

Ministry of External Affairs  
(Central Europe Division)

**Iceland**

**Embassy:  
Resident Mission to be opened shortly.**

**Other contacts Numbers in the Mission**

**Not available at present.**

**I. BASIC FACTS**

<b>Name of the country</b>	<b>:</b>	<b>Republic of Iceland.</b>
<b>Capital</b>	<b>:</b>	<b>Reykjavik</b>
<b>Area</b>	<b>:</b>	<b>103,000 Km<sup>2</sup></b>
<b>Government</b>	<b>:</b>	<b>Constitutional Republic</b>
<b>Suffrage</b>	<b>:</b>	<b>Universal, over 18 years of age, Proportional representation.</b>
<b>Election Term</b>	<b>:</b>	<b>4 years</b>
<b>Legislature</b>	<b>:</b>	<b>Althingi (Parliamentary)</b>
<b>GDP &amp; Growth Rate (2006)</b>	<b>:</b>	<b>ISK 1,141,747 billion (US\$ 16.36 million); 4.2%</b>
<b>Per Capita GDP (2006)</b>	<b>:</b>	<b>US\$54,764 (Nominal) US\$ 39,986 (PPP)</b>
<b>Unemployment (Q1/2007)</b>	<b>:</b>	<b>2.6%</b>
<b>Annual Inflation Rate (Oct 07)</b>	<b>:</b>	<b>5.2%</b>
<b>Visa</b>	<b>:</b>	<b>Indians visiting Iceland need Schengen visa.</b>
<b>PIOs (1.12.07)</b>	<b>:</b>	<b>303 (including 63 Indian citizens)</b>

**Regions**

1. Hofuoborgarsvæoi (Capital Region)
2. Suournes (Southern Peninsula)
3. Versturland (West)
4. Vestfiroir (West Fjords)
5. Norourland Vestra (Northwest)
6. Norourland Eyestra (Northeast)
7. Austurland (East)
8. Suourland (South)

**Major Cities and population:**

1. Reykjavik (Pop. 118263)
2. Kopavogur (Pop. 30,000)
3. Hafnarfjorour (Pop. 25,107),

**Overseas Territories**

None.

**Population: 3,16,2525 (As on 01.01.2008)**

**Currency : Icelandic Krona (Plural: Kronur), Currency Code: ISK**

**Languages spoken:**

Icelandic belongs to the Nordic group of Germanic languages.

**Time**

Same as GMT (IST – 5 1/2 Hrs.)

**Religion**

Evangelical Lutheran Christian (90%)

**Government**

<b>President</b>	<b>Mr. Olafur Ragnar Grimsson</b>	
<b>Prime Minister</b>	<b>Mr. Geir H. Haarde</b>	<a href="http://www.mfa.is">www.mfa.is</a>
<b>Foreign Minister</b>	<b>Mrs. Ingibjorg Solrun Gisladottir</b>	<a href="http://www.mfa.is">www.mfa.is</a>
<b>Finance Minister</b>	<b>Mr. Arnie M. Mathiesen</b>	

**Major Banks:**

1. Glitnir Bank
2. Kaupthing Bank
3. Landsbanki

**Membership of Organizations:**

1. UN
2. NATO
3. EFTA
4. EEA
5. OSCE
6. Nordic Council, including West Nordic Council,
7. WTO
8. ICC
9. OECD
10. IMF
11. IAEA
12. WHO etc.

**Major industries**

1. Fishing and aquaculture
2. Hydrogen Cell Technology

3. Seismology
4. Capital investments
5. Hydropower
6. Geothermal energy

**Significant Economic Activities :**

Historically the economy of Iceland is export-oriented and has depended mainly on fishing industry which still provides 40% of export earnings and employs 8% of the work force. Marine products account for the majority of exports and other important exports include aluminium, ferro-silicon alloys, machinery and electronic equipment for the fishing industry, software and wooden goods. Iceland's economy has been diversifying into manufacturing and service industries in the last decade including software production, biotechnology and financial services. The tourism sector is expanding with the recent trends in eco-tourism and whale-watching. Iceland's agriculture industry consists of potatoes, turnips, green vegetables (in greenhouses), meat and dairy products.

