



# ICELAND



## TABLE OF CONTENTS

Section	1	Contact Addresses
	2	General
	3	Passport
	4	Money
	5	Duty Free
	6	Public Holidays
	7	Health
	8	Accommodation
	9	Sport & Activities
	10	Social Profile
	11	Business Profile
	12	Climate
	13	History and Government
	14	Overview

## 1 CONTACT ADDRESSES

**Location:** North Atlantic, close to Arctic Circle.

Icelandic Tourist Board  
Laekjargata 3, 101 Reykjavík, Iceland  
**Tel:** 535 5500. Fax: 535 5501. E-mail: [info@icetourist.is](mailto:info@icetourist.is)  
**Web site:** <http://www.icetourist.is>

Embassy of Iceland  
2A Hans Street, London SW1X 0GE  
**Tel:** (020) 7259 3999 or 7245 9649. Fax: (020) 7730 1683.  
**E-mail:** [icemb.london@utn.stjr.is](mailto:icemb.london@utn.stjr.is)  
**Web site:** <http://www.iceland.org.uk>  
**Opening hours:** 0930-1600 and 0930-1200 (consular section) Monday to Friday.

Icelandic Tourist Information Office/Icelandair  
3rd Floor, 172 Tottenham Court Road, London W1P 0LY  
**Tel:** (020) 7874 1019 or 7874 1000 or (020) 8286 8008 (brochure line). Fax: (020) 7387 5711.  
E-mail: [london@icelandair.is](mailto:london@icelandair.is)  
**Web site:** <http://www.icelandair.co.uk>

British Embassy  
**Street address:** Laufásvegur 31, 101 Reykjavík, Iceland  
**Postal address:** PO Box 460, 121 Reykjavík, Iceland  
**Tel:** 550 5100. Fax: 550 5105. E-mail: [britemb@centrum.is](mailto:britemb@centrum.is)  
**Vice-Consulate in:** Akureyri.

Embassy of Iceland  
1156 15th Street, NW, Washington, DC 20005  
**Tel:** (202) 265 6653-5. Fax: (202) 265 6656.  
**E-mail:** [icemb.wash@utn.stjr.is](mailto:icemb.wash@utn.stjr.is)  
**Web site:** <http://www.iceland.org>

Consulate General of Iceland  
800 Third Avenue, 36th Floor, New York, NY 10022  
**Tel:** (212) 593 2700. Fax: (212) 593 6269. E-mail: [icecon.ny@utn.stjr.is](mailto:icecon.ny@utn.stjr.is)  
**Web site:** <http://www.icelandnaturally.com>  
**Consulates in:** Anchorage, Atlanta, Bayamon (Puerto Rico), Boston, Chicago, Detroit, Harrisburg, Houston, Dallas, Louisville, Los Angeles, Miami, Minneapolis, New Orleans, Norfolk, Phoenix, Portland, San Francisco, Seattle and Tallahassee.

Icelandic Tourist Board  
**Street address:** 655 Third Avenue, New York, NY 10017  
**Postal address:** PO Box 4649, Grand Central Station, New York, NY 10163-4649  
**Tel:** (212) 885 9700. Fax: (212) 885 9710. E-mail: [goiceland@aol.com](mailto:goiceland@aol.com)  
**Web site:** <http://www.icelandtouristboard.com>

Embassy of the United States of America  
Laufásvegi 21, 101 Reykjavík, Iceland

**Tel:** 562 9100. **Fax:** 562 9110. **Web site:** <http://www.usa.is>

Consulate of the Republic of Iceland  
250 Yonge Street, Suite 2400, Toronto, Ontario M5B 2M6

