

## Act

### on the Handling, Processing and Distribution of Marine Products

**Entered into force 18 June 1998, see, however Art. 34 of the EEA Treaty:** Appendix I of Directive 91/492/EEC, 91/493/EEC and 92/48/EEC. Amended by Act No. 121/1998 (entered into force 30 Oct. 1998; EEA Treaty), Act No. 134/1998 (entered into force 30 Dec. 1998, with the exception of subparagraph a) of Art. 2, which entered into force on 1 April 1999; EEA Treaty: Appendix I of Directive 90/425/EEC, 91/496/EEC), Act No. 115/1999 (entered into force 30 Dec. 1999; EEA Treaty: Appendix I of Directive 85/73/EEC, 90/425/EEC and 91/493/EEC), Act No. 91/2000 (entered into force 6 June 2000; EEA Treaty: Appendix I of Directive 91/493/EEC and 92/48/EEC), Act No. 79/2001 (entered into force 15 June 2001; EEA Treaty: Appendix I of Directive 90/425/EEC, 91/496/EEC), Act No. 40/2004 (entered into force 26 May 2004), Act No. 167/2007 (entered into force 1 Jan. 2008) and Act No. 88/2007 (entered into force 1 Jan. 2009 with the exception of Temporary Provision VII, which entered into force 21 June 2008).

#### Chapter I

#### General provisions

##### Article 1

The purpose of this Act is to ensure for consumers Icelandic marine products which are healthy, fulfil the requirements set for quality, are processed under adequately hygienic conditions and are provided with satisfactory markings and information.

##### Article 2

For the purposes of this Act:

*marine catch*: refers to all marine animals except mammals, and including echinoderms, arthropods and molluscs;

*fish products*: refers to foods which are processed exclusively or partially from marine catch;

*marine products*: refers to marine catch and fish products, as defined above, as well as feed products produced from fish or fish wastes.

For the purposes of this Act the meaning of these concepts shall be as follows:

*distribution*: any method of transport, supply or delivery, including import, export, sale and storage;

*aquaculture fish*: all marine animals which were hatched or have been fed under controlled conditions or products processed from them. Ocean or freshwater fish, echinoderms, arthropods, molluscs and other invertebrates, which are removed from their natural environment and raised until reaching a desired commercial size for human consumption, shall also be considered as aquaculture fish. Fish, echinoderms, arthropods, molluscs and other invertebrates, which have reached commercial size and have been taken from their natural environment and kept alive for subsequent sale, are not considered aquaculture fish if they are merely kept alive without any attempt being made to increase their size or weight;

*aquaculture products*: whole aquaculture fish as distributed for consumption or products processed from it;

*fish market*: an auction or wholesale market for marine catch;

*means of transport*: those parts set aside for goods in motor vehicles, railway cars or aircraft, including the holds of vessels and containers for freight transport by land,

sea or air;

*health practices*: all measures necessary to ensure the safety and wholesomeness of marine products;

*clean seawater*: seawater or briny water which is free from microbiological contamination, harmful substances and toxic marine plankton in such quantities as may affect the wholesomeness of fish products and which is used under the conditions laid down in this Act;

*drinking water*: water which meets the quality requirements of the Icelandic authorities for drinking water;

*packaging*: the procedure of protecting fish products by a wrapper, container or any other suitable device;

*factory vessel*; a vessel where marine catch is processed and packaged on board after being filleted, split, sliced, skinned, ground, frozen or prepared in some other manner. [Vessels aboard which only freezing of whole or headed fish is carried out, or where shrimp are whole-frozen or shrimp and shellfish are cooked, are not deemed factory vessels for the purposes of this Act;]<sup>1)</sup>

*processing establishment*: any facility where marine products are prepared, processed, chilled, frozen, packaged or stored. Fish markets where marine catch is only sold wholesale are not deemed to be processing establishments.

<sup>1)</sup>Act No. 134/1998, Article 1.

### Article 3

[This Act shall cover the handling, processing and distribution of marine products and also to surveillance of slaughter, processing, distribution and packaging of ocean-ranched, freshwater and aquaculture fish.]<sup>1)</sup>

The Act does not apply to retail sales in Iceland.

