

Doing business with Iceland

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Doing Business with Iceland

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2. Basic facts
3. How to export to Iceland
4. Main industries
5. General information

Iceland - midway between Europe and America



Iceland - Basic Facts

Climate, Reykjavík:

January -0.4 °C

July 11.2 °C

Population:

339,000 people

3,1 inhabitants per
km²

Life expectancy:

Female 83.7 years

Male 80.7 years

Land size:

103.000 km²

Capital:

Reykjavík

Exclusive economic zone:

200 nautical miles

GDP Per Capita:

\$ 51.785 (2016)

Language:

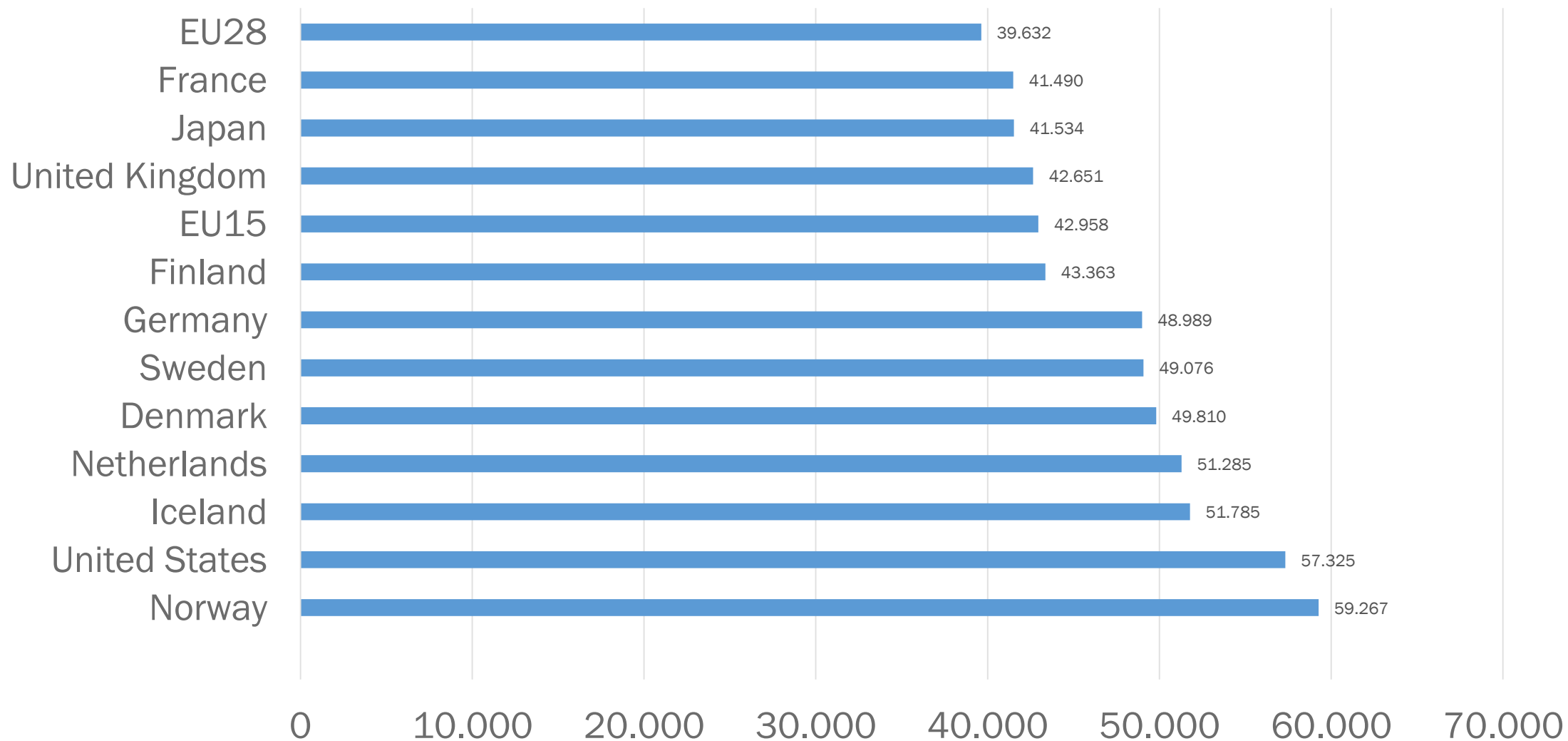
Icelandic

Currency:

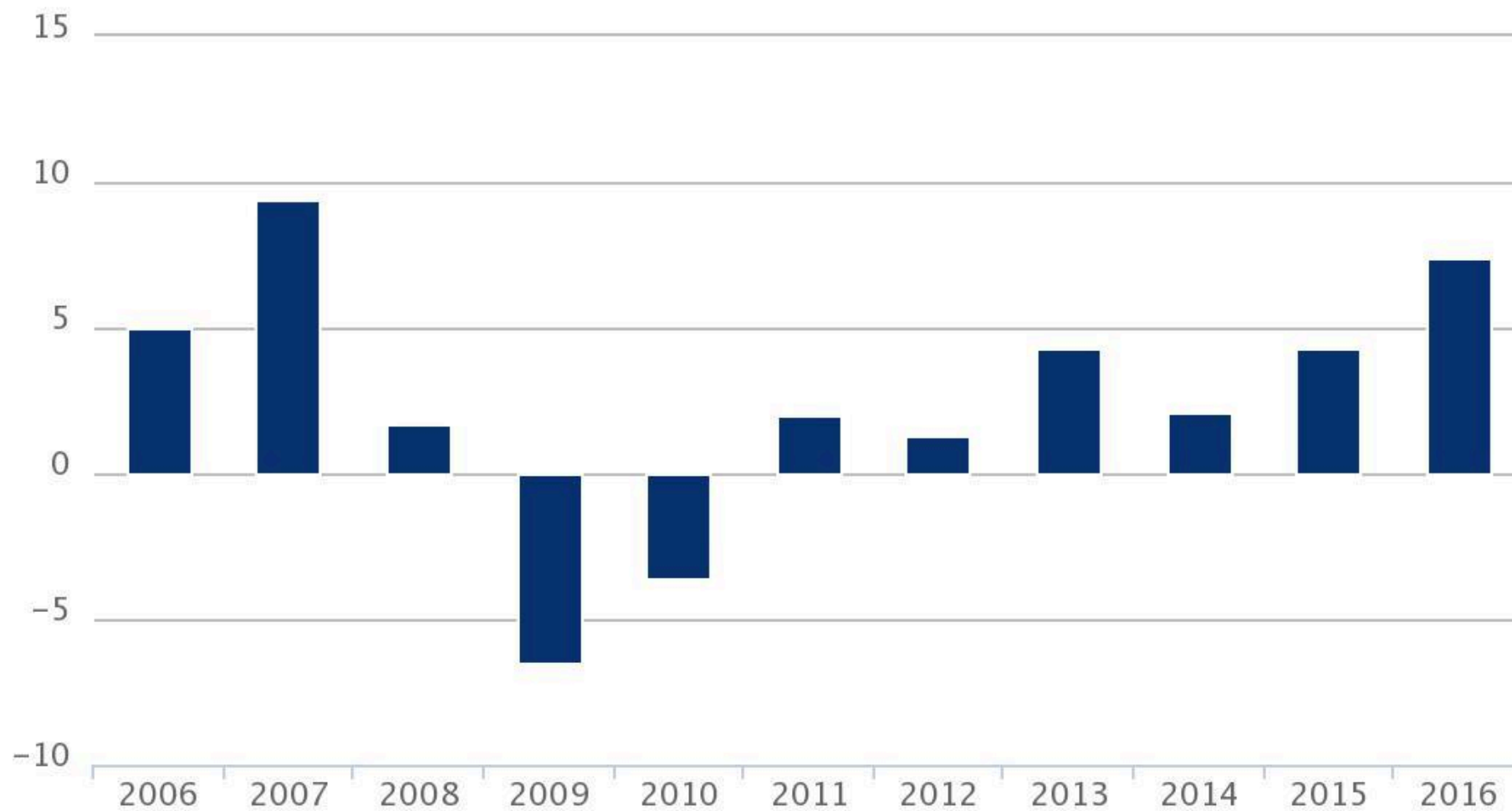
The Króna

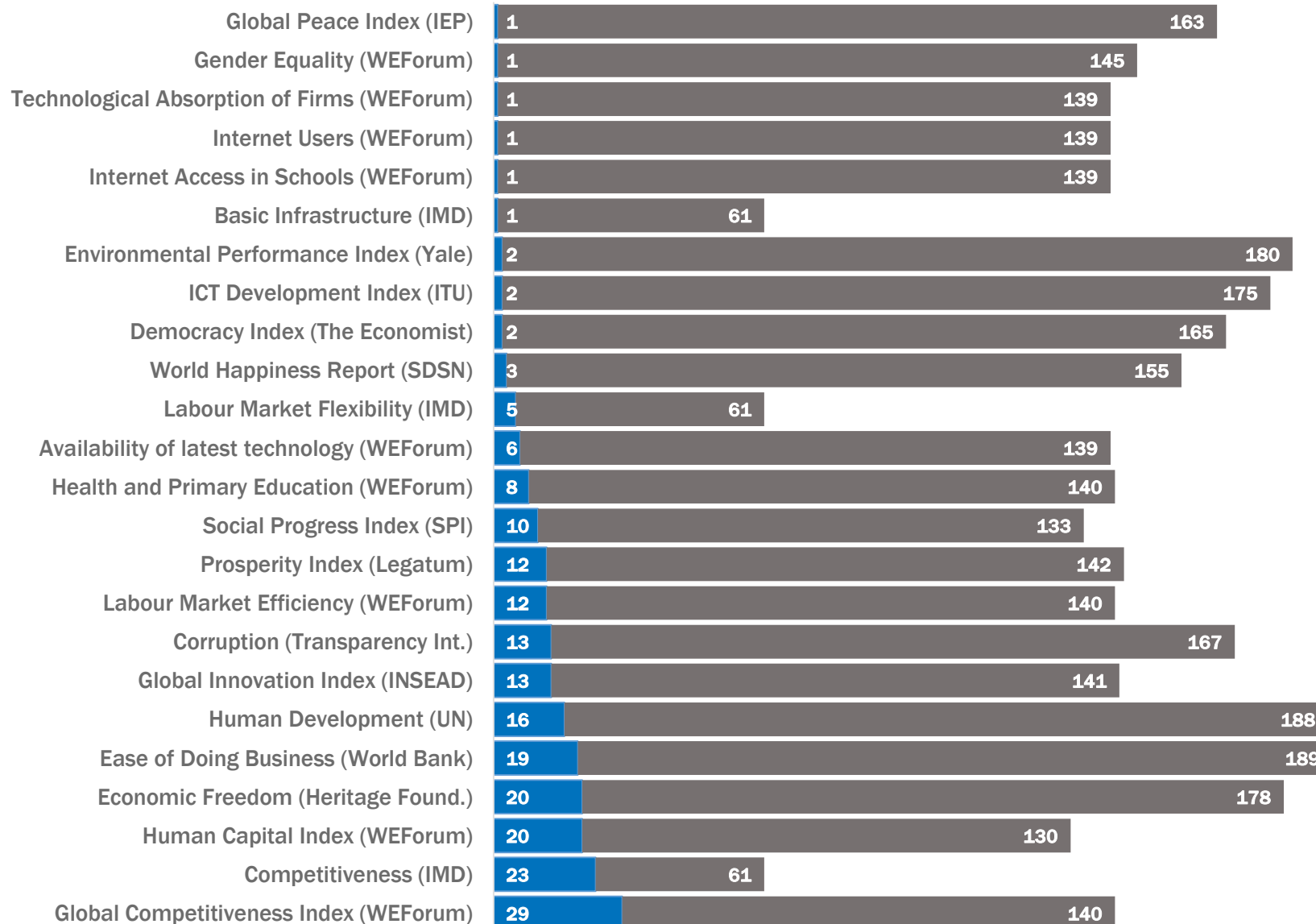


GDP per capita US \$ 2016



GDP growth %





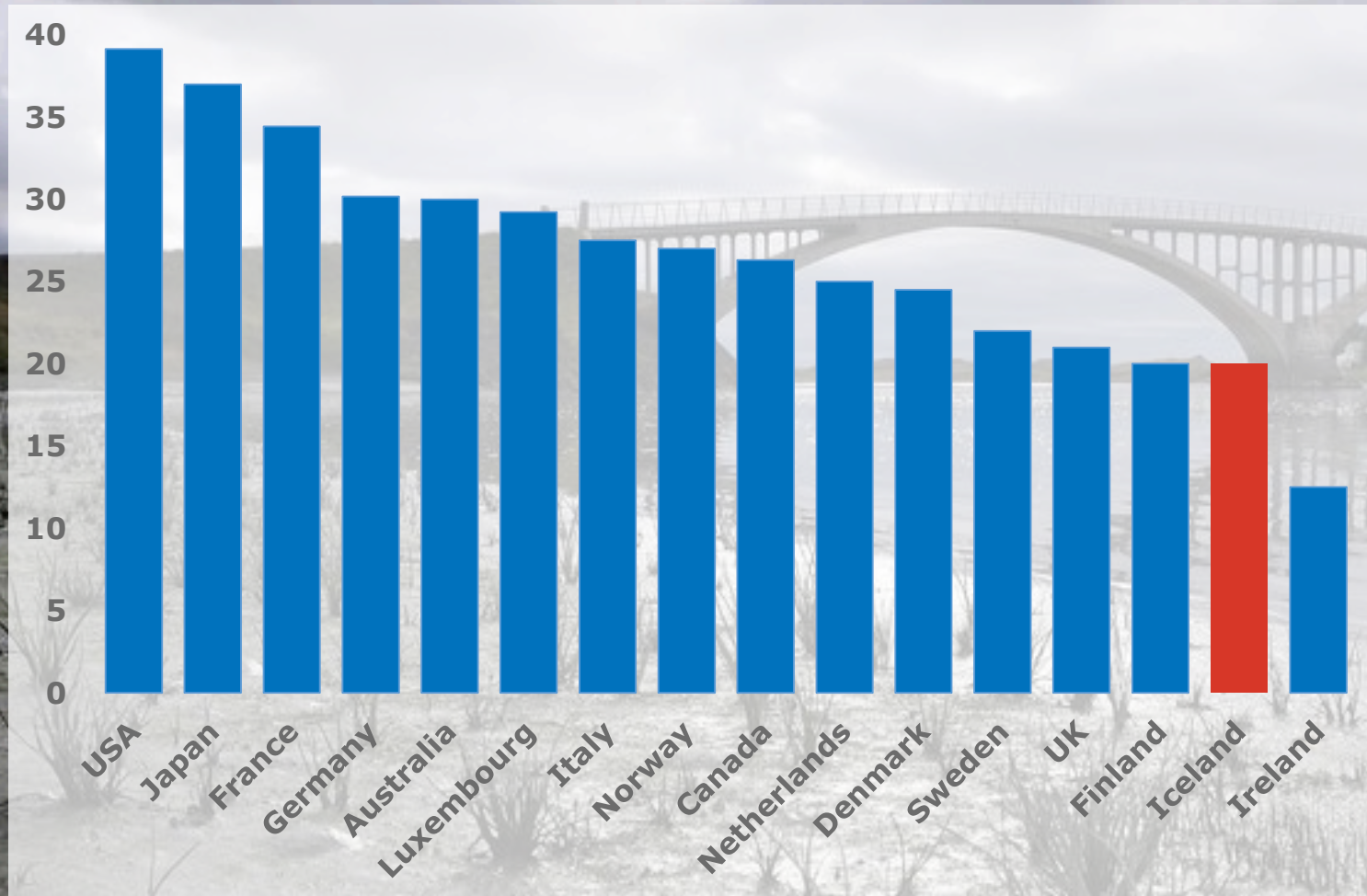
Modern Society – Advanced Infrastructure

Iceland is an advanced country with a tech-savvy population of 329,000 people. It is one of the world's most affluent countries with a GDP per Capita at \$52,426. It has been ranked as one of the best countries to live in, the world's most peaceful country, and as having the best basic infrastructure and most internet users per capita.