**Tel:** (416) 979 6740. **Fax:** (416) 979 1234.

**Web site:** <http://www.iceland.org> or <http://www.iceland.is>

**Consulates also in:** Calgary, Edmonton, Halifax, Montréal, Regina, St John's, Vancouver and Winnipeg.

Consulate General of Canada

Sudurlandsbraut 10, 108 Reykjavík, Iceland

**Tel:** 568 0820. **Fax:** 568 0899. **E-mail:** [cantrade.canada@mmedia.is](mailto:cantrade.canada@mmedia.is)

**Country dialling code:** 354.

## 2 GENERAL

**Area:** 103,000 sq km (39,770 sq miles).

**Population:** 278,702 (1999).

**Population Density:** 2.7 per sq km.

**Capital:** Reykjavík. Population: 108,351 (1998).

**Geography:** Iceland is a large island in the North Atlantic close to the Arctic Circle and includes islands to the north and south. The landscape is wild, rugged and colourful, with black lava, red sulphur, hot blue geysers, grey and white rivers with waterfalls and green valleys, its coastline richly indented with bays and fjords. The whole of the central highland plateau of the island is a beautiful but barren and uninhabitable moonscape; so much so that the first American astronauts were sent there for pre-mission training. Five-sixths of Iceland is uninhabited, the population being concentrated on the coast, in the valleys and in the plains of the southwest and southeast of the country. More than half the population live in or around Reykjavík, the capital. Iceland is one of the most volcanically active countries in the world. Hekla, in the south of Iceland, is the most famous and magnificent volcano of them all. It has erupted no fewer than 16 times since Iceland was settled, and throughout the Middle Ages was considered by European clergymen as one of the gateways to Hell itself. Another volcano, Snæfellsnes, fired Jules Verne's imagination to use its crater as the point of entry for his epic tale *Journey to the Centre of the Earth*. Iceland's highest and most extensive glacier is Vatnajökull; at 8500 sq km (3280 sq miles), it is the largest in Europe.

**Government:** Republic. Gained full independence from Denmark in 1944. Head of State: President Ólafur Ragnar Grímsson since 1996. Head of Government: Prime Minister Davíð Oddsson since 1991. Iceland's Parliament (the Althing) is the oldest in the world.

**Language:** The official language is Icelandic, which has remained virtually unchanged since the Vikings settled Iceland in the 9th and 10th centuries. The Icelandic language refuses to accept foreign words, preferring instead to coin new words from ancient Viking roots. The word for computer thus becomes hölva, a hybrid made up of the old words for 'number' and 'prophetess'. English (which is taught in schools) and Danish are widely spoken.

**Religion:** Lutheran, with a Catholic minority.

**Time:** GMT.

**Electricity:** 220 volts AC, 50Hz. Plug fittings are normally 2-pin with round section pins 4mm in diameter with centres 2cm apart. Lamp fittings are screw-type. Almost all the power is generated by thermal hydro-electric stations.

**Communications:**

**Telephone:** Full IDD service is available. Country code: 354. Outgoing international code: 00. There are no longer any area codes; all lines now have a seven-digit number. For Reykjavík, old six-digit numbers are now preceded by 5, while old five-digit numbers are preceded by 55.

**Mobile telephone:** GSM 900 and 1800 networks exist, serving Reykjavík and coastal towns. Network operators include Iceland Telecom Ltd (web site: <http://www.siminn.is>) and TAL hf (web site: <http://www.tal.is>).

**Fax:** Public facilities are available at the main telephone headquarters in Austurvoll Square and in most hotels and offices.

**Internet/E-mail:** Cybercafés provide public access to e-mail and internet services. ISPs include Hringidan/Vortex Inc (web site: <http://www.vortex.is>) and Nyherji (web site: <http://www.itn.is>).

**Telegram:** There is a 24-hour telegram service from the Telegraph Office in Reykjavík.

**Post:** There is an efficient airmail service to Europe. Post offices are open 0830-1630 Monday to Friday. The post office at Austurstræti is also open 1000-1400 Saturday from June-September.

**Press:** The most popular newspapers are Morgunbladid, DV and Dagur. International English-language newspapers and magazines are available.

**BBC World Service and Voice of America frequencies:** From time to time these change.

**BBC:**

MHz12.019.4106.1950.648

**Voice of America:**

MHz15.269.7601.1970.792

### 3 PASSPORT

	<i>Passport Required?</i>	<i>Visa Required?</i>	<i>Return Ticket Required?</i>
<b>British</b>	Yes	No	No
<b>Australian</b>	Yes	No	Yes
<b>Canadian</b>	Yes	No	Yes
<b>USA</b>	Yes	No	Yes
<b>OtherEU</b>	1	No	No
<b>Japanese</b>	Yes	No	Yes

**PASSPORTS:** Passport valid for at least 3 months after intended date of departure required by all, except:

(a) 1. nationals of Austria, Belgium, France, Germany, Greece, Italy, Liechtenstein, Luxembourg, The Netherlands, Portugal, Spain and Switzerland holding a national ID card;

(b) nationals of Finland, Norway, Denmark and Sweden travelling from a Scandinavian country.