<sup>1)</sup>Act No. 40/2004, Article 1.

### Article 4

The [Icelandic Food and Veterinary Authority (MAST)]<sup>1)</sup> shall be responsible for the implementation of this Act and rules issued by virtue of it.

<sup>1)</sup>Act No. 167/2007, Article 51.

## Chapter II

### Official requirements

#### Article 5

Marine products intended for human consumption shall be healthy and uncontaminated.

The handling, processing and distribution of marine products must be carried out in accordance with good production and health practices.

Personnel must observe strict hygiene and all areas, equipment, containers, tools, storages and means of transport, and anything else with which marine products come into contact, must be cleaned and, if appropriate, disinfected in order to avoid contamination.

The handling and distribution of marine products must be carried out in accordance with their nature and characteristics.

Marine products should be kept at a temperature appropriate to their nature, storage and processing methods.

The Minister shall set further rules on the handling, processing and distribution of marine products to ensure their wholesomeness and quality.

#### Article 6

The design and equipment of vessels, processing establishments, fish markets, containers, tools, storage areas and means of transport, and anything else with which marine products come into contact, must be such as to facilitate cleaning and disinfecting, as appropriate, and to enable practising strictest hygiene so that the marine products will not be contaminated or their quality spoiled.

The Minister shall set detailed rules on design and equipment in accordance with the first paragraph, including refrigeration or freezing equipment, fish reception, processing areas, hygiene facilities and facilities for workers and supervisory authorities.

#### Article 7

In marine products for consumption in Iceland and for sale in the European Economic Area (EEA) only the additives permitted by Icelandic authorities may be used and in the amounts prescribed. In marine products for export to other countries only the additives permitted in the market country may be used and in the amounts prescribed.

Containers, packaging and other surfaces with which marine products come into contact must be made of materials approved by the Icelandic authorities.

Substances other than those permitted by Icelandic authorities may not be used for cleaning and disinfecting.

The Minister may in a Regulation lay down detailed provisions on the use of any substances which could come into contact with marine products.

#### Article 8

Drinking water or clean seawater shall be used for washing, cleaning, ice production and processing of marine products.

#### Article 9

Marine products which are contaminated with dangerous substances may not be used for feed production.

The [Ministry of Fisheries and Agriculture]<sup>1)</sup> may prohibit the handling, processing and distribution of marine catch from ocean areas deemed to be polluted.

The Minister shall set rules pertaining to this Article, including maximum levels for bacteria, degradation compounds and contaminants in marine products.

<sup>1)</sup>Act No. 167/2007, Article 52.

#### Article 10

Marine products must be packaged under adequate hygiene conditions to prevent the contamination of the products. Packaging and anything else with which fish products are likely to come into contact must comply with all rules for healthy practices and quality. The Minister shall set further rules on the packaging of marine products.

#### Article 11

Marine products must be properly and clearly marked, so that the information provided will not be misleading. Packaging shall be marked with the name Iceland, in full or abbreviated IS, together with the number of the operating permit or processing authorisation holder, so that the origin of the products can be traced to the producer. For bulk shipments the same information is to be indicated on the accompanying documents. In other respects the markings shall comply with the requirements of the

market country concerned.

#### Article 12

The provisions of this Act on processing, distribution, packaging and markings shall also apply to aquaculture products. The Minister may set further rules in this respect.

#### Article 13

Marine products or aquaculture products which fail to satisfy the requirements set for handling, transport, storage, quality, wholesomeness, additives, packaging and marking as prescribed by this Act or Regulations issued by virtue of it may not be processed, packaged or distributed. This shall also apply to products which are unlikely to comply with the requirements set upon reaching their destination.

