

Environmental Impact Assessment Act

No. 106, 25 May 2000

Took effect 6 June 2000. EEA Agreement: Annex XX Directive 85/337/EEC and 97/11/EC. *Amended* by Act no. 74/2005 (took effect 1 Oct. 2005)

CHAPTER I

Objectives, scope and definitions

Article 1

Objectives

[The objective of this Act is:

- a. to ensure that, before consent is granted for a project which may, due to its location, the activities which it will involve, its nature or extent, have significant effects on the environment, an assessment of the environmental impact of the relevant project has been carried out,
- b. to minimise as far as possible the negative environmental impact of a project,
- c. to promote co-operation of stakeholders and concerned parties with regard to projects subject to the provisions of this Act,
- d. to make known to the public the environmental impact of projects subject to the provisions of this Act, and mitigating measures to deal with them, and to give the public the opportunity to comment and contribute information before the National Planning Agency's opinion on environmental impact assessment of a project is issued.]¹

Article 2

Scope

[This Act applies to projects subject to the provisions of this Act, on land, in Icelandic territorial waters, air space, and within Iceland's pollution zone.]²

Article 3

Definitions

For the purpose of this Act, the following words and expressions shall have the meanings ascribed to them below:

- a. ...³
- b. *Developer*: The national government, a local authority, an institution and other legal entities or individuals intending to undertake a project covered by this Act.

¹ Act no. 74/2005, art. 1

² Act no. 74/2005, art. 2

³ Act no. 74/2005, art. 3

- c. *Project*: Any type of new construction or alteration to an existing construction and the concomitant activities, which are covered by this Act.
- [d. *Initial environmental impact statement (IEIS)*: The developer's report on environmental impact assessment, advertised by the National Planning Agency for public information]⁴
- [e.]⁵ [*Development consent*: Development permit and building permit as provided in the Planning and Building Act, and other permits for the activities and developments under special legislation that applies to the relevant project.]⁶
- [f.]⁷ *Licensor*: The competent authority which grants consent for the project.
- [g.]⁸ [*Scoping document*: A plan prepared by the developer based on the developer's proposal regarding which aspects of the project and the environment should be emphasised in the initial environmental impact statement, and on public presentation and consultation in the preparation of the initial environmental impact statement.]⁹
- [h.]¹⁰ *Project subject to assessment*: A project which is subject to the provisions of this Act together with its concomitant activities.
- [i.]¹¹ *Environmental impact statement (EIS)*: [A report by the developer on assessment of the environmental impact of the proposed project and resulting activities, together with proposals for mitigating measures where relevant.]¹² The developer is responsible for the preparation of the EIS.
- [j.]¹³ *Mitigating measures*: Measures to avoid, reduce or offset negative environmental impacts.
- [k.]¹⁴ *Environment*: A collective term for human beings, fauna, flora and other life forms, soil, geological formations, water, air, climate and landscape, society, health, culture and cultural relics, employment and material assets.
- [l.]¹⁵ *Environmental impact*: The impact of the project and concomitant activities on the environment. [This does not include, however, macro-economic effects, nor the profitability of individual projects.]¹⁶
- [m. *Environmental organisations*: Organisations whose principal objective is protection of the environment. Membership shall be open, and they shall publish annual reports on their activities and their accounts shall be audited.

⁴ Act no. 74/2005, art. 3

⁵ Act no. 74/2005, art. 3

⁶ Act no. 74/2005, art. 3

⁷ Act no. 74/2005, art. 3

⁸ Act no. 74/2005, art. 3

⁹ Act no. 74/2005, art. 3

¹⁰ Act no. 74/2005, art. 3

¹¹ Act no. 74/2005, art. 3

¹² Act no. 74/2005, art. 3

¹³ Act no. 74/2005, art. 3

¹⁴ Act no. 74/2005, art. 3

¹⁵ Act no. 74/2005, art. 3

¹⁶ Act no. 74/2005, art. 3

n. *Consultation bodies*: Public agencies and authorities which have mandated responsibilities regarding projects subject to assessment or their environmental impact.]¹⁷

[o.]¹⁸ *Significant environmental impact*: Substantial, irreversible environmental impact or substantial damage to the environment, which cannot be avoided or offset through mitigating measures.

CHAPTER II

Administration

Article 4

Direction and implementation

The Minister for the Environment shall govern issues covered by this Act. The Minister for Foreign Affairs has jurisdiction in designated defence areas, in accordance with the Act on Responsibility for Affairs in Designated Defence Areas.

The National Planning Agency shall advise the Minister and carry out supervision of the implementation of this Act and provide guidelines in accordance with it. [The National Planning Agency determines whether a project under art. 6 shall be subject to environmental impact assessment, and gives an opinion on the environmental impact assessment of the project and resulting activities.]¹⁹

CHAPTER III

Screening process

Article 5

Projects subject to environmental impact assessment (EIA)

The projects listed in Annex 1 to this Act shall always be subject to EIA.