**Major Icelandic Companies:**

<u>Name of Company &amp; Year of Establishment</u>	<u>Description of products</u>	<u>Branch in India</u>
Sæplast, in Dalvik, Iceland in 1984	Double-walled plastic tubs for storing fish.	V-51, Satellite Complex, Premchandnagar Road, Vastrapur, Ahmedbad-038 015 (India). Manufactures plastic tubs.
i7 SOFTWARE ASIA (P) LTD.	i7 Software Asia (P) Ltd. Is an enterprising software development company developing software solutions for its technical counterpart Hreimur ehf, which is located in Reykjavik?	In 2000, i7 Development Center was started in Chennai, India.
ESKIMO INDIA	A service company divided into two divisions: Eskimo Models and Eskimo Casting. It provides advertising agencies, production companies, directors etc.	Eskimo India has started operations in India in March 2005.

<p>ACTAVIS (Generic Pharmaceuticals), founded as Pharmaco in 1956.</p>	<p>One of Europe's biggest producers of generic pharmaceutical products.</p>	<ul style="list-style-type: none"> <li>• Actavis Pharma Ltd., 97, Jolly Maker Chambers II, 225 Nariman Point, Mumbai-400021, India; established in 2004, heads the Group's strategic plans in India along with establishing new opportunities in sourcing active pharmaceutical ingredients (API) finished dosage forms, formulation development, contract research, clinical trials and contract manufacture and searching for new investment opportunities in India.</li> <li>• Actavis Pharma Ltd. Purchasing Office, a subsidiary of <b>Actavis Pharma</b>, in Unit 402 Rliance Classic, Road No. 1, Banjara Hills, Hyderabad-500034, Andhra Pradesh, India is a purchasing office for active pharmaceuticals ingredients.</li> <li>• In February 2005 <b>Actavis Pharma</b>, acquired CRO Company Lotus Laboratories which has its headquarters in Bangalore, India. It specializes in the management of clinical trials to study the bio-availability and bio-equivalence of drugs, drug-drug interaction and early and late phase clinical trials.</li> <li>• Actavis has signed an agreement for a strategic collaboration with the Indian pharmaceutical company <b>Emcure Pharmaceuticals</b>, on four products which they will manufacture for Actavis for the US market.</li> </ul>
		<p>Tata Consultancy Services (TCS) has been working on IT outsourcing project in Iceland. The company currently have approximately 15 IT professionals in their front office in Reykjavik. They are hopeful of getting more assignments in Iceland.</p>
		<p>Askar Capital inaugurated their Mumbai office on November 27 2007, when they also launched their real estate joint venture with SKIL Group of India. The \$ 500 million project involves redevelopment of 30 hectare land in Navi Mumbai. Askar is currently also planning to invest in a deep water port project in Gujarat.</p>
		<p>Glitnir, Iceland's third largest bank has applied for RBI permission to open a Representative Office in Mumbai. It is also planning to launch a joint venture geo-thermal energy company with India's LNJ Bhilwara Group.</p>
		<p>In June 2007, Kaupthing Bank announced acquisition of FiNobel, a merger &amp; Acquisition company in New Delhi.</p>
		<p>Landbanki has also announced that they have acquired real estate in three Indian cities for developing them into IT Parks.</p>

## **Global Trade and Investment:**

### **Total Exports: (2006 Estimates)**

US\$ 3.587 billion. Major exports were to UK, Germany, Netherlands, US, Spain and Denmark.

### **Total Imports: (2006 Estimates)**

US\$ 5.189 billion. Major imports were from Germany, Sweden, Norway, China, Netherlands and Japan.

## **Bilateral Trade**

India - Iceland trade has been modest but growing. Lack of bilateral awareness, difficulty in obtaining visas and relatively small size of Iceland's market have been inhibiting factors. Analysis of trade trends is made more difficult by factors such as differing data from Indian and Icelandic sources, indirect trade and raw material, such as bulk drugs being supplied directly from India to third countries on orders from Icelandic multinationals such as Actavis. Nevertheless, first 9 months of 2007 have recorded 18% growth in Indian exports to Iceland over same period in 2006. Following are trade figures for the last few years:

### **The Total Bilateral Trade**

The total bilateral trade during January – December 2007 was \$ 26.7 million (Imports from India: \$ 25.1 million; Exports to India: 1.6 million).