### Chapter III

#### **Licensing and surveillance**

#### Article 14

[All processing establishments, including factory vessels holding commercial fishing permits, cf. the Fisheries Management Act, No. 38/1990, must hold a numbered processing authorisation to attest that they comply with the set requirements. This shall also apply to fish meal plants, producers of animal feeds made from marine products and establishments where the slaughter, processing or packaging of ocean-ranched, freshwater or aquaculture fish takes place. The Minister may, in a Regulation,<sup>1)</sup> set detailed provisions on the equipment of processing establishments where aquaculture fish are slaughtered and on the supervision of slaughter of aquaculture fish.]<sup>2)</sup>

All vessels holding commercial fishing permits, cf. Act No. 38/1990, other than factory vessels, as well as fish markets which only sell marine catch wholesale, must have operating permits.

The [Food and Veterinary Authority (MAST)]<sup>3)</sup> shall issue processing authorisations and operating permits as referred to in this Article once requirements for hygiene, design and equipment have been met in accordance with Article 15, where appropriate, and an agreement with an accredited inspection agency, cf. Article 16. The processing authorisation shall be limited to processing of specific products.

Any fishing, processing or storage of marine products without a processing authorisation or operating permit is unauthorised.

The [Food and Veterinary Authority (MAST)]<sup>3)</sup> shall keep a record of holders of processing authorisations and operating permits which shall be sent to the [Ministry of Fisheries and Agriculture],<sup>4)</sup> the EFTA Surveillance Authority and other foreign surveillance agencies upon their request.

The Minister may set detailed rules on issuing of permits and their registration.

<sup>1)</sup>Reg. 238/2003, cf. Reg. 485/2003 and 515/2004. <sup>2)</sup>Act No. 40/2004, Article 2. <sup>3)</sup>Act No. 167/2007, Article 51. <sup>4)</sup>Act No. 167/2007, Article 52.

#### Article 15

Persons responsible for processing establishments must see to the introduction and operation of internal checks<sup>1)</sup> on processing and activities and ensure that both are in accordance with the provisions of this Act and Regulations issued by virtue of it. Internal checks of an enterprise shall reflect the nature and extent of processing and activities and shall be based on the following principles:

1. that, having regard for the nature of the activity, aspects which can be faulty or cause damage to products during, for example, fishing, processing, transport or storage are recorded;
2. that an employee is present at the workplace with special knowledge of the processing in question and the availability of written working rules, descriptions of the distribution of responsibility in the enterprise in question, and information on what measures are to be taken if a situation needing correction arises or marine products fail to fulfil set requirements, is ensured;
3. that regular samples are taken during production for analysis by a recognised laboratory to verify that methods of cleaning and disinfecting are satisfactory;
4. that accessible records of catch, processing and inventory are kept;
5. that written working rules are introduced to monitor and control the aspects listed in Points 1 to 4.

Results of all checks, analyses and tests must be preserved for at least one year longer than the shelf life of the product, or a minimum of two years.

<sup>1)</sup>Reg. 588/1997.

#### Article 16

All holders of operating permits and processing authorisations as referred to in Article 14 must have an agreement with an accredited inspection agency. The Minister may, however, grant exemptions from this requirement if there are cogent reasons for so doing.

The [Food and Veterinary Authority (MAST)]<sup>1)</sup> shall grant operating permits to inspection agencies which have applied for or received accreditation from the accreditation division of the Bureau of Certification, Metrology and Safety Standards or other recognised accreditation agency in the European Economic Area upon the fulfilment of the requirements of this Act and Regulations set by virtue of it.

Inspection agencies must be independent of all concerned parties. An inspection agency and its staff may not participate in activities which could influence their independent judgement or honesty where inspection duties are concerned. All interested parties must be able to seek the service of an inspection agency. They may not set inequitable financial terms or other unfair requirements. The activities of the agency must be carried out in such a way as to prevent discrimination between customers.

Inspection agencies must regularly inspect the premises, conditions of vessels, hygiene, equipment and internal checks of holders of processing authorisations.

Inspection agencies shall carry out their surveillance on behalf of the [Food and Veterinary Authority (MAST)]<sup>1)</sup>, which shall supervise their activities and verify that they are carrying out their duties satisfactorily; to this end they must provide [MAST]<sup>1)</sup> with information on the activities and situation of enterprises in such manner as [MAST]<sup>1)</sup> may decide.