**VISAS:** Required by all except the following for stays of up to 3 months:

(a) nationals of countries referred to in the chart above;

(b) nationals of Andorra, Brazil, Chile, Cyprus, Czech Republic, Estonia, Guyana, Hungary, Israel, Korea (Rep. of), Latvia, Lithuania, Malaysia, Malta, Mexico, Monaco, New Zealand, Poland, San Marino, Singapore, Slovak Republic, Slovenia, Switzerland, Uruguay and Vatican City.

**Types of visa and cost:** Entry: £10.

**Validity:** Up to 3 months. For extensions, apply to the Immigration authority in Iceland.

**Application to:** Consulate (or Consular section at Embassy); see address section.

**Application requirements:** (a) Completed visa application form. (b) 1 passport-size photo. (c) Valid passport. (d) Fee (non-refundable). (e) Confirmation of travel arrangements from authorised travel agent or carrier. (f) Return or onward ticket to a country to which the applicant has a legal right of entry. (g) For postal applications, a stamped, self-addressed envelope. (h) For business visits, a letter of invitation from a business contact in Iceland.

**Working days required:** Minimum 10 days by post or personal visit.

**Temporary residence:** Enquire at Embassy of the Republic of Iceland.

## 4 MONEY

**Currency:** Icelandic Krona (Ikr) = 100 aurar. Notes are in denominations of Ikr5000, 2000, 1000, 500 and 100. Coins are in denominations of Ikr100, 50, 10, 5 and 1.

**Currency exchange:** Foreign currencies can be exchanged in all major banks, some of which (such as the Landebanki at Keflavik airport) are open 24 hours. Most hotels also provide their guests with exchange services. Exchange services are also available from The Change Group, which has offices at Keflavik airport, the Tourist Information Centre and in central Reykjavik (near the MacDonalds restaurant). Cash dispensers are also available throughout Reykjavik.

**Credit cards:** Visa, Eurocard, MasterCard, Diners Club and American Express are widely accepted. Check with your credit card company for details of merchant acceptability and other services which may be available.

**Travellers cheques:** Widely used. To avoid additional exchange rate charges, travellers are advised to take travellers cheques in US Dollars.

Exchange rate indicators

The following figures are included as a guide to the movements of the Krona against Sterling and the US Dollar:

Date May '00 Aug '00 Nov '00 Feb  
'01 £1.00 = 114.45 117.46 123.82 125.67 \$1.00 = 77.10 78.29 85.53 86.06

**Currency restrictions:** The import and export of local currency is limited to Ikr8000; the import of foreign currency is unlimited and the export of foreign currency is limited to the amount imported.

**Banking hours:** 0915-1600 Monday to Friday.

## 5 DUTY FREE

The following goods may be imported into Iceland by passengers aged 16 years and over (tobacco products) or aged 20 and over (alcoholic beverages) without incurring customs duty: 200 cigarettes or 250g of tobacco products; 1 litre of spirits or 1 litre of wine (under 21%) or 12 bottles of beer (or a combination of two of these quantities).

**Note:** All fishing equipment, including waders and rubber boots, must be disinfected and a certificate of disinfection issued by an official veterinary authority should be presented on arrival.

**Prohibited items:** Drugs, firearms, butter, eggs and uncooked meats.

## 6 PUBLIC HOLIDAYS

Jan 1 2001 New Year's Day. Apr 12 Maundy Thursday. Apr 13 Good Friday. Apr 16 Easter Monday. Apr 19 First Day of Summer. May 1 Labour Day. May 24 Ascension Day. Jun 4 Whit Monday. Jun 17 National Day. Aug 6 Bank Holiday. Dec 24 Christmas Eve (from noon). Dec 25 Christmas Day. Dec 26 Boxing Day. Dec 31 New Year's Eve (from noon). Jan 1 2002 New Year's Day. Mar 28 Maundy Thursday. Mar 29 Good Friday. Apr 1 Easter Monday. Apr 25 First Day of Summer. May 1 Labour Day. May 9 Ascension Day. May 20 Whit Monday. Jun 17 National Day. Aug 5 Bank Holiday. Dec 24 Christmas Eve (from noon). Dec 25 Christmas Day. Dec 26 Boxing Day. Dec 31 New Year's Eve (from noon).

