

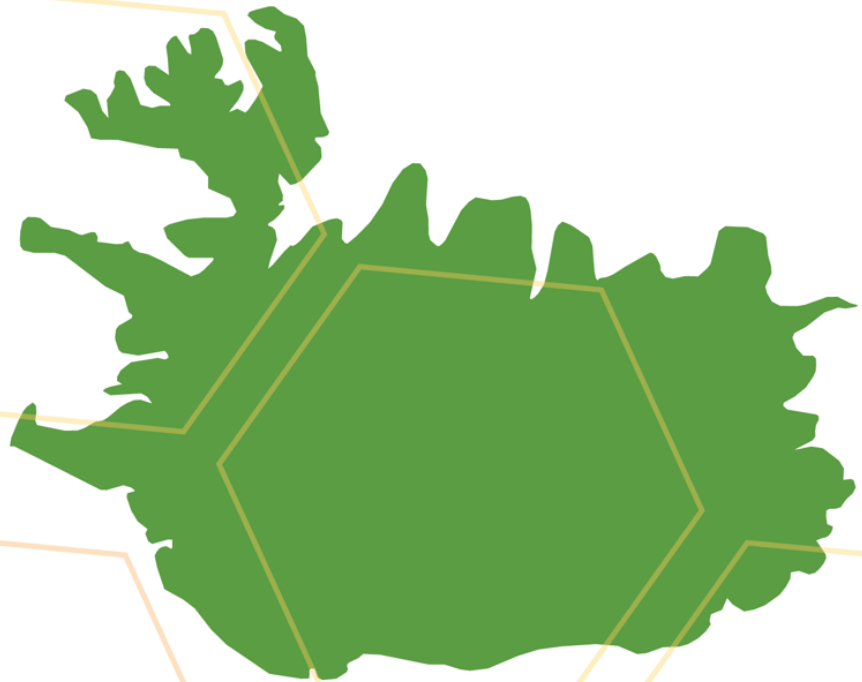
GREBE

Generating Renewable Energy
Business Enterprise

www.grebeproject.eu



Iceland



Northern Periphery and
Arctic Programme
2014-2020





Iceland

What kind of agencies offer support to SMEs?

There are few different agencies which support SMEs in Iceland e.g.. ICI, development agencies in the country and other advisory and accounting offices. Each agency has a different role and focuses on businesses of different size, potential or area of focus.

There is some variety of supports for enterprise of all kinds in Iceland. These include access to finance, management development, mentoring supports, business development programs, market supports and trade promotion. Some of these supporting institutes are state supported and other private owned.

Is there one agency which is the first place for businesses to go?

In Iceland ICI plays the role of the 'first-stop-shop' support service for micro and small businesses. ICI receives revenues both from public and private partners. ICI is located in each region. ICI provides advice and direction, to anyone who wishes to start or expand a business. ICI can also provide or point out funding for projects that meet certain criteria (generally with regard to export potential) and other non-financial supports such as training and mentoring.

Local development agencies also play an important role for SMEs.

Companies with clear high growth potential can be fast-tracked to the next level of support available from ICI to help them start, grow, innovate and win export sales in global markets through Enterprise Europe Network (EEN). Promote Iceland also assists Icelandic companies seeking to grow internationally through competence building programs as well as international events, such as trade fairs, press trips, and trade delegations. This is done in close cooperation with Icelandic embassies and consulates abroad, as well as bilateral chambers of commerce. They can provide funding, links and supports for companies - from entrepreneurs with business propositions for a high potential start-up through to large companies expanding their activities, improving efficiency and growing international sales.

Is it clear to the SME where they should go for support?

It is not clear to SME's where to go for support in Iceland. SMEs can receive basic information on ICI webpage, they though need a better online tool which sets out the variety of supports available to all enterprises across all sectors.

Are business supports restricted to certain types of business, or enhanced for certain types of SMEs (e.g. only available for manufacturing or for exporters)?

There is a particular focus on research and development and on businesses with export potential.

Are there special supports for RE businesses?

Iceland is in a unique position, about 85% of total primary energy consumption in Iceland is derived from domestically produced renewable energy resource. There are specific research and development fund for RE owned by the government.