Should an inspection agency fail to carry out its duties, neglect its obligations to provide information, or provide faulty information, [MAST]<sup>1)</sup> shall issue a reprimand or revoke its licence in cases of serious offence.

The Minister shall set detailed rules on internal checks and the activities of inspection agencies. The Minister may, for instance, set rules on the implementation of inspections to ensure consistency.

<sup>1)</sup>Act 167/2007, Article 51.

#### Article 17

Parties responsible for holders of operating permits and processing authorisations, as referred to in Article 14, must supply [MAST]<sup>1)</sup> and a contracting inspection agency with all the information and assistance necessary to carry out surveillance and inspection, including access to any and every location where marine products are processed or stored. [MAST]<sup>1)</sup> and inspection agencies must treat information which is to be kept secret as confidential.

Employees of the EFTA Surveillance Authority may, in consultation with [MAST]<sup>1)</sup>, undertake on-site investigations of any parties covered by the provisions of the Act and Regulations issued by virtue of it, in order to ensure that their provisions are complied with. [MAST]<sup>1)</sup> may authorise foreign surveillance authorities to make similar on-site investigations. The Icelandic authorities shall provide these inspectors with all assistance necessary to carry out their duties.

Samples of marine products for analysis must be provided to an inspection agency and [MAST]<sup>1)</sup> without charge.

<sup>1)</sup>Act No. 167/2007, Article 51.

#### Article 18

[MAST]<sup>1)</sup> shall issue official export certificates for marine products upon demand.

<sup>1)</sup>Act No. 167/2007, Article 51.

#### Article 19

[MAST]<sup>1)</sup> may put a stop to the processing and distribution of marine products, aquaculture products, and products from freshwater or ocean-ranched fish which violate the provisions of Chapter II of this Act and Regulations set in accordance with it. Furthermore, an order may be issued for the recall of products which have been distributed, should there be reasonable grounds to suspect that they violate the provisions of this Act and rules set in accordance with it.

The owners of marine products shall bear all costs of measures necessary to implement the provisions of this Article.

<sup>1)</sup>Act No. 167/2007, Article 51.

#### Article 20

Should [MAST]<sup>1)</sup> decide that marine products are unfit for human or animal consumption the owner of the processing establishment or exporter must have them destroyed within three months from the date of such decision.

[MAST]<sup>1)</sup> may, however, in exceptional cases decide that the marine products may be utilised in other production.

<sup>1)</sup>Act No. 167/2007, Article 51.

### Chapter IV

#### **Importation of marine products**

#### **Importation from states within the European Economic Area**

#### Article 21

Importers of marine products transported to Iceland from states of the European Economic Area must notify [MAST]<sup>1)</sup> of the arrival of a shipment sufficiently in advance.

A processing authorisation holder, as referred to in Article 14, or other consignee of these marine products, must keep a log of shipments received and ensure these are

in accordance with the accompanying documents. All certificates and other documentation concerning them must be preserved for one year for presentation at the request of surveillance authorities.

[MAST]<sup>1)</sup> may carry out spot checks of these marine products and take samples for analysis.

[MAST]<sup>1)</sup> must notify the party concerned if it wishes to inspect the product or take a sample for analysis. Should the consignee not have received such notification before commencing unloading, he may dispose of the shipment for processing or re-packaging to a recognised holder of a processing authorisation. Catch from fishing vessels from the EEA which is landed in Iceland shall be inspected in the same manner as catch of Icelandic vessels.

[MAST]<sup>1)</sup> shall submit a plan providing for the numbers of spot checks and their implementation to the EFTA Surveillance Authority.

<sup>1)</sup>Act No. 167/2007, Article 51.

## **Importation from states outside the European Economic Area**

### **Article 22**

All importation of live fish or fish products, including fish meal, from states outside of the European Economic Area must be effected through border stations or harbours authorised for importation, cf. Chapter V of this Act. [Fresh]<sup>1)</sup> catch of fishing vessels may be landed at locations other than border stations and must be inspected in the same manner as catch of Icelandic vessels.

