Icelandic Agricultural Statistics

2009

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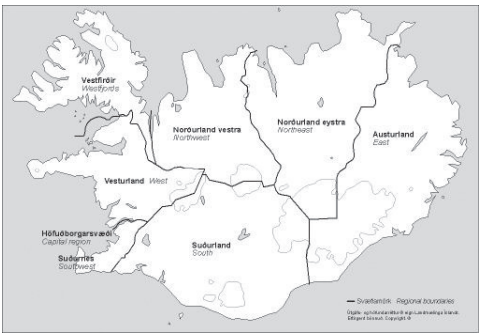
Geographical division of Iceland

In this booklet the regional division of Iceland used by the Statistics Iceland is followed. There are seven regions:

- The Capital region
- The Southwest
- The West
- The Westfjords
- The Northwest
- The Northeast
- The East
- The South



Source: Statistics Iceland.

Currency

The value of the Icelandic crown (ISK) on January 1st 2009:

Pound Sterling	1 GBP = 175.43 ISK
Euro	1 EUR = 169.97 ISK
US Dollar	1 USD = 120.87 ISK
Danish crown	1 DKK = 22.81 ISK

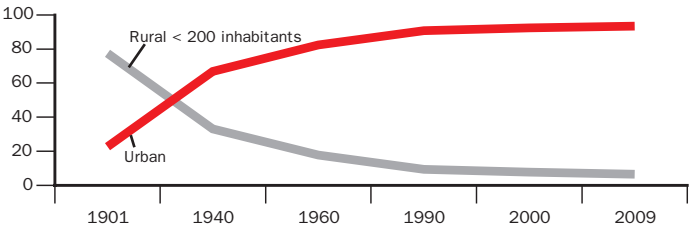
The Land and the Farmer - 1

Population as of December 1st

	1901	1940	1960	1990	2000	2009*
Urban	17,732	81,246	144,660	232,054	261,104	298,528
Rural**	60,738	40,228	31,020	23,654	21,745	20,840
Total	78,470	121,474	175,680	255,708	282,249	319,368
% Rural	77.4%	33.1%	17.7%	9.3%	7.7%	6.5%

*January 1st 2009. **Rural <200 inhabitants
Source: Statistics Iceland.

The urbanization of Iceland 1901-2009



Source: Statistics Iceland.

Proportional distribution of national income by industry 1990-2007 (%)

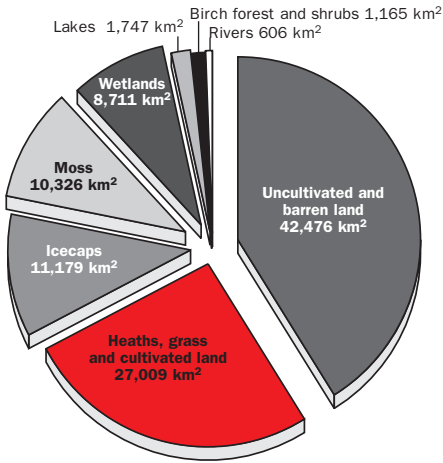
	1990	1995	1997	2003	2007[1)]
Agriculture	**2.6**	**2.3**	**1.9**	**1.6**	**1.4**
Fisheries	9.6	9.5	8.4	6.3	4.6
Industry	16.3	16.1	16.9	12.5	10.8
Power works	3.9	3.9	3.9	3.3	4.3
Construction	8.4	7.1	8.4	7.5	10.4
Trade, hotels, catering	13.7	14.0	13.4	11.9	11.6
Transportation	8.0	8.4	8.8	7.7	5.7
Financial and other services	17.7	17.1	16.1	23.0	28.1
Government	19.6	21.5	22.0	26.1	23.0

[1)] Estimated.

Source: Statistics Iceland.

The surface of Iceland

Total area 103,022 km^2



Total area – by elevation above sea level

0-200 m	24,708 km^2	24.0%
201-400 m	18,401 km^2	17.9%
401-600 m	22,168 km^2	21.5%
above 600 m	37,745 km^2	36.6%

Land utilization

	Km^2	Proportion of total area
Arable below 200 m above sea level	15,500	15.0%
Lava	11,000	10.7%
Within fences (1,074 km)	3,021	2.9%
Cultivated land	1,290	1.3%
Grass fields	1,220	1.2%
Forests	1,360	1.3%
68 areas protected by The State Forest Service	360	0.3%
Horticulture, fodder and grain fields	70	0.1%

Source: National Land Survey, Statistics Iceland, The State Soil Conservation Service, The State Forest Service, Farmers Association of Iceland.

Icelandic farms and farmers

Number of farms	3,045
Number of livestock owners	3,247
Average age of farmers, 2006	52 years
Proportion of manpower in agriculture, 2006	3.8%
Producer support estimate (PSE), 2008	51%
Typical family farm size:	
Dairy farm	35 cows
Sheep farm	300-500 winterfed sheep

Source: Farmers Association of Iceland.

Average farm size and farmers' working hours on a model farming unit for price reference

	Livestock	Sheep units	Working hours per year
Dairy farm	40 dairy cows and other cattle	1,080	4,799 hours
Sheep farm	400 winter-fed sheep	419	2,428 hours

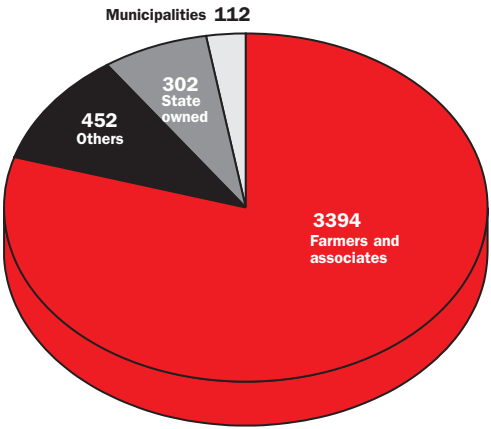
Source: Farmers Association of Iceland.

Number of farms and farm production in Europe, 2008

	Inhabitants, million	Number of farms, 1,000	Number of farms per 1,000 inhab.	Cultivated land, ha per 1,000 inhab.
Iceland	**0.3**	**3**	**10**	**449**
Belgium and Luxembourg	10.6	54	5	142
Denmark	5.4	48	9	504
Finland	5.3	71	14	426
Sweden	9.1	76	8	347
Ireland	4.3	133	31	1,170
United Kingdom	60.8	287	5	271
Netherlands	16.4	82	5	124
Germany	82.3	390	5	209
France	63.4	567	9	505
Spain	44.5	1,079	24	732
Portugal	10.6	324	31	391
Italy	59.1	1.729	29	267
Austria	8.3	171	21	421
Greece	11.2	834	74	484

Source: Danish Agricultural Statistics, 2008; The Farmers Association of Iceland, 2008.

Ownership and number of operational farms, 2006



Source: Ministry of Fisheries and Agriculture.

Feed and fodder 1970-2006

	1970	1980	1990	1995	2000	2005	2007
Grass pellets, tonnes	1,335	12,858	5,200	3,300	600		
Dry hay, 1000 m^3	2,060	3,704	2,515	1,263	433	206	144
Silage hay, 1000 m^3	141	174	744	1,207	1,958	1,762	1,849
Grain (barley), tons			885	485	4,337	9,773	11,246

The total size of cultivated grass fields is estimated 1,220 km^2 and other cultivated fields (vegetable and potato gardens, fodder and grain fields) 70 km^2 which totals 1,290 km^2. Arable land below 200 m above sea level is estimated 15,500 km^2 which means that 7.9% of arable land is used for grass cultivation and 0.5% for other crops which totals 8.4%.

