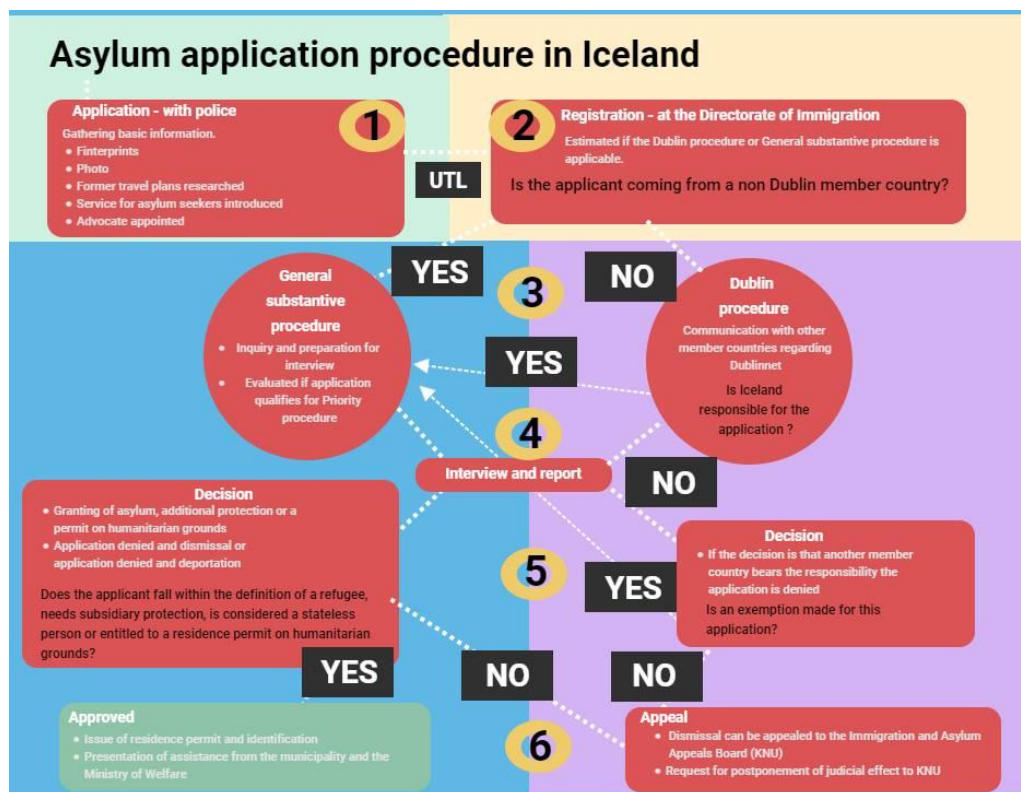


**Clarification 1. Rationale for counting in-donor refugee costs as ODA Q1/ Describe in a nutshell the asylum procedure in your country.**

**This asylum procedure refers to the following categories:**

1. Refugees who come to the country on their own accord

Every request submitted in Iceland by an asylum seeker is evaluated on an individual basis. The Directorate of Immigration under the auspices the Ministry of Justice are responsible for processing asylum requests on Iceland's behalf. Asylum requests can be submitted across the country to the Icelandic Police or the Directorate of Immigration. As soon as an application has been submitted, an estimation of the applicant's need for social assistance is carried out. If the need for assistance is deemed applicable, the Directorate of Immigration provides basic services for the applicant. The applicant is also eligible to receive counselling and legal service from the Icelandic Red Cross Society. After either the Directorate of Immigration or the Icelandic police have submitted basic information about the asylum seeker and the Icelandic police processed those applications through security measures the application is further processed at the Directorate of Immigration for examination and decision-making process.



The process can be described accordingly:

The application procedure by the Directorate of Immigration is as follows:

- a) Dublin procedure (average processing time 115 days)

When an application for international protection is submitted, it is first examined whether the provisions of the Dublin Regulation is relevant. Before the Directorate of Immigration makes a final decision based on the Dublin Regulation, the applicant is interviewed by the Directorate<sup>1</sup>.

b) Priority procedure (average processing time 5 days)

If no other Dublin member state is responsible for processing the application, it goes through general substantive procedure but first it has to be decided if the application qualifies for priority procedure.

