

APPENDIX 2 TO ANNEX X

REFERRED TO IN ARTICLE 35

RESERVATIONS BY ICELAND

ICELAND

Sector:	All sectors
Sub-sector:	Company Law
Level of Government:	National
Legal source or authority of the measure:	Law No. 138/1994 Respecting Private Limited Companies, Law No. 2/1995 Respecting Public Limited Companies, Law No. 34/1991 on Investment by Non-Residents in Business Enterprises
Succinct description of the measure:	The majority of the founders of a private limited company or a public limited company must be resident in Iceland or another EEA ¹ Member State. The Minister of Commerce can grant exemptions from these restrictions on grounds of an application. The managers and at least half the board of directors of a private limited company or a public limited company must be residents in Iceland or another EEA Member State. The Minister of Commerce can grant exemptions from these restrictions on grounds of an application.

¹ European Economic Area

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Sector:	All sectors
Sub-sector:	Real estate
Level of Government:	National
Legal source or authority of the measure:	Law No. 19/1966 on the Right to Own and Use Real Estate, Law No. 34/1991 on Investment by Non-Residents in Business Enterprises
Succinct description of the measure:	Only Icelandic citizens and Icelandic legal entities and citizens and legal entities from another EEA Member State are allowed to own real estate in Iceland unless the ownership and use is linked to an investment in real estate pertaining to the business activity of the investor. The same applies to renting of real estate if the duration of the lease lasts for more than three years. These restrictions do not apply to a non-EEA citizen who has been residing in Iceland for at least five years. The Minister of Justice can grant exemptions from these restrictions on grounds of an application.

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Sector:	Fisheries
Sub-sector:	Fishing, whaling
Level of Government:	National
Legal source or authority of the measure:	Law No. 13/1992 on the Right to Conduct Fishing in Iceland's Economic Zone, Law No. 34/1991 on Investment by Non-Residents in Business Enterprises, Law No. 26/1949 on Whaling
Succinct description of the measure:	Only Icelandic citizens and Icelandic legal entities under Icelandic control are allowed to fish in the Icelandic economic zone. The same applies to whaling.

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Sector:	Fisheries
Sub-sector:	Fish Processing
Level of Government:	National
Legal source or authority of the measure:	Law No. 34/1991 on Investment by Non-Residents in Business Enterprises
Succinct description of the measure:	Only Icelandic citizens and Icelandic legal entities are allowed to own and manage enterprises engaged in fish processing in Iceland. Fish processing in this context is freezing, salting, drying and any other process used to initially preserve fish and fish products, including melting and meal processing. This reservation does not apply to secondary fish processing.

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Sector:	Fisheries
Subsector:	Fish Auctioning
Level of Government:	National
Legal source or authority of the measure:	Law No. 123/1989 on the Auctioning of Fish
Succinct description of the measure:	Only Icelandic citizens and Icelandic legal entities are allowed to own and manage enterprises engaged in fish auctioning in Iceland.

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Sector:	Power and Energy sector
Sub-sector:	-
Level of Government:	National
Legal source or authority of the measure:	Not Applicable
Succinct description of the measure:	All activities in the power and energy sector shall be treated as services under this Agreement.
