

# Invest in Iceland

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An aerial photograph of a winding asphalt road that curves through a large, calm lake in Iceland. The road is flanked by dark, rocky terrain and leads towards a range of mountains in the distance under a cloudy sky. The water reflects the sky and the surrounding landscape.

## Invest in Iceland Three tasks

Attract Foreign  
Direct Investments

Support and  
encourage measures  
to improve Iceland's  
competitiveness

Promote Iceland's  
incentives for  
Filming in Iceland



# Iceland's International Business Framework

World Trade Organization (WTO) & OECD

European Economic Area (EU+EFTA):  
Part of the European Common Market with  
free flow of capital, goods, people & services  
European legislative framework

27 EFTA freetrade agreements

Freetrade agreement with China,  
Faroe Islands and Greenland

Double Taxation Treaty with India 2007

Investment Agreement with India 2008

Free Trade Agreement between EFTA and  
India being negotiated



An aerial photograph of a beach with waves crashing onto the shore. The water is a deep teal color, and the waves are white and frothy. The beach is dark and sandy. A small figure of a person is visible on the beach in the lower left corner.

# Government Policy on FDI

Positive towards FDI

Parliamentary Resolution from 2016 on Government Policy on FDI

Regional Incentives for new initial investment

Generous Support for R&D

Tax Incentives and Fast Track permits for Specialists



## **Open for Business**

Individuals and companies domiciled in the EEA enjoy the same rights as Icelandic to invest, own and operate

Individuals and companies domiciled in the EEA and OECD can establish and operate limited companies in Iceland

Outside EEA or OECD apply for permission from the Minister of Tourism, Industry & Innovation



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## Sector Based Restrictions

Fishing and Fish Processing

Energy – Exploitation rights, production and distribution

Aviation – Icelandic Airline Companies

Real Estate – Restricted to EEA

Outside EEA apply for exemption to the Minister of Justice – new regulation in place for real estate for business purpose or as a private home.



## **Sector Based Restrictions**

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## **Incentives – Investment Agreements**

Regional Incentives available outside the Capital Area to projects that  
fulfill certain criteria

Investment Agreement with Ministry of Industries and Innovation

Includes exemptions from residence requirements and real estate  
restrictions

Income Tax ceiling of 15%, favourable depreciation rules, reduction of  
various charges and duties etc.



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## **R&D Support & Tax Incentives for Foreign Experts**

Tax credit for 20% of R&D cost

25% income tax deduction for foreign experts for 3 years





# Invest in Iceland – Sustainable Development

## Emphasis according to the Parliamentary Resolution on FDI Policy:

Increase diversification

Seek sustainable projects

Employ latest technology

Create more valuable jobs

Create value added industries

Support R&D

Extend the tax base

Support domestic industries





# Identifying Niches



## Fishing and Seafood

Seafood Cluster

Clean tech

Food Processing

Maritime Engineering

## Renewable Energy

Geothermal Utilisation

## Tourism

Wellness

## Life Sciences

Maritime

Genomics – data banks

Biosimilars

## Data Centers

The Coolest Location



# The Tourism Opportunity

- Need for investments in quality services and destinations
- Domestic entrepreneurs seeking investors/partners
- Interest from foreign investors and operators
- Important to work according to the vision for Iceland as a tourist destination

Number of International Visitors to Iceland 2010-2018






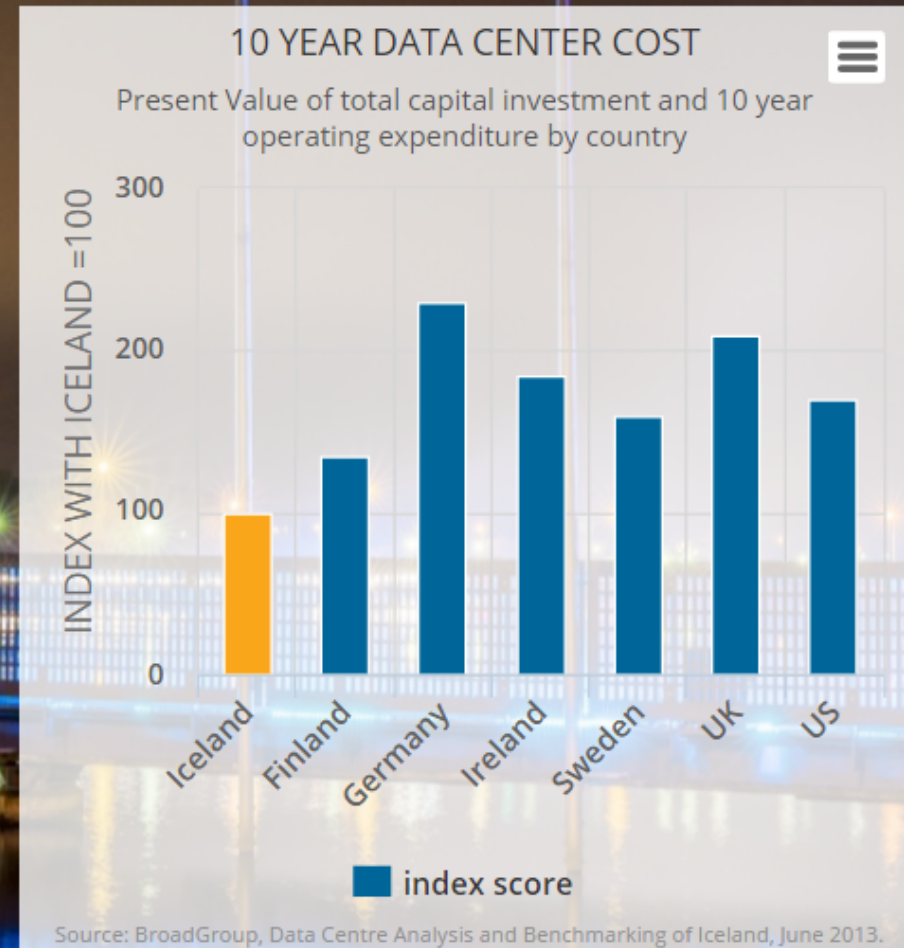
# ICELAND THE COOLEST LOCATION FOR DATACENTERS

