

Act No. 33/2004 on marine and coastal antipollution measures

Section I Goals, scope and definitions

Article 1 Goals

The goal of this act is to protect the ocean and beaches of Iceland against pollution and activities that could jeopardize human health, damage the ocean's living resources and disturb its biosphere, damage the environment or prevent the lawful utilisation of the ocean and beaches.

It is also the goal of this act that after an accident resulting in pollution, the environment will be restored to its former state.

Article 2 Scope

The act applies to any kind of activity related to business operations, projects, ships and aircraft in Iceland on land, in the air and within Iceland's pollution jurisdiction and affects or can affect the items specified in Article 1, insofar as other acts here do not apply.

The act also applies to Icelandic ships outside Iceland's pollution jurisdiction insofar as Iceland has obligated itself under international agreements.

Exempted from this act are measures necessary to protect human life or ensure safety, such as measures necessitated by uncontrollable external events.

Article 3 Definitions

In this act, the following words and phrases have the following specified meaning:

1. *Best available technology*: The production method and equipment employed to minimise pollution and the formation of waste. The technology covers the production method, equipment, structural design, inspection and maintenance of the equipment as well as its operation. By "available technology" is meant accessible production methods and equipment (technology) developed to employ in the relevant business operations, and technical and economic circumstances shall be taken into account. By "best" is meant the most effective method to protect all aspects of the environment against pollution.
2. *Acute pollution*: Pollution of the ocean and beaches occurring suddenly and demanding immediate action.
3. *Liquid substances*: Liquids with a vapour pressure lower than 2.8 kg/cm² at 37.8°C.
4. *Transport of oil, dangerous chemicals and toxic substances*: The transport of substances coming under the provisions of the International Maritime Dangerous Goods (IMDG) Code, on sea transport of dangerous chemicals in ships' cargo holds, the IBC Code on transport of oil in ships' cargo holds, or the ADR Rules on the transport of noxious cargo on roads, i.e., the substances falling under Annexes I, II and III of the MARPOL 73/78 protocol when they are transported as cargo in ships, and substances classified as noxious in Iceland.
5. *Harbour area*: Areas of land and sea administered by the port authority in each place and defined in the Harbour Act and harbour regulations.
6. *Ballast water*: Water along with dissolvable chemicals and sediment that is taken on board a ship for the purpose of controlling the strength, trim, keel depth, stability or load of the ship.
7. *Discharge*: When, on purpose or due to gross negligence, liquid or solid materials related to normal activities are released into the sea. The following is not deemed to be discharge:
 - a. putting materials or things into the ocean for a lawful purpose other than disposing of them.
 - b. when waste or other substances, stemming directly from research or utilisation of minerals in or on the ocean floor, pass into the ocean.
 - c. discarding into the ocean unprocessed fish and fish waste and other marine organisms because of fishing or processing.
8. *Fish oil and foots*: All kinds of fat processed or coming from marine organisms and their decomposition.
9. *Pollution*: When microbes, chemicals and chemical compounds and physical factors cause undesirable and harmful effects on the general public's health, disturbance of the biosphere or contamination of land, sea or air. Pollution also covers bad smell, noise, vibration, radiation and thermal flow and various undesirable physical factors.
10. *Iceland's pollution jurisdiction*: The area of ocean covering coastal waters, including beaches to the high-tide boundary during spring tide, territorial waters and the exclusive economic zone, Iceland's continental shelf and the uppermost layers of soil, cf. the Act on territorial waters, exclusive economic zone and continental shelf.