Source: Farmers Association of Iceland, grass pellet producers, Agricultural Research Institute.

Grain cultivation 1991-2007

Year	Crop yield from trials, grain, tons/hectare	Grain fields as usage of seed, hectares	Total grain crop, tons, estimated
1991	3.5	200	525
1992	1.2	400	240
1993	2.2	400	440
1994	3.4	600	1,700
1995	2.4	500	960
1996	3.7	900	2,960
1997	3.8	1,500	4,560
1998	3.9	1,800	4,680
1999	3.3	1,800	4,620
2000	4.2	2,000	6,300
2001	4.5	2,100	7,650
2002	4.1	2,400	7,585
2003	5.5	2,600	11,000
2004	5.3	2,330	10,255
2005	3.6-6.2	3,636	9,773
2006	2.8-7.9	3,588	11,253
2007			11,246

Estimated total crops based on usage of seed in on one hand and, on the other, on crops from trials. The outcome is probably a little too high, but it shows that homegrown grain represents approximately 10-12% of the grain used as fodder in Iceland. 45% of the grain cultivation is in the southern part of Iceland, 35% in the north, 15% in the western part and 5% in the east of Iceland.

Artificial fertilizer (tons)

	1981	1986	1991	1996	2001	2003	2007
Nitrogen (N)	14,900	12,931	12,163	12,100	12,382	10,344	13,832
Phosphorus (P_2O_5)	8,127	6,991	5,997	5,240	5,471	3,394	5,982
Potash (K_2O)	6,184	5,295	4,575	3,960	4,013	2,114	4,457
Total	29,211	25,217	22,735	21,300	21,866	15,852	24,271

The quantity is shown in terms of pure fertilizer substances.
Common usage of fertilizer for cultivated grassland is 100-140 kg/ha of Nitrogen (N), 15-30 kg/ha of Phosphorus (P_2O_5) and 40-60 kg/ha of Potassium (K_2O).

Source: Statistics Iceland.

Organic production – Number of producers and processing plants*

	1.1.1998	1.1.2000	1.1.2001	1.1.2002	1.1.2003	1.1.2009
Producers	22	27	27	30	30	36
Processing plants	7	9	9	11	11	14

* Units certified by TÚN Certification Body for production and/or processing of organic products. Production quantity not available.

Source: Farmers Association of Iceland; TÚN Certification Body.

2 – Livestock and Farms

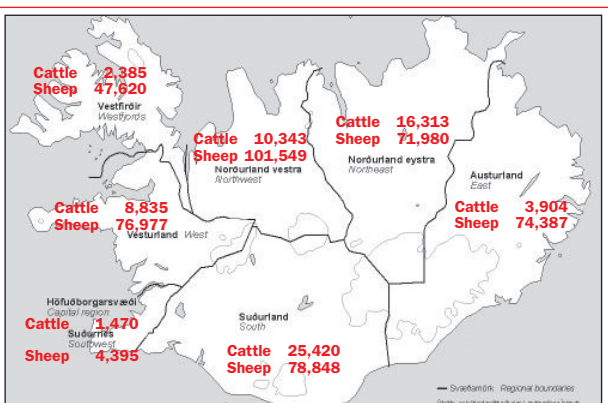
Number of livestock

By region 2008

	Cattle Total	Dairy Cows	Calves and heifers	Sheep Total	Ewes	Horses total	Goats total
Capital region	1,470	473	841	4,395	3,421	9,273	14
West	8,835	3,442	5,214	76,977	60,791	9,721	179
Westfjords	2,385	884	1,474	47,620	37,787	930	
Northwest	10,343	3,620	6,384	101,549	79,974	19,087	91
Northeast	16,313	6,322	9,754	71,980	56,674	7,122	88
East	3,904	1,367	2,494	74,387	58,286	2,933	44
South	25,420	9,396	15,560	78,848	61,598	26,578	33
Total	**68,670**	**25,504**	**41,721**	**455,656**	**358,531**	**75,644**	**449**

	Pigs	Laying hens	Mink	Fox
Capital region	1,835	120,281	3,102	2
West	644	421		
Westfjords		147		
Northwest		3,614	15,785	3
Northeast	585	13,303	3,870	2
East	12	6,500	4,940	105
South	1,142	37,591	14,260	4
Total	**4,218**	**181,857**	**41,957**	**116**

Source: Farmers Association of Iceland.



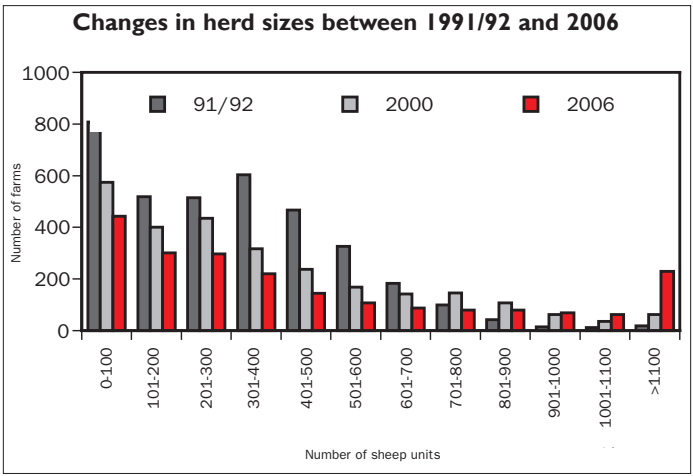
Number of livestock

By year 1970-2008

	Cattle Total	Dairy Cows	Sheep Total	Ewes	Horses total	Pigs total
1970	53,294	**34,275**	735,543		33,472	667
1980	59,933	33,577	**827,927**	**684,589**	52,346	1,552
1990	**74,889**	32,246	548,508	445,513	71,693	3,116
2000	72,135	27,066	465,574	373.194	73,669	3,862
2005	65,979	24,538	454,950	360,375	74,820	3,982
2007	70,660	26,048	454,812	358,177	**76,982**	4,147
2008	68,670	25,504	455,656	358,531	75,644	**4,218**

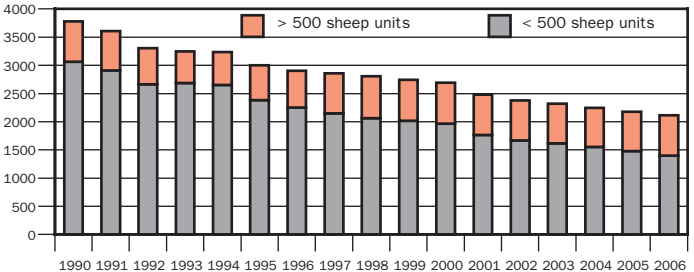
	Goats total	Laying hens, total	Mink total	Fox total
1970		135,219		
1980	220	**310,724**	8,080	280
1990	345	214,936	**42,000**	**4,800**
2000		193,097	36,593	4,132
2005		166,119	35,935	774
2007	524	184,244	41,497	93
2008	449	181,857	41,957	116

Source: Farmers Association of Iceland.



Source: Farmers Association of Iceland.

Number of farms with support targets in sheep and/or milk. Changes in farm size 1990-2006



Source: Farmers Association of Iceland.