## 7 HEALTH

	<i>Special Precautions</i>	<i>Certificate Required</i>
<b>Yellow Fever</b>	No	No
<b>Cholera</b>	No	No
<b>Typhoid and Polio</b>	No	-
<b>Malaria</b>	No	-
<b>Food and Drink</b>	No	-

**Health care:** All hospitals have excellent standards of medical service. There is a reciprocal health agreement with the UK. On presentation of a UK passport or NHS card, all in-patient treatment at hospitals and emergency dental treatment for children aged 6-15 is free. Citizens of

EU countries, Liechtenstein and Norway get free medical treatment on presentation of an E-111 form. For others, medical and dental treatment, prescribed medicines and travel by ambulance must be paid for. If wrongly charged, one can apply for a refund by presenting any receipts to the State Social Security Institute, Laugavegur 114, 150 Reykjavík (tel: 560 4400). There are eight Health Centres in Reykjavík and the Emergency Ward at Sjúkrahús Reykjavíkur (City Hospital) is open 24 hours (tel: 525 1000).

#### Travel - International

**AIR:** The national airline, Icelandair (FI), operates direct flights to Keflavík from London, New York, Orlando and many European cities. Other, predominantly Scandinavian, carriers also operate services. Flights are operated to the Faroe Islands and Greenland during the summer months. For further details, contact Icelandair (see address section).

**Approximate flight times:** From Iceland to London is 3 hours and to Glasgow is 2 hours 10 minutes.

**International airport:** Keflavík (REK) is 51km (32 miles) southwest of Reykjavík (travel time - 45 minutes). Airport facilities include bus services, departing after the arrival of each flight; taxi services; a duty-free shop selling a wide range of goods, including handmade Icelandic items such as sweaters; banking and exchange facilities, open on arrival of all scheduled services; restaurants and bars and car hire (Icelandair) offices. (For further details on car hire, see the Road in Travel - Internal.)

**Departure tax:** None.

**SEA:** There is no longer a direct service between the UK and Iceland. Sea passengers must travel from Aberdeen, with a three-day stop-over in the Faroe Islands on the return journey. This is a costly and aggravating route, not recommended by travel agents. A few ferry companies also operate services to Iceland from Norway, Denmark and Germany. Although most of these are mainly cargo ships, they have comfortable and modern facilities for passengers.

#### Travel - Internal

**AIR:** Air Iceland and Íslandsflug run domestic services throughout the island to ten major destinations which link with regional carriers in the west, north and east of the country. Icelandair also offers a variety of special air packages for the internal traveller. These include the Iceland Pass, Air/Bus Rover and Fly As You Please. For further details, contact the local office.

**Departure tax::** None.

**SEA:** Ferry services serve all coastal ports in summer, although weather curtails timetables in winter. There is now a tunnel between Reykjavík and Akranes.

**RAIL:** There is no railway system in Iceland.

**ROAD:** Roads serve all settlements. The 12,000km (7500 miles) of roads are mostly gravel rather than tarred. The Ring Road is approximately 1430km (894 miles) long, of which 80% is tarred. Traffic drives on the right. It is obligatory to use headlights at all times of the day and night and to wear safety belts, both in the front and back seats. The Icelandic Tourist Office publishes a useful brochure, 'The Art of Driving on Icelandic Roads'. Bus: Services are efficient and cheap, connecting all parts of the island during the summer. In winter, buses operate to a limited number of destinations. Holiday tickets (Omnibus Passport) and Air/Bus Rovers are valid



for unlimited travel by scheduled bus services; also Full-Circle Passports are available, valid for circular trips around Iceland (without any time limit). Taxi: Available from all hotels and airports. Car hire: Car rental services are available from Reykjavík, Akureyri and many other towns. Documentation: Drivers must be over 20 years of age. An International Driving Permit is recommended, although it is not legally required. A temporary driving licence is available from local authorities on presentation of a valid UK driving licence.

**JOURNEY TIMES:** The following chart gives approximate journey times (in hours and minutes) from Reykjavík to other major cities/towns in Iceland.

AirRoadSea  
Isafjörður0.509.00-  
Saudakrokur0.453.30-  
Akureyri0.555.00-  
Husavík1.006.00-  
Höfn0.659.30-  
Vestmanna Is.0.30\*1.006.00  
Egilsstaðir0.7014.00-

**Note:** \*To Thorlakshofn, then sea crossing.

## 8 ACCOMMODATION

**HOTELS:** These are not classified but most have rooms with private bathroom or shower, telephone, radio and TV on request. The most luxurious hotels are in the capital Reykjavík and some of them also have hairdressers, shops and beauty parlours. Hotel or hostel accommodation is available in most areas. For further information, contact the Icelandic Travel Industry Association (SAF), Hafnarstræti 20, 101 Reykjavík, Iceland (tel: 511 8000; fax: 511 8001; e-mail: ino@saf.is).

