INVESTMENT IN ICELAND

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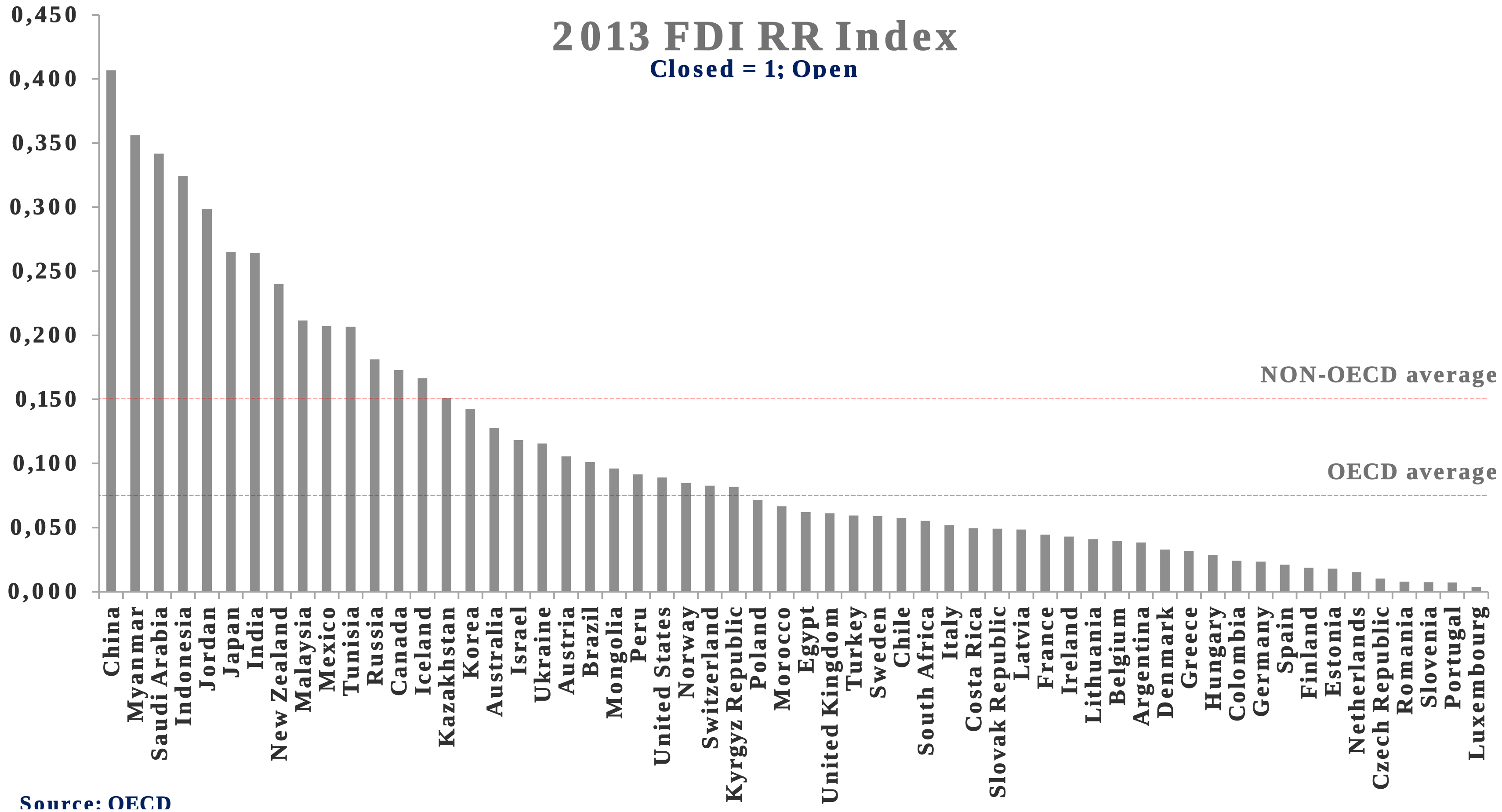
BETTER POLICIES FOR BETTER LIVES


2013 FDI RR Index
Closed = 1; Open
0,450
0,400
0,350
0,300
0,250
0,200
0,150
0,100
0,050
0,000
NON-OECD average
OECD average
China
Myanmar
Saudi Arabia
Indonesia
Jordan
Japan
India
New Zealand
Malaysia
Mexico
Tunisia
Russia
Canada
Iceland
Kazakhstan
Korea
Australia
Israel
Ukraine
Austria
Brazil
Mongolia
Peru
United States
Norway
Switzerland
Kyrgyz Republic
Poland
Morocco
Egypt
United Kingdom
Turkey
Sweden
Chile
South Africa
Italy
Costa Rica
Slovak Republic
Latvia
France
Ireland
Lithuania
Belgium
Argentina
Denmark
Greece
Hungary
Colombia
Germany
Spain
Finland
Estonia
Netherlands
Czech Republic
Romania
Slovenia
Portugal
Luxembourg

Source: OECD

INVESTMENT RESTRICTIONS

- Investment by established foreign-controlled enterprises
- Trans-sectoral: Foreign investment is accepted under reciprocity conditions. Transactions may be blocked if foreign investment is deemed to "seriously reduce competition" or to have an "undesirable effect on the Icelandic Economy".
- Trans-sectoral: Investment by foreign states or state-owned enterprises is prohibited unless an
- authorisation is granted.
- Real estate: Foreign investment by nationals from non-EEA countries - other than for direct business use - is restricted, with the exception of acquisitions by limited liability companies in which non-residents do not own more than 20 per cent of the capital and do not hold a majority of the total voting power.
- Fishing and whaling: Foreign investment in companies engaged in fishing and in companies applying for a licence to carry out whaling within the Icelandic territorial waters is prohibited.
- Primary fish processing: Foreign investment in primary fish processing (i.e. excluding retail packaging and later stages of preparation of fish products for distribution and consumption) is prohibited. No foreign ownership limitations apply to further fish processing.
- Fishing and fish processing: Indirect foreign investment in fishing and primary fish processing (i.e. excluding retail packaging and later stages of preparation of fish products for distribution and consumption) is allowed through indirect investment in Icelandic legal entities with a share no more than 25% ownership of foreign residents calculated on the basis of share capital or initial capital, which is increased no more than 33% foreign ownership in the case of Icelandic legal person which own no more than 5% of any fishing operations in the Icelandic fisheries jurisdiction or fish processing in Iceland;
- Natural resources: Foreign ownership of the exploitation rights of hydro and geothermal energy and investment in energy production and distribution by foreign persons is prohibited.
- Air transport: Foreign investment in air transport companies limited to 49 per cent of capital stock.

- Investment climate reforms
- Enhancing PPPs
- Enhancing clean energy investment

The OECD Policy Framework for Investment

- Investment policy
- Investment promotion and facilitation
- Trade policy
- Competition policy
- Tax policy
- Corporate governance
- Policies for promoting responsible business conduct
- Human resource development
- Infrastructure and financial sector development
- Public governance, incl. corruption
- (Investment for green growth)

THANK YOU

Any questions?

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