Number of Icelandic horses 2009

Country	Number
Austria	2,116
Belgium	1,283
Canada	1,366
Denmark	26,380
Faeroe Islands	209
Finland	2,404
France	804
Germany	19,628
Great Britain	897
Iceland	**77,000**
Italy	276
Ireland	37
Luxembourg	152
The Netherlands	6,894
Norway	10,904
Slovenia	113
Sweden	22,041
Switzerland	2,022
U.S.A	3,894
Total	200,616

Source: WorldFengur

Livestock and farm size

	Number of animals 1993	2000	2006
Dairy cows	31,028	27,064	25,501
Sheep	482,498	458,584	448,084
Horses	62,355	57,244	55,271
Sows	3,232	3,693	4,137
Laying hens	1,567	186,275	150,644
Mink	181,853	33,013	36,265
	Number of registered livestock owners		
Dairy cows	1,792	1,591	829
Sheep	3,072	3,223	2,435
Horses	3,048	2,981	2,389
Sows	103	87	16
Laying hens	16	454	276
Mink	655	40	19
	Average number of animals per farmer		
Dairy cows	17.7	19.1	30.8
Sheep	164.5	142.2	184.0
Horses	20.5	26.2	23.1
Sows	31.4	42.8	258.6
Laying hens	97.9	362.1	545.8
Mink	277.6	762.5	1,908.7

Source: Farmers Association of Iceland.

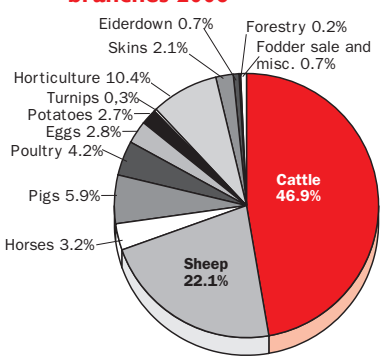
Agricultural production by regions and branches 2006

Frame of reference: taxation base of agricultural excise, %

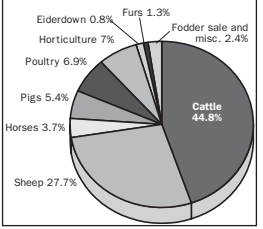
Region	Cattle	Sheep	Horses	Pigs	Poultry	Eggs	Potatoes	Turnips	Vegetables and flowers	Skins	Eiderdown	Forestry	Fodder sale and misc.	Taxation base of agric. excise
Capital region	1.5	0.7	6.0	**51.2**	26.8	**80.1**	**45.0**	0.0	5.6	7.9	5.6	10.1	14.1	9.4
West	12.8	16.6	5.9	18.8	8.3	0.9	0.8	0.0	4.5	0.2	20.6	3.9	15.0	12.0
Westfjords	3.0	11.8	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	**41.9**	12.3	1.1	4.3
Northwest	14.6	**21.3**	20.7	0.0	3.6	2.4	0.0	0.0	0.3	**40.1**	9.2	1.5	12.4	13.5
Northeast	24.8	16.7	6.3	17.4	0.0	6.4	8.3	5.2	6.6	12.5	12.7	3.4	7.6	17.9
East	5.4	17.5	2.3	0.5	1.6	1.2	9.9	10.2	1.6	11.0	8.6	27.2	1.2	7.4
South	**37.9**	15.5	**58.8**	12.2	**59.8**	9.0	36.0	**84.5**	**81.3**	28.3	1.3	**41.6**	**48.6**	**35.5**
Total	46.9	22.1	3.2	5.9	4.2	2.8	1.9	0.3	8.2	2.1	0.7	0.2	0.7	100.0

Source: Farmers Association of Iceland.

Agriculture production by branches 2006



1990 for comparison*



* The year 1990 was assessed on the basis of the valuation estimate of the Agricultural Production Council and the year 2006 was based on agricultural excise.

Total taxation base of agricultural excise in the year 2006: ISK **18,499,921,467**

Agricultural excise is collected from agricultural producers, to the proportion of 2.00% of the taxation base. Agricultural excise is an operating expense that applies to all agricultural producers with a few exceptions.

Source: Farmers Association of Iceland.

Average yield from livestock 1990-2007

	1990	1995	2000	2006	2007
Dairy cows:					
Average annual yield, kg	4,141	4,132	4,657	5,456	5,480
Sheep:					
Lamb meat per winter-fed ewe according to records of sheep breeding societies, kg	24.7	25.8	27.3	26.4	27.0
Pigs:					
Meat per sow, kg	849	930	1,244	1,404	
Average no. of saleable pigs per sow		15.6	15.3	17.0	18.4
Poultry:					
Average eggs per laying hen, kg	11.1	13.4	18.0	n.a.	n.a.
Mink:					
Number of pelts per mated female	4.1	4.9	5.2	4.9	n.a.
Fox:					
Number of pelts per mated female	3.4	6.4	5.5	3.0	n.a.

Source: Farmers Association of Iceland.

Milk delivered to dairies 1960-2007

Ár	Litres 1,000	Population	Litres per capita
1960	73,637	177,292	415.3
1970	97,550	204,578	476.8
1980	107,017	229,187	466.9
1990	107,011	255,708	418.5
2000	104,025	282,849	364.8
2005	109,445	299,404	365.5
2006	117,062	307,692	380.4
2007	124,817	312,872	401.7

Source: Farmers Association of Iceland.

Meat and eggs, tons/year 1970-2007

	1970	1980	1990	2000	2005	2006	2007
Lamb	11,280	13,534	9,454	9,735	8,738	8,647	8,644
Beef	2,733	1,983	2,931	3,626	3,540	3,196	3,557
Pork	402	1,000	2,533	4,783	5,300	5,744	6,088
Poultry			1,519	3,051	5,769	6,652	7,597
Horsemeat		610	638	1,100	762	850	946
Eggs*	1,300	2,900	2,374	2,594	2,805	2,900	

* Estimated after 1998.

Source: Farmers Association of Iceland.

Vegetable and horticultural production in tons*

	1990	1995	2000	2005	2006	2007
Potatoes	14,893	7,324	9,013	7,250	13,800	13,000
Turnips	808	328	793	750	800	860
Carrots	231	395	395	418	398	526
Cauliflower	95	122	89	44	83	112
Cabbage	395	624	538	346	307	340
Broccoli		25	53		56	83
Chinese cabbage	224	301	255	162	219	222
Red cabbage					32	
Lettuce		40			66	90
Leek		22	22		6,0	0
Tomatoes	495	749	931	1,508	1,724	1,603
Cucumbers	534	606	914	1,147	1,124	1,343
Sweet peppers	120	194	203	126	130	147
Mushrooms		251	447	438	488	515

*Published with reservations, some figures estimated.

Sources: Association of Horticultural Producers, official stock reports for potatoes. Direct sales from greenhouses estiamted at 2%. Devitations in outdoor crops are 5%.

Fish farming – Total production in tons

	1990	1995	2001	2002	2003	2008
Salmon	2,964	2,880	2,645	1,471	3,710	283
Arctic char	69	471	1,320	1,540	1,670	3,006
Rainbow trout	24	389	105	248	180	0
Cod			70	205	445	1,502
Total:	3,057	3,740	4,140	3,464	6,005	4,791
Number of fish hatcheries	92	69	60	50	41	20

Source: Directory of Freshwater Fisheries, The Icelandic Aquaculture Association

Hunting*

	1995	2006
Mink	6,341	6,418
Fox	3,677	5,420
Geese and ducks, total	65,497	52,897
Thereof: Greylag goose	35,350	29,810
Pink-footed –	10,695	10,577
Mallard	9,885	7,727
Ptarmigan	123,392	51,553
Sea gulls, total	72,025	42,553
Thereof: Lesser black-backed gull	22,340	17,432
Greater black-backed gull	35,787	15,599
Guillemot, total	314,432	127,107
Thereof: Puffin	251,517	83,992
Common murre	52,867	20,714
Fulmar	8,059	5,680
Raven	7,119	3,532

Source: Environmental Institute. *no. of animals.