**PENSIONS & GUEST-HOUSES:** These are available in the larger towns. Rooms are also available in private houses with breakfast included in the cost.

**FARMHOUSE HOLIDAYS:** Fairly widely available; contact the Iceland Tourist Bureau for details. Full board (three meals daily) is included. Reductions are available for children. Further information is available from Icelandic Farm Holidays, Sidumula 13, 108 Reykjavík (tel: 570 2700; fax: 570 2799; e-mail: ifh@farmholidays.is; web site: <http://www.farmholidays.is>).

**CAMPING/CARAVANNING:** The inhospitable interior and unpredictable weather do not lend themselves to favourable camping conditions. The best method is to exploit the interior using the coastal ports as a base rather than camping outside the towns. The best-equipped camping grounds are to be found in Reykjavík, Husafell, Isafjörður, Varmahlid, Akureyri, Myvatn, Egilsstaðir, Laugarvatn, Thingvellir, Jokulsargljufur and Skaftafell. In some places camping is restricted to certain specially marked areas, while elsewhere camping is generally free. Campers, however, must request permission from the local farmer to camp on any fenced and/or cultivated land. For further information contact Áning (e-mail: aning@mmedia.is; web site: <http://www.mmedia.is/aning>); or The Icelandic Touring Club, Mörkin 6, 108 Reykjavík (tel: 568 2533; fax: 568 2535; e-mail: fi@fi.is).

**Youth Hostels:** A total of 25 youth and family hostels are open, including Reykjavík, Fosshöll, Hrauneyjar, Leirubakki, Njardvik, Reykholt, Stafafell and Stykkisholmur. Many country hostels

provide overnight accommodation for travellers bringing their own sleeping bags or bedrolls for a fee. In uninhabited areas there are a number of huts where travellers can stay overnight. They must observe regulations posted in the huts and bring their own sleeping bags and food. For more information, contact the Icelandic Youth Hostel Association, Sundlaugavegir 34, 105 Reykjavík (tel: 553 8110; fax: 588 9201; e-mail: info@hostel.is; web site: <http://www.hostel.is>). The Youth Hostel Association also offers a travel service to help with bookings, tours and travel arrangements.

## 9 SPORT & ACTIVITIES

**Hiking:** Hiking: Few places in Iceland have marked walking paths. The Touring Club of Iceland, Ferðafelag Islands, Morkin 6, 108, Reykjavík (tel: 568 2533; fax: 568 2535) operates walking tours all year round. During winter, these are mostly day tours or weekend tours, but longer tours are organised during summer.

**Glacier tours:** Glacier tours: A number of travel agencies and tour operators can organise trips to Iceland's glaciers, which cover 11% of the country. Transport is by four-wheel-drive vehicles, snow cats or - the most popular option - snowmobiles (also called 'skidoos'). The best time for skidooning is between January and March when the snow is fresh and plentiful. The most visited glaciers are Snæfellsjökull, Vindheimajökull, Glerádalsjökull and Drangajökull. A list of tour operators can be obtained from the Icelandic Tourist Board (see address section).

**Skiing:** Skiing: Skiing is a year-round activity and Iceland's most popular winter sport. Ski resorts offering both downhill skiing and cross-country skiing can be found throughout the country. Several Alpine-style resorts are located near Reykjavík (Bláfjöll), Akureyri (Hlíðarfjall) and Ísafjörður. These resorts are equipped with standard lifts and facilities. Many good ski slopes are just half an hour's drive from Reykjavík. The main skiing season is normally from January until May or June. Summer skiing is possible on the glaciers. Mýrdalsjökull has a ski-lift which is open throughout summer.

**Swimming:** Swimming: This is very popular in Iceland since there are many natural and man-made pools such as the Blue Lagoon near Reykjavík (see also Resorts & Excursions section) heated by geothermal springs. Most towns and cities have outdoor and indoor pools filled with water from natural hot springs (water temperature in the pools averages at around 29°C/85°F). Many places also have saunas, jacuzzis and hot pots with water temperatures of up to 44°C/112°F.