[In cases where more than one project subject to assessment is planned in the same area, or projects that are contingent upon one another, the National Planning Agency may, after consultation with the developer and licensor concerned, decide that their environmental impact shall be assessed jointly.]²⁰

The Minister may, in exceptional circumstances, having received the opinion of the National Planning Agency, decide that a specific project, or part of a project, which concerns the public good and/or national security may be exempt from environmental impact assessment as provided in this Act. In such cases the Minister shall determine what data shall be collected on its environmental impact, and public accessibility to them, and make known to the developer, the licensors and the public the reasons for the exemption. The Minister shall,

¹⁷ Act no. 74/2005, art. 3

¹⁸ Act no. 74/2005, art. 3

¹⁹ Act no. 74/2005, art. 4

²⁰ Act no. 74/2005, art. 5

before granting exemption, notify the EEA Joint Committee of the premises on which exemption has been granted and shall also provide the EEA Joint Committee with the information to which the general public has access.

The Minister may, in exceptional instances and having received the opinion of the National Planning Agency and licensors, authorise that environmental impact assessment of a project or part of a project, as provided for in this Article and Article 6, shall be carried out in a manner different from that provided in this Act. The procedures in the case of such an assessment shall be equivalent to the procedures provided in Chapter IV.

Article 6

Projects which may be subject to environmental impact assessment

Projects listed in Annex 2 to this Act shall be subject to environmental impact assessment when they could have significant environmental effects due to their scope, nature or location.

Should a project be proposed which is listed in Annex 2 to this Act, the developer shall notify the National Planning Agency. The Minister shall lay down in Regulations²¹ provisions regarding what data shall be submitted to the National Planning Agency. Within four weeks of the receipt of data on the project, the National Planning Agency shall give notification as to whether the project shall be subject to assessment pursuant to this Act. In deciding whether a project shall be subject to assessment, the National Planning Agency shall be guided by the selection criteria laid down in Annex 3 of this Act. Before a decision is made the Agency shall seek the opinion of the licensors, the developer and other parties, depending upon the nature of the individual case. The National Planning Agency shall inform the parties concerned of its conclusion and make it known to the general public.

The public shall be authorised to give notification of a project or submit a query concerning the need for assessment of projects listed in Annex 2 to the National Planning Agency, which shall then seek information on the project from the developer and licensor and make a decision as to whether it shall be covered by this Article.

...²²

Article 7

Other projects which may be subject to environmental impact assessment

The Minister for the Environment may, upon receiving the opinion of the National Planning Agency, make provision in Regulations for a project which is not listed in Annex 1 or 2 of this Act to be subject to assessment, if it is deemed clear that such a project could result in significant environmental impact. The same applies to a project which is covered by international conventions to which Iceland is a party. In making a decision the Minister shall

²¹ Regs. 671/2000

²² Act no. 74/2005, art. 6

be guided by the selection criteria in Annex 3 to this Act and seek the opinion of the National Planning Agency, the licensors, the developer and other parties, depending upon the nature of the individual case.

CHAPTER IV

Procedures for projects subject to assessment

Article 8

Scoping document

Should a proposed project be subject to environmental impact assessment pursuant to this Act, the developer shall submit a scoping document proposal to the National Planning Agency as early as possible in the preparatory stage of the project. In this proposal, the developer shall describe the project, the project site and alternatives which could be considered and provide information on the planning of the project site and how the project will comply with development plans. The plan shall also propose which aspects of the project and of the environment should be emphasised, describe what data are already available and have a plan for making information available and for public consultation. The developer shall make the scoping document proposal known to the consultation bodies and to the general public and consult with the National Planning Agency.

The National Planning Agency shall make a decision on the developer's proposal within four weeks of its receipt, having received the opinion of the licensors and other parties, as appropriate. [The National Planning Agency can approve the scoping document proposal with or without comments. Should the Agency make comments, they shall become part of the scoping document.]²³ Should the National Planning Agency not approve the scoping document proposal, the Agency must provide grounds for its decision, indicate what it deems to be deficient and instruct the developer as how the scoping document should be further elaborated.

Should the National Planning Agency approve the scoping document proposal, the agency shall make it known to the licensors and consultation bodies.

Should there be special reasons for so doing, the National Planning Agency may, at later stages, cf. Articles 9 and 10, request that the developer submit further data, provided the Agency gives specific grounds for such a request.

Article 9

[Initial environmental impact statement

²³ Act no. 74/2005, art. 7

Should a developer be planning a project or activity which is subject to environmental impact assessment the developer shall, following the procedure provided for in Article 8, compile a report on environmental impact assessment of the proposed project. The report, to be termed an initial environmental impact statement, shall be compiled by the developer, and its form and content shall be consistent with the scoping document, cf. art. 8.