Business supports available in Iceland are described in more detail in the coming pages under the following themes:

- Financial Support (grants, loans, equity investment)
- Taxation or welfare supports or concessions for businesses
- Soft supports e.g. mentoring, training, specialist advice, networks
- Research and Development supports
- Social and Community supports (focused on not for profit)
- Other- e.g. Incubation space or office space

Financial Support (grants, loans, equity investment)

Energy Fund

Link to support information on website

<http://www.orkustofnun.is/orkustofnun/rad-og-nefndir/orkusiodur/>

Type of Finance Support

Grant

Description of the support

Provides funding for specific projects in the field of efficient energy use, including for education and informative projects. The fund also provides funding for projects that promotes the use of domestic energy instead of fossil fuels and strengthen international cooperation in such projects.

Agency Responsible for Support

Orkustofnun (National energy Authority)

www.orkustofnun.is

Maximum and minimum funding available

50% of cost is eligible

Is this Specific to Renewable Energy businesses?

Yes

Is this a local, regional or national support?

National support

Geothermal prospecting

Link to support information on website

<http://www.orkustofnun.is/orkustofnun/rad-og-nefndir/orkusiodur/>

Type of Finance Support

Loans

Description of the support

The main purpose of the fund is to promote the further use of geothermal energy for heating in the country with the aim of improving living conditions and increasing access to the quality and potential of geothermal entail and to reduce the use of fossil fuels for heating and reduce the cost of the subsidies (from the government) for heating in cold areas.

Agency Responsible for Support

Orkustofnun (National energy Authority)

<http://www.orkustofnun.is/>

Maximum and minimum funding available

Up to 60% of total cost

Is this Specific to Renewable Energy businesses?

Yes

Is this a local, regional or national support?

National support

Rannsóknarstyrkir Orkusjóðs (National energy authority research grants)**Link to support information on website**

<http://www.orkustofnun.is/orkustofnun/umsoknir/rannsoknarstyrkir-orkusjods/>

Type of Finance Support

Grant

Description of the support

Research grants for:

- cost-effective energy efficiency and energy saving
- domestic energy and alternative fuels and fossil fuel savings
- the acquisition of knowledge in these areas and sharing
- research, development and cooperation to this aim
- job creation in these fields

Agency Responsible for Support

Orkustofnun (National energy Authority)

www.orkustofnun.is

Maximum and minimum funding available

No

Is this Specific to Renewable Energy businesses?

Yes

Is this a local, regional or national support?

National support

Grants for district heating**Link to support information on website**

<http://www.os.is/orkustofnun/umsoknir/eingreidslur/>

Type of Finance Support

Subsidies

Description of the support

Grants for project in renewable energy and sustainable fisheries. The goal is to support innovation in that field.

Subsidies for using green energy f.exp heat pumps with the objective to save energy and improved energy efficiency of house heating:

Agency Responsible for Support

Orkustofnun (National energy Authority)

www.orkustofnun.is

Is this Specific to Renewable Energy businesses?

Yes

Is this a local, regional or national support?

National support

Frumkvöðlasjóður Íslandsbanka**Link to support information on website**

<https://www.islandsbanki.is/um-islandsbanka/samfelagsleg-abyrgd/frumkvodlasjodur/>

Type of Finance Support

Grant

Description of the support

Grants for project in renewable energy and sustainable fisheries. The goal is to support innovation in that field.

Agency Responsible for Support

Íslandsbanki

www.isb.is

Maximum and minimum funding available

50% of cost is eligible

Is this Specific to Renewable Energy businesses?

Yes and sustainable fisheries

Is this a local, regional or national support?

National support

Átak til atvinnusköpunar**Link to support information on website**

<http://nmi.is/studningur/styrkir/atak-til-atvinnuskoepunar/>

Type of Finance Support

Grant

Description of the support

Átak til atvinnusköpunar is a fund for small innovation projects and marketing actions especially for entrepreneurs and SMEs.

Agency Responsible for Support

Innovation center Iceland

www.nmi.is

Maximum and minimum funding available

50% of cost is eligible

Is this Specific to Renewable Energy businesses?