The Directorate of Immigration, in accordance with Icelandic law, may grant applications for international protection priority procedure, for instance<sup>2</sup>:

- When an application is likely to be approved or if special circumstances so warrant<sup>3</sup>
- When an application is manifestly unfounded<sup>4</sup>
- When an asylum seeker has provided insufficient or misleading information in support of their application, or the information that the seeker has provided does not give reason to assume that the situation falls under the refugee concept.
- When the application has been re-submitted after application for asylum has been denied or after an application has been previously withdrawn.
- When an application is made for the purpose of delaying the implementation of expulsion.

c) General substantive procedure (average processing time 220 days)

When Iceland is responsible for handling the application for international protection it goes through general substantive procedure. This means that a decision is taken whether the applicant needs protection. It is then assessed whether the circumstances of the applicant fall within the definition of a refugee, whether he needs subsidiary protection, is considered stateless person or is entitled to a residence permit on humanitarian grounds.

In cases where the applicant is denied protection, subsidiary protection, or humanitarian leave, he may appeal the decision to the Immigration and asylum appeals board ("Kæruneftnd útlendingamála (KNU)").

During 2018, 246 applicants were rejected, or approximately 31% of total applications.

If the applicant is denied protection within 12 months, the costs incurred before formal rejection is made, is included as ODA. Cost incurred after a rejection decision is made, is excluded in the ODA calculations. Cost after rejection is calculated as 6.5% of the total cost and is deducted from reported ODA. This figure of 6,5% is calculated by average number of processing days of each application, and then deducting the remaining time within the 12-month period for the rejected applications.

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<sup>1</sup> Cost related to Dublin procedure are included in the calculations.

<sup>2</sup> We refer to 29th article of the foreign nationals act: <https://www.government.is/library/04-Legislation/Foreign%20Nationals%20Act.pdf>

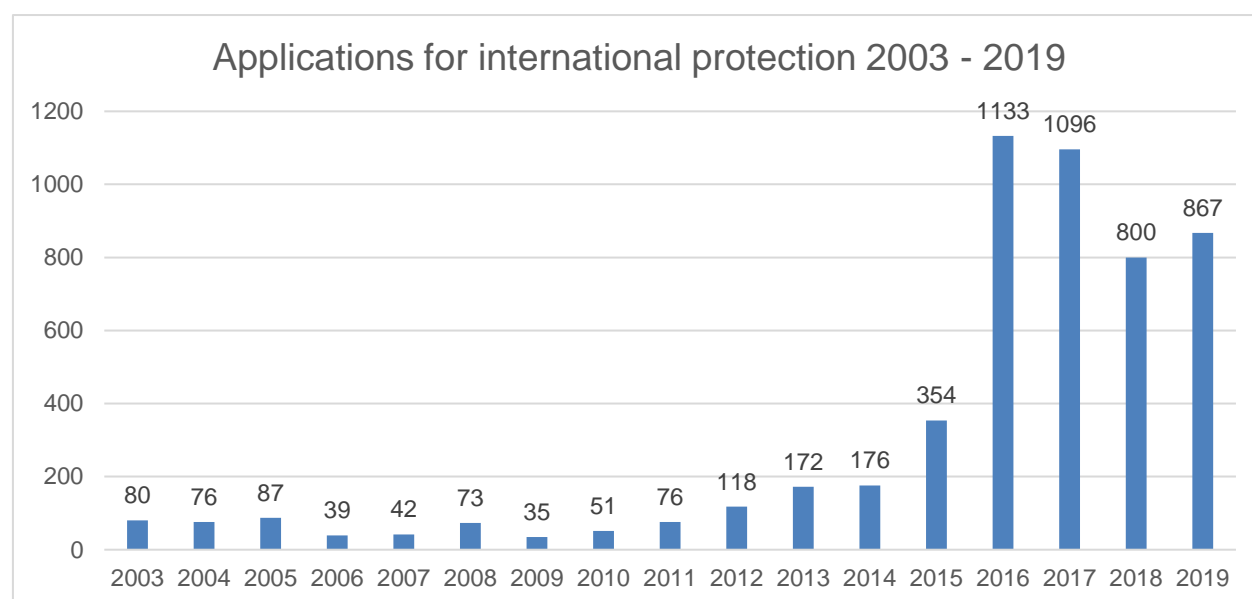
<sup>3</sup> E.g. in the case of an unaccompanied minor or an individual in acute need of protection or assistance.