The report shall specify the effects, cumulative and synergic, direct and indirect, which the proposed project and concomitant activities may have on the environment and the interaction of individual environmental factors. It shall explain upon what premises the assessment is based. It shall describe the aspects of the proposed project which are regarded as most likely to have an impact upon the environment, including its scale, design and location, compliance with development plans, proposed mitigating measures and proposals for environmental monitoring where appropriate. The main alternatives considered, and their environmental effects, shall always be explained and compared. A non technical summary shall be prepared describing the report's main findings. The report's findings shall include classification and criteria for the environmental impact of individual aspects of the project, based upon guidelines issued by the National Planning Agency, cf. art. 20.]²⁴

Article 10

*[Review by the National Planning Agency and Environmental Impact Statement]*²⁵

[Within two weeks of the National Planning Agency receiving the initial environmental impact statement, the agency shall assess whether the report meets the criteria provided in art. 9, and is consistent with the scoping document as provided in art. 8. The National Planning Agency may refuse to accept the initial environmental impact statement for review in those cases when it does not meet the above-mentioned criteria. In such cases the National Planning Agency shall provide guidance to the developer regarding further elaboration of the initial environmental impact statement.]²⁶

The National Planning Agency shall publicise the proposed project and the [initial environmental impact statement].²⁷ This shall be done by an advertisement in *Lögbirtingablaðið* (the Legal Gazette), a national newspaper and, as appropriate, through a mass medium which may be assumed to reach residents in the vicinity of the project site.

The developer shall publicise the project and the [initial environmental impact statement]²⁸ in consultation with the National Planning Agency after the report has been advertised. The

²⁴ Act no. 74/2005, art. 8

²⁵ Act no. 74/2005, art. 9

²⁶ Act no. 74/2005, art. 9

²⁷ Act no. 74/2005, art. 9

²⁸ Act no. 74/2005, art. 9

National Planning Agency may waive this demand if it appears clear that the project and the [initial environmental impact statement]²⁹ have been given satisfactory publicity.

The [initial environmental impact statement]³⁰ shall be made easily accessible at a location near the project site and at the National Planning Agency for six weeks, which shall also be the time limit for submitting written comments to the National Planning Agency. Anyone may comment on the [initial environmental impact statement]³¹ which has been made public.

The National Planning Agency shall elicit the opinion of the licensors and other parties as appropriate. The consultation bodies shall express their view as to whether the [initial environmental impact statement]³² has discussed aspects within their area of concern in satisfactory manner and, furthermore, whether the proposed mitigating measures are satisfactory. They shall, if there is cause for so doing, specify what should be investigated further and point out possible mitigating measures.

[The National Planning Agency shall send to the developer the opinions and comments it receives. When the developer has received the opinions and comments, the developer shall produce a final environmental impact statement on the basis of the initial environmental impact statement. In the environmental impact statement the developer shall discuss the comments and opinions given, and shall express its position regarding the comments and opinions, and the report shall then be submitted to the National Planning Agency.]³³

Article 11

[National Planning Agency's opinion on Environmental Impact Assessment

Within four weeks of receiving the environmental impact statement, the National Planning Agency shall deliver a reasoned opinion on whether the report meets the criteria of this Act and regulations issued on the basis of the Act, and whether the environmental impact is satisfactorily described. The National Planning Agency's opinion shall explain the main premises of the assessment, including the quality of the data on which the assessment is based, and its conclusions. The opinion shall also discuss the developer's response to the comments and opinions received when the initial environmental impact statement was made public.

Should the National Planning Agency be of the view that further conditions should be laid down for the project, or that other and more extensive mitigating measures are required than

²⁹ Act no. 74/2005, art. 9

³⁰ Act no. 74/2005, art. 9

³¹ Act no. 74/2005, art. 9

³² Act no. 74/2005, art. 9

³³ Act no. 74/2005, art. 9

those for which provision is made in the environmental impact statement, the Agency shall specify such conditions and mitigating measures, and the reasons for them.

Should the National Planning Agency be of the view that the developer's environmental impact statement is inconsistent with the preliminary assessment report in important aspects, it shall be presented again to the public as provided in art. 10.

When the National Planning Agency has given its opinion, this shall be made known to the Minister for the Environment, the developer, the licensors, the consultation bodies, and also those who made comments on the initial environmental impact statement during the period of public presentation. The public shall have ready access to the National Planning Agency opinion and the environmental impact statement, and the Agency shall advertise in a national newspaper that the opinion and environmental impact statement are complete.]³⁴

[Article 12

Revision of Environmental Impact Statement

If development does not commence within ten years of the opinion of the National Planning Agency on the environmental impact assessment being given, the relevant licensor shall request a decision from the National Planning Agency on whether the developer's environmental impact statement must be revised, in whole or in part, before development consent is granted.

The National Planning Agency can decide to revise the developer's environmental impact statement under para. 1, if the premises have changed materially since the opinion was given, for instance due to changes in the natural environment or land use in the area affected by the project, changes to environmental legislation, changes in international obligations, or due to technical advances with regard to the project. Should it be concluded that the environmental impact statement shall be revised in whole or in part, the matter shall be subject to arts. 8-11 as applicable.