### **Major items (India's exports)**

Organic chemicals, Apparels & accessories, textile yarn etc., cereals & cereal productions, Miscellaneous manufactured articles.

### **Major items (India's imports)** - Cod liver oil & Other Fish Products

#### **Iceland's Trade with India 2001-2007 (Icelandic Data)**

Year	Iceland's Imports			Iceland's Exports			Total Trade		% increase
	ISK	\$	% change	ISK	\$	% change	ISK	\$	
2001	1272,0	13.0		45	0.5		1317,0	13.5	
2002	2487,0	27.2	109	42,8	0.5	-	2529,8	27.7	92
2003	1771,8	23.1	-15,1	58,3	0.8	60	1830,1	23.9	-28
2004	1129,1	16.1	-30.3	62,4	0.9	12,5	1191,5	17.0	-35
2005	1191,3	19.0	18	71,6	1.1	22,2	1262,9	20.1	6
2006	1553,8	22.3	17.4	56	0.8	-27,3	1609,8	23.1	27.5
2007	1440.5	-	-	97.3	-		1645.0	1537.8	-

#### **Iceland's Trade with India 2001-2006(Indian Data)**

Year	India's exports		India's Imports		Total Trade	% increase
	\$	% change	\$	% change	\$	
FY 2001	5,91		1,01		6,92	
FY 2002	4,89	-17,26	2,25	122,8	7,13	3,0
FY 2003	8,29	69,5	13,54	501,8	21,83	206,2
FY 2004	17,60	112,3	9,53	-91,5	27,13	24,3
FY 2005	12,91	26,7	2,30	-75,9	15,21	-43,9
FY 2006	13,05	1,1	6,32	474,6	19,37	27,4

### Major items of Imports from India from 2004-2006 (in \$ Mns) (Icelandic Data)

SITC	Description	2004	2005	%	2006	%
84	Apparel and clothing accessories	3,53	5,82	64,9	6,15	5,7
51	Organic Chemicals	6,79	5,44	-19,9	5,57	2,4
65	Textile yarn etc., n.e.s.	2,15	2,54	18,1	2,43	-4,3
74	Gen. industr. Machinery & equipm.	0,12	0,17	41,7	1,67	882,4
89	Misc. manufactured articles n.e.s.	0,40	0,57	42,5	0,79	38,6
69	Manufactures of metal n.e.s.	0,29	0,48	65,5	0,73	52,1
04	Cereals and cereal preparations	0,63	0,67	6,4	0,60	-10,4
83	Travel goods, handbags etc.	0,31	0,35	12,9	0,56	60
82	Furniture, mattresses, etc.	0,38	0,44	15,8	0,53	20,5
85	Footwear	0,17	0,28	64,7	0,45	60,7

### Major items of Exports to India from 2004-2006 (in \$ Millions) (Icelandic Data)

SITC	Description	2004	2005	%	2006	%
120	Cod	0,40	0,45	12,5	0,45	0
341	Medical products	0,12	0,21	75	0,19	-9,5
399	Other products	0,00	0,01	-	0,07	600
139	Other demersal	0,28	0,37	32	0,04	-89,2

### Icelandic Investments in India

According to latest official Iceland Statistics, Iceland made FDI worth US\$ 26.43 million in India during 2005. This was 0.4% of total outbound Icelandic FDI of US\$ 7.035 billion that year. With opening of Iceland's embassy in New Delhi and India visits by economic delegations from Iceland Trade Council and Employers Organisation as well as Iceland visit by Hon'ble Finance Minister in June 2007, there is perceptibly higher interest in investing in India, esp. in sectors such as real estate, geothermal, off-shore hydrocarbons and shipping as well as general FII investments in India. Following are some of the Icelandic companies operating in India: At present there is no major Indian investment in Iceland.

### Major Universities & Scientific Institutions with special focus on India

University of Oslo Website: <a href="http://www.uio.no">www.uio.no</a>	Courses in Hindi, Sanskrit, Hinduism and Buddhism. Bachelor/Master in South-Asian Studies
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### Important Think Tanks on Foreign Related Issues:

Nil.

