

# Environmental Impact Assessment Act

## No. 106, 25 May 2000

### 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 project is carried out;
- b. to encourage co-operation of parties with interests at stake and concerned parties with regard to a project which affects the environment;
- c. to acquaint the public with information on the environmental impact of a project which may involve significant environmental effects and on mitigating measures to deal with them and give the public the opportunity to comment and contribute information before a ruling on the environmental impact assessment of a project is issued.

##### Article 2

###### *Scope*

This Act shall apply to all projects which may involve significant environmental effects, whether they are on land, in Icelandic territorial waters or air space, or in Icelandic pollution zone.

##### Article 3

###### *Definitions*

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

- a. *Examination by the Planning Agency*: a formal presentation of the environmental impact statement (EIS), review by the agency and invitation to submit comments. The examination concludes with a decision from the Planning Agency;
- 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;
- c. *Project*: any type of new construction or alteration to an existing construction and the resulting activities which are covered by this Act;
- d. *Development permit*: consent for the project and the resulting activities;
- e. *Licensor*: the competent authority which grants consent for the project;
- f. *Scoping document*: ~~a plan~~ prepared by the developer based on his proposals as to which aspects of the projects and the environment should be emphasised in the EIS and a plan for public hearing and consultation concerning the EIS;
- g. *Project subject to assessment*: a project which is subject to the provisions of this Act together with its resulting activities;
- h. *Environmental impact statement (EIS)*: a report on the assessment of the environmental impact of the proposed project and resulting activities. The developer is responsible for carrying out the EIS;
- i. *Mitigating measures*: measures to avoid, reduce or offset negative environmental impacts;
- j. *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 artefacts, employment and material assets;
- k. *Environmental impact*: the impact of the project and resulting activities on the environment;
- l. *Significant environmental impact*: substantial, irrevocable environmental impact or substantial damage to the environment, which cannot be avoided or remedied through mitigating measures.

### CHAPTER II

#### Administration

##### Article 4

###### *Direction and implementation*

The Minister for the Environment shall have supreme control for 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 Planning Agency shall advise the Minister and carry out supervision of the implementation of this

Act and provide guidelines in accordance with it. The Planning Agency shall issue a ruling on the environmental impact assessment of a project and its resulting activities and decide whether a project, as referred to in Article 6, shall be subject to environmental impact assessment (EIA).

### **CHAPTER III**

#### **Screening**

##### **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 for the same area the Minister may, upon receiving the opinion of the Planning Agency and after consultation with the developer concerned, decide that their environmental impact shall be assessed jointly.

The Minister may, in exceptional circumstances, having received the opinion of the Planning Agency, decide that a specific project which concerns the public good and/or national security may, in whole or in part, be exempt from assessment of environmental impact as provided for in this Act. In such cases the Minister shall determine what data shall be collected on its environmental impact and public accessibility to such and make known to the developer, the granters of consent and the public the reasons for the exemption. The Minister shall, before granting exemption, notify the Joint EEA Committee as to on what premises exemption has been granted and shall also provide the Joint EEA Committee with the information to which the general public has access.

The Minister may, in exceptional instances and having received the opinion of the Planning Agency and granters of permit, authorise that EIA, in whole or in part, as provided for in this Article and Article 6, shall be carried out in a manner different from that provided for in this Act.

The procedures in the case of such an EIA shall be equivalent to the procedures provided for 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 an 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 such to the Planning Agency. The Minister shall lay down, in a Regulation, provisions as to what data shall be submitted to the Planning Agency. Within four weeks of the receipt of data on the project, the Planning Agency shall give notification as to whether the project shall be subject to EIA pursuant to this Act. In deciding whether a project shall be subject to assessment, the Planning Agency shall be guided by the selection criteria laid down in Annex 3 of this Act. Before deciding the Agency shall seek the opinion of the granters of consent, the developer and other parties, depending upon the nature of the individual question. The 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 notice of a project or submit a query concerning the need for assessment of projects listed in Annex 2 to the Planning Agency, which shall then seek information on the project from the developer and granter of consent and take a decision as to whether it shall be covered by this Article.