<sup>4</sup> When an asylum seeker is a citizen of a country or can be returned to a country that is generally considered as being safe, i.e. where individuals are generally not at risk of being persecuted or subjected to serious human rights violations. <https://utl.is/index.php/en/list-of-safe-countries>

The Directorate of Immigration displays statistics for main countries of origin of asylum seekers on its website <http://utl.is/>. The following table presents a top five list of the countries of origin for most asylum seekers who sought asylum in Iceland in 2018.

Top 5 countries of origins	# of applications
Iraq	112
Albania	108
Somalia	53
Afghanistan	46
Pakistan	45

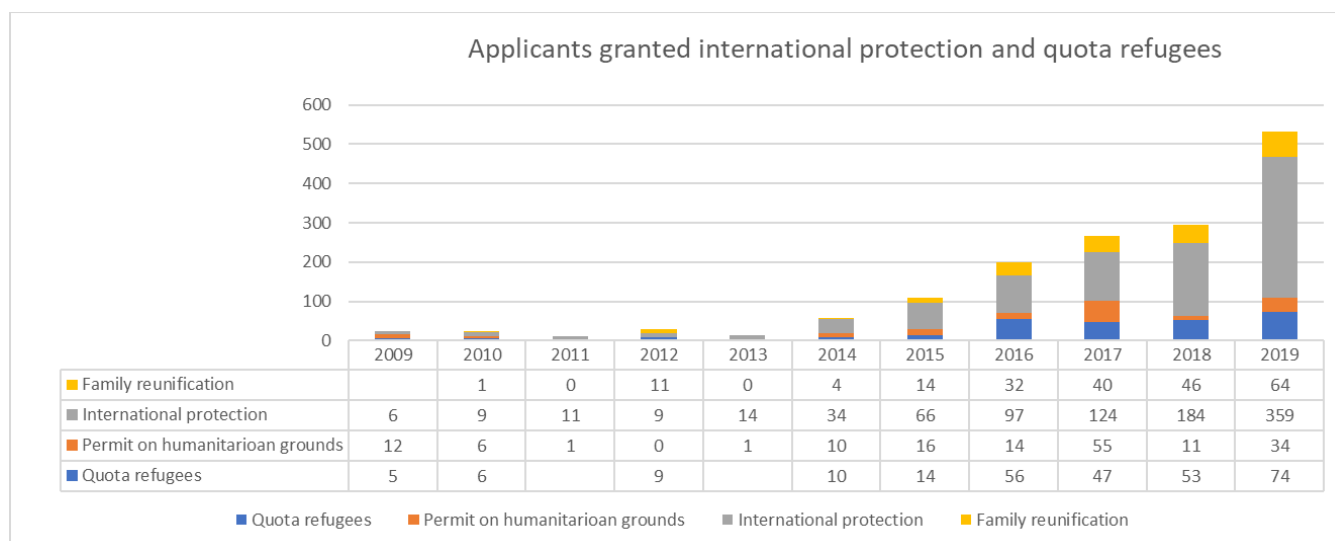
Recent trends show that the number of people coming to Iceland on their own accord and applying for international protection has increased significantly in recent years.



The number of applicants granted international protection or humanitarian permit has increased accordingly and so has the number of family members granted refugee status on the grounds of family reunification with their refugee family members already in Iceland. At the same time, the Icelandic government has increased the reception of refugees in collaboration with the United Nations Refugee Agency (quota refugees).

#### Clarification 2. Meaning of the term “refugees”

**Q2/ Indicate the categories of refugees for which costs are included in your ODA reporting: asylum seekers, recognised refugees, persons granted temporary or subsidiary protection.**



The chart shows the development since 2009, when organized reception of refugees began in cooperation with the United Nations Refugee Agency. Since 2014, the number of applicants for international protection has increased<sup>5</sup>, and so have those receiving international protection.