Other land benefits

Seal hunting	1990	1995	2008
Adults	819	391	252
Pups	1,631	1,808	90
Total	2,450	2,199	342
Eiderdown			
Quantity, tons	3.1	3.0	2.0
Value, million ISK	140.0	100.0	217.6
Hunted reindeer			
Total no. of deer	515	335	1,318

Other land benefits are: Driftwood, dulse, Iceland moss and other wild plants and berries.

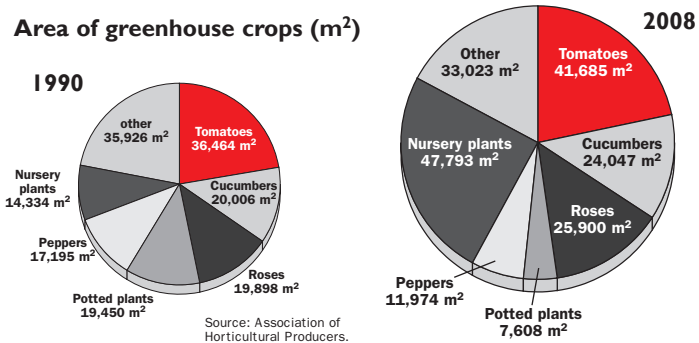
Source: Farmers Association of Iceland and Environmental Institute.

Wild salmon and trout catches

	1990	1995	2003	2008
Rod fish (salmon), pcs.	30,000	34,241	34,111	84,124
Net fish (salmon), tons	40.0	21.7	23.0	26.1
Lake and sea trout, pcs.		56,996	69,950	75,017

Sources: Directorate of Freshwater Fisheries.

Area of greenhouse crops (m^2)



Source: Association of Horticultural Producers.

Production per capita – International comparisons

	Barley kg	Potatoes kg	Beef kg	Pork kg	Poultry kg	Milk kg
Iceland	**35.2**	**40.6**	**11.5**	**19.6**	**24.0**	**362.5**
Belgium and Luxembourg	37.8	289.2	20.6	96.7	24.1	289.8
Denmark	574.8	301.1	23.7	333.7	34.6	855.4
Germany	126.2	141.5	13.9	60.6	15.1	345.1
Greece	23.7	74.1	3.8	10.9	16.4	69.1
Spain	260.6	56.6	14.1	78.9	28.8	142.3
Franca	149.3	113.7	20.7	36.0	29.4	384.4
Ireland	262.8	92.8	135.1	47.7	27.2	1225.1
Italy	20.3	30.2	16.9	27.1	17.9	187.2
Netherlands	15.9	418.9	10.5	78.7	38.7	678.5
Austria	97.7	80.6	24.9	64.0	14.3	380.1
Portugal	7.0	62.0	7.5	34.3	30.0	185.7
Finland	374.3	132.5	16.6	40.2	17.9	444.5
Sweden	158.1	86.8	14.2	29.1	9.6	328.1
United Kingdom	84.7	94.7	14.5	12.2	24.0	231.6

Source: Danish Agricultural Statistics, 2008; The Farmers Association of Iceland, 2003.

Food consumption in Iceland 1960-2007, kg per capita

	Butter	Meat	Potatoes	Fish	Eggs	Milk	Soft drinks
1960	7.7	67.0	66.4	61.1	4.8	306.2	20.6
1970	5.6	54.4	53.9	46.4	9.8	271.1	45.9
1980	7.3	78.2	65.2	35.7	11.8	227.7	78.6
1990	6.5	71.1	50.2	43.2	11.3	205.6	119.1
2000	4.9	77.7	39.2	46.9	9.1	178.2	160.2
2007	4.5	87.6	41.7	46.6	10.0	144.2	151.0
Changes 1960-2007							
Kg per capita	-2.2	+20.6	-24.7	-14.5	+5.2	-162.0	+131.6
% +/–	-28.6	+30.7	-37.0	-23.7	+108.3	-52.9	+638.8

Source: Statistics Iceland.

Vegetables marketed 1991-2007 by origin, kg per capita

	1991	1995	2000	2007
Homegrown vegetables	**15.3**	**16.4**	**16.9**	**18.8**
Imported vegetables	12.5	14.8	17.7	28.0
Vegetable based foods, imported	10.9	13.2	14.4	19.2
Total	38.7	44.4	49.0	66.0
Homegrown vegetables %	39.5	36.9	34.5	28.5
Potatoes				
Homegrown potatoes	**46.5**	**41.9**	**33.5**	**41.7**
Imported potatoes	2.1	3.7	3.3	5.5
Potato based foods, imported	16.9	18.9	27.3	30.5
Total	65.5	64.5	64.1	77.7
Homegrown potatoes %	71.0	65.0	52.3	53.7

Source: Icelandic Nutrition Council.

Proportion of Icelandic products in the Icelandic food market

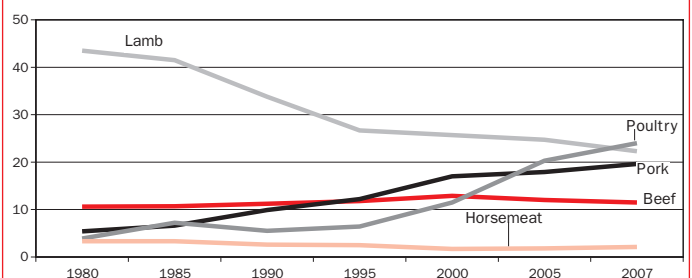
The table above provides a farily clear idea of the part played by horticulture in the supply of vegetables and potatoes. In 2008 the value of imported vegetables was about ISK 1,619 millions or about 2/3 of the consumption. For most other types of farm produce, such as meat and dairy products, imports are on a very small scale. In 2008 there were imported 101 tonnes of meat of all kinds, 201 tons of cheese, 54 tons of yoghurt and 4 tons of cream.
All grain, sugar etc. are imported except limited domestic production of barley – mainly for animal feeding (see page 5).

Sale of meat, kg per capita 1980-2007

Year	Lamb	Beef	Pork	Poultry	Horsemeat	Total
1980	43.5	10.6	5.4	3.9	3.3	66.7
1985	41.5	10.7	6.6	7.2	3.3	69.3
1990	33.8	11.2	9.9	5.5	2.6	63.1
1995	26.7	11.8	12.2	6.4	2.5	59.7
2000	25.7	12.9	17.0	11.5	1.7	68.8
2005	24.7	12.0	17.9	20.3	1.8	76.6
2007	22.3	11.5	19.6	24.0	2.1	79.5

Source: Farmers Association of Iceland.

Sale of meat 1985-2007, kg per capita



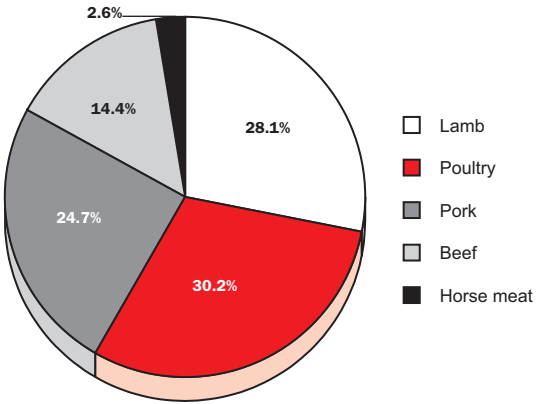
Source: Farmers Association of Iceland.

