

Voluntary Report – Voluntary - Public Distribution

Date: February 03, 2025

Report Number: IC2025-0002

Report Name: Iceland Has a Unique Environment for Biotechnology

Country: Iceland

Post: The Hague

Report Category: Biotechnology - Plants and Animals, Biotechnology and Other New Production Technologies

Prepared By: Bob Flach

Approved By: Laura Geller

Report Highlights:

From a geographical and regulatory viewpoint, Iceland has a unique environment for marketing U.S. food products with, or without, any biotech content and/or conducting research on biotech applications. This is because Iceland has not yet implemented the EU legislation for genetically modified organisms (GMOs).

Introduction - Iceland Is a Market for Traditional U.S. Food Products.

Iceland Is a Market for Traditional U.S. Food Products

In 2023, Iceland imported \$1.19 billion of agricultural and related products, of which \$44.0 million from the United States. Globally, the main product groups were animal feed (predominantly aquafeed), fish fats and oils, and food preparations. The main products groups imported from the United States were food preparations, cigarettes, and prepared cereals. In general, the Icelandic consumer has a cultural preference for traditional U.S. branded and manufactured food products, particularly for snacks and breakfast cereals. This preference is based on the relatively close proximity of the U.S. market. For more information about the import requirements for food products see the [Food and Agricultural Import Regulations and Standards \(FAIRS\) report for Iceland](#), which will be published in February 2025.

Iceland Has Not Yet Implemented the EU GMO Legislation

In Iceland, the [Ministry of Food, Agriculture and Fisheries \(MoFAF\)](#) and [Ministry of the Environment, Energy and Climate](#) are responsible for implementation and enforcement of the regulatory framework for agricultural biotechnology. However, Iceland lacks a unified legislation related to genetically engineered (GE) food, feed, and ingredients. This is because, as a Member of the European Economic Area (EEA), Iceland has not yet implemented the [EU GMO legislation](#). However, products containing 0.9 percent or more GE content, per ingredient, must be labeled as a product of biotechnology.

Until recently Icelandic importers and retailers were strongly opposed to implementing the strict EU requirements for marketing GE products and ingredients, as it would limit their sourcing options from the United States and other non-EU countries. Icelandic importers and retailers are now more favorable towards further harmonizing food regulations with the EU. This is also in line with the new elected government which is reportedly more EU focused. The new government proposed to hold a referendum on Iceland becoming a member of the EU, which will take place no later than 2027. With a yes vote, the government is expected to renew Iceland's EU membership application which has been suspended since 2013. The timing of a possible accession is unknown.

Iceland Is Generally Positive Towards the New NGT Proposal.

On July 5, 2023, the European Commission (EC) adopted a new [proposal](#) to regulate plants obtained by certain “new genomic techniques (NGTs)” and their use for food and feed. MoFAF stated that the EU NGT proposal can be an opportunity to breed more productive and resistant crops. The influence of the EEA Members on the approval process in the EC expert groups is limited. Generally, new EU legislation must be fully adopted, and the possibility of exemptions are restricted. The most likely scenario is that first the EU GMO legislation will be adopted, followed by new legislation on NGTs.

Icelandic Biotech Research Is Focused on the Utilization of Local Feedstocks.

Icelandic biotech research is focused on breeding crops for its typical harsh climate and utilizing the available feedstocks at the island for high value purposes, such as for medical applications and skincare. Below a few examples of Iceland biotech research.

- The [Icelandic agricultural university](#) is breeding cereal varieties suitable for the harsh climate in the Nordic region, particularly the hard winds. Genetic engineering is considered as a method for future actions needed to provide the best cultivars.
- The research agency [MATIS](#) is exploring how to improve the efficiency of converting byproducts of domestic cereal production (such as straw and husks), and products which are in abundance on the island such as seaweed into valuable products. Microbial biotechnology is for instance applied to produce specific enzymes by yeasts and bacteria which are capable to convert [seaweed](#) to ethanol. Such ethanol could be classified as an advanced biofuel, as the feedstock is not considered a food crop. Furthermore, MATIS is cooperating with the Wageningen University and other universities in the EU to produce specific components, such as for medicines, from [sea cucumbers](#).
- Iceland is specifically focused on the application of biotechnology for improving skin health. The most pronounced companies in this field are [ORF Genetics](#), [BioEffect](#), [Algalif](#), and [Kerecis](#).

For more information, please contact:

USDA's Foreign Agricultural Service (FAS)

U.S. Embassy, The Hague

John Adams Park 1, 2244 BZ Wassenaar, the Netherlands

+31 70 3102 299

agthehague@usda.gov

Attachments:

No Attachments.