A decision by the National Planning Agency on review of an environmental impact statement shall be advertised in *Lögbirtingablaðið* (the Legal Gazette) and a national newspaper within two weeks of the decision being made. The advertisement shall specify the authority for appeals, and the deadline for appeals.]³⁵

[Article 13]³⁶

³⁴ Act no. 74/2005, art. 10

³⁵ Act no. 74/2005, art. 11

³⁶ Act no. 74/2005, art. 13

Development consent

[Development consent under art. 5 or 6 may not be issued until the opinion of the National Planning Agency on the environmental impact assessment has been given, or until it has been determined that a project under art. 6 is not subject to assessment.

When issuing development consent as provided in para. 1, the licensor shall examine the developer's environmental impact statement on the project, and adopt a reasoned view on the National Planning Agency opinion on the assessment of its environmental impact. The licensor shall publish its decision on the issue of a permit and the findings of the National Planning Agency opinion on the environmental impact assessment within two weeks of the permit being issued, The decision shall specify authorities for appeal, and deadline for appeal, where relevant.]³⁷

[Article 14

Appeal to the Minister

A decision by the National Planning Agency under art. 6 on whether a project listed in Annex 2 is subject to assessment, or a decision under para. 2 art. 5, may be appealed to the Minister for the Environment; and also a decision of the Agency under art. 12 on revision of an environmental impact statement. The deadline for appeal is one month from the announcement of the Agency's decision.

Only those who have legal standing relating to the above-mentioned decisions of the National Planning Agency may appeal to the Minister with the objective of having them overturned or amended. Environmental and interest organisations whose legal venue is in Iceland have the same right, provided that the membership numbers at least 30 people, and that it is consistent with the purpose of the organisation to safeguard the interests to which the appeal applies.

The developer may also appeal to the Minister a decision of the National Planning Agency under para. 2 art. 8 on rejection of a scoping document proposal or amendments to it, or a decision of the Agency under para. 1 art. 10 that a initial environmental impact statement does not meet the criteria stated in art. 9, or is not consistent with the scoping document under art. 8.

A ruling in an appeal under this article shall be given within two months of the deadline for appeals.

The Minister's ruling is a final ruling at the administrative level.]³⁸

³⁷ Act no. 74/2005, art. 13

³⁸ Act no. 74/2005, art. 12

[Article 15

Appeal to the Planning and Building Tribunal

A decision by a local authority to issue development and building permits under the Planning and Building Act for a project subject to environmental assessment may be appealed to the Planning and Building Tribunal within a month of the decision of the local authority to issue a development permit.

Appeals under this article are otherwise subject to the terms of the Planning and Building Act.]³⁹

CHAPTER V

Miscellaneous provisions

[Article 16]⁴⁰

Responsibility of the developer and cost of environmental impact assessment

The developer is responsible for environmental impact assessment pursuant to this Act. The developer shall bear the cost of environmental impact assessment of a proposed project and of advertising and publicising it.

The Minister for the Environment shall, upon receiving a proposal from the National Planning Agency, set a tariff for the Agency's costs in implementing the Act with regard to assessing the environmental effects of individual projects.

[Article 17]⁴¹

Development plans and operating licences

Treatment in development plans of environmental impact assessment and projects subject to environmental assessment pursuant to this Act shall comply with the provisions of the Planning and Building Act and the Planning Regulations.

In the case of project which involves activities subject to an operating licence under the Act on Health and Hygiene Procedures and Pollution Prevention, which is also subject to assessment pursuant to this Act, the developer may, upon receiving the approval of the National Planning Agency, have the scoping document prepared in consultation with the granter of the operating licence, so that work on the environmental impact statement and for the operating licence may be carried out concurrently.

[Article 18

Surveillance of projects

The licensor or others with a legal mandate for surveillance of projects shall carry out

³⁹ Act no. 74/2005, art. 12

⁴⁰ Act no. 74/2005, art. 12

⁴¹ Act no. 74/2005, art. 12

surveillance of the compliance with permits of a project subject to assessment; the surveillance shall be in accordance with the relevant legislation.]⁴²

[Article 19]⁴³

Assessment of transboundary environmental impact

Should a project be deemed likely to have significant environmental impact in another state of the European Economic Area, the National Planning Agency shall provide this state with a description of the project together with available information on its conceivable cross-border effects. The National Planning Agency may require the developer to compile information on the potential effects in the state in question in the language of that state.

When it is deemed likely that a project carried out in Iceland may have significant effects on the environment in another state of the European Economic Area, such a state shall be given the opportunity to express itself on the issue.