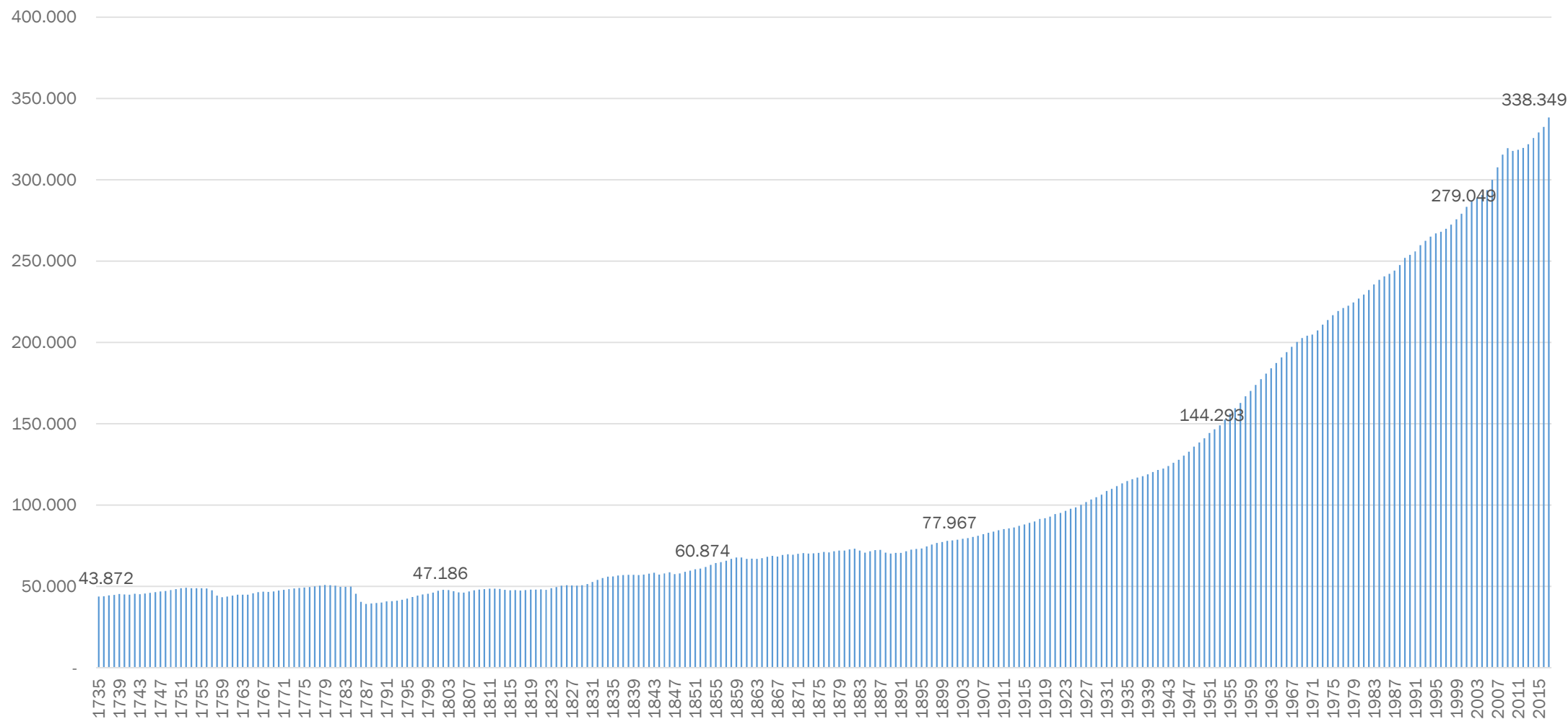


Positive Business Environment

Iceland is a part of the European Inner Market with Tariff-Free Access to the EU. The legal framework adheres to the general European business legislation and practices. Iceland has only 20% Corporate Income tax.



Iceland population



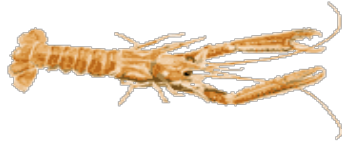
Labor force by occupation

- Services 73%
- Industry 22%
- Fisheries et al. 5%

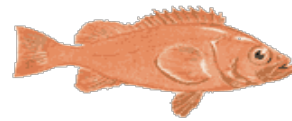


Examples of catch

Lobster



Redfish



Saithe



Catfish



Capelin



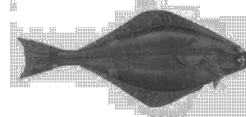
Herring



Haddock



Halibut



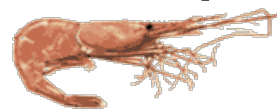
Plaice



Cod



Shrimp



Greenl. Halibut





Leading global provider of advanced equipment, systems and services to the food processing industries.

Headquarter in Iceland.

3,700 employees world wide

Subsidiaries and offices in 30 countries.



• SEAFOOD INDUSTRY CLUSTER

Sales and marketing

Technology

Fishing Gear

Shipping

Research and consultancy

United Nations University –
Fisheries Training Programme





Electricity production from renewable sources.

Selected countries

| Country | Year | Total renewable (GWh) | % of total generation |
|------------|------|-----------------------|-----------------------|
| Iceland | 2015 | 18,798 | 100.00% |
| Zambia | 2012 | 11,696 | 99.71% |
| Congo | 2012 | 7,852 | 99.58% |
| Norway | 2015 | 140,638 | 99.00% |
| Tajikistan | 2012 | 16,731 | 95.45% |
| Kyrgyzstan | 2012 | 14,037 | 93.79% |
| Costa Rica | 2012 | 9,273 | 92.24% |
| Uganda | 2012 | 2,525 | 82.92% |
| Colombia | 2012 | 47,661 | 82.44% |





Leading global provider of advanced equipment, systems and services to the food processing industries.

Hq in Iceland

3,700 employees world wide

Subsidiaries and offices in 30 countries.



• INTERNATIONAL SUCCESS STORIES



A global pharmaceutical company that grew out of Iceland.



17,000 employees in 60 countries.

770 employees in R&D and production in Iceland



A global leader in orthopaedics
Hq in Iceland, subsidiaries in 13 countries.

