environmental matters and natural resources (úrskurðarnefnd umhverfis- og auðlindamála) (hereinafter referred to as "the Complains Committee") issued five decisions in cases regarding intensive salmon farming in two fjords in Iceland. In the Westfjords region of Iceland, Patreksfjörður and Tálknafjörður:

Decisions in cases 3/2018 and 5/2018 on 27 September 2018

These cases were brought on by environmental organizations, fishing associations for specific rivers in Iceland, fishing rights holders in specific rivers in Iceland and part owners of fishing rivers in Iceland. In case 3/2018 they demanded that a decision by The Icelandic Food and Veterinary Authority to grant an operating licence (rekstrarleyfi) to a limited liability company called Arctic Sea Farm hf. for a 6,800 tons yearly manufacturing of salmon in open cages in Patreksfjörður and Tálknafjörður, be declared invalid. In case 5/2018 they demanded that a decision by the Icelandic Food and Veterinary Authority to grant an operating licence (rekstrarleyfi) to a limited liability company called Fjarðalax ehf. for a 10,700 tons yearly manufacturing of salmon in open cages in Patreksfjörður and Tálknafjörður, be declared invalid. In other aspects the cases are identical.

On 30 September 2015, the two salmon farming companies, Arctic Sea Farm hf. and Fjarðalax ehf., submitted an initial environmental impact statement for salmon farming of up to 19,000 tons of salmon and rainbow trout in Patreksfjörður and Tálknafjörður according to the Icelandic Act on assessment of the effects on the environment, number 106/2000. This initial environmental impact statement was advertised in various media. On 9 May 2016, Arctic Sea Farm hf. and Fjarðalax ehf., submitted a so-called evaluation report for manufacturing of 17,500 tons of salmon in Patreksfjörður and Tálknafjörður. The Icelandic National Planning issued its opinion on the report on 23 September 2016 where it said that it considered the report complies with the requirements of the Icelandic Act on assessment of the effects on the environment and a secondary legislation. The Icelandic Food and Veterinary Authority issued operating licenses to the two salmon farming companies on 22 December 2017.

The applicants appealed with letters dated 16 January 2017 and received on 17 and 19 January 2017. The main dispute in the cases was whether the existing environmental impact assessment, was insufficient since reasonable alternatives had not been studied, e.g. the use of infertile fish, fish farming on land, fish farming in closed cages or fish farming on a smaller scale. The committee found that the salmon farming companies choose to only assess one option and that was not in accordance with section 2 of Article 9 of the Icelandic Act on assessment of the effects on the environment, number 106/2000. The committee found that it was not impossible that other alternatives could be reasonable and because it had not been shown that no other alternative was possible the environmental assessment was considered flawed in such a way that the operating licenses issued should be declared invalid.

Decisions in cases 4/2018 and 6/2018 on 4 October 2018

On 4 October 2018 the committee issued decisions in two more cases regarding the same proposed salmon farming operations. These decisions were almost identical to decisions from



27 September 2018 except this time a different operating licenses were declared invalid, i.e. operating licenses issued by the Environment Agency of Iceland but such licenses were also necessary to operate the proposed salmon farms in Patreksfjörður and Tálkanfjörður. The licenses were declared invalid for the same reason as before, i.e. that the other reasonable alternatives had not been explored.

Decision in cases 3, 4, 5, 6 and 12 on 5 October 2018

In these cases, the salmon farming companies demanded that the committee suspended the effects of its previous decisions to declare the operating licenses invalid. The committee refused the demand on the grounds that it did not have powers to suspend the effects of its decisions.

New legislation

During an extraordinary meeting on 8 October 2018 the government of Iceland decided to put forward a proposal for new legislation to the Icelandic parliament, Alþingi, amending the Act on fish framing. It was a response to the situation deriving from the annulment of the four licenses discussed above.

At noon, on 9 October 2018, the Minister for Fisheries and Agriculture submitted the proposal to Alþingi. The proposal was called: "Change of law on fish farming, number 71/2008 (temporary operating license). Before the end of that day, Alþingi had passed the proposal into law. On 10 October 2018 the Act was published in the national Gazette (Lögbirtingablaðið) and it entered into force on the next day, 11 October 2018. The procedure adopting the act was extraordinary because all three constitutionally required discussions of the proposal, took place in a single day and the parliamentary committee on the environment and communications was not allowed to discuss the proposal. Instead the members of that committee were allowed to attend a meeting of another committee, the committee on industrial affairs. That committee did now allow any comments, visits or submissions from the public or independent experts. Therefore, the legislator, did not hear any representatives from the general public or NGOs. Neither did it hear the claimants in the Complains Committee cases.