[Article 20]⁴⁴

*[Regulations and guidelines on environmental impact assessment]*⁴⁵

The Minister for the Environment shall, having received the opinion of the National Planning Agency,

make further provision in Regulations⁴⁶ for the implementation of the Act, including:

- a. notification of projects as listed in Annex 2,
- b. the format of the scoping document, environmental impact statement and documentation,
- c. the consultation process,
- d. other types of assessment,
- e. public access to documents,
- f. publicising of the project and [opinions],⁴⁷
- g. submission of further data,
- h. ...⁴⁸
- i. linking of work on environmental impact assessment to applications for an operating licence,
- j. **monitoringSupervision.**

[The National Planning Agency issues guidelines on environmental impact assessment, *inter alia* on:

⁴² Act no. 74/2005, art. 14

⁴³ Act no. 74/2005, art. 15

⁴⁴ Act no. 74/2005, art. 15

⁴⁵ Act no. 74/2005, art. 15

⁴⁶ Regs. 671/2000

⁴⁷ Act no. 74/2005, art. 15

⁴⁸ Act no. 74/2005, art. 15

- a. Preparation and procedure regarding decisions on whether projects are subject to assessment,
- b. Preparation and procedure with regard to scoping documents,
- c. Preparation and procedure with regard to environmental impact statements,
- d. Classification and criteria for environmental impact,
- e. Necessary permits for projects subject to assessment.]⁴⁹

[Article 21

Exemption from deadlines

The National Planning Agency may, in consultation with the developer, in the case of major projects, depart from the deadlines provided in this Act.]⁵⁰

[Article 22]⁵¹

Entry into force

This Act shall enter into force immediately.

Temporary provisions

I.

Notwithstanding the provisions of Chapter III of this Act, projects for which consent was issued prior to 1 May 1994 shall not be subject to environmental impact assessment pursuant to this Act if work has commenced prior to year end 2002.

Any dispute as to whether a project has commenced, within the meaning of this Temporary provision, shall be settled by a ruling of the Minister for the Environment.

II.

[When the environmental impact statement has been sent to the National Planning Agency before this Act entered into force, the environmental impact assessment may be concluded in accord with the procedural rules applying under the previous legislation.

In those cases where the assessment process of a project subject to this Act has been completed in accord with previous legislation, but not all permits have been issued for it, the issue of permits shall be as provided in that legislation.]⁵²

III.

⁴⁹ Act no. 74/2005, art. 15

⁵⁰ Act no. 74/2005, art. 16

⁵¹ Act no. 74/2005, art. 16

⁵² Act no. 74/2005, art. 17

This Act shall be reviewed prior to 1 January 2003. In reviewing the Act, special attention shall be given to determining whether there is reason to combine and harmonise assessment as provided in Articles 11 to 13 with the granting of consent for individual projects, to what extent development plans can replace environmental impact assessment of a project and whether responsibility for assessment should be transferred to the developer to a greater extent than is done in this Act.

IV.

Regulations on Environmental Impact Assessment as referred to in Article 19 shall be issued as soon as practicable and shall have entered into force no later than 1 October 2000.

Annex 1

Projects which shall always be subject to environmental impact assessment.

1. Crude-oil refineries (excluding undertakings manufacturing only lubricants from crude oil) and installations for the gasification and liquefaction of 500 tonnes or more of coal or bituminous shale per day.
2. Geothermal power stations and other thermal power installations with a heat output of 50 megawatts or more and other power installations with an electricity output of 10 megawatts or more.
3. Nuclear power stations and other nuclear reactors, including the dismantling or decommissioning of such power stations or reactors (nuclear power stations and other nuclear reactors cease to be considered such installations when all nuclear fuel and other radioactively contaminated elements have been removed permanently from the installation site) (except research installations for the production and conversion of fissionable and fertile materials, whose maximum power exceeds 1 kilowatt).
4. Installations for the reprocessing of irradiated nuclear fuel; installations designed for the production or enrichment of nuclear fuel, for the processing of irradiated nuclear fuel or high-level radioactive waste, for the final disposal of irradiated nuclear fuel, solely for the final disposal of radioactive waste, or solely for the storage (planned for more than 10 years) of irradiated nuclear fuels or radioactive waste in a different site than the production site.
5. Industrial plants for the initial smelting or re-smelting of metals.
6. Installations for the extraction of asbestos and for the processing and transformation of asbestos and products containing asbestos: for asbestos-cement products, with an annual production in excess of 20,000 tonnes of finished products, for friction material, with an annual production in excess of 50 tonnes of finished products, and for other uses of asbestos if utilisation exceeds 200 tonnes per year.
7. Chemical installations producing:
 - i. basic organic chemicals,
 - ii. basic inorganic chemicals,
 - iii. phosphorous-, nitrogen- or potassium-based fertilizers (simple or compound fertilizers),
 - iv. basic substances for plant health products and biocides;
 - v. basic pharmaceutical products, using a chemical or biological process,
 - vi. explosives.
8. Construction of lines for long-distance railway traffic.
9. Airports with a main runway more than 2,100 m in length.
10.
 - i. Motorways and express roads in urban areas,
 - ii. new roads outside of urban areas which are 10 km or longer. Re-building of roads outside of urban areas where the planned new construction is at least 10 km in length.
11. Harbours (trading ports, inland waterways and ports for inland-waterway traffic) which

permit the passage of vessels of over 1,350 tonnes.

12. Waste disposal stations where hazardous waste is incinerated, chemically treated or disposed of as landfill. Other waste disposal stations handling over 500 tonnes of waste annually.

13. Systems for groundwater abstraction where the annual volume of water abstracted or irrigated is 10 million m³ or more.

