

Act
concerning fishing and processing by foreign vessels
in Iceland's exclusive fishing zone

Article 1

Only the following parties may pursue fishing and process marine catch aboard vessels in Iceland's exclusive fishing zone, as defined in Act No. 79/1997, concerning fishing in Iceland's exclusive fishing zone:

1. Icelandic nationals and other Icelandic parties;
2. Icelandic legal entities, fully owned by Icelandic parties or legal entities which fulfil the following requirements:
 - a. are under the control of Icelandic parties;
 - b. ownership by foreign parties does not exceed 25% of share capital or initial capital. If the holding of an Icelandic legal entity in a legal entity pursuing fishing or processing in Iceland's exclusive fishing zone does not exceed 5%, the holding of foreign parties may amount to up to 33%;
 - c. are in other respects owned by Icelandic nationals or Icelandic legal entities under the control of Icelandic parties.

Processing of marine products, as referred to in Article 1, shall include freezing, salting, drying and any other treatment intended to protect fish and other marine products against spoilage, including rendering and fish meal production. Processing in this connection shall not, however, include the smoking, pickling, canning, preserving or repackaging of products in consumer packaging, nor further processing of products to make them more suitable for distribution, consumption or food preparation.

Only Icelandic vessels may be used in fishing and processing of marine catch aboard vessels in Iceland's exclusive fishing zone; this shall also apply to processing of marine catch as referred to in the second sentence of the second paragraph. Icelandic vessels are vessels which are registered in this country in accordance with the Act on Registration of Icelandic Vessels.

Article 2

Foreign fishing and processing vessels may not dwell in Iceland's exclusive fishing zone. They may, however, sail without interruption through the exclusive fishing zone, provided they have given notification of their presence in accordance with Article 4. These provisions shall not, however, restrict rights which have been or may eventually be granted to other states pursuant to international agreements.

Article 3

Foreign vessels may land their own catch, transship catch and sell catch in Icelandic ports, where they may obtain any and all services required for operating the vessel.

Notwithstanding the provisions of the first paragraph, foreign vessels fishing or processing catch from commercial fish stocks of a common interest which are caught both within and outside of the Icelandic exclusive fishing zone and concerning which Icelandic authorities have not negotiated an agreement for utilisation, may not enter port in Iceland. The same shall apply to foreign vessels fishing or processing catch which violate agreements on the utilisation and preservation of living marine

resources to which Iceland is a party. The vessels referred to in this paragraph may not be provided with services within Iceland's exclusive fishing zone nor from Icelandic ports, nor may vessels transporting their catch or providing them with services outside of Iceland's exclusive fishing zone put into harbour in Iceland.

The Minister may decide that the provisions of the second paragraph shall apply to vessels whose flag state is not party to an agreement concerning the management of the fishery pursued by the vessel in question or which does not abide by the rules set in accordance with such an agreement and to which Iceland is a party. The Minister may, in addition, decide that the provisions of the second paragraph shall apply to foreign vessels if such is considered necessary to protect living marine resources.

The provisions of this Article shall not limit the rights of foreign vessels to land or transship catch, or obtain services in this country in accordance with international agreements to which Iceland is a party or currently valid international law. The Minister may derogate from the provisions of the second and third paragraphs under exceptional conditions. The provisions of this paragraph shall not prejudice the right of foreign vessels to put into port to obtain assistance in an emergency, or to seek shelter offshore, provided the Icelandic Coast Guard is notified of such.

Article 4

Foreign fishing and processing vessels must notify the Icelandic Coast Guard, indicating their current location, six hours prior to entering and leaving Iceland's exclusive fishing zone. During their sail through the territorial sea they must send notification of their location, course and speed at twelve-hour intervals. In addition, foreign vessels which intend to put into port in Iceland must notify the Icelandic Coast Guard of the amount and type of their catch on board, what sort of fishing they have pursued and in what region, and what services they intend to obtain in the port concerned. The Icelandic Coast Guard shall notify the Directorate of Fisheries if it has reason to assume that the second and third paragraph of Article 3 apply to the vessel's catch.

Article 5

Unless otherwise prescribed by international agreement, fishing by foreign vessels in the exclusive fishing zone shall be governed by the provisions of those Acts and Regulations which apply to the fishing of Icelandic vessels in the exclusive fishing zone with regard to fishing gear, protected regions and fishing periods, cf. Articles 8-14 of Act No. 79/1997, concerning fishing in Iceland's exclusive fishing zone, the exploitation of commercial fishing stocks and fisheries surveillance, including the recording of catch log books, cf. Articles 2, 9 and 13 of Act No. 57/1996, on the treatment of commercial marine stocks, and Articles 15 and 17 of the Fisheries Management Act, No. 38/1990. Furthermore, the applicable provisions of Acts and Regulations on the weighing of marine catch in Icelandic ports shall apply if foreign vessels land their catch in this country. In other respects rules comparable to those which apply to the fishing of Icelandic vessels shall apply to fishing by foreign vessels within the exclusive fishing zone, as appropriate, cf. however Article 9.