No

Is this a local, regional or national support?

National support

Tækniþróunarsjóður (Technology Development fund)**Link to support information on website**

<http://en.rannis.is/funding/research/technology-development-fund/nr/545>

Type of Finance Support

Grant

Description of the support

The role of the fund is to support research and development activities, which aim towards innovation in Icelandic industry. The Technology Development Fund is a competitive fund which issues its calls for proposals twice a year.

Agency Responsible for Support

Rannis (The Icelandic Centre for Research)

www.rannis.is

Maximum and minimum funding available

The maximum contribution towards projects can amount to a total of up to ISK 45 million for a period of three years; ISK 30 million during two years or ISK 15 million during one year, which can be variously distributed during the years of support, depending on the progress of the project and its funding requirements. Up to one third of the total grant can be used for market purposes (see the Icelandic rules for definition of allowed project parts) Applicants' matching contribution of 50% is required. Support lasting up to three years may be applied for, although the fund's board of directors only confirms a grant for one year at a time. Continued support depends on progress and the fulfilment of contractually agreed results.

Is this Specific to Renewable Energy businesses?

No

Is this a local, regional or national support?

National support

Icelandic student Innovation fund

Link to support information on website

<https://en.rannis.is/funding/research/icelandic-student-innovation-fund/nr/570>

Type of Finance Support

Grant

Description of the support

The goal of the Icelandic Student Innovation Fund is to provide an opportunity for universities, research institutions and companies to recruit students, in graduate and postgraduate studies, to undertake ambitious and challenging research projects during the summer time.

Agency Responsible for Support

Rannis (The Icelandic Centre for Research)

www.rannis.is

Maximum and minimum funding available

The grant is presented in the form of monthly grants for the student, but the company or the relevant supervisor is to supply facilities and pay material cost. The fund monitors the progress of the project over the summer, whilst the supervisor is responsible for the actual execution of the project and the delivering of a final report at the end of the summer.

Is this Specific to Renewable Energy businesses?

No

Is this a local, regional or national support?

National support

Uppbyggingarsjóður (structural fund for each region in Iceland)

Link to support information on website

- <http://www.eything.is/meningarrad/uppbyggingarsjodur>
- <http://www.vestfiridir.is/Uppbyggingarsjodur/>
- <http://www.austurbru.is/is/uppbyggingarsjodur-austurlands-1>
- <http://www.sass.is/radgjof-2/styrkir-til-eflingar-atvinnulifs-og-nyskopunar-2/>
- <http://www.atthing.is/uppbyggingarsjodur/>
- http://www.menningarviti.is/default.asp?sid_id=61499&tre_rod=002|&tId=11
- <http://sss.is/starfsemi/uppbyggingarsjodur>
- <http://www.ssnv.is/is/uppbyggingarsjodur>

Type of Finance Support

Grant

Description of the support

These grants are in all regions of Iceland. Innovation projects as well as cultural project are funded. The funding of the grants comes from the government but are allocated locally (or in each region of Iceland).

Agency Responsible for Support

Ministry of Industries and innovation

www.atvinnuvegaraduneyti.is

Maximum and minimum funding available

50% of cost is eligible

Is this Specific to Renewable Energy businesses?

No

Is this a local, regional or national support?

Regional support

Taxation or welfare supports or concessions for businesses

Skattafrádráttur rannsókn- og þróunarverkefna (tax deduction for research and development projects).

Link to support information on website

<https://www.rannis.is/sjodir/atvinnulif/skattfradrattur/>

Type of Taxation or Welfare Support (be specific)

Taxation.

Description of the support

Companies that have received confirmation Rannís of research or development project have the right to tax deduction.

Tax deduction is based on an each project.. A company that owns a research and development project are entitled to deduction from the assessed income tax of up to 20% of the expenses incurred for these projects. The maximum expenses for calculation for each company is ISK 100,000,000 in operating year.

Agency Responsible for Support

Rannís (The Icelandic Centre for Research)

www.rannis.is

Maximum and minimum funding available

Up to 20% of income tax. Maximum expenses for tax deduction for each project is ISK 100, 000,000

Is this Specific to Renewable Energy businesses?

