

Case No: 47901 (former SAM 030.02.006)
Event No: 278268
Dec. No.: 91/04/COL

EFTA SURVEILLANCE AUTHORITY DECISION
of 23 April 2004
regarding proposed aid in the form of a State guarantee in favour of deCODE
Genetics in relation to the establishment of a drug development department

THE EFTA SURVEILLANCE AUTHORITY,

HAVING REGARD TO the Agreement on the European Economic Area¹, in particular to Articles 61 to 63 and Protocol 26 thereof,

HAVING REGARD TO the Agreement between the EFTA States on the establishment of a Surveillance Authority and a Court of Justice², in particular to Article 24 and Article 1 (2) in Part I and Article 8 in Part II of Protocol 3³ thereof,

WHEREAS by letter from the Ministry of Finance dated 27 May 2002, received and registered by the EFTA Surveillance Authority⁴ on 30 May 2002 (Doc. No. 02-4055-A), the Icelandic Government notified, pursuant to Article 1 (3) of Protocol 3 to the Surveillance and Court Agreement, a proposal to provide a guarantee to deCODE Genetics Inc. (US) in relation to a bond amounting to USD 200 million⁵.

WHEREAS on 16 July 2003 the Authority initiated the formal investigation procedure referred to in Article 1 (2) of Protocol 3 to the Surveillance and Court Agreement in respect of the above aid measure,

WHEREAS the Decision was transmitted to Iceland by letter of 16 July 2003 (Doc. No 03-4717-D),

WHEREAS the Decision was published in the EEA Section of the Official Journal to the European Union and the EEA Supplement thereto on 18 December 2003⁶ to give other EFTA States, EU Member States and interested parties notice to submit their comments,

¹ Hereinafter referred to as the EEA Agreement.

² Hereinafter referred to as the Surveillance and Court Agreement.

³ As amended by way of Agreement between the EFTA States of 10 December 2001, amending Protocol 3 to the Agreement between the EFTA States on the Establishment of a Surveillance Authority and a Court of Justice. The amendments entered into force on 28 August 2003.

⁴ Hereinafter referred to as the Authority.

⁵ The proceeds of the bond would be used by deCODE to establish a drug development department and to finance several drug development programmes in parallel during a period of five years.

⁶ OJ No C 308, p.22, as well as in EEA Supplements to the Official Journal of the European Union No 63 of 18.12.2003, p.10.

WHEREAS such comments were received and transmitted by the Authority to Iceland, which commented upon them,

WHEREAS according to Article 8 (1) in Part II of Protocol 3 to the Surveillance and Court Agreement the EFTA State concerned may withdraw the notification in due time before the Authority has taken a decision on the aid measure,

WHEREAS by letter from the Icelandic Mission to the European Union dated 14 April 2004, forwarding a letter from the Ministry of Finance of the same date, received and registered by the Authority on 14 April 2004 (Event No 278 064), Iceland withdrew the notification of the aid measure,

WHEREAS the proposed guarantee has not been issued by the Icelandic Ministry of Finance and the Authority has not yet taken a decision on the guarantee,

WHEREAS according to Article 8 (2) in Part II of Protocol 3 to the Surveillance and Court Agreement, in cases where the Authority has initiated the formal investigation procedure, the Authority shall close that procedure upon withdrawal of the notification,

HAS ADOPTED THIS DECISION:

- 1. The formal investigation procedure initiated under Article 1 (2) of Protocol 3 to the Surveillance and Court Agreement, concerning proposed aid in form of a State guarantee in favour of deCODE Genetics in relation to the establishment of a drug development department (Case No 47901, former SAM 030.02.006) is hereby closed.**
- 2. The Decision is addressed to Iceland.**
- 3. The Decision is authentic in the English language.**

Done at Brussels, 23 April 2004

For the EFTA Surveillance Authority

Hannes Hafstein
President

Einar M. Bull
College Member