**Fishing:** Fishing: Iceland is famous for its trout and, particularly, salmon fishing, for which it is reputed to be among the best locations in the world. The main salmon fishing season is from around June 20 to mid-September. Permits must be reserved well in advance from the National Angling Association, Bolholt 6, IS-105 Reykjavík (tel: 553 1510; fax: 568 4363; e-mail: [angling@arctic.is](mailto:angling@arctic.is); web site: <http://www.arctic.is/angling>). The trout fishing season varies from one river to the next, but is generally from April/May until late September/October. Permits can be obtained at short notice, often the same day. Fishing boats and gear can be rented in towns around the coast.

**Golf:** Golf: There are approximately 55 courses in Iceland, all of which are open to visitors. During the Midnight Sun period (end of May to beginning of August) it is possible to play golf at night. The Akureyri Golf Club in the north hosts the yearly Arctic Open, an international competition at the end of June which climaxes with a tee-off at midnight continuing until the early morning hours. For further information, contact the Icelandic Tourist Board.

**Wildlife:** Wildlife: One of Iceland's most popular special interest activities is birdwatching. Many tours, often involving a boat trip, are available. The Vestmanna Islands are particularly good for spotting seabirds as well as being home to the world's largest puffin population. Lake Myvatn in northern Iceland is apparently the most fertile spot on the globe at that latitude and is a favourite breeding ground for many species of birdlife, particularly waterfowl. Southern Iceland is known for its great skua colony living on the sands. Nearly as popular as birdwatching is whale watching and tours to the best spots around the coast are widely available. The Icelandic Tourist Board can provide further details.

**Icelandic horse trekking:** Icelandic horse trekking: When the Vikings created Iceland's (and the world's) first Parliament in 930, one of their acts was to prohibit further import of horses. More than ten centuries later, the Icelandic horse breed remains pure. This small but sturdy and sure-footed horse is reputed for its friendliness and willingness to carry riders over even the roughest terrain. Horses are available for hire near most towns, with experienced guides if required. Longer expeditions, including camping, can be arranged by tour operators.

**Running:** Running: The Reykjavik Marathon takes place every year in August and attracts thousands of runners. Participants are offered a choice of a full or half marathon ('fun run'). Pollution levels in Reykjavik are very low.

## 10 SOCIAL PROFILE

**Food & Drink:** Icelandic food in general is based on fish and lamb, as well as owing much to Scandinavian and European influences. The salmon of Iceland is a great delicacy, served in many forms, one of the most popular being gravlax, a form of marination. Fishing is Iceland's most important export, accounting for some 80% of the country's gross national product. There is also a heavy emphasis on vegetables grown in greenhouses heated by the natural steam from geysers. Specialities include hangikjot (smoked lamb), hardfiskur (dried fish), skyr (curds) and Icelandic sild (herring marinated in various flavours). There have been some welcome additions to the selection of eating places in Reykjavik and there is now a small but attractive choice of restaurants to cater for all pockets with new tourist menus.

**Drink:** Bars have table and/or counter service, and will serve coffee as well as alcohol. Beer was prohibited in Iceland for 75 years and was finally legalised in March 1989. Alcohol is generally expensive (a large beer costs approximately US\$8, a small one US\$4.70). In coffee shops you pay for the first cup; you help yourself to subsequent cups. There is a wide selection of European spirits and wines. Brennivin (a potent variation of aquavit made from potatoes) is a local drink.

**Nightlife:** There are plenty of nightclubs, bars, cafés and cinemas in Iceland, most of them in the capital. Icelandic nightlife is particularly vibrant during June-August when there is nearly 24 hours of perpetual daylight (Icelanders call this period the 'White Nights'). Leading theatres are the National Theatre and the Reykjavik City Theatre, closed in summer, but during the tourist season there is an attractive light entertainment show in English called 'Light Nights' with traditional Icelandic stories and folk songs. The Iceland Symphony Orchestra gives concerts every two weeks at the University Theatre during the season September to June. Iceland has a vibrant music scene which has produced, amongst others, the internationally acclaimed artist Björk. This has, in turn, attracted a number of British and American pop stars to Iceland, such as Damon Albarn from the British band Blur, who has opened his own café, the BarIn, in Reykjavik.