Costs incurred by refugees are divided into four categories:

1. Applicants for international protection who come to Iceland on their own accord and are rejected
2. Applicants for international protection who come to Iceland on their own accord and are granted protection
3. Individuals who come to Iceland and are granted protection based on family reunification with refugee family members already in Iceland
4. Quota refugees

1. Applicants for international protection who come to Iceland on their own accord and are rejected

Cost for rejected asylum seekers that occur until their application is rejected is regarded as ODA<sup>6</sup>. An exemption from this is cost for applicants from safe countries of origin, where all associated cost is excluded from ODA.

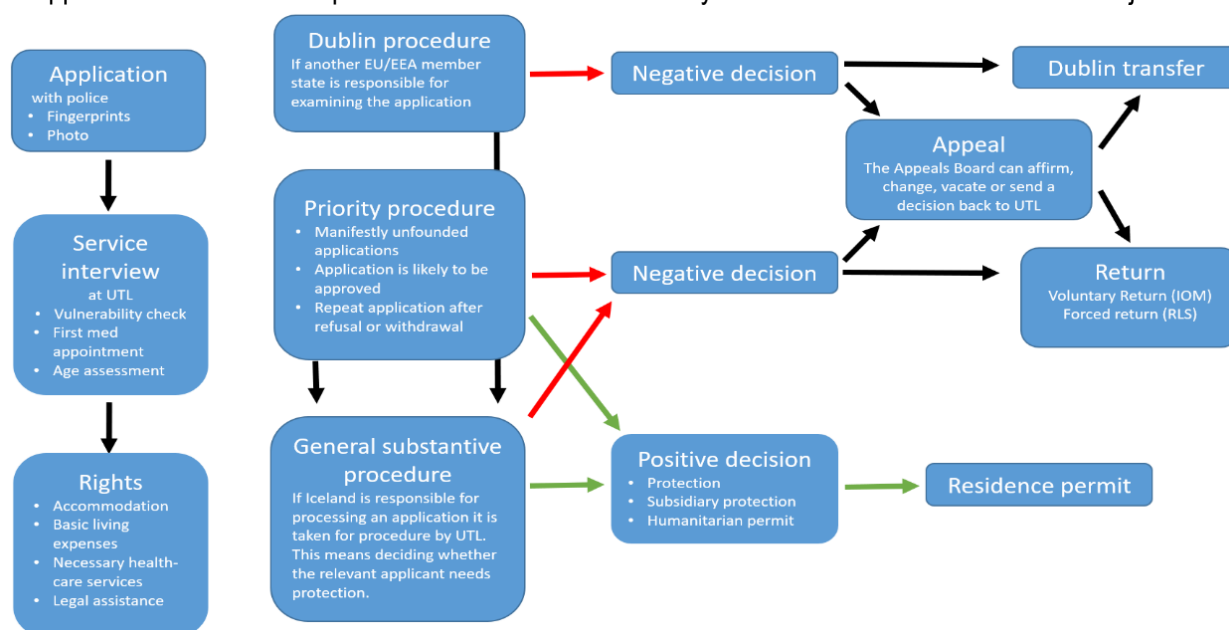
Basic human rights are generally respected in the states on this list and cases of applicants for international protection, who are nationals of these countries, are usually given priority by the Icelandic Directorate of Immigration (ÚTL). Iceland receives many applications for asylum from countries that are categorised as safe countries. The Icelandic Directorate of Immigration publishes a list of safe countries on their website. <http://www.utl.is/index.php/en/list-of-safe-countries>

<sup>5</sup> The numbers for applicants granted international protection subsidiary protection and humanitarian leave were granted by the Directorate of Immigration and the Appeals Board (first and second instances).

<sup>6</sup> Cost for rejected asylum seekers refers to the first instance of rejection.

Citizens of these states, who apply for protection in Iceland, are generally not granted protection<sup>7</sup>; instead, they are returned to their state of origin. Currently, close to 100% of applicants from safe countries are rejected. Iceland has therefore decided to remove the cost for the application process entirely from ODA calculations.

An applicant for international protection shall leave the country when he/she has received a final rejection of



his/her application or he/she has withdrawn his/her application and does not have an alternative legal right to reside in Iceland. An applicant is generally granted a period of voluntary departure. The granted deadline is stated in the return decision of the Immigration Authorities. If a period for voluntary departure is not granted in the return decision or the applicant does not depart voluntarily within the granted period, the return will be operated by the National Commissioner of the Icelandic Police.