### Student Exchange Programme

Nil.

### Cultural Troupes:

NIL.

### Sister City relations with India

Nil

## **Important streets and public places named after Indian leaders**

**Nil**

### **Major Tourist Attractions**

The main tourist attractions of Iceland the geothermal spas and pools such as the Bla'a L'nid (The Blue Lagoon). More information available at the website – [www.icetourist.is](http://www.icetourist.is) and [www.visiticeland.com](http://www.visiticeland.com)

### **Major art forms, Cultural traditions and venues:**

A continuous theme in the previous and present Icelandic art consists of paintings of Icelandic landscape in a naturalistic style Icelandic traditional art include weaving, silver crafting and wood carving. Reykjavik area has several professional theaters, a symphony orchestra, an opera and a large amount of art galleries, bookstores, cinemas and museums.

### **Art Museums:**

Blaafarveværket, Henie-Onstad Art Centre, Jugenstilsenteret, National Gallery of Norway and the Vigeland Sculpture Park.

### **Major Newspapers**

<b>Name of newspaper</b>	<b>Telephone No.</b>	<b>Website</b>
Morgunbladid	00 354 569 1110	<a href="http://www.mbl.is">www.mbl.is</a>
Fr'ettabladid	00 354 512 5000	<a href="http://www.visir.is">www.visir.is</a>
DV	00 354 512 5000	<a href="http://www.visir.is">www.visir.is</a>

### **Major magazines:**

NIL

### **TV Channels**

<b>Name of TV Channel</b>	<b>Telephone No.</b>	<b>Website</b>
Sjo'nvarpid	00 354 515 3000	<a href="http://www.ruv.is">www.ruv.is</a>
Skja'r 1	00 47 8156 9500	<a href="http://www.nrk.no">www.nrk.no</a>

## **II. INDIA-ICELAND RELATIONS**

India's relations with Iceland have traditionally been cordial. Iceland has been exceptionally supportive of India's cause at the international for a. The two countries share common values. A string of high level bilateral visits since 2000 and the opening of the Icelandic Embassy in New Delhi in February 2006 and announcement of opening a resident embassy in Reykjavik during 2008 has brought new dynamism to the bilateral relations.

### **Visit of President Olafur Ragnar Grimsson of Iceland**

President Olafur Ragnar Grimsson of Iceland paid a first ever state visit to India on October 29-November 3, 2000. He was accompanied by the Foreign Minister Halldor Asgrimsson and a large business delegation. He visited India again on February 3-9, 2005, January 20-23, 2007 and February 6-7 2008 in connection with Delhi Sustainable Development Summit 2008

(DSDS) organised by The Energy and Resources Institute (TERI), New Delhi.

**Bilateral visits:**

**From Iceland**

President Olafur Ragnar Grimsson Iceland	<ul style="list-style-type: none"> <li>• October 29-November 3, 2000,</li> <li>• February 3-9, 2005,</li> <li>• January 20-23, 2007</li> <li>• February 6-7 2008</li> </ul>
Minister of Education, Science & Culture Ms Thorgerdur Katrin Gunnarsdottir	February 26-March 3, 2006 (to inaugurate the Icelandic Embassy in New Delhi)
Minister of Finance Arnie Mathiesen	November 22-28, 2007.
President of Althingi Ms Solveig Petursdottir led an 8-member delegation Icelandic Parliamentarians	November 16-21, 2006

**From India:**

President Dr. A.P.J. Abdul Kalam , MOS Overseas Indian Affairs Shri Jagdish Tytler (President's delegation)	May 29-June 1, 2005 May 29-June 1, 2005
MOS, Tourism, Smt. Renuka Chowdhury	August 28-30, 2005
Minister of Petroleum & Natural Gas Panchayati Raj Mr. Mani Shankar Aiyar	September 2-3, 2005
Minister of Science & Technology, Bio-technology & Ocean Development, Sh. Kapil Sibal	October 19-21, 2005
MOS fro Non-Conventional Energy Sources Mr. Vilas Muttemwar	June 12-13, 2006
Finance Minister Shri P. Chidambaram	June 28-30, 2007