The [Ministry of Fisheries and Agriculture]<sup>2)</sup> may grant exemptions from the first paragraph if special grounds justify so doing, or if a reasoned request thereto is submitted by the authorities of a state within the European Economic Area.

Importation of marine products from states outside the EEA is only authorised from producers [and factory vessels]<sup>1)</sup> which have been granted recognition for having production and surveillance of marine products satisfying the requirements of the EEA.

[The Minister may, in a Regulation, provide for the first sentence to apply also to vessels where only freezing of whole or headed fish or whole freezing of shrimp is carried out.]<sup>3)</sup>

[Imports of marine products from Liechtenstein shall be treated as if they were imports of such products from states outside the European Economic Area.]<sup>4)</sup>

<sup>1)</sup>Act No. 134/1998, Article 2. <sup>2)</sup>Act No. 167/2007, Article 52. <sup>3)</sup>Act No. 91/2000, Article 1. <sup>4)</sup>Act No. 115/1999, Article 1.

### **Article 23**

[[MAST]<sup>1)</sup> shall keep a record of parties having received recognition as referred to in the third paragraph of Article 22. This list shall be available to the public.]<sup>2)</sup>

<sup>1)</sup>Act No. 167/2007, Article 51. <sup>2)</sup>Act No. 115/1999, Article 2.

## **Safety provisions**

### **Article 24**

In instances where disease or other serious threat to public health or animal health may arise or spread through the territory of another state, or where other serious reason concerning human or animal health so justifies, the Ministry may, without prior notice, stop imports from the state in question or set special requirements for imports.

## **Chapter V**

## **Border stations**

### **Article 25**

Inspectors of [MAST]<sup>1)</sup> or other competent surveillance authorities shall carry out supervision of imported marine products from states outside the EEA. For these purposes border stations shall be established where inspectors specially trained for this task shall work and who shall be responsible for the necessary inspection of marine products which pass through the station.

[MAST]<sup>1)</sup> must be notified in advance of such imports and of the quantity, species, destination and estimated time of arrival of the shipment.

<sup>1)</sup>Act No. 167/2007, Article 51.

### **Article 26**

At border stations, or in those harbours which have been authorised for importation, the accompanying documents shall be examined and compared with the shipment to verify its origins and destination and that the shipment is from a processing establishment, [factory vessel or freezer vessel, cf. the second sentence of the third paragraph of Art. 22]<sup>1)</sup> which is on [MAST's]<sup>2)</sup> list of recognised parties, cf. Article 23 of this Act.

An inspector shall examine the condition of the products and take samples for laboratory analysis. In so doing he shall follow applicable rules on frequency of inspection and sampling. Should organoleptic evaluation or laboratory analysis reveal that the products are unfit for human consumption they shall be destroyed. The products may, however, be returned, upon authorisation of such by authorities in the land of production or be utilised for production of fish meal, provided they are free of toxins.

An importer is responsible for costs which may be incurred for returning goods, storing them, utilising them for other purposes or destroying them.

Examination of documentation and comparison of this with the shipment shall be carried out at the customs warehouse.

<sup>1)</sup>Act No. 91/2000, Article 2. <sup>2)</sup>Act No. 167/2007, Article 51.

### **Article 27**

An importer or other consignee of marine products from states outside of the EEA must notify [MAST]<sup>1)</sup> sufficiently in advance as to where the products will be sent, the amount, species and estimated date of arrival.

<sup>1)</sup>Act No. 167/2007, Article 51.

## **Fees for border surveillance**

### **Article 28**

[MAST]<sup>1)</sup> shall collect fees to cover the cost of surveillance of marine products from recognised producers, [freezer vessels]<sup>2)</sup> and [factory vessels]<sup>3)</sup> outside of the EEA.

For each tonne of the first 100 tonnes of imported marine products from a single shipment the fee shall be ISK 405. For each tonne in excess of this the fee shall be reduced to ISK 202. The fee, however, for whole frozen fish which has only been gutted shall be reduced to ISK 121 per tonne. The minimum charge for each shipment shall, however, be ISK 2 460.