11. *Pollution damage*: Damage or injury incurred from marine and coastal pollution, wherever such pollution occurs and whatever its cause. Pollution damage also covers the cost of measures to prevent damage, further damage or injury incurred from such measures.
12. *Landowners' rights to adjacent coast*: Marine belt 115 m from spring tide seashore.
13. *Oil*: Liquid oil in any form, including crude oil, fuel oil, lubricants, mineral oil, waste oil and refined oil.
14. *Oil tanker*: A ship built or converted for the main purpose of transporting oil in bulk in cargo spaces, including multipurpose ships and each and every chemical transport ship, as defined in Annex II of the MARPOL protocol, when it transports oil cargo or part of an oil cargo in bulk.
15. *Operational waste unsuitable for processing*: Operational waste, including cargo packaging, with the exception of fresh fish and fish waste, produced during normal operations of ships, platforms and other structures on the open ocean, which must be disposed of continuously or from time to time.
16. *Operational waste*: Waste from manufacturing, e.g., paper, cardboard, packaging and packaging materials, glass, wood, metals, remainders from manufacturing, etc.
17. *Special ocean area*: An ocean area that specified regulations about marine and coastal antipollution measures apply to, for example, because of specific environmental circumstances, in accordance with current international agreements to which Iceland is a party on preventive measures for marine pollution.
18. *Ship repair station*: Facility where ships are taken onto land, such as a slip or dry dock.
19. *Sewage from ships*: Drainage or other liquid waste from toilets, kitchens, laundries and baths, including other water that it is mixed with before discharge.
20. *Refuse from ships*: Any kind of consumption waste from ships, such as all kinds of food remnants and waste from living quarters, as well as operational waste unsuitable for processing.
21. *Beach*: Area between the highest and lowest tides
22. *Environment*: Collective term for humans, animals, plants and anything else in the biosphere, soil, land formations, water, air, climate and landscape, community, health, culture and cultural artefacts, work and things of material value.
23. *Waste*: Any kind of substances or objects that individuals or legal entities decide to dispose of or are made to dispose of in a specified fashion.
24. *Overboard disposal*: When substances or objects are purposely or negligently thrown into the ocean from ships, aircraft, platforms or other structures, including when ships, aircraft, platforms or other structures are sunk in the ocean, i.e., everything that is not discharge. The following is not deemed to be overboard disposal:
- a. putting substances or objects into the ocean for a lawful purpose other than disposing of them.
 - b. when waste or other substances stemming directly from research or utilisation of minerals in or on the ocean floor are pass into the ocean.
 - c. throwing into the ocean unprocessed fish and fish waste and other marine organisms because of fishing or processing.
25. *Surveillance*: Systematic and continuously repeated recording of specific variables in the environment

Section II Management and organisation

Article 4 Supervision and inspectors

The Minister for the Environment handles supervision of matters under this act insofar as the act does not stipulate otherwise.

The Environment and Food Agency, under the supervision of the Minister for the Environment, monitors the implementation of the act insofar as the act does not direct otherwise. The Environment and Food Agency may delegate specified aspects of the monitoring within its purview to municipal public health boards or certified inspectors acting as agents of the agency. In such instances, a special agreement shall be made with the certified inspector or with the relevant public health board, as relevant. The Environment and Food Agency may entrust a public health committee with carrying out sanctions in parallel with monitoring.

The Environment and Food Agency shall see to vigilance regarding marine and coastal pollution.

The Environment and Food Agency shall see to the preparation of instructional materials and instruct those working on these matters and issue instructions and guidelines.

The Icelandic Coast Guard, under the supervision of the Minister of Justice, sees to monitoring the ocean areas around Iceland, from the air as well as on the sea. The Icelandic Coast Guard, if it spots pollution, or pollution of the ocean or coast is suspected, notifies the Environment and Food Agency and police of areas from which pollution can spread to the land. The Icelandic Maritime Administration, under the supervision of the Minister of

Communications and Transport, is responsible for monitoring ships' pollution control equipment, cf. the Act on monitoring of ships.

Article 5 *Consultants*

The Environment and Food Agency, Icelandic Museum of Natural History, Icelandic Fish Laboratories, Marine Research Institute, Directorate of Health, Icelandic Maritime Administration, municipal public health committees, Icelandic Coast Guard, port authorities, National Commissioner of the Icelandic Police and National Institute of Radiation Protection are consultants to the minister on aspects relating to this act that fall under their activities.