The complainants do not know of a similarly rushed legislative procedure in Iceland in a case concerning the environment, at least not since Iceland ratified the Aarhus Convention seven years ago.

The final wording of the legislation was as follows in my translation:

Article 1

A new paragraph is added to Article 21 C of the Act, which reads as follows: If an operating license has been declared invalid, the minister may, because of flaws in the issuance of a license, after receiving the opinion of The Food and Veterinary Authority, and if there are sufficient grounds, issue temporary operating license for up to ten months if an application for that is filed by the holder of a license which has been declared invalid within three weeks from when the license was

declared invalid. An application for a temporary operating license shall be processed as soon as possible and no later than four weeks after the application is received. An application shall clearly state the purpose of a temporary operating license, the reasons for it and the proposed actions during the period of validity of the temporary license. Notwithstanding the provisions of paragraph 1, The Food and Veterinary Authority shall not suspend the operation of fish farms until it is clear whether temporary license applications will be filed. If such an application for a temporary operating license is received, the operation shall not be suspended while the application is being processed by the minister. Temporary operating licenses shall be substantively within the limits of the previously valid license. A decision to grant a temporary operating license may be based on information obtained during the preparation of the operating license that has been declared invalid. In addition, the Minister may impose conditions for a temporary operating licenses that are necessary for the aim of the license to be achieved, such as the reduction of existing operations, time limits for rectification or time limits for litigation or other court actions that are in the power of the parties. Temporary operating licenses under this paragraph may be reissued once. Temporary operating license pursuant to this paragraph are final decisions at the executive level.

Article 2

This Act shall enter into force immediately and shall also apply to operating licenses that were declared invalid before the Act enters into force.

In a statement accompanying the legislative bill it is stated that the proposed legislation is intended to rectify in a general manner some flaws in the act on fish farming. It said that this flaw is shown by the fact that, in accordance with the legislation, the only resource of The Food and Veterinary Authority in cases where the operating license of a fish farm is terminated is to stop its operation. Thus, the government has no means to prevent possible irreversible and unnecessary waste of value or to maintain proportionality, the statement says.

The statement also mentioned the decisions of The Icelandic Complains Committee for cases regarding environmental matters and natural resources (úrskurðarnefnd umhverfis- og auðlindamála) in cases number 3/2018 and 5/2018 from 27 September 2018. By that it was made obvious that the bill was, in effect, proposed and passed solely to invalidate those decisions.

Furthermore, the statement accompanying the legislative bill states that the legislation will not violate the provision of the Aarhus Convention without much explanation. The complainants disagree with that statement.

During parliamentary discussions of the bill one member of parliament, Ms. Þorgerður Katrín Gunnarsdóttir, referred to a reply from one of Iceland's leading experts on the Aarhus Convention, assistant professor Kristín Haraldsdóttir, who had earlier that day expressed doubts as to the compatibility of the bill with the Aarhus Convention, when inquired during the meeting of the Industrial Affairs Committee.



On 5 November 2018, the Icelandic Minister of Fisheries and Agriculture issued temporary operating licenses to Fjarðalax hf. and Arctic Sea Farm hf. according to the new Article 21 C. With letters dated 10 October 2018 the lawyer of the two companies requested that the minister issued temporary operating licenses to the companies with reference to the decisions from 27 September 2018 where the operating licenses were declared invalid. The ministry got documents from The Icelandic Food and Veterinary Authority and further information from the companies. The ministry also got the opinion of The Icelandic Regional Development Institute, The Icelandic Food and Veterinary Authority, The Icelandic National Planning Agency, the applicants in the aforementioned decisions, The Environment Agency of Iceland and a veterinarian.

IV. PROVISIONS OF THE CONVENTION ALLEGED TO BE IN NON-COMPLIANCE

The complainants believe that the new article added to the Icelandic Act on Fish farming number 71/2008 (Article 21 C) violates Iceland's commitments under the Aarhus Convention on Access to Information, Public Participation in Decision-Making and Access to Justice in Environmental Matters (hereinafter referred to as "the Aarhus Convention"). Namely, Articles 6, 8 and 9.