Sale of milk and other dairy products, kg or litres per capita

Year	Milk	Cream	Yoghurt	Imported Yoghurt	Skyr	Butter	Cheese	Imported cheese	Milk powder	Other
1990	193.9	7.1	9.0	-	5.4	6.5	10.6	-	2.6	1.0
1995	173.2	7.3	9.7	-	5.2	6.2	13.3	0.2	2.1	1.3
2000	154.4	7.3	10.9	1.3	6.7	5.4	14.7	0.6	2.2	1.5
2005	141.8	7.6	13.4	0.1	14.8	5.2	15.4	0.6	2.3	1.0
2006	141.3	7.7	13.0	0.1	12.6	5.4	15.3	0.6	2.2	0.9
2007	134.9	7.8	11.8	0.2	10.9	5.6	15.8	0.7	2.2	1.0

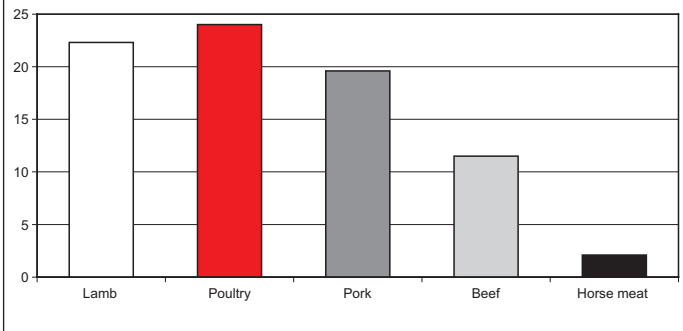
Source: Icelandic Dairies Association.

The Icelandic meat market 2007, production
– percentage of market share



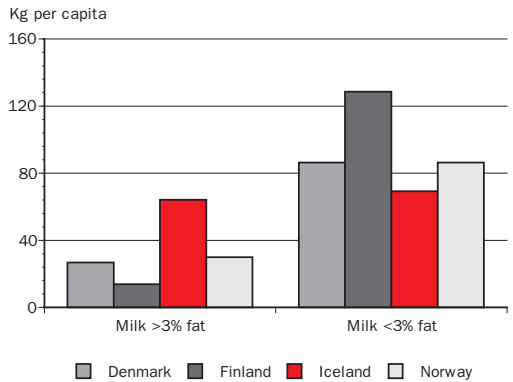
Source: Farmers Association of Iceland.

Sale of meat 2007, kg per capita



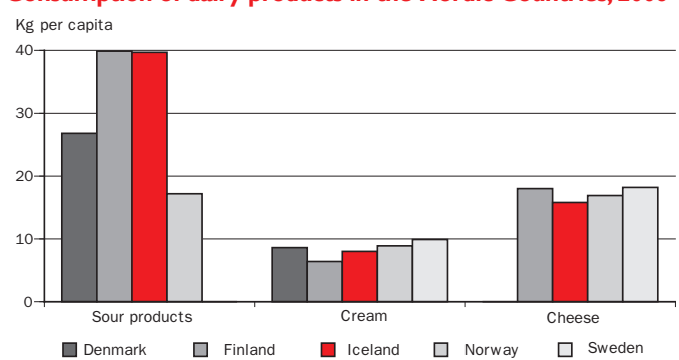
Source: Farmers Association of Iceland.

Milk consumption in the Nordic Countries, 2006

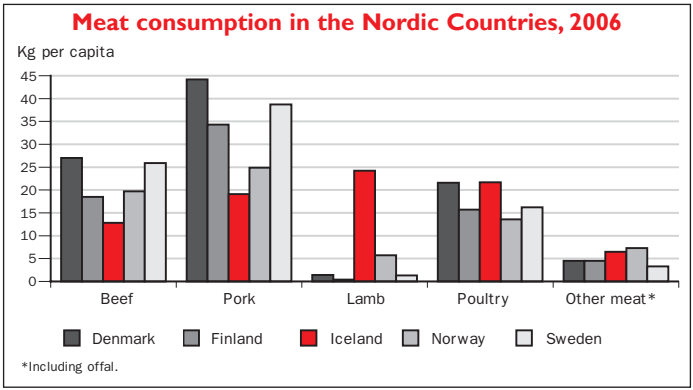


Source: Nordic Statistical Yearbook 2008.

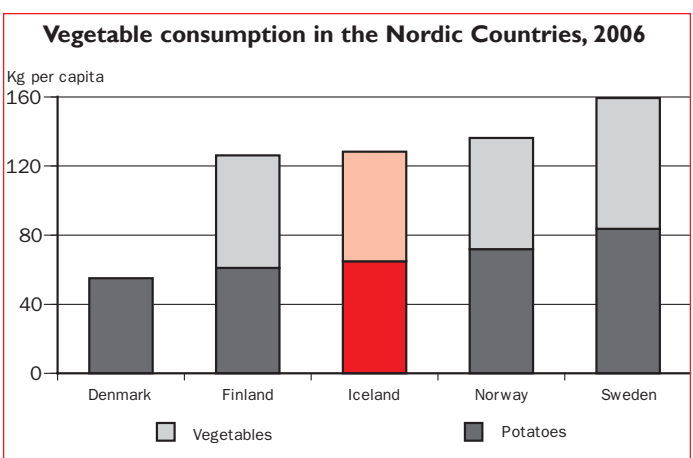
Consumption of dairy products in the Nordic Countries, 2006



Source: Nordic Statistical Yearbook 2008.

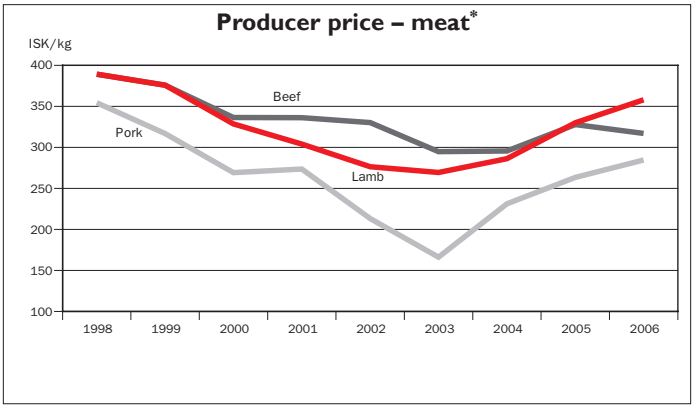


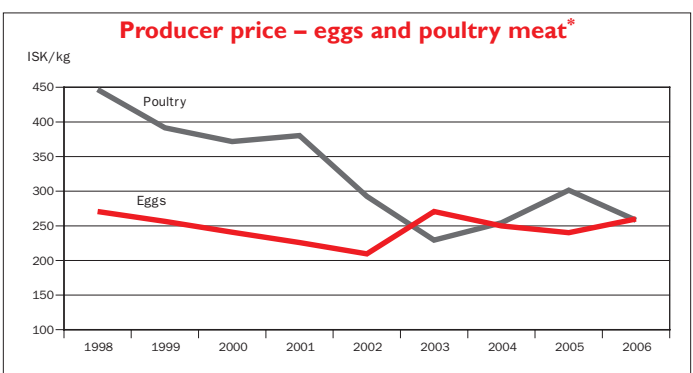
Source: Nordic Statistical Yearbook 2008.