1,800+ employees

Total sales USD 401 million in 2011



Record growth in tourism

| <u>Year</u> | <u>%</u> |
|-------------|------------|
| 2011 | 16% |
| 2012 | 19% |
| 2013 | 21% |
| 2014 | 22% |











Total imports 2013

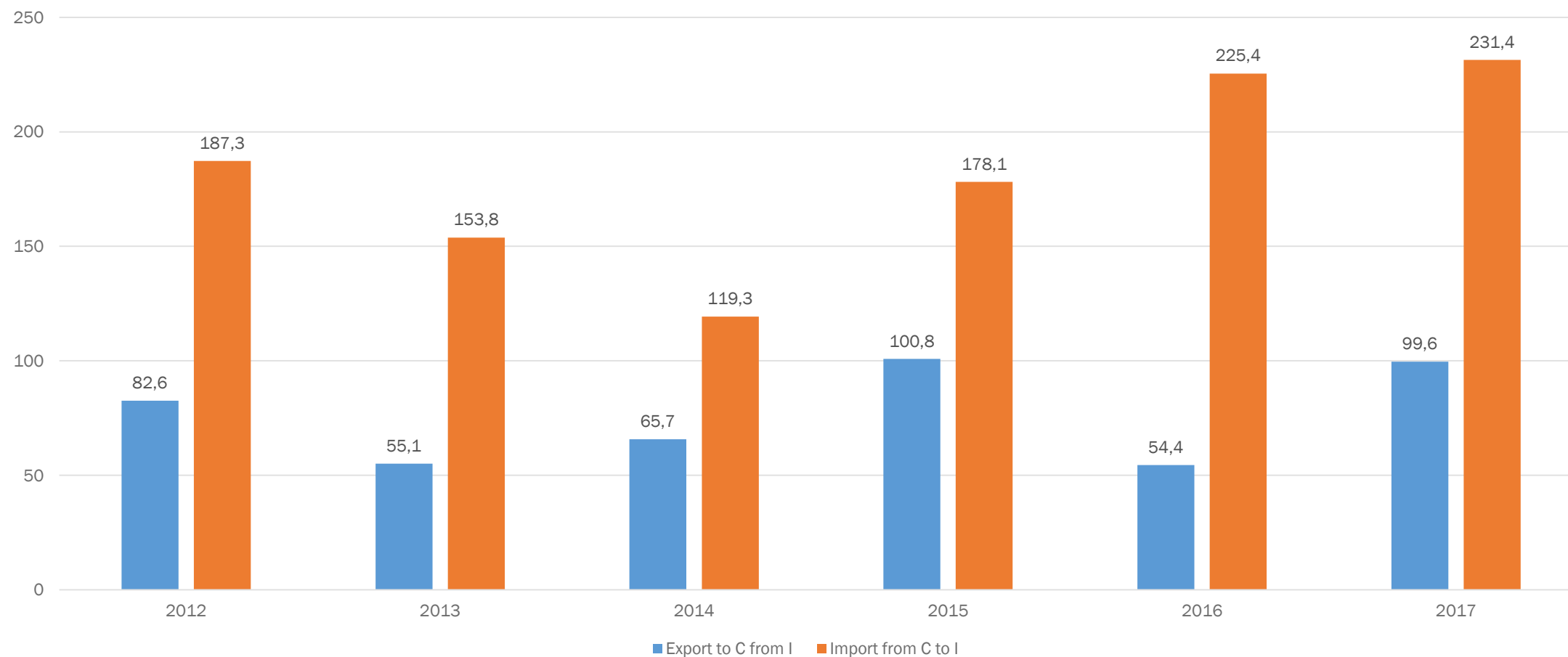
| | Bill Isk | % |
|----------------------|----------|------|
| Food and bevarages | 58.261 | 10% |
| Industrial supplies | 176.970 | 29% |
| Capital goods | 133.067 | 22% |
| Fuels and lubricants | 114.799 | 19% |
| Transport equipment | 49.922 | 8% |
| Consumer goods | 78.711 | 12% |
| | | |
| Total imports | 612.621 | 100% |

How to trade with Iceland

- Iceland joined the European Free Trade Association (EFTA) in 1970 and was one of the founding members of the European Economic Area – a market of 506 million people.
- Products being imported to Iceland from countries with which Iceland (through EFTA) has a Free Trade Agreement are eligible for preferential tariff treatment, upon submission of proof of origin. This of course applies to the EFTA-Colombia Free Trade Agreement
- Iceland in general does not levy export duties.
- For further information please consult the „Doing business in Iceland“ publication:
<http://www.invest.is/files/skjol/doingbusiness.pdf>

Trade balance positive for Colombia

Trade between Iceland and Colombia
M.ISK (2007 first 7 months)