The above fees may be adjusted to accord with changes in the average exchange rate for the European currency unit (ECU). The basic fee is based on the exchange rate for the ECU in March 1997, or ISK 81. The fee shall be paid by the importer of the products where inspection is performed or at a boarder station.



An importer of marine products or other party requesting access to a customs warehouse shall pay for surveillance there. The fee may be collected before transport of the products to a customs warehouse.

<sup>1)</sup>Act No. 167/2007, Article 51. <sup>2)</sup>Act No. 115/1999, Article 4. <sup>3)</sup>Act No. 134/1998, Article 2.

## Article 29

The Minister shall set in a Regulation detailed provisions on the number of border stations, their locations, operations, equipment, issuing of certificates, frequency of inspections, sampling and analysis. A Regulation shall also provide for those shipments which are exempt from inspection and give details for the assessment of fees, including authorisation for reductions and collection.

## Chapter VI

### Miscellaneous provisions

## Article 30

Should the holder of a processing authorisation or operating permit fail to comply with the provisions of Chapter II, Article 15 on internal checks and Article 16, the [MAST]<sup>1)</sup> may cancel his processing authorisation or operating permit and in addition seal the premises of the enterprise in question. Vessels which do not receive processing authorisation or an operating permit pursuant to Article 14, or which have them cancelled, may have their fishing permits cancelled by [MAST]<sup>1)</sup>.

Before any cancellations as referred to in the first paragraph, the party concerned must be given an opportunity to explain his situation and be accorded a reasonable period of time to remedy the situation.

Any holder of a processing authorisation or operating permit who fails to provide [MAST]<sup>1)</sup> or an inspection agency with necessary information or assistance in carrying out surveillance or inspection pursuant to Article 17 may have his processing authorisation or operating permit cancelled by [MAST]<sup>1)</sup>.

<sup>1)</sup>Act No. 167/2007, Article 51.

## Article 31

The Minister may set in a Regulation<sup>1)</sup> detailed provisions on the substance of this Act and determine the charge for services provided by [MAST]<sup>2)</sup> on its basis. The fee shall not be higher than costs incurred for the services.

The fee charged by [MAST]<sup>2)</sup> for accreditation of an inspection agency shall be ISK 200 000.

<sup>1)</sup>Reg. 450/1997, Reg. 233/1999, cf. 387/2000, 367/2001 and 537/2005; Reg. 260/1999, cf. 391/2000 and 372/2001; Reg. 849/1999, cf. 203/2000, 771/2000, 42/2001, 391/2002, 1000/2003, 235/2005, 150/2006 and 344/2006; Reg. 77/2001, Reg. 910/2001, Reg. 512/2005, cf. 618/2006; Reg. 513/2005, cf. 651/2006; Reg. 835/2005, Reg. 607/2006, Reg. 608/2006, Reg. 694/2006, Reg. 695/2006, Reg. 1254/2008. <sup>2)</sup>Act No. 167/2007, Article 51.

## Chapter VII

### Penalties

## Article 32

Violation of the provisions of this Act or Regulations set by virtue of it, whether carried out intentionally or due to negligence, shall be punished by fines or imprisonment in cases of serious offence.

## Article 33

...<sup>1)</sup>

<sup>1)</sup>Act No. 88/2008, Article 233.

#### Article 34

This Act shall enter into force immediately ...

Notwithstanding the first paragraph, Chapters IV and V of this Act, on importation of marine products and border stations, shall enter into force [1 January 1999].<sup>1)</sup>

<sup>1)</sup>*Act No. 121/1998, Article 1.*

#### **Temporary provisions**

[Until 31 December 2002]<sup>1)</sup> the Minister of Fisheries shall grant permits for importation of live fish, crustaceans, arthropods or molluscs, living in briny waters, upon the fulfilment of the requirements set. The Ministry shall seek the opinion of the Chief Veterinary Officer concerning permission and have regard to the Act on Importation of Live Animals as appropriate.

<sup>1)</sup>*Act No. 79/2001, Article 1.*