Complaints against a decision by the Planning Agency pursuant to the second and third paragraphs may be submitted to the Minister for the Environment. The time limit for submitting a complaint shall be four weeks from the date the Planning Agency's decision is made known to the parties concerned and to the general public.

##### **Article 7**

###### *Other projects which may be subject to environmental impact assessment*

The Minister for the Environment may, upon receiving the opinion of the Planning Agency, make provision in a Regulation for a project, which is not listed in Annex 1 or 2 of this Act, to be subject to assessment if it is deemed obvious that such a project could result in significant environmental effects. 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 be guided by the selection criteria in Annex 3 to this Act and seek the opinion of the Planning Agency, the granters of consent, the developer and other parties depending upon the nature of the individual question.

### **CHAPTER IV**

#### **Procedures where projects are subject to assessment**

##### **Article 8**

###### *Scoping document*

Should a proposed project be subject to environmental impact assessment pursuant to this Act, the developer shall propose a *Scoping document* to the 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 is 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 parties who are to give an opinion on it and to the general public and consult with the Planning Agency.

The Planning Agency shall make a decision on the developer's proposal within four weeks of its receipt, having received the opinion of the granters of consent and other parties, as appropriate. Should the Planning Agency not agree to the proposed assessment plan, the Agency must provide grounds for its decision, indicate what it deems to be deficient and instruct the developer as how the proposed assessment plan should be further elaborated.

Should the Planning Agency agree to the proposed assessment plan, it shall make it known to the granters of consent and other parties who are to give an opinion.

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

#### **Article 9**

##### *Environmental impact study (EIS)*

Should a developer be planning a project or activity which is subject to environmental impact assessment he must, following the procedure provided for in Article 8, compile an environmental impact study for the proposed project. The arrangement and contents of the EIS shall be in accordance with the assessment plan, cf. Article 8. The developer may present a draft EIS and request comments on it.

The EIS shall specify the effects, cumulative and synergic, direct and indirect, which the proposed project and resulting 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 affect the environment, including its size, design and location, compliance with development plans and proposed mitigating measures. The main alternatives which can be considered, and their environmental effects, shall always be explained and compared. Finally, a brief, succinct summary of the EIS and its conclusions shall be made.

#### **Article 10**

##### *Examination by the Planning Agency*

Once the developer has sent the Planning Agency the EIS, the Agency must, within two weeks, assess whether the study fulfils the requirements made in Article 9 and is in accordance with the scoping document, as referred to in Article 8.

The Planning Agency shall publicise the proposed project and the EIS. This shall be done with an advertisement in the The Official Gazette, a daily paper with nation-wide distribution and, as appropriate, through a mass medium which may be assumed to reach residents in the vicinity of the project location.

The developer shall publicise the project and the EIS in consultation with the Planning Agency after the study has been advertised. The Planning Agency may waive this demand if it appears obvious that the project and the EIS have been given satisfactory publicity.

The EIS shall be made easily accessible at a location near the project site and at the Planning Agency for six weeks, which shall also be the time limit for submitting written comments to the Planning Agency. Anyone may comment on the EIS which has been made public.

The Planning Agency shall seek the opinion of the granters of consent and other parties as appropriate. The parties who are to give an opinion shall express their view as to whether the EIS 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 opinions and comments received by the Planning Agency concerning the proposed project and EIS shall be made known to the developer, who shall be given the opportunity of responding or explaining the aspects they mention. The developer shall be given at least one week's time to react to the opinions and comments presented.

#### **Article 11**

##### *Ruling by the Planning Agency*

Within four weeks of expiry of the time limit for comments as provided for in the fourth paragraph of Article 10, the Planning Agency shall deliver a reasoned ruling on the environmental impact

assessment based on the data made available.

The ruling of the Planning Agency shall decide whether:

- a. the proposed project can be accepted, with or without conditions, or
- b. the proposed project is opposed due to significant effects on the environment.