Section III Implementation of the act's general provisions

Article 6 *Regulations on marine and coastal protection*

The Minister for the Environment, after receiving proposals from the Environment and Food Agency, and in consultation, depending on relevance, with the Minister of Justice, Minister of Fisheries, Minister of Communications and Transport, and the Union of Local Authorities in Iceland, sets general provisions into regulations concerning:

- a. discharge of oil and oil mixed with water into the ocean from ships more than three nautical miles from the baseline of the territorial waters, including special ocean areas, as well as from platforms and other structures within Iceland's pollution jurisdiction beyond three nautical miles from the baseline of the territorial waters;
- b. limitation of the quantity of oil in drainage water that may be channelled into the sea;
- c. best available antipollution technology and the best environmental practices where such have been defined;
- d. the equipment of ships, platforms and other structures in the open ocean and the equipment of companies on land for the prevention of marine and coastal pollution caused by oil and the monitoring of this equipment;
- e. collection and destruction of waste oil, including the receipt of waste while from ships in harbours;
- f. limitation or prohibition of this charge of fish oil and foots;
- g. classification of liquid chemicals transported in ships' cargo holds to or from Icelandic harbours, as well as provisions on the limitation of discharge of chemicals deemed noxious, into the ocean beyond three nautical miles from the baseline of the territorial waters;
- h. classification of substances used for antipollution measures under this act;
- i. discharge of sewage into the ocean from ships, platforms and other structures on the open ocean;
- j. handling and discharge of refuse from ships into ocean areas beyond three nautical miles from the baseline of the territorial waters;
- k. receiving and handling of waste from ships;
- l. receiving facilities for sewage from ships and other waste not listed above and its destruction;
- m. limitation or prohibition of the discharge of ballast water from other sea areas, to prevent exotic organisms from being transmitted to Iceland;
- n. prohibition or limitation of the discharge of substances into the sea from land that are listed in Annex II in this act;
- o. throwing overboard of substances or objects into the ocean;
- p. how the laying of submarine cables, submarine pipes or any kind of structure on the ocean floor shall be organised;
- q. surveillance and measurements, such as to monitor possible changes in pollution of the ocean, and what research and measurements pollutants in the ocean and marine organisms and on the ocean floor, shall be made;
- r. operating licences for business operations falling under this act;
- s. transport of dangerous products by ship, where it is authorised to refer to the original foreign version of a list of substances and standards approved by the International Maritime Organisation;
- t. preventive measures for and responses to acute pollution, operation of antipollution equipment, the duty to provide information to and co-operate with inspectors;
- u. monitoring, recording and duty to notify;
- v. prohibition or limitation of pollution from ships, platforms and other structures at sea or from land stations in accordance with the annexes of the MARPOL 73/78 protocol and other international agreements of which Iceland is a member;
- w. guarantees and insurance because of business activities with objective liability for acute pollution in accordance with the current provisions of law;
- x. transfer of substances, cf. Annex II, within Iceland's pollution jurisdiction;

y. other comparable points.

In regulations set by the minister under this act, standards in force may be referenced.

Comments on environmental protection from parties in the economy and in national associations shall be sought before regulations are set.

Under special circumstances, the minister, after obtaining a comment from the Environment and Food Agency, and, if relevant, the Icelandic Coast Guard and the Icelandic Maritime Administration, can grant a temporary exemption from particular articles of regulations set under this article, although never for more than one year at the time.

Article 7 *Regarding liability of individuals and legal entities*

Each and every one causing pollution in Iceland's pollution jurisdiction is liable under the general rules of damages for damage attributable to the pollution. Ship owners may however limit their financial liability in accordance with current provisions of law.

If there is a risk of marine and coastal pollution, the one bearing responsibility for the pollution shall do all in his power to prevent or reduce it. He is also liable for the damage that his actions or lack of action causes others. Those seeing to petroleum distribution and sales are duty-bound to accept oil waste from ships and land-based activities, alone or in co-operation with individuals or companies licensed by the Environment and Food Agency, and ensure satisfactory destruction of it. Owners or those in charge of loading stations for oil tankers and ship repair stations shall see to it that the stations have facilities for receiving ballast water mixed with oil and other waste remaining in the ship when it arrives at the station, for storage or transport. The receiving facilities shall fulfil provisions of international agreements Iceland is a party to on preventive measures for marine and coastal pollution.

Each and every party in the country who must annually accommodate more than 500 litres of waste oil because of their own use of oil shall keep a separate account of the collection and delivery of waste oil to receivers, and the employees of the Environment and Food Agency shall always have ready access to this accounting.