Article 6

The Directorate of Fisheries shall issue temporary permits to foreign vessels in accordance with decisions by the Ministry of Fisheries to this effect. The authorities of those States which have been granted rights in an international agreement must apply to the Directorate of Fisheries for authorisation to pursue fishing on the basis of

such agreement. Foreign vessels may not commence fishing within the exclusive fishing zone without having received a permit from the Directorate of Fisheries.

Article 7

Responsibility for the enforcement of this Act lies with the Icelandic Coast Guard, the Directorate of Fisheries and its inspectors. The Directorate of Fisheries may place fishing inspectors aboard fishing vessels fishing in the exclusive fishing zone. Vessel operators must supply fishing inspectors with food and facilities while they are pursuing supervisory tasks aboard the fishing vessel and in addition pay all expenses arising from their stay aboard the vessel.

Should the Icelandic Coast Guard or the Directorate of Fisheries be of the opinion that supervision pursuant to the first paragraph cannot be effected at sea, the vessel concerned must obey instructions to sail to a nearby port where supervision can be carried out.

Article 8

The Directorate of Fisheries may cancel a foreign vessel's permit to fish within the exclusive fishing zone if the vessel operator, the vessel's crew, or any others in the employ of the operator, infringe against this Act, other Acts which apply to the fishing in question, Regulations issued by virtue of legal authority, or the provisions of international agreements.

Article 9

The Minister may set further rules on the implementation of this Act and the enforcement of individual international agreements in accordance with rules for comparable fishing of Icelandic vessels within the exclusive fishing zone unless otherwise provided for in international agreements. The Minister may also, should he regard this to be necessary, set further rules on fishing gear, fishing regions and fishing periods, and rules concerning supervision of the fishing of foreign vessels, concerning, for instance, the weighing of catch, keeping of catch log books, notifications to authorities, remote surveillance and the obligation to enter and leave Iceland's exclusive fishing zone via specific check points.

Article 10

The provisions of Articles 11 to 15 shall apply to infringements against this Act or rules set in accordance with it, unless more serious punishment is prescribed for such infringement by other Acts or Regulations issued by virtue of such Acts.

Article 11

Violations against the provisions of this Act and rules adopted pursuant to it shall be liable to fines, whether committed intentionally or due to negligence. In the case of major or repeated intentional offences, the maximum fines provided for in Article 12 shall not apply. In addition, in such cases the entire catch of the vessel and all fishing gear aboard the vessel may be confiscated. In lieu of confiscating catch and fishing gear, in accordance with this Article, payment may be demanded corresponding to the value of the catch and gear according to the evaluation of court-appointed experts.

Article 12

Violations against the provisions of this Act, rules adopted pursuant to it, or provisions of fishing permits shall be liable to fines amounting to at least ISK 400,000

but not exceeding ISK 4,000,000, depending upon the nature and scope of the violation.

Article 13

Both legal entities and individuals may be fined. Fines may be levied against legal entities even though their representatives, employees or other persons acting on their behalf have not been proven guilty of a violation, if the violation has been or could be to the advantage of the legal entity. Under the same conditions, fines may also be imposed against legal entities if their representatives or employees or other persons acting on their behalf are guilty of a violation.

Attempting to commit or serving as accessory to a violation against this Act or rules set pursuant to it is a punishable offence as provided for in the Penal Code.

Article 14

If catch has been obtained illegally such violation shall make it liable to confiscation in addition to the punishments provided for above. Should an investigation of the catch aboard a foreign fishing vessel reveal that it does not conform to the catch entered in the catch log books or with notifications to the authorities, any quantity in excess of that entered or notified may be confiscated. Similarly, any catch which exceeds the rights granted to foreign vessels by Icelandic authorities shall be confiscated. In lieu of confiscating catch in accordance with this Article, payment may be demanded corresponding to the value of the catch according to the evaluation of court-appointed experts.

Illegal fishing gear shall be confiscated. Any fishing gear, or parts of fishing gear, which do not comply with the rules set on fishing gear by virtue of this Act, or with the provisions of other Acts referred to in the present Act, shall be illegal.

Article 15

A vessel which is escorted to harbour due to a violation of this Act or Regulations issued by virtue of it may be placed under arrest. In such case a judge may decide to remove the arrest against the provision of a bank guarantee or other equivalent guarantee, in his estimation, for the payment of any fine, court costs and confiscation.

A lien shall be placed on the vessel to guarantee the payment of a fine, court costs and confiscation.

Violations against this Act shall be prosecuted according to the Criminal Proceedings Act.

Fines assessed in accordance with this Act, shall accrue to the Icelandic Coast Guard Fund.

Article 16

This Act shall enter into force immediately. Act No. 13, of 30 March 1992, concerning the right to fish in Iceland's exclusive economic zone, and Article 10 of Act No. 151 of 27 December 1997, on fishing outside of Icelandic jurisdiction, are hereby repealed.

Adopted by the Althingi 31 March 1998.