All cost regarding rejected applications is excluded in ODA after a negative decision is known.

Type of procedure	Number of applications 2018	Average processing time 2018
Rejected in general substantive procedure (excluding citizens of safe countries of origin)	135 <sup>8</sup>	220

<sup>7</sup> There are a few exceptions from this rule, where citizens from safe countries are granted asylum. There were no exceptions in 2018.

<sup>8</sup> 135 excludes applications from citizens of safe countries of origin processed in priority procedure as manifestly unfounded, but includes applications from citizens of safe countries of origin that were not manifestly unfounded and therefore processed in general substantive procedure. If all citizens of safe countries of origin are excluded the correct number is 120. It includes 34 applications from Georgian citizens and 6 Bosnians who applied before Georgia and Bosnia were added to the list of safe countries of origin and were therefore not treated as such. Moreover it includes 10 application from Ukrainian citizens but Ukraine is only partly considered a safe country.

Rejected in Dublin procedure	152	115
Rejected due to protection in another state	70	128

## 2. Applicants for international protection who come to Iceland on their own accord and are granted protection

The numbers of people who come on their own accord to Iceland and are granted protection has increased greatly in recent years.

During 2018, the processing time for applications undergoing substantive procedure at the Directorate of Immigration was 220 days on average. The number of individuals granted protection by the Directorate was 160 (first instance).

For applicants who receive asylum, ODA is counted for the financial assistance for the initial 145 days in accordance with the 12-month rule<sup>9</sup>. Services provided to persons who receive international protection are delivered in accordance with the Municipal Social Services Act, no. 40/1991 and guidelines on social assistance to refugees from the Ministry of Social Affairs.

Municipal services are based on legal domicile and refugees therefore have the same right to services as other residents of a municipality after registration of domicile and in accordance with the Municipal Social Services Act, no. 40/1991.

## 3. Individuals who come to Iceland and are granted protection based on family reunification with refugee family members already in Iceland

The spouse or cohabiting partner of a foreign national who has been granted international protection in Iceland, and his/her children aged under 18 who are not married or cohabiting, are also entitled to international protection in Iceland unless special circumstances militate against this. Family relationships undertaken after the submission of an application for international protection cannot be the basis for international protection.

When a minor under the age of 18 years has been granted international protection, his/her parents are also entitled to protection, provided that it is deemed evident that they have had custody of the minor and that they intend to live with the minor in Iceland. In a case where one parent has had custody of the minor, he/she shall enjoy this entitlement. The entitlement also applies to siblings of the minor aged under 18 years, who are not married or cohabiting and live with their parent or parents.

When a refugee arrives to Iceland based on family reunification, the expenses incurred for financial assistance are calculated according to the 12-month rule. Travelling expenses incurred are paid according to IOM account.

## 4. Quota refugees

<sup>9</sup> Costs incurred in the donor country for basic assistance of asylum seekers and refugees from developing countries are reportable as ODA up to 12 months under DAC directives.

The Ministry of Social Affairs receives quota refugees in cooperation with the United Nations Refugee Agency, local authorities in Iceland and the Red Cross in Iceland. IOM, the International Migration Organization, administers the migration of refugees to the country at the request of the government and cultural orientation is provided to the refugees before arriving in the country.

Upon arrival into the country, the quota refugees move to the municipalities that have signed an agreement with the Ministry of Social Affairs and are provided with permanent housing. The agreements cover the services that the municipality is required to provide to the refugees and specify the expenditure items covered by the agreements. The cost of receiving refugees varies, depending on the number of persons and whether they are families with children or single individuals. Cost items included in total ODA for quota refugees are listed in table for clarification 4.