Article 8 *Prohibition against discharge into the ocean*

Discharge of oil into the ocean from ships, as well as from platforms and other structures, whether direct or indirect, is forbidden in ocean areas within three nautical miles of the baseline of territorial waters, unless water mixed with oil is involved that results from normal operations. The maximum quantity of oil mixed in during discharge shall be 15 parts per million of the mixture. Drainage water mixed with oil discharged into the sea shall be channelled through an oil separator that fulfils standards in force.

The discharge into the ocean of fish oil or foots is forbidden in coastal waters. When landing fish by pumping from ships, as well as in processing fish on land, the processor shall see to it that there is no marine or coastal pollution from the discharge of fish oil or foots.

The discharge of liquid substances from ships is otherwise forbidden in ocean areas within three nautical miles of the baseline of the territorial waters. The discharge of uncontaminated water and sea water is authorised. It is forbidden to discharge refuse and operational waste unsuitable for recycling into the ocean from ships within three nautical miles of the baseline of the territorial waters. It is forbidden to discharge persistent, artificial materials into the ocean that float on the surface or partially below it, including plastic containers, hawsers and nets. The discharge of sewage from ships is forbidden in harbour areas and within the area covered by landowners' rights to adjacent coast. The discharge of sewage beyond the area covered by landowners' rights to adjacent coast is handled under a regulation set according to Article 6.

The minister, in particular exceptional circumstances, may, after obtaining a comment from the Environment and Food Agency and, if relevant, the appropriate public health committee, grant an exemption from provisions of this article. Conditions may be tied to the exemption, such as that cleanup shall be done.

Article 9 *Throwing overboard of materials and laying of submarine cables and submarine pipelines*

Throwing substances or objects overboard into the ocean is forbidden. After obtaining a comment from the Marine Research Institute, the Environment and Food Agency can grant a licence to throw the following materials and objects overboard into the ocean:

a. dredging materials

- b. natural inert materials, i.e., solid minerals that have not been chemically processed and are composed of substances unlikely to be released into the ocean area
 - c. fish waste from land-based fish-processing, provided there are special circumstances
- The laying of submarine cables and pipes is subject to the approval of the Environment and Food Agency.

Article 10 *Incineration of waste substances on the open ocean*

It is forbidden to burn waste or other substances on the open ocean. Burning one's own refuse is, however, allowed in incinerators made for the purpose in accordance with the rules of the International Maritime Organisation, where the provisions of current agreements on the incineration of waste substances on the open ocean are taken into account and the effect the burning has on the environment.

Article 11 *Receiving of waste and sewage in harbours*

The port authority shall establish or ensure the operation of acceptable facilities in harbours for the receiving of waste from ships and shall take instructions from the International Maritime Organisation into account. In harbours a port authority shall establish a facility for the receiving of sewage. The Environment and Food Agency can grant an exemption from receiving sewage where harbours are small, and services are available in a nearby harbour. A port authority may collect fees for receiving waste and sewage in harbours and establish a tariff for the services. The fee, however, shall never exceed the cost of providing the service.

Article 12 *Notification duty*

The owners or controllers of ships and the owners or operators of work and drilling platforms on the open ocean and of companies on land shall immediately notify the Icelandic Coast Guard's Control Centre of all discharge, throwing overboard and pollution that this act covers within Iceland's pollution jurisdiction, as well as on beaches, unless the throwing overboard or discharge specifically authorised under this act is involved. The notification duty also applies to Icelandic ships outside Iceland's pollution jurisdiction insofar as relevant and Iceland has obligated itself to do under international agreements. The Coast Guard shall relay notices as quickly as possible to the Environment and Food Agency.

Ships transporting oil and/or dangerous products within Iceland's pollution jurisdiction shall send the Sailing Surveillance Centre, cf. Act on the Sailing Surveillance Centre, notices of the following points related to cargo, arrival, departure and voyages within Iceland's pollution jurisdiction:

- a. quantity and type of cargo
- b. arrival in and departure from the pollution jurisdiction as well as location, with six hours' notice
- c. information on location, direction and speed, every six hours while sailing in the pollution jurisdiction
- d. information on arrival and departure from a harbour, with three hours' notice

The Sailing Surveillance Centre shall pass on notices in accordance with paragraph 2 to the Icelandic Coast Guard.