V. NATURE OF ALLEGED NON-COMPLIANCE

1. Scope of the Aarhus Convention

The complainants believe that temporary operating licenses for intensive fish farming falls within the scope of the Aarhus Convention. Article 20 of Annex I states that "[a]ny activity not covered by paragraphs 1-19 above where public participation is provided for under an environmental impact assessment procedure in accordance with national legislation" falls within its scope.

Article 4(2) of Directive 2011/92/EU states that member states shall determine whether intensive fish farming is subject to environmental assessment procedure, cf. Article 1(f) of Annex II. The Directive has been implemented into Icelandic law no 106/2000. The Icelandic government had determined that operating license for the intensive fish farming in Patreksfjörður and Tálknafjörður were subject to environmental assessment procedure and therefore the Aarhus Convention is applicable to the temporary operating licenses.

2. Consultation and public participation

The Aarhus Convention has provisions on consultation with authorities and participation of the public. That is a part of the environmental assessment process. In Article 6 of the Convention it is, inter alia, stated:

"2. The public concerned shall be informed, either by public notice or individually as appropriate, early in an environmental decision-making procedure, and in an adequate, timely

and effective manner, inter alia, of: (a) The proposed activity and the application on which a decision will be taken; (b) The nature of possible decisions or the draft decision; (c) The public authority responsible for making the decision; (d) The envisaged procedure, including, as and when this information can be provided: (i) The commencement of the procedure; (ii) The opportunities for the public to participate; (iii) The time and venue of any envisaged public hearing; (iv) An indication of the public authority from which relevant information can be obtained and where the relevant information has been deposited for examination by the public; (v) An indication of the relevant public authority or any other official body to which comments or questions can be submitted and of the time schedule for transmittal of comments or questions; and (vi) An indication of what environmental information relevant to the proposed activity is available; and (e) The fact that the activity is subject to a national or transboundary environmental impact assessment procedure.

[...]

- 7. Procedures for public participation shall allow the public to submit, in writing or, as appropriate, at a public hearing or inquiry with the applicant, any comments, information, analyses or opinions that it considers relevant to the proposed activity.
- 8. Each Party shall ensure that in the decision due account is taken of the outcome of the public participation."

An important part of the public's right to participation is the right to be given early and effective opportunities to participate in the environmental decision making procedures and to be entitled to express comments and opinions when all options are open.

The two aforementioned provisions of Icelandic law which give a minister authority to issue a temporary operating license and a temporary exception from the requirement to get an operating license from The Environment Agency violate these obligations of Iceland by circumventing them or skipping them altogether from the licensing process and by no means do these two provisions of Icelandic law prescribe that the results of consultations and the information gathered pursuant to Articles 6 of the Convention will be taken into account in the development consent procedure.

3. Public participation during the preparation of regulation

Furthermore, the complainants believe that the Parliamentary Proceedings of the bill violates Article 8 of the Convention which reads:

"Each Party shall strive to promote effective public participation at an appropriate stage, and while options are still open, during the preparation by public authorities of executive regulations and other generally applicable legally binding rules that may have a significant effect on the environment. To this end, the following steps should be taken: (a) Time-frames sufficient for effective participation should be fixed; (b) Draft rules should be published or otherwise made publicly available; and (c) The public should be given the opportunity to comment, directly or through representative consultative bodies. The result of the public participation shall be taken into account as far as possible."



Like stated above, the bill was passed by Althingi the day after the Minister of Fisheries and Agriculture presented the bill. The law was clearly aimed at overturning the Complains Committee's decision and thus grant the companies temporary operating licensees. The bill was not presented to the public before it was accepted by Althingi and the public had no opportunity to comment on the bill due to the extremely hasty procedure of Althingi when it accepted the bill. The bill contains generally applicable legally binding rules and therefore falls under the scope of Article 8 of the Convention.

4. Access to a review procedure

Article 9 of the Aarhus Convention lays down a rule whereby states are required to grant certain non-governmental organizations meeting the requirements referred to in Article 2(5) of the Convention access to a review procedure before a court of law or another independent and impartial body established by law to challenge the substantive or procedural legality of decisions, acts or omissions subject to the public participation provisions of the directive.

For the purpose of fulfilling these international commitments Iceland established The Icelandic Complains Committee for cases regarding environmental matters and natural resources (úrskurðarnefnd umhverfis- og auðlindamála) with act number 130/2001.

The new Article 21 C in the Icelandic on fish farming number 71/2008 completely omits this right by stating, *in fine*: "Temporary operating license pursuant to this paragraph are final decisions at the executive level."