### Clarification 3. Twelve-month rule

**Q3/ When does the twelve-month rule start (date of application, date of entry into the country, date of start of support)?**

1. Applicants for international protection who come to Iceland on their own accord and are rejected. The twelve-month rule in principle starts when the applicant applies for asylum in Iceland. Costs incurred from that point in time until application is rejected prior to the end of the 12-month period.
2. Applicants for international protection who come to Iceland on their own accord and are granted protection. The twelve-month rule in principle starts when the applicant applies for asylum in Iceland. Costs incurred from that point and up to 12 months are included in the ODA calculations.
3. Individuals who come to Iceland and are granted protection based on family reunification with refugee family members already in Iceland. The twelve-month rule in principle starts when the individuals in this category arrive to the country and ODA is calculated for the 12 months from that point.
4. Quota refugees. The twelve-month rule in principle starts when the individuals in this category arrive to the country and ODA is calculated for the 12 months from that point.

When an asylum seeker applies for an asylum, the applicant receives an identification number from the **Directorate of Immigration** registry (named "Erlendur"). The system keeps track of every asylum seeker for the whole duration of the application period and until a final decision is made. This identification number is the primary way of tracking total cost of asylum seekers based in Iceland. This arrangement, however, has its shortcomings. As an example, the Icelandic Police gives the asylum seekers another identification number, and the Icelandic health care system yet another one. When a person has received international protection in Iceland, they will receive a permit identification number which is yet another number. Asylum seekers accumulate costs from different cost entities. Given the fragmentation of the administrative structures, compilation of all costs, based on several different identification numbers for each asylum seeker, is currently not achievable. Subsequently, some of the costs for asylum seekers is based on estimates and not full costs.

The Directorate of Immigration in Iceland is working on improving this tracking process to better allocate cost to each applicant and follow through until a decision is made. The privacy legislation in Iceland is firm which

creates barriers for these different institutions to exchange information. This results in difficulties in following the cost of each applicant through the system. Therefore, the methodology is based on:

- The number of applications each year
- The number of rejections that same year
- Types of application processes and their average processing time

These factors are used as a basis for calculating the total ODA applicable cost within a 12-month period.

#### **Clarification 4. Eligibility of specific cost items**

**Q4/ Provide the list of cost items included in ODA for each category of refugee and a justification for their inclusion.**

All costs for in-donor refugees included in ODA listed below have been justified through the Ministry of Foreign Affairs in Iceland on the grounds of being incurred for basic human rights for asylum seekers in Iceland.

The following table lists costs that are included for in-donor refugees classified as:

1. Applicants for international protection who come to Iceland on their own accord and are rejected
2. Applicants for international protection who come to Iceland on their own accord and are granted protection
3. Individuals who come to Iceland and are granted protection based on family reunification with refugee family members already in Iceland
4. Refugees who come to Iceland on their own accord

The following list of items are considered eligible in-donor refugee cost. All cost deductions are made based on estimates described in clarification 5.



**Cost Category Cost included in ODA for applicants for (under 12 month-rule) international protection**

<b>Daily Allowance</b>	In Iceland it is mandatory to provide financial assistance to support individuals and families who cannot provide for themselves and their family without assistance. An applicant for international protection is entitled to a weekly subsistence allowance following a four-week stay under the care by the Directorate of Immigration. The Directorate of Immigration facilitates the subsistence payments and applicants undergo certain obligations: they need to periodically call on the Directorate; attend interviews; read relevant publications; and comply with the housing rules where the respective applicant resides.
<b>Housing</b>	Temporary sustenance and short-term housing as well as electricity, water, and heat. Minor maintenance can be included as ODA. This applies for applicants under classification 1. Applicants under classification 2 and 3 receive financial support in which they use to pay for their housing.
<b>Health</b>	Cost of initial visit for basic health care and a health certificate, and prescribed medication. The applicant undergoes general medical examination and interview upon arrival in the country. It is also possible to include the costs of a psychologist and psychiatrist when needed, and the costs of maternal health supervision and prenatal care. Doctor, nurse, and physical therapy service under basic health criteria and linked to health certificate
<b>Transportation cost</b>	Transport cost
<b>Expertise service</b>	Interpreter service used directly for application assistance
<b>Food</b>	Food allowance calculated depending on status of family. This cost is included in applicants' weekly stipends.
<b>Rescue at sea</b>	No cost included in ODA

## 5. Quota refugees

The twelve-month rule starts when the individuals in this category **arrive to the country** and ODA is calculated for the 12 months from that point. For quota refugees, the agreements are signed for one year and calculations are made on this basis (lump sum approximation for the twelve-month rule assuming all refugees arrive on 1st January).