Section IV Acute pollution

Article 13 *Area councils for acute pollution*

Iceland shall be divided into response areas for acute pollution, and an area council shall operate in each area for a term of four years. Municipal governments in the relevant areas elect area council members, and in each council shall be a public health representative, fire chief and harbour master. In addition, one representative nominated by representatives of business owners in the area shall sit on the area council. The council allocates its tasks amongst the members.

The functions of an area council are:

- a. supervision, operation and maintenance of equipment owned by the harbours
- b. instruction of employees of the relevant harbours on equipment for acute pollution in consultation with the Environment and Food Agency
- c. seeing to drills and training for response
- d. being a consultant to the Environment and Food Agency on the measures for acute pollution under this act and the regulations set according to it
- e. going to sites after pollution has occurred to evaluate circumstances in collaboration with the Environment and Food Agency

The costs of operating area councils shall be borne by the municipalities.

After consulting with the Union of Local Authorities, the minister decides, by setting regulations, the number of response areas and their boundaries and the classification of harbours, taking into account antipollution equipment,

as well as the more detailed purview of area councils. The Environment and Food Agency sees to the coordination of areas, and the State Treasury bears the cost of the coordination.

Article 14 *Implementation and management at sites*

On the implementation and management at sites, the following applies:

- a. Pollution within harbour areas: The harbour master is responsible for and sees to measures because of pollution within the harbour area, and he is obligated to resort to cleanup and other appropriate measures to prevent further damage because of acute pollution. The harbour master must notify the Environment and Food Agency and public health committee of acute pollution as soon as becoming aware of it. A public health representative, as an agent of a public health committee, monitors cleanup measures and decides, in collaboration with the Environment and Food Agency, when the results of cleanup are sufficient. The harbour master, if he sees fit to do so, can call for assistance from the Environment and Food Agency. If the Environment and Food Agency deems further measures necessary, it may intervene regarding them.
- b. Pollution outside of harbour areas: When a notice of acute pollution of beaches is received, the relevant public health representative, as agent for the Environment and Food Agency, shall go to the site and evaluate the extent of the acute pollution and the necessary measures and notify the Environment and Food Agency. The Environment and Food Agency is responsible for the initiation of measures against acute pollution and sees to management at the site. The Environment and Food Agency bears the cost of the work of the public health representative in this instance. The Environment and Food Agency may entrust a public health committee to supervise measures at the agency's expense. The Environment and Food Agency, Icelandic Maritime Administration and Icelandic Coast Guard shall prepare a written action plan on the involvement of the agencies and implementation of individual tasks.

The polluter may be entrusted with doing the cleanup. In such instances, the polluter must present a plan on how he will organise the cleanup.

If it is thought that the pollution could endanger people, the Directorate of Public Health must be immediately notified.

If the pollution could jeopardise inhabitants or property, the measures shall be taken in consultation with the relevant chief of police.

The fire chief may be entrusted with management of the pollution accident site with a special agreement or, in particular circumstances, when relevant.

Article 15 *Intervention because of acute pollution*

The Icelandic Coast Guard may resort to intervention and take the measures deemed necessary in the ocean area within Iceland's pollution jurisdiction to prevent or reduce the risk posed to the ocean or beaches by acute pollution. Intervention entails taking over management of a ship if the directions of the Icelandic Coast Guard are not followed. However, this does not apply to ships operated by foreign states and used in the service of the relevant state for work not categorised as commercial.

Depending on what is possible and necessary, the Icelandic Coast Guard shall consult with the Environment and Food Agency and harbour master when resorting to intervention.

When pollution occurs on the open ocean, the Environment and Food Agency shall take action. When there is deemed to be a risk of pollution from the grounding of a ship or from land-based activities or something occurring at sea, the Environment and Food Agency shall take measures to prevent or reduce the risk of pollution.

