

DOING BUSINESS ABROAD

Iceland is situated in the North Atlantic about 190m east of Greenland and about 600m west of Norway. Population 285,000. Iceland has a relatively mild and equable climate, despite its high altitude and its proximity to the Arctic.

Britain is Iceland's fourth largest supplier with a 10% share of Iceland's imports. In 2004 British exports to Iceland amounted to £172m. The main factors contributing to this growth include the diversification of industry, growth in foreign investment and a business friendly tax regime.

There are opportunities in most industrial and consumer sectors. The widespread use of English creates a good environment for UK exporters.

Private enterprise forms the basis of Iceland's economy. Major plants producing aluminium, have been established to take advantage of Iceland's energy resources.

Major imports include refined petroleum, machinery, transportation equipment, textiles and clothing, chemicals, basic manufactures, and foodstuffs.

Reykjavik has traditionally been very attractive to foreign investors because of its highly educated work force, low energy costs and low unemployment rate, which was just 3.1 in 2003. The Trade Council of Iceland, (website www.icetrade.is) is very helpful in advising on inward investment, and doing business in Iceland.

Characteristically, Icelanders can be quite reserved, except on Friday and Saturday nights, but very direct. Visitors are often invited into homes (especially if on business) and bringing a gift for the host is the norm (a bottle of foreign wine is always welcome).

Instead of surnames, the majority of Icelanders use the system of patronymics. Instead of a surname, the first name of the father is used plus son (-son) or daughter (-dottir). Because of this, the telephone directory is listed by first name.

Temple & Co Commercial, Solicitors in Daventry, work in assisting UK businesses enter the Icelandic market

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