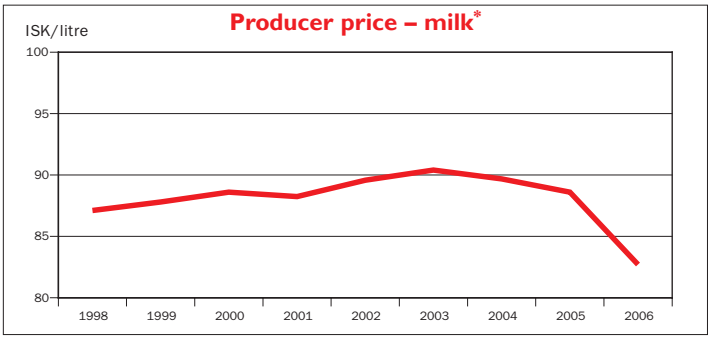
Source: Nordic Statistical Yearbook 2008. Vegetable consumption in Denmark n.a.

5 – Prices and Price Indexes

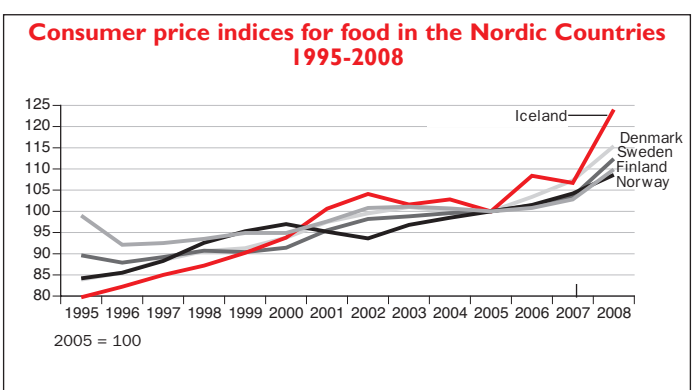




* 2006 prices, consumer price index.
Source: Farmers Association of Iceland.



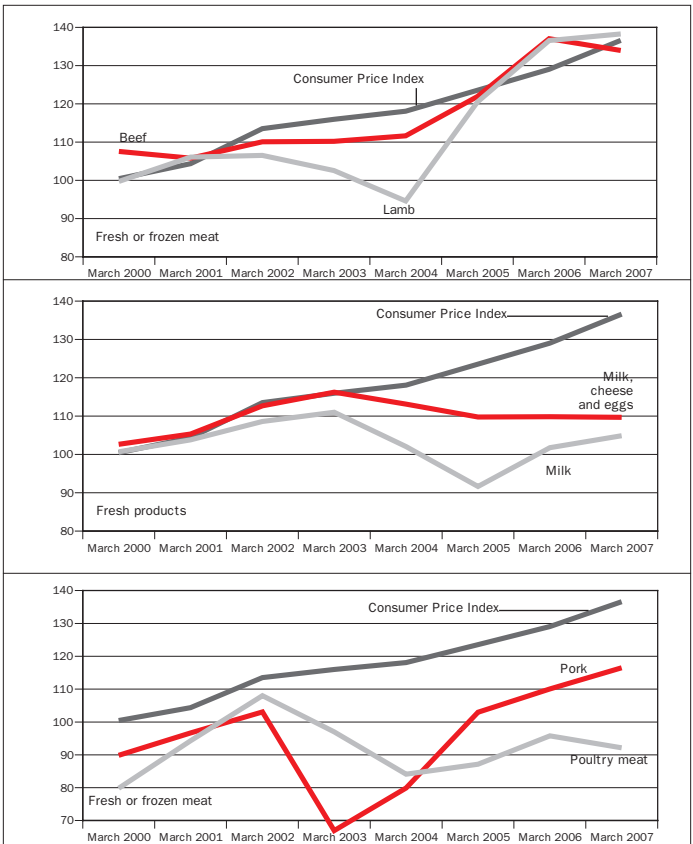
* 2006 prices, consumer price index.
Source: Farmers Association of Iceland.



Source: Nordic Statistical Year Book 2008.

Development of retail prices 2000-2007

– prices in March each year, ISK/kg/l. Price index in January 2000 = 100



Source: Statistics Iceland. Calculation: Farmers Association of Iceland.

Support targets for milk – by regions

Region	Support target litres 1995/1996	Support target litres 2003/2004	Support target litres 2005/2006	% 2005/2006
Capital Region	1,458,926	1,128,106	1,415,737	1.28
West	13,880,537	13,200,536	14,047,480	12.66
Westfjords	3,020,489	3,016,089	3,713,161	3.35
Northwest	14,864,938	16,329,882	16,715,842	15.06
Notheast	25,827,347	27,048,674	27,865,000	25.10
East	5,787,189	3,489,933	5,955,825	5.37
South	36,172,325	40,786,780	41,286,955	37.20
Total	**101,010,751**	**105,000,000**	**111,000,000**	

Source: Farmers Association of Iceland.

Support targets for sheep – by regions

Region	Active quota rights 1990/1991	Support target, sheep units 1997	Support target, sheep units 2001	Support target, sheep units 2004	Support target, sheep units 2006
Capital region	5,489.4	2,875.4	2,241.5	2,436.2	2,342.9
West	95,952,7	61,254.2	54,525.2	51,283.6	52.852,6
Westfjords	65,497.9	45,731.3	43,087.6	41,121.6	40.905,4
Northwest	99,662.4	79,598.5	74,878.2	74,490.3	76,083.6
Northeast	93,217.9	65,877.6	61,660.0	65,890.1	58,762.3
East	73,878.4	69,045.2	66,212.2	44,723.3	63,986.1
South	114,027.3	71,451.6	64,983.7	70,911.9	55,924.1
Total	**547,726.0**	**395,833.8**	**367,588.4**	**350,857.0**	**350,857.0**

Source: Farmers Association of Iceland.

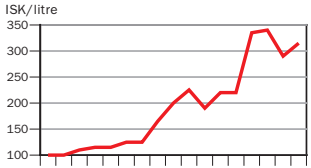
Support targets have replaced production quotas

The total support target for milk is determined for each pricing year (September to August) and is based on sales on the domestic market. The total support target for milk in 2005-2006 was 105 million litres and was divided between registered farms. A processing plant shall pay the producer 52.9% of the minimum price of milk for production which falls within the support target. In addition he gets direct payments from the State Treasury corresponding to 47.1% of the minimum price.

The total support target for sheep products is a fixed amount each year. Holders of support targets receive a fixed payment per unit of support target from the Treasury. The only requirement is that they hold 0.6 sheep per unit of support target. The selling and buying of support targets in milk and sheep production is unrestricted.

Price per litre of milk in transfer of support target

– at the end of each quota year

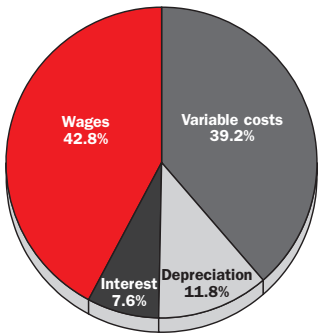


Source: Farmers Association of Iceland.

7 – Farm operation

Division of farm expenses

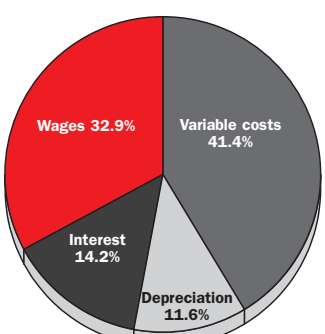
Sheep farm



Source: Production cost model for sheep.