Article 16 *Insurance*

A polluter is liable for damage resulting from acute pollution although the damage cannot be traced to culpable behaviour of the polluter or his employee, if the pollution is caused by the transport of oil, toxic or noxious substances or business activities listed in Annex I (a). This liability covers damages of up to SDR 1 million. Those transporting oil, toxic or noxious substances or engaging in business activities listed in Annex I (a) shall purchase liability insurance, or present other satisfactory insurance regarded as valid by the Environment and Food Agency, of up to SDR 1 million, as further specified by regulation, and the amount of the insurance shall be for the same amount. More detailed provisions about the insurance and its scope shall be set out in a regulation. Liability for damages beyond these limits follows the general rules of the law of damages.

A polluter must act immediately and prevent further pollution. A polluter may see to clean-up and shall then do so in accordance with a plan approved by the Environment and Food Agency, cf. Article 14.

The liability under this article is subject to limitations in accordance with international agreements to which Iceland is the party, subject to stipulations of law.

Article 17 *Insurance for oil tankers*

In addition to the provisions of Article 16 on the insurance of oil tankers, an international agreement on intervention on the open ocean when accidents occur that cause or could cause oil pollution, an international agreement on private liability for damages caused by oil pollution and an international agreement on the establishment of an international fund to compensate damages caused by oil pollution apply.

Article 18 *Response plans*

Business operations that could cause pollution, and that are listed in Annex I (a), shall prepare plans for action in the event of acute pollution, and they shall be submitted before an operating licence is issued. Such plans shall be based on a risk assessment taking into consideration factors stated in Annex I (b) and further dealt with in a regulation. After having conferred with a consultant, the Environment and Food Agency makes a proposal to the minister, cf. Article 5, concerning plans for preventive measures and responses to acute pollution.

Article 19 *Antipollution equipment*

An area council is responsible for storing and maintaining the antipollution equipment available in Iceland's harbours and its renewal, and it nominates a person responsible for the equipment and responsible person in reserve. The Environment and Food Agency shall have portable antipollution equipment available to cope with accidents outside and within harbour areas, as needed. In consultation with the relevant area council and depending on money allocated in the budget, the agency decides the build-up and renewal of necessary antipollution equipment in Iceland's harbours and aboard ships of the Icelandic Coast Guard.

Article 20 *Grounded or sunken ships, platforms or other structures*

If ships, platforms or other structures at sea are grounded so that they cannot be refloated, the owner is duty-bound to remove them as soon as possible and not later than six months after grounding. If ships, platforms or other structures at sea or aircraft have sunk, the Environment and Food Agency can demand that they be removed. If an owner deems it difficult or impossible to remove a grounded or sunken ship, platform, aircraft or other structure, he may submit a request to the Environment and Food Agency that the object remain where it is. Such a request shall be accompanied by a risk assessment explaining the environmental benefit along with the cost of removing the sunken ship, platform or other structure. In disposing of the matter, the Environment and Food Agency shall consult with the relevant municipality.

Article 21 *Tariff for monitoring for acute pollution and measures to reduce such pollution*

Harbours and area councils may collect fees from polluters on the basis of a tariff set by the minister, after obtaining a comment from the Union of Local Authorities on the payment of costs for activities under the auspices of harbours because of pollution within harbour areas and for activities of the area councils because of pollution. The tariff shall be the basis for settlement with the Environment and Food Agency for work done under the auspices of an area council and harbours, and the use of antipollution equipment owned by harbours when the agency is financially responsible for measures. The tariff shall cover the work performed, travel costs and use of equipment. The tariff shall be published in the B-section of *Law and Ministerial Gazette*. Fees shall be secured by an equitable lien on the ship or real estate for one year.

The minister, after obtaining proposals from the Environment and Food Agency, sets a tariff for the agency's monitoring of acute pollution and measures to reduce such pollution. The fee may not exceed payment for a specialist's time and his travel expenses. The minister shall also set provisions in the tariff on the rental of antipollution equipment, and the fee shall be based on the use, maintenance costs and renewal of the equipment. The Environment and Food Agency shall demand payment from a polluter in accordance with a tariff if pollution is involved that is caused by oil, toxic or dangerous substances or business activities listed in Annex I (a). Fees shall be secured for one year from the date of payment by an equitable lien on the relevant ship or real estate when the monitoring is related to the use of real estate. The tariff shall be published in the B-section of *Law and Ministerial Gazette*. Fees may be collected by attachment.