**Important Bilateral Treaties and Agreements**

- Air Services Agreement (2005).
- Cultural Agreement (2005)
- S&T Agreement (2005)
- Bilateral Investment Protection Agreement (2007)
- Avoidance of Double Taxation Agreement (2007)
- MoU for cooperation in the field of Energy (2007).
- MoU on Sustainable Fisheries Development (2007)

**Business Organizations**

<u>S.No.</u>	<u>Name of Organization</u>	<u>Address &amp; website</u>
1.	Iceland Chamber of Commerce	House of Commerce, 7 <sup>th</sup> Floor, Kringlan 7, IS103, Reykjavik, Iceland. Tel.: 00 354 510 7100, Fax: 00 354 568 6564 E-mail: <a href="mailto:info@chamber.is">info@chamber.is</a> , <a href="http://www.chamber.is">www.chamber.is</a>

2.	SI – The Federation of Icelandic Industries	Borgartuni 35, IS 105, IS103, Reykjavik, Iceland. Tel.: 00 354 591 0101, Fax: 00 354 511 4040 E-mail: <a href="mailto:mottaka@si.is">mottaka@si.is</a> , Website <a href="http://www.si.is">www.si.is</a>
3.	Trade Council of Iceland	Borgartuni 35, IS 105, IS103, Reykjavik, Iceland. Tel.: 00 354 511 4000, Fax: 00 354 511 4040 E-mail: <a href="mailto:icetrade@icetrade.is">icetrade@icetrade.is</a> , Website: <a href="http://www.icetrade.is">www.icetrade.is</a>
4.	Overseas Business Services	Raudararstigur 25, 150 Reykjavik, Iceland. Tel.: 00 354 545 9930, Fax: 00 354 562 4878 E-mail: <a href="mailto:obs@utn.stjr.is">obs@utn.stjr.is</a> Website: <a href="http://www.vur.is">www.vur.is</a>
5.	The Bankers and Securities Dealers Association of Iceland (BSDI)	Borgartuni 35, IS 105, IS103, Reykjavik, Iceland. Tel.: 00 354 591 0010, Fax: 00 354 591 0050 E-mail: <a href="mailto:sbv@sbv.is">sbv@sbv.is</a> Website: <a href="http://www.isvb.is">www.isvb.is</a>
6.	The Geothermal Association of Iceland (GAI)	Orkustofnun, Grensasvegi 9 , IS 108, Reykjavik, Iceland. Website: <a href="http://www.jhfi@jardhitafelag.is">www.jhfi@jardhitafelag.is</a>
7.	Iceland Trade Directory	<a href="http://www.icelandexport.is">www.icelandexport.is</a>

### **Honorary Consuls**

1. Mr. Elias Gunnarsson,  
Honorary Consul General of India,  
Sovallagata 5,  
101 Reykjavik, Iceland.  
Tel.: 00 354 551 5075, Fax: 00 354 55 2624
2. Dr. Girish Hirlekar,  
Honorary Consul General of India,  
Kotargerroi 16,  
600 Akureyri, Iceland.  
Tel.: 00 354 461 2064, Fax: 00 354 461 2063  
E-mail: [girhir@nett.is](mailto:girhir@nett.is), [girhir@hotmail.com](mailto:girhir@hotmail.com)

### **Types of visas issued by Icelandic Embassy, New Delhi**

Types of visas issued, visa details for officials, students, business people, tourists etc. More information can be obtained from the following website:  
[www.iceland.org/in/the-embassy](http://www.iceland.org/in/the-embassy)

**Address:** 11, Aarengzeb Road, New Delhi . 110011.  
Tel: + 4353 0300, Fax: + 42403001,  
E-mail: [emb.newdelhi@mfa.is](mailto:emb.newdelhi@mfa.is) , website: [www.iceland.org.in](http://www.iceland.org.in)

On the request of the Embassy, Iceland's Honorary Consuls in Chennai and Mumbai provide consular/commercial assistance.

### **Air Links with India/Convenient Travel routes**

There are no direct air links with India. However, there are convenient flights available from India to important locations in Europe from where convenient air connections are available.

21-05-2008