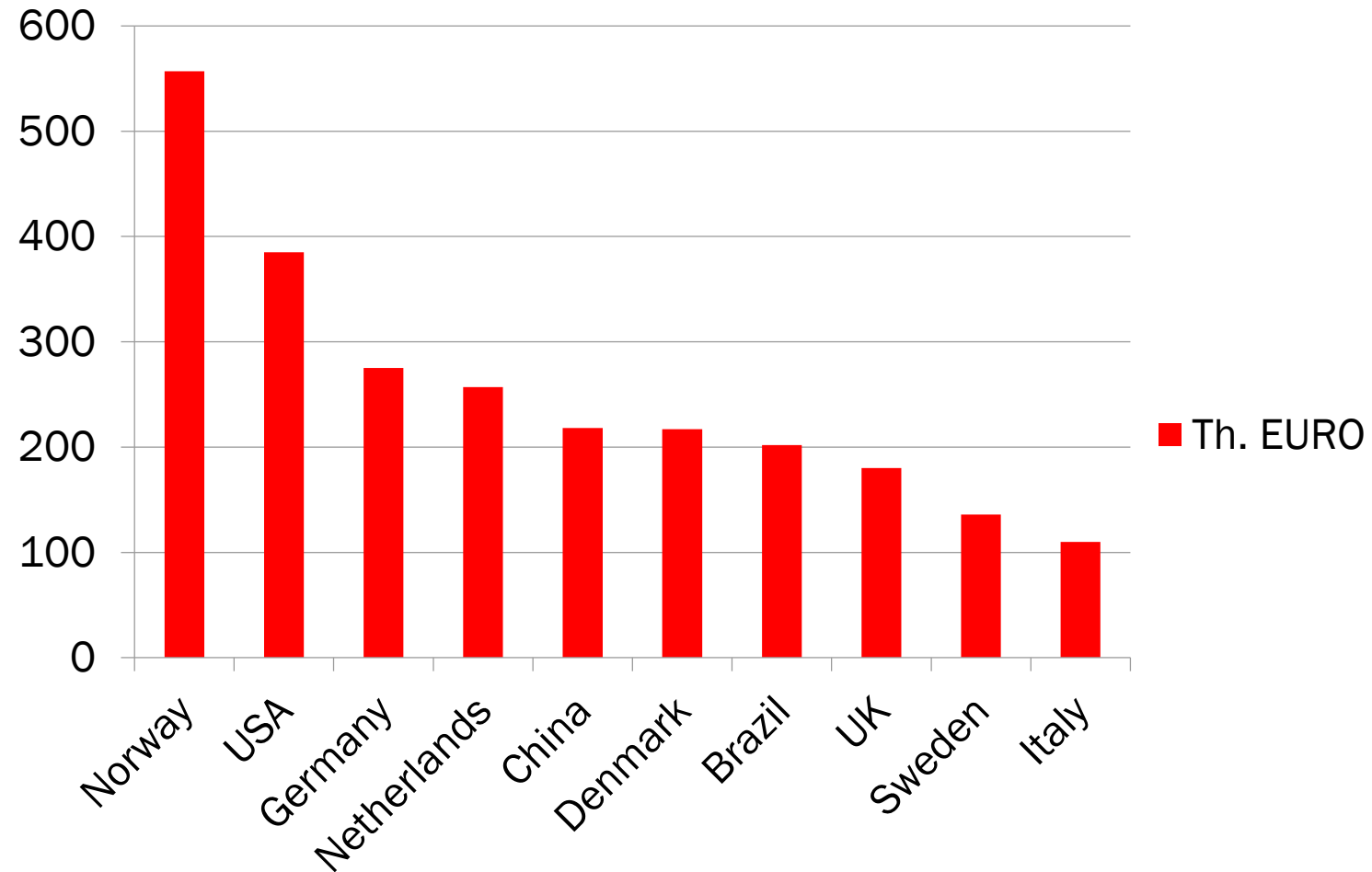
How to trade with Iceland

- The Icelandic Customs Tariff is based on the Harmonized Commodity Description and Coding System (Harmonized System).
- The 2012 Customs Tariff is available online, <https://www.tollur.is/english/businesses/customs/import-duties/customs-tariff/>
- The general rule is that import duties are to be paid of imported goods. These are however waived when preferential treatment applies based on a Free Trade Agreement.
- In addition, excise duties are levied on various goods, new and second-hand, which are imported from abroad or manufactured, processed or packed in Iceland.
- A 25.5% value-added tax is levied on any sale of goods, power or services with various exceptions.
- Further information: <https://www.tollur.is/english/>

How to trade with Iceland

- There are some restrictions which apply in Iceland on the import of live animals, firearms, dangerous substances, pharmaceuticals, etc. For further information: <http://www.mast.is/english>

Main import countries to Iceland (2014 est)