In its ruling the Planning Agency shall explain its main premises and conclusions and what conditions it has set, together with a description of the principal mitigating measures, where appropriate.

The Planning Agency may, in its ruling, specify the condition that the developer have further research carried out on specific aspects prior to and following the proposed project, for the purpose of reducing the project's negative effects on the environment and to remove all doubts as to what consequences the project will entail.

Once the ruling of the Planning Agency has been issued, it shall be made known to the developer, the granters of consent, the parties who are to give an opinion, and anyone who has expressed comment on the EIS during the period of publicisation. The ruling shall be publicised in the same manner as the EIS, as referred to in the second paragraph of Article 10, within two weeks of its pronouncement. The ruling of the Planning Agency shall be easily accessible to the public. The Planning Agency shall, in its ruling, make specific mention of the right of the parties concerned and the general public to appeal the decision, cf. Article 12.

Should the premises have changed due to newer information, the Planning Agency may make minor changes to its ruling on environmental impact assessment after its publication, if such changes were not foreseeable when the ruling was published or if they are deemed to improve it and comply with the objective of the Act. Any change shall be publicised in the same manner as the ruling, as referred to in the fifth paragraph. A decision by the Planning Agency as provided for in this paragraph may be referred to the Minister.

Should work on the project not commence within ten years from the issuance of a ruling by the Planning Agency, the Agency shall decide whether a new assessment of the environmental impacts of the proposed project shall be carried out pursuant to this Act.

## **Article 12**

### *Appeal*

Any dispute concerning the implementation of this Act may be referred to the Minister for the Environment for a ruling.

A decision by the Planning Agency as to whether a project listed in Annex 2, cf. Article 6 of this Act, is subject to assessment, may be referred to the Minister for the Environment within four weeks of the time notice was given of the Agency's decision.

A ruling by the Planning Agency in accordance with Article 11 may be appealed to the Minister for the Environment within four weeks of the time it is published; the provisions of the Administrative Act shall apply to the appeal complaint, which must be made in writing.

Anyone has a right to complain to the Minister about a decisions by the Planning Agency, as provided for in the second paragraph, and rulings by the Planning Agency, as provided for in the third paragraph.

## **Article 13**

### *Ruling by the Minister*

The Minister for the Environment shall issue a reasoned ruling on an appeal as provided for in the second paragraph. of Article 12 within four weeks of expiry of the time limit for complaints.

The Minister for the Environment shall issue a reasoned ruling on an appeal as provided for in the third paragraph. of Article 12 within eight weeks of expiry of the time limit for complaints. The provisions of Article 11 shall apply as appropriate to rulings by the Minister. Prior to issuing a ruling on an appeal as provided for in the third paragraph of Article 12 the Minister shall seek the opinion of the Planning Agency, the developer, the granters of consent and other parties as appropriate.

The ruling of the Minister is the final administrative ruling.

## **CHAPTER V**

### **Miscellaneous provisions**

## **Article 14**

### *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 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 15**

### *Zoning plans and operating licences*

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

In the case of project which involves activities subject to an operating permit, in accordance with 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 Planning Agency, have the scoping document prepared in consultation with the granter of the operating permit, so that work on the EIS and for the operating permit may be carried out concurrently.

## **Article 16**

### *Development consent*

Consent may not be given for a project and resulting activities subject to assessment until a ruling on the environmental impact assessment has been issued, which the granter of consent shall take it into consideration.

Consent may not be granted for a project as provided for in Article 6 in the absence of a ruling on environmental impact assessment or a decision that the project shall not be subject to assessment.

## **Article 17**

### *Project surveillance*

The granters of consent shall supervise that a project complies with the consent and the ruling on environmental impact assessment pursuant to this Act, with surveillance as provided for in the Act concerned.

## **Article 18**

### *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 Planning Agency shall provide this state with a description of the project together with available information on its conceivable cross-border effects. The Planning Agency may demand that a developer 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 state shall be given the opportunity to express itself on the question.