Division of farm expenses

Dairy farm



Source: Price model base for dairy.

Division of farm expenses

– Percentage of total income[1)]

	Dairy farms 2007	Sheep farms 2007
Operating cost	33.2	31.3
Wages	15.6	20.4
Depreciation	26.1	20.7
Interest	18.8	14.4
Other costs	13.2	21.7
Net farm income	–6.9	–7.3
Total income, 1000 ISK	22,116	5,974

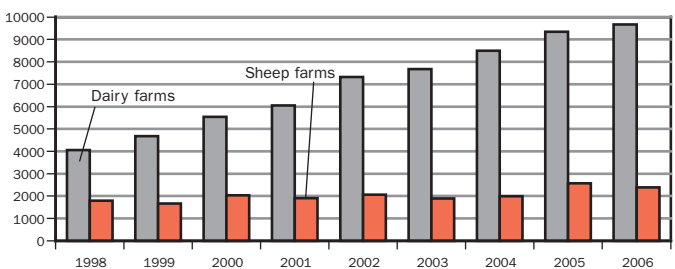
	Pig farms 2007	Egg farms 2007	Poultry farms 2007
Feed, eggs, livestock	37	37	0.38
Wages	12	15	19
Depreciation	6	6	6
Interest	5	7	7
Other costs	21	28	29
Net farm income	20	6	2

	Potato farms 2007	Flower farms 2007	Vegetable farms 2007
Fertilizer, seed, etc.	23	10	19
Wages	19	33	31
Depreciation	12	4	7
Interest	12	6	7
Other costs	35	41	35
Net farm income	–2	7	6

[1)] Total income = operating income after irregular income and expenses.

Financial performance of dairy and sheep farms 1998-2006

– Measured in gross factor income* dairy and sheep farms, 1000 ISK



* Gross factor income: Income for payment of wages, interest and depreciation.

Source: The Agricultural Economic Service. Calculation: Farmers Association of Iceland.

8 – Exports

Exports of agricultural products

	2006 tons	Value 2006 million ISK
Salmon and trout	4,902.4	1,733.7
Horse products	742.4	466.9
Beef products	389.6	43.5
Sheep products	4,061.8	622.9
Fox and mink products	31.0	605.7
Products from other animals	28.1	24.6
Dairy products	588.9	97.2
Eiderdown	1.8	198.1
Other agricultural products	383.7	48.4
Total	**18,689.6**	**4,335.0**

Source: Statistics Iceland.

Exports of agricultural products 1980-2006, tons

	1980	1990	2000	2005	2006
Cheese	715	174	1	35	62
Milk and skimmilk powder	636	1	102		
Lamb	2,970	1,682	1,333	1,521	1,166
Live horses	111	530	1,714	1,513	1,303
Horse- and cowhides	290	456	553	674	503
Fox and mink pelts		50	31	30	31
Salted sheephides	1,305		962	1,016	2,222
Wool	378	1,223	586	545	545
Eiderdown		3.1	3.9	3.2	1.8
Salmon and trout, refrigerated/frozen		2,880	1,418	4,954	4,774
Other agricultural products			821.5	2,857.0	3,088.1

Icelandic vital statistics

Exports of goods and services 2008	466,859 million ISK
Imports of goods and services 2008	473,524 million ISK
Gross national product (GDP) 2008	1.465.065 million ISK
Economic growth 2008	0.3%
Unemployment 2008	1.6%
Catch of demersal fish 2008	450,199 tonnes
Herring and capelin catch 2008	796,040 tonnes
Shellfish and other varieties, catch 2008	39,164 tonnes
Private cars per 1000 inhabitants 2008	657
Telephones and mobiles per 1000 inhabitants 2007	1,517 (471 fixed lines; 995 GSM mobile phones; 51 NMT mobile phones)
Doctors per 1000 inhabitants 2007	3.7

Energy resources:	Hydropower	Geothermal	Fuel	Total
Electricity generation, technically possible (GWh/year)	64,000	300,000		364,000
" , economically and environmentally feasible (GWh/year)	30,000	20,000		50,000
Geothermal energy for heating (T>40°C) (EJ)		1,700		
Energy consumption:				
Primary energy consumption (PJ) 2003		30.2	135.0	35.9	201.1
Electricity generation (GWh) 2003		8,394	3,579	3.5	11,976

Division of energy use (GWh)	1980	1990	1995	2000	2007	2007 – %
Heavy industry	1,624	2,229	2,497	4,682	8,342	69.7
Public use	1,228	2,218	2,480	2,584	3,633	30.3

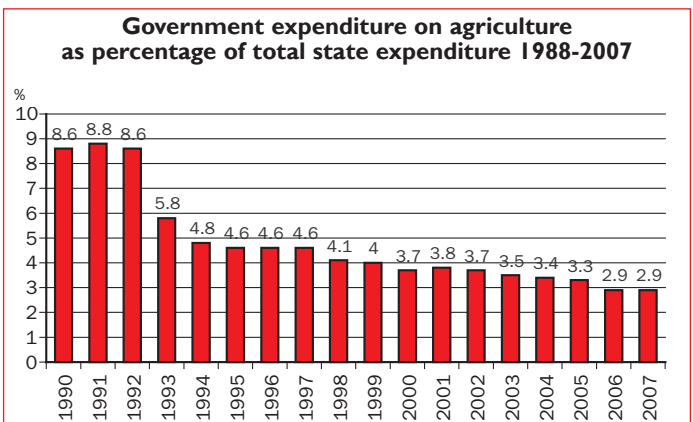
* Preliminary figures.

Source: Statistics Iceland, National Economic Institute, National Energy Authority.

State expenditure for agriculture in 1990-2007

Million ISK in 2007 prices

	1998	1999	2000	2001	2002
Public expenditure	537.6	636.7	753.6	746.7	722.5
Production support	9,322.8	10,229,3	9,344.4	10,395.0	10,202.4
Other expenditure	16.2	7.1	8.5	6.4	7.7
Asset formation	281.6	375.7	167.6	150.6	151.1
Capital transfers	756.4	164.4	670.5	601.5	570.2
Total	10,914.7	11,413.2	10,944.5	11,900.1	11,653.9
	2003	**2004**	**2005**	**2006**	**2007**
Public expenditure	784.3	845.1	1,025.4	950.5	970.5
Production support	10,412.5	10,209.5	10,207.5	10,255.3	10,574.2
Other expenditure	13.3	4.4	8.9	5.0	11.4
Asset formation	121.5	181.2	101.5	63.4	40.9
Capital transfers	615.8	538.8	600.3	298.8	232.1
Total	11,947.4	11,779.1	11,943.6	11,573.0	11,829.1



Source: National Economic Institute and National Accounts.

Producer support estimate – PSE% in OECD countries

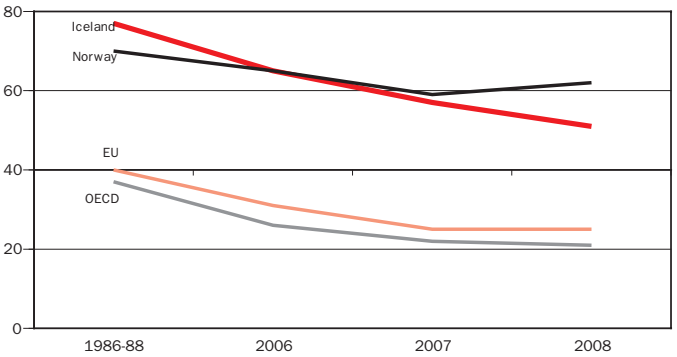
– percentage of total production value (PSE%) by countries

	1986-88	2006-2008	2006	2007	2008[1)]
Australia	7	6	6	7	6
Canada	36	18	22	19	13
European Union[2)]	40	27	31	25	25
Iceland	**77**	**58**	**65**	**57**	**51**
Japan	64	49	52	48	48
Korea	70	61	65	65	52
New Zealand	10	1	1	1	1
Norway	70	62	65	59	62
Switzerland	77	60	66	55	58
Turkey	16	21	20	19	25
United States	22	10	11	10	7
OECD	37	23	26	22	21

Source: OECD.
[1)] Estimated. [2)] Austria, Finland and Sweden are included in the EU for the entire period indicated.