### **COST CATEGORY COST INCLUDED IN ODA FOR IN-DONOR REFUGEES (UNDER 12 MONTH-RULE)**

<b>CHILD BENEFITS</b>	The National Treasury's collection agencies process the payment of child benefits. Child benefits are paid to parents with children under the age of 18 and are based on the family status. Child benefits are based on income and are determined by the Internal Revenue in accordance with income stated on the recipients' latest tax return therefore person that receives international protection does not receive child benefits until they have filled in the first tax return. The municipality does pay the equivalent of child benefits for the first year of residence in the case of a person with international protection.
<b>DECEMBER PAYMENTS</b>	A small additional payment is granted in December, provided to those that have received benefits for three months.
<b>FINANCIAL ASSISTANCE</b>	Financial assistance for persons, 18 years of age or older, who run their own home. The amount depends on the status of the family.
<b>EDUCATION</b>	School/education cost for primary education School lunch.
<b>HOUSING</b>	Accommodation, water, and electricity for the period that a house is empty. Once an individual or family move into the housing provided, they take over payment of the housing.
<b>HEALTH CERTIFICATE</b>	Interview and medical examination. X-ray, blood test and the cost of issuing the health certificate.
<b>HEALTH</b>	Cost of initial visit for basic health care and a health certificate, and any prescribed medication for the first six months upon arrival. The applicant undergoes general medical examination and interview upon arrival in the country. It is also possible to include the costs of a psychologist and psychiatrist when needed and the costs of prenatal care.
<b>TRANSPORTATION COST</b>	From country of asylum to Iceland.
<b>EXPERTISE SERVICE</b>	Interpreter service

For further information on what is excluded see Appendix 1.

### Clarification 5. Methodology for assessing costs

**Q5/ Describe the methodology used for assessing ODA-eligible costs and provide the actual data points and detailed calculations used to reach the figures reported as ODA.**

The methodology used in Iceland to calculate final in-donor refugee cost is different for asylum seekers, refugees, and quota refugees, as two different ministries administer the categories.<sup>10</sup>

1. Applicants for international protection who come to Iceland on their own accord and are rejected
2. Applicants for international protection who come to Iceland on their own accord and are granted protection

An identification number is the primary way of tracking total cost of asylum seeker based in Iceland. This arrangement, however, has shortcomings. As an example, the Icelandic Police gives the asylum seekers another identification number, and the Icelandic health care system yet another one. When a person has received international protection in Iceland, they will receive a permit identification number which is yet another number.

Asylum seekers accumulate costs from different cost entities. Given the fragmentation of the administrative structures, compilation of all costs, based on several different identification numbers for each asylum seeker, is currently not achievable. Subsequently, costs for asylum seekers is based on estimates and not full costs for each applicant.

The Directorate of Immigration in Iceland is working on improving this tracking process to better allocate cost to each applicant and follow through until a decision is made. The privacy legislation in Iceland is firm which creates barriers for these different institutions to exchange information. This results in difficulties in following the cost of each applicant through the system. Therefore, the methodology is based on:

- The number of applications each year
- The number of rejections that same year
- Types of application processes and their average processing time

These factors are used as a basis for calculating the total ODA applicable cost within a 12-month period. Once an application is accepted under category 2 the applicant is transferred to the ministry of social affairs.

To ensure that there is no double counting, the costs for an applicant for 12-months as asylum seeker is calculated by the Ministry of Justice as average time spent on application until granted asylum, and the Ministry of Social Affairs calculates the time remaining under the 12 months rule.

The time-period of each of the different application processes is based on average duration and cannot exceed the 12 months. During 2018, the average application takes 220 days to process<sup>11</sup>. A certain number

<sup>10</sup> Categories 1 and 2 are under the auspice of the Ministry of Justice. Categories 3 and 4 are under the auspices of the Ministry of Social Affairs.

<sup>11</sup> For substantive procedure used for the example.

of applicants were granted asylum. Once an applicant has received asylum, the Ministry of Social Affairs receives the applicant and calculates the remaining days up to 365 days under 12-month rule<sup>12</sup> into ODA calculations.