**Shopping:** Fluffy, earth-coloured Lopi wool blankets and coats, jackets, hats and handknits are synonymous with Iceland. Several local potters handthrow earthenware containers in natural colours. Crushed lava is a common addition to highly glazed ceramic pieces, which are popular as souvenirs. The duty-free shop at Keflavik Airport sells all of these products, as does the Iceland Tourist Bureau souvenir shop in Reykjavík. Shopping hours: 1000-1800 Monday to Friday, 1000-1400 Saturday, with variations from shop to shop. Shopping malls are open 1000-1830 Monday to Thursday, 1000-1900 Friday, 1000-1600 Saturday and 1300-1600 on Sunday.

**Special Events:** For a full list, contact the Icelandic Tourist Board (see address section). The following is a selection of the major festivals and special events celebrated in Iceland during 2001:

Feb 2001 Thorri (traditional Viking celebrations during the whole month), countrywide. Apr Húnavaka (one-week county festival), Blönduós. Apr 19 First Day of Summer Celebrations, countrywide. Jun Seafarers' Day, Reykjavík and all fishing ports; Arctic Open Midsummer Night Golf Tournament, Akureyri; Midsummernight Celebration, Akranes. Jun 17 Independence Day Celebrations (parades, theatre and music in celebration of full independence from Denmark in 1944), countrywide. Aug Danish Days (annual family festival), Stykkishólmur. Aug 18 Reykjavík Cultural Night. Aug 19 Reykjavík Marathon. Sep Reykjavík Jazz Festival. Nov Nordic Festival, Reykjavík.

**Social Conventions:** Visitors will find Iceland is a classless society with a strong literary tradition. Handshaking is the normal form of greeting. An Icelander is called by his first name because his surname is made up of his father's Christian name plus 'son' or 'daughter' (eg John, the son of Magnus, would be called John Magnusson, while John's sister, Mary, would be known as Mary Magnúsdóttir). People are addressed as Fru (Mrs) and Herra (Mr). Visitors will often be invited to homes especially if on business and normal courtesies should be observed. Icelanders pay careful attention to their appearance and, as for most Western countries, casual wear is widely acceptable although unsuitable for smart and social functions. Tipping: Service charges are included in most bills and extra tips are not expected.

## 11 BUSINESS PROFILE

**Economy:** Iceland is short of indigenous raw materials and thus relies heavily on foreign trade to keep its relatively successful economy ticking over. Exports of goods and services account for over one-third of the gross national product. The largest proportion of these derive from fisheries and related products such as fishmeal and oil. The economy is thus particularly susceptible to fluctuating world prices in this commodity and maintains a broad fisheries exclusion zone (320km/200 miles) to protect its earnings. As several European governments (including the British) have discovered to their cost, the Icelanders are fiercely determined and quite capable of defending their perceived territorial rights. Other sources of revenue come from the sale of minerals such as aluminium, ferro-silicon, cement and nitrates used in fertilisers, although these have lately been affected by low demand. Light industry is developing steadily, producing knitwear, blankets, textiles and paint. The major problem in the economy of recent years has been the fall-out from the European Economic Area Agreement of 1991, which allowed for the wholesale liberalisation of trade between the European Union and the European Free Trade Association of which Iceland is a member. Although most of the damage was done in areas other than the fishing industry, this highlighted the fact that Iceland's economy is too dependent on its fishing industry and urgently needs to diversify in areas that will allow it to compete in international markets. Iceland's principal import suppliers are, in order of importance, Norway, Germany and the UK. The UK, the USA and Germany are the country's main export markets.

**Business:** Business people are expected to dress smartly. Local business people are conservative but very friendly and most speak English. Previous appointments are not generally necessary, but visits between May and September should be planned in advance as many local business people travel abroad at this time. The telephone directory is listed by Christian name. Office hours: 0800-1600 (summer) and 0900-1700 (winter) Monday to Friday. Most offices are closed Saturday. Some firms close down completely for an annual 3-week holiday; this is usually in July.

**Commercial Information:** The following organisation can offer advice: Verzlunarrád Islands (Chamber of Commerce) Kringlan 7, 103 Reykjavík (tel: 510 7100; fax: 568 6564; e-mail: mottaka@chamber.is; web site: <http://www.chamber.is>).

**Conferences/Conventions:** There are several large hotels in Reykjavík equipped for conferences and business meetings, while smaller conferences may be held at venues outside the capital. For further information, contact the Iceland Convention and Incentive Bureau, Laekjargata 2, 101 Reykjavík (tel: 562 6070; fax: 562 6073; e-mail: [icib@centrum.is](mailto:icib@centrum.is); web site: <http://www.icelandconvention.com>).