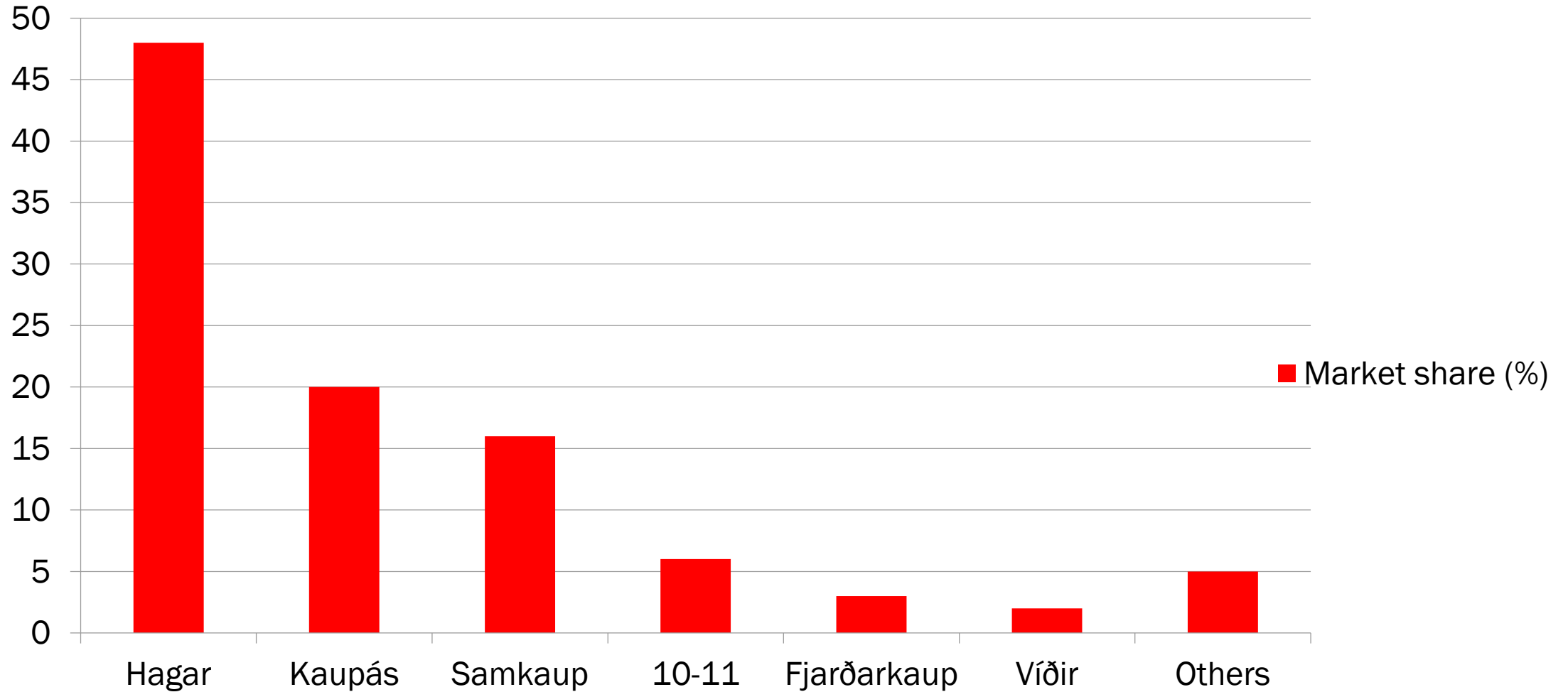
Import opportunities

- Icelanders love good coffee
 - Few importers of unroasted beans
- Icelanders love to try new types of food – exotic / spicy

A few wholesalers in Iceland

- Íslensk-Ameríska www.isam.is
- Hagar www.hagar.is
- Nathan & Olsen www.nathan.is
- Bananar www.bananar.is
- Innnes www.innnes.is
- Ásbjörn Ólafsson www.asbjorn.is
- Rolf Johansen & Co www.rjc.is
- O. Johnson & Kaaber www.ojk.is
- Ísfell www.isfell.is

Main grocery stores (2014)



General information



Business etiquette

- **Punctuality**
- **Gift giving**
- **Business dress code**
- **Bribery and corruption**

Contacts in Iceland

The Iceland Chamber of Commerce

Tel. +354 510 7100

e-mail address:

mottaka@chamber.is

<http://www.chamber.is>

The Icelandic Federation of Trade

Tel. +354 588 8910

e-mail address: ift@ift.is

<http://www.ift.is>

Useful websites

- **General:** iceland.is
- **Importation:** tollur.is / mast.is / neytendastofa.is
- **Trade:** promoteiceland.is
- **Investments:** invest.is
- **Tourism:** visiticeland.is / inspiredbyiceland.com