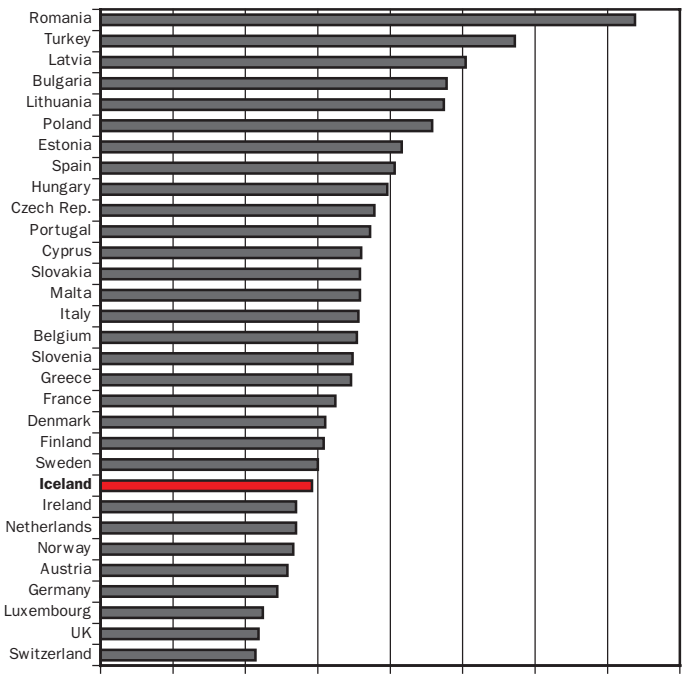
Development of PSE% in Norway, Iceland, EU and OECD

– based on data from the table above.



International Comparisons – 10

How large a part of their expenses do European consumers spend on food and beverages?



The European Statistical Office, Eurostat, gathers information on prices and counsumers' expenses in all the EEA-countries, and then some. The graph above shows how large a proportion of their total expenses European consumers spend on food and beverages (non-alcoholic). The picture is very clear: although countries in the northwestern part of Europe as a rule have higher food prices, the inhabitants spend proportionally less on food. In other words: The higher the wages, the lower the proportion of total expenses goes to food and drink.

Source: Eurostat.

Nordic comparisons

	Population 1000	Country area 1000 km²	Thereof forests km²	Inhabitants per km² 2001	Age 0-14 years %	Age 15-64 years %	Age 65+ years %
Iceland	**313**	**103**	**1,300**	**2.8**	**21**	**68**	**12**
Norway	4,737	324	74,131	14.7	19	66	15
Denmark	5,476	43	4,360	124.1	18	66	16
Faroe Islands	48	1.4		33.0	22	64	14
Greenland	56	2,166		0.2	23	70	7
Finland	5,300	338	230,030	17.0	17	67	17
Åland Islands	27	1.6		16.6	17	66	17
Sweden	9,183	450	234,235	21.6	17	66	18

Source: Nordic Statistical Year Book 2008.

Useful contacts

The Farmers Association of Iceland / Bændasamtök Íslands, www.bondi.is
tel: + 354 563-0300
Icelandic Dairy and Beef Farmers Association / Landssamband kúabænda, www.naut.is
tel: + 354 433-7077
Icelandic Sheep Farmers Association / Landssamtök sauðfjárbænda, www.saudfe.is
tel. + 354 563-0300
Icelandic Horse Farmers Society / Félag hrossabænda, www.fhb.is, tel. + 354 563-0300
Icelandic Farm Holidays / Ferðaþjónusta bænda, www.farmholidays.is – tel: + 354 570-2700
WorldFengur – A Global Register of Icelandic horses / WorldFengur – Upprunaættbók íslenska hestsins, www.worldfengur.com – tel: + 354 563-0300
Eiðfaxi International – Icelandic horse Magazine/ Eiðfaxi – Tímarit um íslenska hestinn, www.eidfaxi.is – tel: + 354 588-2525
Icelandic Institute of Natural History / Náttúrufræðistofnun Íslands, www.ni.is
tel: + 354 590-0500
Icelandic Meteorological Office / Veðurstofa Íslands, www.vedur.is – tel: + 354 522-6000
Icelandic Tourist board / Ferðamálaráð Íslands, www.icetourist.is – tel: + 354 535-5500
International Federation of Icelandic Horse Associations / Alþjóðleg samtök eigenda íslenska hestsins, www.feif.org – tel: +43 664 4237870
Ministry of Fisheries and Agriculture / Sjávarútvegs- og landbúnaðarráðuneytið, www.sjavarutvegsraduneyti.is – tel: + 354 545-8300
Ministry of the Environment / Umhverfisráðuneytið, www.umhverfisraduneyti.is
tel: + 354 545-8600
The Icelandic Food and Veterinary Authority / Matvælastofnun, www.mast.is
tel: + 354 591-2000
Public Roads Administration / Vegagerð ríkisins, www.vegagerdin.is – tel: + 354 522-1000

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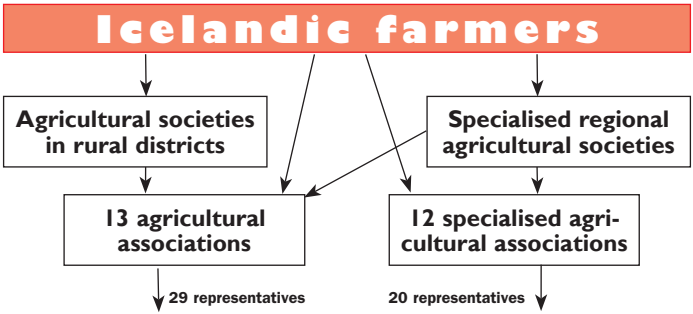

The Farmers Association of Iceland

49 elected representatives
AGRICULTURAL ASSEMBLY

Board (7)

The Farmers Association of Iceland (Bændasamtök Íslands; BÍ) is a general farmers' association. Its main objectives are as follows:
Safeguarding the interests of farmers, operate instructional and advisory services. Negotiate contracts with the government with respect to agricultural products and represent the farming community as a whole. Operating a network of consultants in livestock farming, soil management, farming technology, economics, land management, organic farming and land benefits. The maintenance of records with respect to all livestock species and selective breeding, farm produce and harvest. The publication of the periodicals Freyr and Bændablaðið as well as instructive and statistical booklets, the Farmers' Manual, the Agricultural Journal etc. The operation of a breeding bull center. Supervise special government projects and the observation of law. The association has total staff of 47.
BÍ has five divisions of operation: Social Division – Consulting Division – Finance and Office Division – Computer Department – Publishing and Public Relation Division

THE FARMERS ASSOCIATION OF ICELAND

HAGATORG 1 | 107 REYKJAVÍK
PHONE +354 563 0300 | FAX +354 562 3058

email: bondi@bondi.is | website: www.bondi.is