14. Works for the transfer of water resources between catchment areas where the amount of water transferred exceeds 30 million m³/year. Transfers of piped drinking water are excluded.

15. Waste-water treatment plants with a capacity of 50,000 population equivalent or more.

16. Extraction of more than 500 tonnes/day of petroleum and more than 500,000 m³/day of natural gas.

17. Dams and other installations, or alterations to water courses, designed to restrain or regulate water, where 3 km² or more of land will be flooded or the volume of water held back or stored exceeds 10 million m³.

18. Pipelines, with a diameter of 50 cm or more and a length of 1 km or more, for the transport of gases or liquids which are inflammable or hazardous to the environment.

19. Installations for the intensive rearing of poultry or pigs with:

- i. 85,000 places for broilers or 60,000 places for hens,
- ii. 3,000 or more places for production pigs (over 30 kg),
- iii. 900 or more places for sows.

20. Industrial plants:

- i. producing pulp from timber or similar fibrous materials,
- ii. producing paper and board with a production capacity exceeding 200 tonnes per day.

21. Quarries [on land or on the sea floor]⁵³ where planned extraction disturbs a surface area of 50,000 m² or more, or amounts to 150,000 m³ or more. Quarries with more than one extraction site, covering a total area of 50,000 m² or more.

22. Overhead electrical power lines, outside urban areas, with a voltage of 66 kV or more. Submarine cables for transport of electricity with a voltage of 132 kV or more and 20 km or longer in length.

23. Installations for storage of petroleum, petrochemical, or chemical products with a storage capacity of 50,000 m³ or more.

24. Fish meal and fish oil plants in urban areas with a production capacity of 1,000 tonnes or more per 24 hours.

[25. Infrastructure projects:

- i. Industrial projects covering an area greater than 50 ha.

⁵³ Act no. 74/2005, art. 18

- ii. Construction of shopping centres larger than 40,000 m² and construction of multi-storey car parks comprising more than 1,400 parking spaces.]⁵⁴

⁵⁴ Act no. 74/2005, art. 18

Annex 2

Projects which may have substantial effects on the environment and are assessed on a case-by-case basis, having regard to the nature, size and location to determine whether they shall be subject to environmental impact assessment pursuant to this Act, cf. also Annex 3.

1. Agriculture, sylviculture and aquaculture:

- a. Projects for the restructuring of rural land holdings involving a land area larger than 20 hectares.
- b. Projects for the use of uncultivated land or semi-natural areas for intensive agricultural purposes.
- c. Water management projects for agriculture, including irrigation and land drainage projects, involving an area of 10 hectares or larger, or in protected areas.
- d. Initial afforestation of areas 200 hectares or larger, or in protected areas, and deforestation of natural forest areas.
- e. Reclamation of land in protected areas.
- f. Installations for the intensive rearing of poultry or pigs with:
 - i. 40,000 places for broilers or hens,
 - ii. 2,000 or more places for production pigs (over 30 kg) or
 - iii. 750 or more places for sows.Installations for the intensive rearing of livestock in protected areas.
- g. Intensive fish farming, where the annual production is 200 tonnes or more and waste water empties into the ocean or where annual production is 20 tonnes or more and waste water empties into freshwater.
- h. Reclamation of land from the sea.

2. Extractive industry:

- a. [Quarrying on land or on the sea floor where planned extraction disturbs an area of 25,000 m² or more, or amounts to 50,000 m³ or more. Quarrying where more than one extraction site for the same project and in the same area extend over a total area of 25,000 m².]⁵⁵
- b. Underground mining.
- c. Deep drillings, in particular:
 - i. drilling of production holes and research holes in high-temperature geothermal regions;
 - ii. geothermal drilling in low-temperature areas where mineral sources or hot springs are on the surface or in the near proximity;
 - iii. drilling for the storage of nuclear waste material;
 - iv. drilling for drinking water supplies of 2 million m³ annually or more;
 - v. with the exception of drillings for investigating the stability of the soil.
- d. Geothermal surface industrial installations for the extraction of coal, petroleum, natural gas

⁵⁵ Act no. 74/2005, art. 19

and ores, as well as bituminous shale.

3. Energy industry:

- a. Industrial installations for the production of electricity, steam and hot water, hydro electric power stations with an output of [200 kW]⁵⁶ or more and geothermal heating production amounting to 2,500 kW gross power or more.
- b. Installations for carrying gas, steam and hot water; transmission of electrical energy by underground cables, which are 10 km in length or longer and buried in the ground or placed in tunnels, outside of urban areas; transmission of electrical energy by overhead cables in protected areas; and submarine cables.
- c. Storage⁵⁷ of natural gas in protected areas.
- d. Underground storage of combustible gases in protected areas.
- e. Storage⁵⁸ of fossil fuels in protected areas.
- f. Industrial briquetting of coal and lignite.
- g. Installations for the processing and storage of radioactive waste.
- h. Installations for the harnessing of wind power for energy production (wind farms) with an electricity output of 2 megawatts or more.