Act No 130/2011 contains access to review procedure for interested parties, among other NGOs who fulfill minimum requirements. But since the decision to grant a temporary operating license is a final decision at the executive level a review procedure before the Complains Committee is impossible. Icelandic courts have interpreted standing for environmental NGOs extremely strictly in the past. Therefore, organizations like the complainants have no access to an independent and impartial body for review in cases where a temporary operating license is issued under Article 21 C of the Icelandic Act number 71/2008.

VI. USE OF DOMESTIC REMEDIES

Domestic remedies are not available.

VII. USE OF OTHER INTERNATIONAL PROCEDURES

The complainant, Landvernd, has also made a complaint to the EFTA Surveillance Authority (ESA) regarding breach of the EEA agreement, namely Directive 2011/92/EU.



VIII. CONFIDENTIALITY

The complainants do not request for any information included in this complaint to be kept confidential.

IX. SUPPORTING DOCUMENTATION

- 1. Power of Attorney from Eldvötn-samtök um náttúruvernd í Skaftárhreppi.
- 2. Power of Attorney from Fjöregg.
- 3. Power of Attorney from Fuglaverndarfélag Íslands.
- 4. Power of Attorney from Landvernd.
- 5. Power of Attorney from Náttúruverndarsamtök Austurlands.
- 6. Power of Attorney from Náttúruverndarsamtök Íslands.
- 7. Power of Attorney from Náttúruverndarsamtök Suðvesturlands.
- 8. Power of Attorney from Ungir umhverfissinnar.

X. SIGNATURE

Reykjavík, 25 February 2019.

Magnús Óskarsson, Attorney-at-Law.

I, undersigned, on behalf of;

Full name of organization: Eldvötn-samtök um náttúruvernd í Skaftárhreppi. Hörgsland, 881 Kirkjubæjarklaustur, Iceland.

Registration number: 571210-1340.

hereby grant Mr. Magnús Óskarsson, attorney-at-law, and other lawyers at the law firm Lögmál ehf., Skólavörðustígur 12, 101 Reykjavík (the agents) full power of attorney to represent the organization before the Aarhus Convention Compliance Committee in any types of cases. The agents are, *inter alia*, authorized to submit communications and complaints, e.g. in a case relating to a recent legislation relating to fish farming in Iceland.

This power of attorney is valid from 8 January 2019 and until it is revoked.

This power of attorney is governed by Icelandic law and is subject to the exclusive jurisdiction of the Icelandic courts.

Name: Ingibjörg Eiríksdóttir

Title: President

Place: Hveragerði

I, undersigned, on behalf of;

Full name of organization: FJÖREGG, félag um náttúruvernd og hellbrigt umhverfi í

Mývatnssveit

Address:

Postbox 4079, 660 Mývatn, Iceland.

Registration number:

690414-1040

hereby grant Mr. Magnús Óskarsson, attorney-at-law, and other lawyers at the law firm Lögmál ehf., Skólavörðustígur 12, 101 Reykjavík (the agents) full power of attorney to represent the organization before the Aarhus Convention Compliance Committee in any types of cases. The agents are, inter alia, authorized to submit communications and complaints, e.g. in a case relating to a recent legislation relating to fish farming in Iceland.

This power of attorney is valid from 8 January 2019 and until it is revoked,

This power of attorney is governed by Icelandic law and is subject to the exclusive jurisdiction of the Icelandic courts.

Ola fur Brosfur Stefansson
Name: [Printed here but signature above].
Title: [General Manager]. Formadur Tjöregys
Place: [Reykjavik]. Myvafussvaf

I, undersigned, on behalf of;

Full name of organization:

Fuglaverndarfélag Íslands / BirdLife Iceland.

Address:

Hverfisgötu 105,101 Iceland.

Registration number:

500770-0159.

hereby grant Mr. Magnús Óskarsson, attorney-at-law, and other lawyers at the law firm Lögmál ehf., Skólavörðustígur 12, 101 Reykjavík (the agents) full power of attorney to represent the organization before the Aarhus Convention Compliance Committee in any types of cases. The agents are, *inter alia*, authorized to submit communications and complaints, e.g. in a case relating to a recent legislation relating to fish farming in Iceland.

This power of attorney is valid from 8 January 2019 and until it is revoked.

This power of attorney is governed by Icelandic law and is subject to the exclusive jurisdiction of the Icelandic courts.

Name: Hólmfríður Arnardóttir.

Title: General Manager.

Place: Reykjavik.