## 12 CLIMATE

Iceland's climate is tempered by the Gulf Stream. Summers are mild and winters rather cold. The colourful Aurora Borealis (Northern Lights) appear from the end of August. From the end of May to the beginning of August, there are nearly 24 hours of perpetual daylight in Reykjavík, while in the northern part of the country the sun barely sets at all. Winds can be strong and gusty at times and there is the occasional dust storm in the interior. Snow is not as common as the name of the country would seem to suggest, and in any case does not lie for long in Reykjavík; it is only in northern Iceland that skiing conditions are reasonably certain. However, the weather is very changeable at all times of the year, and in Reykjavík there may be rain, sunshine, drizzle and snow in the same day. The air is clean and pollution-free.

**Required clothing:** Lightweights in warmer months, with extra woollens for walking and the cooler evenings. Medium- to heavy-weights are advised in winter. Waterproofing is recommended throughout the year.

## 13 HISTORY AND GOVERNMENT

**History:** Settled by the Norse seafarers in the 9th century, Iceland subsequently became part of Danish territory. The origins of democracy in Iceland may be found at Thingvellir, about an hour's drive from Reykjavik, where the original Viking settlers turned a cliff wall into a natural amphitheatre. This makes the Icelandic parliament the oldest still surviving in the world. The island was granted its own constitution in the 1840s and in 1918 it achieved self-government. Iceland became an independent republic in 1944. Icelandic politics display the customary Western European spectrum of political parties, although a notable feature has the influence of women within the main parties (Independents, Progressives, Social Democrats). Iceland's most famous political figure of recent times is also a woman, Vigdis Finnbogadottir, who served four consecutive terms as president between 1980 and her resignation in 1996. The Parliament (Althing) has generally been dominated by coalition governments. These were of a broadly centre-right persuasion until the mid-1970s, since when the left has dominated. At the general election in April 1991, the Independence Party (IP) emerged as the largest grouping in the

Althing and formed a coalition administration with the smaller SDP. The ex-mayor of Reykjavik, David Oddsson, who had successfully taken over the leadership of the IP, was made Prime Minister. Oddsson was re-elected at the 1995 general election, but a decline in support for the IP later forced Oddsson to form a coalition administration with the Progressive Party (PP). At the most recent poll in May 1999, the same coalition - still under Oddsson - retained overall control of the Althing. Icelandic foreign policy is dominated by two factors: fishing and relations with the Atlantic powers. Iceland is a member of NATO, the Nordic Council and of the Council of Europe. Ties with NATO have been loosening since before the end of the Cold War - in May 1985, the Althing declared Iceland a 'nuclear-free zone' - and this process has accelerated since the reduction of the large NATO base at Keflavik. Iceland has historically eschewed membership of the European Union, partly because of its Scandinavian links. However, since Sweden, Finland and Denmark have all joined up, it is Iceland's opposition to the EU's fisheries policy of stock management by quotas that is now the decisive influence. Since both the IP and the PP oppose the Common Fisheries Policy, it seems unlikely that Iceland will apply for EU membership in the foreseeable future. On the issue of whaling, Iceland has been among the few objecting to the International Whaling Commission's ban: in 1992, the Government withdrew from the IWC.

**Government:** Executive power is vested in the President and Government, while legislative authority rests jointly with the President and the 63-member Althing (Parliament). Both are elected for 4-year terms. The Althing has recently been reduced from two houses to one.

## 14 OVERVIEW

**Country Overview:** Iceland is a large island in the North Atlantic close to the Arctic Circle. The landscape is wild, rugged and colourful, with black lava, red sulphur, hot blue geysers, rivers, waterfalls and green valleys. Its coastline is richly indented with bays and fjords. More than half the population lives in or around Reykjavík, the capital. Iceland is one of the most volcanically active countries in the world. Hekla, in the south of Iceland, has erupted no fewer than 16 times, and was once described by clergymen as the gateway to Hell.

Reykjavík is set on a broad bay, surrounded by mountains, and is in an area of geothermal hot springs, creating a natural central heating system and pollution-free environment. It is a busy city combining old-fashioned wooden architecture and modern buildings.

Local dishes include hangikjot (smoked lamb) and Icelandic sild (herring and salmon).

Nightclubs and cinemas exist in major centres. During the tourist season there is an attractive light entertainment show called 'Light Nights' with traditional Icelandic stories and folk songs.

More countries : <http://www.umzugs.com>