EFTA COURT

Action brought on 12 June 2025 by the EFTA Surveillance Authority against Iceland

(Case E-16/25)

An action against Iceland was brought before the EFTA Court on 12 June 2025 by the EFTA Surveillance Authority, represented by Hildur Hjörvar, Sigurbjörn Bernharð Edvardsson, Sigrún Ingibjörg Gísladóttir and Melpo-Menie Joséphidès, acting as Agents of the EFTA Surveillance Authority, Avenue de Arts 19H, B-1000 Brussels, Belgium.

The EFTA Surveillance Authority requests the EFTA Court to:

- 1. Declare that Iceland has failed to fulfil its obligations under Article 7 of the EEA Agreement by failing to make the Act referred to at point 12zc and 12zzq of Chapter XV and point 6 of Chapter XXIX of Annex II to the Agreement on the European Economic Area (Regulation (EU) 2019/1148 of the European Parliament and of the Council of 20 June 2019 on the marketing and use of explosives precursors, amending Regulation (EC) No 1907/2006 and repealing Regulation (EU) No 98/2013), as adapted by Protocol 1 to the EEA Agreement, part of its internal legal order and
- 2. Order Iceland to bear the costs of these proceedings.

Legal and factual background and pleas in law adduced in support:

- By this application, the EFTA Surveillance Authority ('ESA') seeks a declaration from the Court that Iceland has failed to adopt the measures necessary to make the Act referred to at points 12zc and 12zzq of Chapter XV and point 6 of Chapter XXIX of Annex II to the EEA Agreement, as adapted by Protocol 1 to that Agreement, part of its internal legal order, as required by Article 7 EEA.
- ESA sent a letter of formal notice to Iceland on 1 July 2024, inviting Iceland to submit its observations within two months, i.e. by 1 September 2024.

- Iceland did not respond to the letter of formal notice but did however, submit a Form 1, dated 26 August 2024. The form did not indicate any measures which had been taken to implement the Act.
- In the correspondence that followed, Iceland did not provide requested information nor submit a complete Form 1.
- ESA delivered a reasoned opinion on 13 November 2024 giving Iceland two months in which to take the measures necessary to comply with the reasoned opinion, i.e. no later than 13 January 2025.
- No response from Iceland was received by ESA within the time-frame specified in the reasoned opinion, nor was ESA in possession of any other information indicating that the Act had been made part of Iceland's internal legal order.
- Since Iceland had not complied with the reasoned opinion by the deadline set therein, ESA decided to refer the matter to the Court, pursuant to Article 31 SCA.
- ESA has at the point of lodging the present application, not been notified and does not have any other information suggesting that Iceland has implemented the Act into its legal order.