The collection of fees because of measures taken by public health committees is governed by the provisions of the Act on hygiene and antipollution measures.

Section V Sanctions and penalties

Article 22 Sanctions

To compel amelioration under this act and regulations set according to it, the Environment and Food Agency or a public health committee, where relevant, can employ the following measures:

- a. issue a reprimand
- b. issue a reprimand and a reasonable deadline for amelioration
- c. stop or limit the relevant activities or use

Therefore, stopping activities shall only be employed in serious instances or for repeated violations, or if amelioration is not done within a specified period, and, if necessary, seeking the assistance of the police or Icelandic Coast Guard, as relevant, is also authorised. If such violations are involved, the Environment and Food Agency can revoke the relevant party's operating licence. If the operating licence is issued by municipalities' public health committees, they shall revoke the operating licence in consultation with the Environment and Food Agency.

If the Environment and Food Agency deems that so serious a risk stems from a specified activity or use that the action cannot wait, it may immediately halt the activity or use temporarily, with the assistance of the police if necessary, but the relevant public health committee shall be notified.

Article 23 Day fines

When a party fails to abide by directions within a specified period, the Environment and Food Agency or relevant public health committee, cf. paragraph 2 of Article 4, can decide to fine the party up to ISK 500,000 per day until amelioration is made. The minister can adjust the amount of day fines by regulation in accordance with price level changes. Also, the Environment and Food Agency or relevant public health committee, cf. paragraph 2 Article 4, may have work done at the expense of the party obligated to do the work if directions about its performance are neglected, and the cost shall be temporarily paid out of the State Treasury but later collected from the relevant party. The payment of costs and day fines is secured by a right of equitable lien on the relevant building, plat, vehicle, ship or structure for one year after payment is demanded.

Article 24 Authority of inspectors

The Environment and Food Agency or relevant public health committee, cf. paragraph 2 of Article 4, can have a study done on ships and work and drilling platforms on the ocean and on land-based companies without a court ruling if there is deemed to be a risk of maritime and coastal pollution, or if pollution has occurred that is a violation of this act. The Environment and Food Agency seeks the assistance of the Icelandic Coast Guard, port authorities, Icelandic Maritime Administration, National Institute of Radiation Protection, Maritime Research Institute and other government parties, as required. The investigation shall not unduly disturb the relevant operations or cause unnecessary expense.

Inspectors, whenever they request, shall have ready access to all information about antipollution equipment and its operation, as well as all measurements or reports concerning observations the owners or operators have had done regarding pollution control, whether these studies have been done at the demand of government parties or at the initiative of the owners or operators.

Parties subject to a duty of inspection are required to provide all information necessary for inspections pursuant to this act, and they must deliver samples at no cost that are deemed necessary for inspections.

Article 25 Penalties

Violations of this act and regulations set in accordance with it are punishable by fine or imprisonment for up to two years unless more severe punishment under other law applies. If large-scale or repeated, intentional violations are involved, they shall be punishable by imprisonment for up to four years.

Attempted violations or involvement in violations of this act and regulations set in accordance with it are punishable in accordance with Chapter III of the General Penal Code.

Article 26 Fines

A legal entity may be fined even though the guilt of those in charge or their employees or other individuals working on the entity's behalf is not proved, provided that the violation was or could have been beneficial to the legal entity. However, a legal entity shall not be punished if an accident is involved. With the same proviso, a legal entity can also be held guilty if those in charge or its employees or other individuals working on its behalf are found guilty of violations, or if guilt stems from unsatisfactory equipment or supervision.

Article 27 Arrest of vessel

If the violation is against provisions of this act and is related to a ship, the ship shall be arrested and may not be released until the case is finished and the fine, in addition to legal costs, is paid in full as well as the cost of inspectors. Arrest is governed under the provisions of the act on the inspection of ships.

A ship may nevertheless be released sooner if a bank guarantee or other equivalent security for payment of fines and all costs is arranged.

As security for payment of fines under this article, legal costs and the cost of inspectors, there shall be a maritime lien on the ship for one year.

Section VI Miscellaneous provisions

Article 28 Disputes

If a dispute arises on implementation of the act and regulations set according to it, it may be referred to the Minister for the Environment for a ruling.