I, undersigned, on behalf of;

Full name of organization:

Landvernd (Icelandic Environmental Association)

Address:

Þórunnarlún 6, 105 Reykjavík, iceland

Registration number:

640971-0459

hereby grant Mr. Magnús Óskarsson, attorney-at-law, and other lawyers at the law firm Lögmál ehf., Skólavörðustígur 12, 101 Reykjavík (the agents) full power of attorney to represent the organization before the Aarhus Convention Compliance Committee in any types of cases. The agents are, *inter alia*, authorized to submit communications and complaints, e.g. in a case relating to a recent legislation relating to fish farming in Iceland.

This power of attorney is valid from 8 January 2019 and until it is revoked.

This power of attorney is governed by Icelandic law and Is subject to the exclusive jurisdiction of the Icelandic courts.

Name: Auður Önnu Maghúsdóttir.

Place: Reykjavík.

Date: 8 January 2019.

Title: General Manager,

I, undersigned, on behalf of;

Full name of organization: Address:

Náttúruverndarsamtök Austurlands Post box 43, 700 Egilsstaðir, Iceland.

Registration number:

700678-0599

hereby grant Mr. Magnús Óskarsson, attorney-at-law, and other lawyers at the law firm Lögmál ehf., Skólavörðustígur 12, 101 Reykjavík (the agents) full power of attorney to represent the organization before the Aarhus Convention Compliance Committee in any types of cases. The agents are, *inter alia*, authorized to submit communications and complaints, e.g. in a case relating to a recent legislation relating to fish farming in Iceland.

This power of attorney is valid from 8 January 2019 and until it is revoked.

This power of attorney is governed by Icelandic law and is subject to the exclusive jurisdiction of the Icelandic courts.

Name: Þórveig Jónannsdóttir.

Title: Chairman.

Place: Reykjavik.

I, undersigned, on behalf of;

Full name of organization: Náttúruverndarsamtök Íslands

Address: Þórunnartún, 105 Reykjavik, Iceland.

Registration number: 460697-2049

hereby grant Mr. Magnús Óskarsson, attorney-at-law, and other lawyers at the law firm Lögmál ehf., Skólavörðustígur 12, 101 Reykjavík (the agents) full power of attorney to represent the organization before the Aarhus Convention Compliance Committee in any types of cases. The agents are, *inter alia*, authorized to submit communications and complaints, e.g. in a case relating to a recent legislation relating to fish farming in Iceland.

This power of attorney is valid from 8 January 2019 and until it is revoked.

This power of attorney is governed by Icelandic law and is subject to the exclusive jurisdiction of the Icelandic courts.

Name: Árni Finnsson.

Title: Chairman.

Place: Reykjavik.

I, undersigned, on behalf of;

Full name of organization:

Náttúruverndarsamtök Suðvesturlands,

Austurgata 29b, 220 Hafnarfjörður, Iceland.

Address: Austurgata 29 Registration number: 501111-1630.

hereby grant Mr. Magnús Óskarsson, attorney-at-law, and other lawyers at the law firm Lögmál ehf., Skólavörðustigur 12, 101 Reykjavík (the agents) full power of attorney to represent the organization before the Aarhus Convention Compliance Committee in any types of cases. The agents are, inter alia, authorized to submit communications and complaints, e.g. in a case relating to a recent legislation relating to fish farming in Iceland.

This power of attorney is valid from 8 January 2019 and until it is revoked.

This power of attorney is governed by Icelandic law and is subject to the exclusive jurisdiction of the Icelandic courts.

Name. Helena Mjöll Jóhannsdóttir.

Title: Chairman.

Place: Reykjavik.

I, undersigned, on behalf of;

Full name of organization:

Ungir umhverfissinnar

Address:

Pósthússtræti 3-5, 101 Reykjavík, Iceland.

Registration number:

510413-0240.

hereby grant Mr. Magnús Óskarsson, attorney-at-law, and other lawyers at the law firm Lögmál ehf., Skólavörðustígur 12, 101 Reykjavík (the agents) full power of attorney to represent the organization before the Aarhus Convention Compliance Committee in any types of cases. The agents are, *inter alia*, authorized to submit communications and complaints, e.g. in a case relating to a recent legislation relating to fish farming in Iceland.

This power of attorney is valid from 8 February 2019 and until it is revoked.

This power of attorney is governed by Icelandic law and is subject to the exclusive jurisdiction of the Icelandic courts.

Name: Pétur Halldórsson.

Title: Chairman.

Place: Reykjavik.

Date: 8 February 2019.