4. Production and processing of metals:

- a. Installations for the production of 20 tonnes per day or more of pig iron or steel (primary or secondary fusion) including continuous casting.
- b. Installations for the processing of ferrous metals:
 - i. hot-rolling mills;
 - ii. smitheries with hammers;
 - iii. application of protective fused metal coats.
- c. Ferrous metal foundries.
- d. Installations for the smelting, including the alloyage, of non-ferrous metals, excluding precious metals, including recovered products (refining, foundry casting, etc.).
- e. Installations for surface treatment of metals and plastic materials using an electrolytic or chemical process.
- f. Manufacture and assembly of motor vehicles and manufacture of motor-vehicle engines.
- g. Shipyards for steel vessels.
- h. Installations, the area of which is 1 hectare or more, for the construction and repair of aircraft.
- i. Manufacture of railway equipment.
- j. Swaging by explosives.
- k. Installations for the roasting and sintering of metallic ores.

5. Mineral industry:

- a. Coke ovens (dry coal distillation).

⁵⁶ Act no. 74/2005, art. 19

⁵⁷ Act no. 74/2005, art. 19

⁵⁸ Act no. 74/2005, art. 19

- b. Installations for the manufacture of Cement.
 - c. Installations for the production of asbestos and the manufacture of asbestos products.
 - d. Installations for the manufacture of glass and fibre materials.
 - e. Installations for smelting mineral substances including the production of mineral fibres.
 - f. Manufacture of ceramic products by burning, in particular roofing tiles, bricks, refractory bricks, tiles, stoneware or porcelain, 75 tonnes per day or more or with oven volume 4 m³ or more.
6. Chemical industry:
- a. Treatment of intermediate products and production of chemicals.
 - b. Production of pesticides and pharmaceutical products, paint and varnishes, elastomers and peroxides.
 - c. Storage facilities for petroleum, petrochemical and chemical products in protected areas.
7. Food industry:
- a. Manufacture of vegetable and animal oils and fats [in protected areas.]⁵⁹
 - b. Packing and canning of animal and vegetable products, 75 tonnes or more per day [in protected areas.]⁶⁰
 - c. Manufacture of dairy products, 200 tonnes or more per day [in protected areas.]⁶¹
 - d. Brewing and malting [in protected areas.]⁶²
 - e. Confectionery and syrup manufacture [in protected areas.]⁶³
 - f. Installations for the slaughter of animals [in protected areas.]⁶⁴
 - g. Starch manufacturing installations [in protected areas.]⁶⁵
 - h. Fish meal and fish oil plants in protected areas; fish meal and fish oil plants in urban areas with a production capacity of 500 tonnes or more per 24 hours.
 - i. Sugar factories [in protected areas.]⁶⁶
8. Textile, leather, wood and paper industries:
- a. Industrial plants for the production of paper and board.
 - b. Plants for the pre-treatment (e.g. washing, bleaching, mercerisation) or dyeing of fibres or textiles.
 - c. Plants for the tanning of hides and skins.
 - d. Cellulose-processing and production installations.
9. Rubber industry:
Manufacture and treatment of elastomer-based products.

⁵⁹ Act no. 74/2005, art. 19

⁶⁰ Act no. 74/2005, art. 19

⁶¹ Act no. 74/2005, art. 19

⁶² Act no. 74/2005, art. 19

⁶³ Act no. 74/2005, art. 19

⁶⁴ Act no. 74/2005, art. 19

⁶⁵ Act no. 74/2005, art. 19

⁶⁶ Act no. 74/2005, art. 19

10. Infrastructure projects:

[a. Construction of railways and transport centres.]⁶⁷

[b.]⁶⁸ [Airports with main runway shorter than 2,100 m in length.]⁶⁹

[c.]⁷⁰ Major roads in urban areas. All new roads outside of urban areas in protected areas and in areas which are on the list of sites of special natural interest. Rebuilding of roads outside of urban areas in protected areas. Ports outside of urban areas in protected areas.

[d.]⁷¹ Inland-waterway construction, canalisation and flood-relief works.

[e.]⁷² Dams and other installations or changes to water courses, designed to restrain water or regulate it, in protected areas.

[f.]⁷³ Railways, tramways, elevated and underground railways, suspended lines or similar lines of a particular type, used exclusively or mainly for passenger transport.

[g.]⁷⁴ Oil and gas pipeline installations in protected areas.

[h.]⁷⁵ Water pipelines outside of urban areas [10 km or longer, and underground].⁷⁶

[i.]⁷⁷ Coastal work to combat erosion [in protected areas and sites on the National Conservation Registry],⁷⁸ for example, with dykes, moles, jetties and other sea defence works. Land reclamation where the estimated area to be reclaimed is five hectares or larger, excluding the maintenance and reconstruction of such works.

[j.]⁷⁹ Groundwater abstraction and diversion of groundwater...⁸⁰

[k.]⁸¹ Works ...⁸² for the transfer of water resources between catchment areas.