## **Article 19**

### *Regulations on Environmental Impact Assessment*

The Minister for the Environment shall lay down in a Regulations, having received the opinion of the Planning Agency, detailed provisions on the implementation of the Act, including:

- a. notification of projects as listed in Annex 2,
- b. the format of the scoping document, EIS and documentation,
- c. the consultation process,
- d. other types of assessment,
- e. access to data by the public,
- f. publicising of the project and decisions,
- g. submission of further data,
- h. minor changes to rulings,
- i. linking of work on environmental impact assessment to applications for an operating permit,
- j. surveillance.

## **Article 20**

### *Entry into force*

This Act shall enter into force forthwith as of that time Act. no. 63 of 21 May 1993 with subsequent amendments shall no longer be effective.

## **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, as referred to in this Temporary provision, shall be settled by ruling of the Minister for the Environment.

### **II.**

Environmental impact assessment which has commenced prior to the entry into force of this Act shall be concluded in accordance with previous legislation.

### III.

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 for 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.

A Regulation 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 EIA

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 basic runway length of 2 100 m or more.
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 m<sup>3</sup> or more.
14. Works for the transfer of water resources between catchment areas where the amount of water transferred exceeds 30 million m<sup>3</sup>/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 m<sup>3</sup>/day of natural gas.
17. Dams and other installations, or alterations to water courses, designed to restrain or regulate

water, where 3 km<sup>2</sup> or more of land will be flooded or the volume of water held back or stored exceeds 10 million m<sup>3</sup>.

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 where planned extraction disturbs a surface area of 50.000 m<sup>2</sup> or more, or amounts to 150 000 m<sup>3</sup> or more. Quarries with more than one extraction site, covering a total area of 50.000 m<sup>2</sup> 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 m<sup>3</sup> 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.

## **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 an EIA 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. Quarries where planned extraction disturbs a surface area of 25.000 m<sup>2</sup> or more, or amounts to 50 000 m<sup>3</sup> or more. Quarries with more than one extraction site, covering a total area of 25.000 m<sup>2</sup> or more. Quarries in protected areas.
- 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 m<sup>3</sup> 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 and ores, as well as bituminous shale.

3. Energy industry:

- a. Industrial installations for the production of electricity, steam and hot water, Hydro Electric Powerstations with an output of 100 kW 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. Surface storage of natural gas in protected areas.

d. Underground storage of combustible gases in protected areas.

e. Surface storage 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 surfacetreatment 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).

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 m<sup>3</sup> 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.

b. Packing and canning of animal and vegetable products, 75 tonnes or more per day.

c. Manufacture of dairy products, 200 tonnes or more per day.

d. Brewing and malting.

e. Confectionery and syrup manufacture.

f. Installations for the slaughter of animals.

g. Starch manufacturing installations.

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.

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.

10. Infrastructure projects:

- a. Airports in protected areas.
- b. 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.
- c. Inland-waterway construction, canalisation and flood-relief works.
- d. Dams and other installations or changes to water courses, designed to restrain water or regulate it, in protected areas.
- e. Railways, tramways, elevated and underground railways, suspended lines or similar lines of a particular type, used exclusively or mainly for passenger transport.
- f. Oil and gas pipeline installations in protected areas.
- g. Aqueducts outside of urban areas in protected areas.
- h. Coastal work to combat erosion, for example, with dykes, moles, jetties and other sea defence works. Landfills where the estimated area to be filled is 5 hectares or larger, excluding the maintenance and reconstruction of such works.
- i. Groundwater abstraction and diversion of groundwater in protected areas.
- j. Works in protected areas for the transfer of water resources between river basins.

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.
  - d. Sludge-deposition sites in protected areas.
  - e. Storage of scrap iron, including scrap vehicles, the volume of which is 1 500 tonnes or 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 Natural Protection Act,

(b) areas which enjoy protection pursuant to specific legislation, such as Þingvellir, the Mývatn and Laxá areas, and the Bay of Breiðafjörður,

(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 Regulation, which enjoy protection pursuant to the Regulation on Protection Against Water Pollution and the Regulation 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 endangered lists??, which were in part published 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.