The minister shall make a ruling as quickly as possible and not later than eight weeks after receiving the case.

If a dispute arises over whether there is acute pollution under this act, the matter may be referred to the Minister for the Environment for a ruling. The minister shall rule on the matter as quickly as possible and not later than a week after receiving it.

Article 29 Entry into force and choice of law

This act enters into force 1 October 2004. Regulations set under provisions of [\[Act No. 32/1986\]](#) remain in force to the extent that they do not conflict with provisions of this act.

Despite the provisions of paragraph 1, the provisions of Articles 16, 17 and 18 shall not enter into force until 1 January 2006.

Temporary provisions

I. The Minister for the Environment, in cooperation with the Environment and Food Agency, Minister of Communications and Transport, Municipal Harbour Association and municipal public health committees, shall prepare a plan for the cleanup of sunken ships and ships in disarray on beaches and in harbour areas, and costs for the cleanup. This plan shall be available not later than 1 July 2005 and be implemented not later than 1 January 2006. The cleanup shall be completed before the end of 2008.

II. The Minister for the Environment appoints a workgroup to prepare for the entry into force of the act. The workgroup shall operate until the act is fully in force, cf. Article 29. The workgroup shall include a representative of the Minister for the Environment, who is also the chairman, a representative of the Minister of Communications and Transport, a representative of the Environment and Food Agency, a representative of the Union of Local Authorities and a representative of the Confederation of Icelandic Employers.

Annex I

A. Operations that can cause acute marine or coastal pollution because of their nature and/or proximity to the sea

1. Fish meal factories
2. Aluminium production
3. Fertiliser production
4. Cement and lime production
5. Ferrosilicon production
6. Silicon metal production
7. Silicon and kieselguhr production
8. Iron and steel production
9. Glass wool and rock wool production
10. Tanning factories
11. Farming of marine and fresh-water organisms with drainage into the sea
12. Municipal receiving centres: refuse burial and refuse incineration centres
13. Handling and disposal of hazardous substances
14. Manufacturing of glue and paint products
15. Oil gravel and asphalt stations
16. Chitin and kitosan production

17. Production of magnesium and chemical compounds containing magnesium
18. Production of peroxides
19. Zinc production
20. Oil refineries
21. Gasoline stations
22. Paper and wood resin production
23. Production of sanding materials, e.g., silicon carbide
24. Processing of aliphatic alcohols for industrial use
25. Oil storage stations
26. Steel construction and steel ship building
27. Maintenance and scrapping of ships
28. Treatment and coating of metals
29. Facilities smelting and alloying metals that can smelt 4 tons of lead and cadmium per day
30. Surface treatment of metals and plastics with electrolytic or chemical methods if the volume of the pots exceeds 30 m³.
31. Wool washing stations
32. Processing of fat and fish oil
33. Slaughterhouses
34. Poultry and pig raising centres
35. Sewage treatment plants, discharge pumping stations and drainage
36. Airports
37. Other similar business operations

B. Factors required to take into account in evaluating the possible threat of the operations to the marine and coastal environment

1. Quantity of hazardous substances used in the operations
2. Nature and operation of dangerous substances used in the operations
3. Distance of the operations from the sea
4. Possible effect of acute pollution, including with respect to receiving
5. Other liability insurance and its scope

Annex II

List of oils and other substances possible to ban or limit the discharge of into the ocean

1. Organic halogen and chemical compounds and substances that can form them in the ocean, with the exception of biologically harmless substances or ones that would change quickly in the sea into substances that are biologically harmless
2. Mercury and its chemical compounds
3. Cadmium and its chemical compounds
4. Persistent artificial substances that can float on the surface or half-submerged, sink or cause serious disturbance to lawful uses of the ocean
5. Oils, oily carbohydrates and fish oil
6. Radioactive substances, including radioactive waste
7. Organic chemical compounds of phosphorus, silicon and tin and substances that can form such chemical compounds in the ocean, with the exception of substances that are biologically harmless or would change quickly in the sea into substances that are biologically harmless
8. Free phosphorus
9. The following elements and their chemical compounds: arsenic, lead, chromium, nickel, copper and zinc
10. Substances that have been shown to have damaging effect on the taste or smell of food from the sea