Once the application is rejected under **category 1** the Directorate of Immigration assesses the days spent during the application process until rejection. For 2018, the average time until rejection was 62 days before the applicants returned to their country of origin.

Imputations are not used when refugees benefit from the services available to all citizens. All calculations are based on actual cost. The methodology for the calculation is repeated for each relevant year with evident data from that period. The calculation is applied to incurred cost at the end of each fiscal year once all data has been collected.

Status of asylum seekers for the year 2018 can be seen in question Q2. The average time to get status decision depends on type of processing as listed in Q1.

- a) Dublin (average processing time 115 days)
- b) Priority procedure (average processing time 5 days)
- c) General substantive procedure (average processing time 220 days)

The average time spent on an application is used as basis of calculations in the current system, but once there is a new data system in place, the Directorate of Immigration will be able to provide more accurate statistics.

- 3. Individuals who come to Iceland and are granted protection based on family reunification with refugee family members already in Iceland
- 4. Quota refugees

The per capita costs were 25 EUR / 32 USD in 2018.

The twelve-month rule starts when the individuals in this category **arrive to the country** and ODA is calculated for the 12 months from that point. Description of eligibility of each item is described in Clarification 4.

### Cost calculations – based on actual cost for the fiscal year 2018

The the total cost deriving from the Directorate of Immigration by applying the new methodology was about 1,3 billion ISK.

This refers to applicants that come to the country on their own accord. The following deduction then is suggested:

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<sup>12</sup> The calculations in this document are limited to 2018. The average processing time of applications will be revised each year, and calculations based on real data presented at the end of each fiscal year.

- 8,2 % deduction of total costs for applicants from countries considered as safe countries. (107,3 million ISK deducted)
- 8 % deduction of the total cost of costs incurred by applicants who have been in excess of 365 days in the procedure (105,2 million ISK deducted).
- 6,5 % of the costs incurred by applicants who had been rejected and incurred expense before leaving the country. On average, it was 62 days from the final decision until applicants left the country. (85,1 million ISK deducted)

Total cost for in-donor refugee cost applying the new methodology was 1.017.145.675 ISK

The cost deriving from the Ministry of Social Affairs by applying the new methodology under the following categories:

- Quota refugees (12-months) (124,8 million ISK)
- Family reunification (12-months) (3,5 million ISK)
- Refugees who come to the country on their own accord, the remaining 145 days. (67 million ISK)

The total cost under these categories was 195,3 million ISK.

Total ODA in- donor refugee cost for Iceland for 2018 was 1.212.485.765 ISK.

## Appendix 1

Cost excluded from ODA reporting on in-donor refugees:

- Costs of in-transit, irregular or regular immigrants who have not made a request for asylum and are therefore not applicants for protection.
- All costs for the integration of refugees.
- All security screening, border crossing costs.
- All costs of departure after rejection.
- Adaptation in another country.
- All costs incurred pre-arrival to Iceland.

Cost Category	Cost NOT included in ODA for in-donor refugees
Expertise service	<ul style="list-style-type: none"> <li>- Lawyer fees</li> <li>- Other operating cost</li> <li>- Payment for varied cost; bus cards, bank services and others.</li> <li>- Debt collection fees</li> <li>- Office equipment and computer repairs, copying</li> <li>- Maintenance and service contracts</li> <li>- Safety and rescue work</li> <li>- Service charges from financial organizations</li> <li>- Other work contracts or repairs</li> <li>- The other part of other applicable expertise service</li> </ul>
Admin	No admin cost is included in the ODA for in- donor refugees. Office supplies, travel or wages.

<b>Education</b>	- School adjustment - Recreation centre service fees
<b>Health</b>	Any medical expenses not exclusively included
<b>Housing</b>	- Industrial work (just minimal maintenance for category 1 and 2) and hardware - Other, cost that is not exclusively included
<b>Mechanics</b>	Fixing or other costs related to: - Cars - Other machines and appliances
<b>Phone</b>	Phone and internet
<b>Office supplies</b>	Any office supplies
<b>Flight</b>	Transfer to home country in the context of voluntary returns (voluntary returns are proposed post negative decision and hence not ODA-eligible)

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