No

Is this a local, regional or national support?

National

Other useful/relevant information

https://www.rannis.is/media/skattaivilnun/Handbok_mars15.pdf

Soft supports

Start up energy

Link to support information on website

<http://www.startupenergyreykjavik.com/en/>

Type of Support

Mentoring program

Description of the support

Startup Energy Reykjavik is a mentorship-driven seed stage investment program with focus on energy related business projects.

Agency Responsible for Support

Klak Innovit (Icelandic start-ups)

<http://www.icelandicstartups.com/>

Maximum and minimum funding available

Not applicable

Is this Specific to Renewable Energy businesses?

Yes

Is this a local, regional or national support?

National support

Konur í orkumálum – Women Network in Energy

Link to support information on website

<https://www.facebook.com/Konur-%C3%AD-orkum%C3%A1lum-259616860889418/?fref=ts>

Type of Support

Network

Description of the support

This is a network for women in the energy business.

Agency Responsible for Support

Community on facebook.

<https://www.facebook.com/Konur-%C3%AD-orkum%C3%A1lum-259616860889418/?fref=ts>

Maximum and minimum funding available

Not applicable

Is this Specific to Renewable Energy businesses?

Yes

Is this a local, regional or national support?

National support

Samband sveitarfélaga á köldum svæðum –

Association of municipalities on cold areas

Link to support information on website

<http://sks.is/>

Type of Support

Network

Description of the support

The network aims:

- working to decrease energy costs for heating "cold areas"
- to promote (further) geothermal prospecting
- to gather and share information in energy to its members
- to promote public awareness of ways of save energy.
- The network consist of 37 municipalities in Iceland where heating cost is high and no useable geothermal.

Agency Responsible for Support

Samband sveitarfélaga á köldum svæðum (Association of municipalities on cold areas)

www.skss.is

Maximum and minimum funding available

No funding. Network and lobbying.

Is this Specific to Renewable Energy businesses?

Yes

Is this a local, regional or national support?

National

Iceland geothermal

Link to support information on website

<http://www.icelandgeothermal.is/>

Type of Support

Cluster

Description of the support

Iceland Geothermal is a platform where you can access all general information about geothermal energy in Iceland and leads you to the right coordinator if you are building up infrastructure or business in relation to the resource of geothermal.

Iceland Geothermal is a non-profit organisation that was established in February 2013. IG is an industry driven cluster cooperation partnership which focuses on the field of geothermal energy. The Iceland Geothermal Cluster Initiative was founded by 43 diverse members, including companies, associations and institutions.

Agency Responsible for Support

Iceland geothermal

www.icelandgeothermal.is

Maximum and minimum funding available

Not relevant

Is this Specific to Renewable Energy businesses?

Yes

Is this a local, regional or national support?

National

Research and Development supports

Icelandic Research Fund

Link to support information on website

<https://en.rannis.is/funding/research/icelandic-research-fund/nr/527>

Type of R&D Support

Grant types

- Project grants
- Grant of excellence
- Postdoctoral fellowship
- Doctoral student grant

Description of the support

The IRF awards funding to research students and defined research projects led by individuals, research teams, universities, research institutes, and companies.

Agency Responsible for Support

The Icelandic Centre for Research

www.rannis.is

Is this Specific to Renewable Energy businesses?

No

Is this a local, regional or national support?

National

Other useful/relevant information

<https://en.rannis.is/media/rannsoknasiodur/IRF-Handbook-2016.pdf>

Other

Incubation spaces

Link to support information on website

<http://nmi.is/studningur/frumkvoedlasetur/>

Type of Support

Incubations spaces.

Description of the support

Leasing of office space/desk on a low fee. Access to meeting facilities, facilities for workshops, research and prototype construction etc.

Professional advice and support from experts Innovation Centre

Creative environment and powerful network

Lectures and workshops on relevant factors in the entrepreneurial environment.

Agency Responsible for Support

Innovation Center Iceland

www.nmi.is

Is this Specific to Renewable Energy businesses?

No

Is this a local, regional or national support?

Local