 COST COMPETITIVE GREEN ENERGY

 IDEAL CLIMATE FOR COOLING

 RELIABLE CONNECTIVITY

 SAFE LOCATION



*GREEN ENERGY, COMPETITIVE PRICES, LONG TERM CONTRACTS*

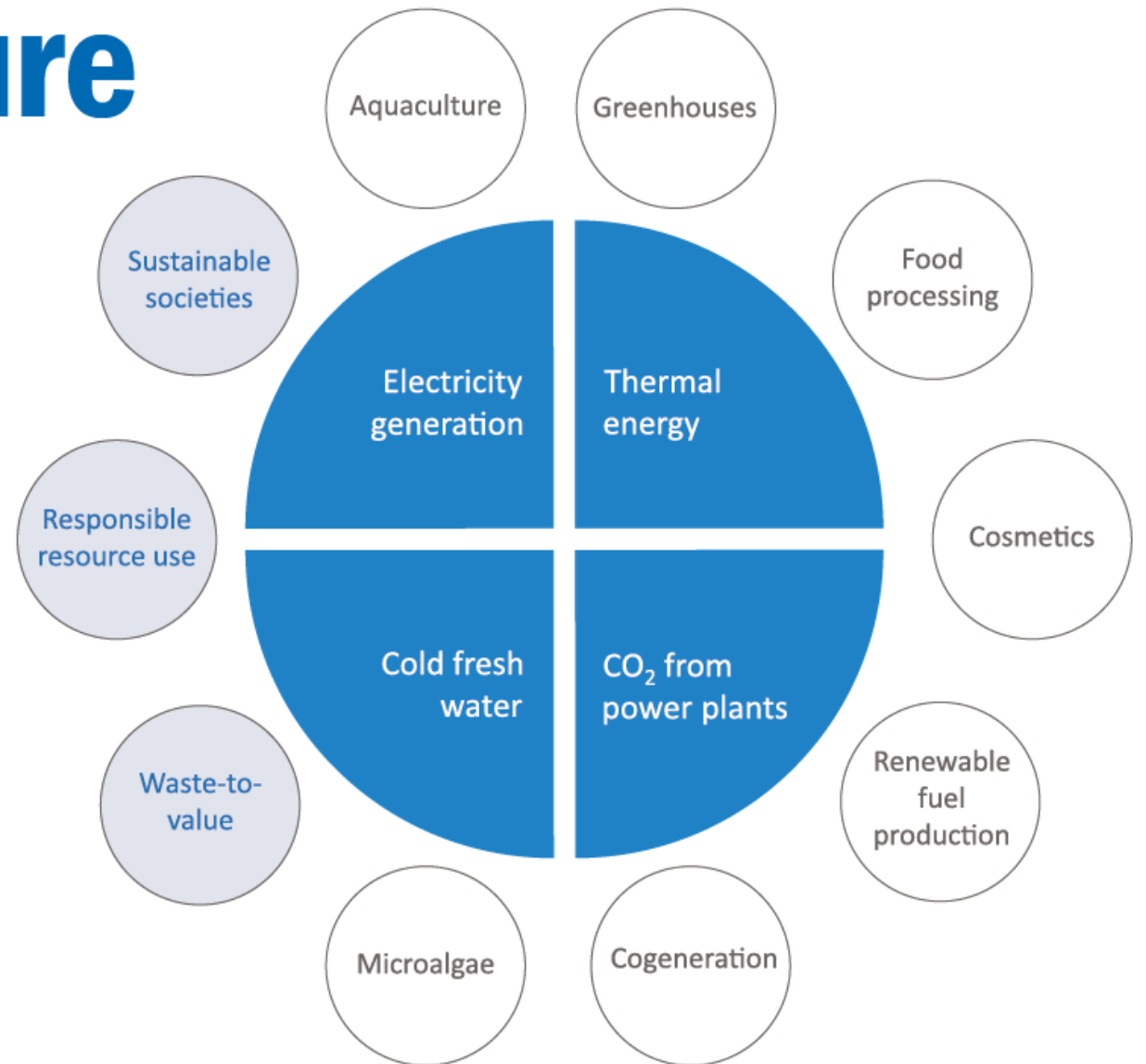
# The power of nature

## Multiple Value Streams

The combination of multiple value streams from geothermal powerplants provide the opportunity to create unique sustainable inputs to diverse processes.

- Microalgae cultivation utilizing electricity, thermal energy and CO<sub>2</sub>
- Waste-to-value food processing based on geothermal heat
- Liquid fuel production using electricity and CO<sub>2</sub>
- Algae based cosmetic production

These are all examples of high value products being produced in Iceland based on the full utilization of geothermal resources.





# Opportunities in Life Sciences



- Strong government support for R&D and further investment
- Highly skilled and educated workforce
- Extensive international academic network
- Advanced health care system
- Access to rich population-based data for use in e.g. clinical trials
- Established Track Record





**Film in Iceland**





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**ICELAND**

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# 25%

## REFUND INCENTIVE

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# Invest in Iceland

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