11. Other projects:

a. Permanent racing and test tracks for motorized vehicles.

b. Waste disposal stations where waste is incinerated, chemically treated or disposed of as landfill.

c. Waste-water treatment plants in protected areas [and sites on the National Conservation Registry.]⁸³

d. Sludge-deposition sites in protected areas.

e. Storage of scrap iron, including scrap vehicles, the volume of which is 1,500 tonnes or

⁶⁷ Act no. 74/2005, art. 19

⁶⁸ Act no. 74/2005, art. 19

⁶⁹ Act no. 74/2005, art. 19

⁷⁰ Act no. 74/2005, art. 19

⁷¹ Act no. 74/2005, art. 19

⁷² Act no. 74/2005, art. 19

⁷³ Act no. 74/2005, art. 19

⁷⁴ Act no. 74/2005, art. 19

⁷⁵ Act no. 74/2005, art. 19

⁷⁶ Act no. 74/2005, art. 19

⁷⁷ Act no. 74/2005, art. 19

⁷⁸ Act no. 74/2005, art. 19

⁷⁹ Act no. 74/2005, art. 19

⁸⁰ Act no. 74/2005, art. 19

⁸¹ Act no. 74/2005, art. 19

⁸² Act no. 74/2005, art. 19

⁸³ Act no. 74/2005, art. 19

more annually.

- f. Test benches for engines, turbines or reactors.
- g. Installations for the manufacture of artificial mineral fibres.
- h. Installations for the recovery or destruction of explosive substances.
- i. Disposal of slaughterhouse waste.
- j. Recycling stations.
- k. Constructions for avalanche protection of urban areas.

12. Tourism and leisure:

- a. Ski-runs, ski-lifts and cable-cars in skiing areas in protected areas and on glaciers.
- b. Marinas with docking capacity for 150 boats or more.
- c. Service centres for travellers outside of urban areas in protected areas in the lowlands.
- d. Service centres for travellers in the highlands.
- e. Permanent camp sites and caravan sites which are 10 hectares or larger.
- f. Theme parks which cover an area of at least 2 hectares.

13. Changes or extensions of projects listed in Annex I or Annex II.

- a. Any change or extension of projects listed in Annex I or Annex II, already authorized, executed or in the process of being executed, which may have significant adverse effects on the environment.
- b. Projects in Annex I, undertaken exclusively or mainly for the development and testing of new methods or products and not used for more than two years.

Annex 3

Selection criteria for projects listed in Annex 2

1. Characteristics of the project.

The characteristics of a project must be considered having regard, in particular, to:

- i. the size and characteristics of the project,
- ii. synergies with other projects,
- iii. the use of natural resources,
- iv. the production of waste,
- v. pollution and nuisances,
- vi. the risk of accidents, having regard in particular to substances or technologies used.

2. Location of projects.

The environmental sensitivity of geographical areas likely to be affected by projects must be considered, having regard, in particular, to:

- i. the existing or planned land use, according to development plans,
- ii. the relative abundance, quality and regenerative capacity of natural resources,
- iii. protected areas:
 - (a) protected sites of special (natural) interest and areas which enjoy special protection pursuant to the Nature Conservation Act,
 - (b) areas which enjoy protection pursuant to specific legislation, such as Þingvellir, the Mývatn and Laxá areas, and Breiðafjörður bay,
 - (c) areas within 100 m of archaeological remains which enjoy protection pursuant to the National Heritage Act.
 - (d) areas, cf. Article 4.21 in the Planning Regulations, which enjoy protection pursuant to the Regulations on Protection Against Water Pollution and the Regulations on Drinking Water with regard to pollution of groundwater and coastal pollution and pollution in inland waters.
 - (e) areas which enjoy protection pursuant to international conventions which Iceland has signed, such as the Ramsar Agreement (on wetlands) and the Berne Convention (protection of wild flora and fauna and habitats in Europe). This includes lists of endangered species, which were published *inter alia* to fulfil Iceland's obligations under the Berne Convention,
 - (f) district protected areas as provided for in zoning plans, cf. Article 4.22 of the Planning Regulation.
- iv. the absorption capacity of the natural environment, paying particular attention to the following areas:
 - (a) wetlands,
 - (b) coastal zones,
 - (c) special geological formations, such as hot spring areas, rivers, glacial remains, volcanoes and rock formations,
 - (d) nature reserves and parks, including areas registered as sites of special (natural) interest,
 - (e) whole landscape areas, untouched wilderness, highland areas and glaciers,

- (f) areas of original vegetation, such as forests,
- (g) bird cliffs and other preferred animal habitats,
- (h) areas of historical, cultural or archaeological value,
- (i) areas where pollution exceeds the reference values in Acts and Regulations.

3. Characteristics of the potential effects of a project.

The effects of a project must be considered in relation to the preceding criteria, having regard in particular to:

- i. the extent of the environmental impact (geographical area and size of the affected population),
- ii. the magnitude and complexity of the impact,
- iii. the probability of the impact,
- iv. the duration, frequency and irreversibility of the impact,
- v. the synergy with other environmental impacts in a specific area,
- vi. trans-border impacts.