

Iceland is an island in the North Atlantic. It is home to a progressive and peaceful nation that has formed a modern society where freedom and equality are held in high regard. Iceland continuously ranks near the top for measurements of quality of life, gender equality, and democracy, and is one of the highest ranked countries in the world for health care, education and internet availability.

Iceland Macroeconomic Data 2018

Population	360 390
GDP	22 EUR Billion
GDP Growth rate	4,6 %
Balance of trade	0.7 EUR Billion
Inflation rate	2.7 %
Unemployment rate	2,7 %
Policy Interest rate	4.25 %
Public debt to GDP	37,7 %
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Export 2018

Table No. 2: The most important commodities of Czech exports in 2018 (SITC)

Commodity	Share in %	EUR mil.
Machinery and transport equipment	74,5	33,0
Miscellaneous manufactured articles	11	4,9
Manufactured goods classified chiefly by material	9	4,0
Chemicals and related products	2,1	0,9
Food and live animals	1,7	0,8
Beverages and tobacco	0,8	0,3
Mineral fuels, lubricants and related materials	0,7	0,3
Crude materials, inedible, except fuels	0,2	0,1
Animal and vegetable oils	0	0,001
Total	100.00	44,3

Source: Czech Statistical Office.

Czech export to Iceland

- Measured by trade turnover, Iceland has a marginal position in Czech foreign trade. According to CZSO statistics, Iceland was at the 72th place regarding trade volume. For Iceland, however, in 2018 the Czech Republic was the 22nd largest importer in the country, more significant than Russia, Hungary or Portugal.
- The improving condition of the Icelandic economy is helping Czech exports. The amount of the exported goods from the Czech Republic to Iceland has been steadily increasing till the year 2017. In 2018 the exports declined by 20 % to 44,3 million eur. Imports from Iceland to the Czech Republic are subject to fluctuations based on the amount of raw aluminum taken in the given year.
- The most extensive business activities in Iceland have long been carried out by Metrostav. In 2010, it completed the contract for the construction of the first two double-lane tunnels Sigla (3.6 km long) and Ólafs (6.9 km). Based on positive references by Metrostav in the form of a joint

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Import 2018

Import to CR: 0,06 (EUR bil.)

Import commodities: machinery and equipment, petroleum, manufactured goods, foodstuffs and textiles.

Table No. 1: The most important commodities of Czech imports in 2018 (SITC)

Commodity	Share in %	EUR mil.
Manufactured goods	84,6	49,5
Food and live animals	11,1	6,5
Miscellaneous manufactured articles	2,1	1,3
Chemicals and related products	1,7	1,0
Machinery and transport equipment	0,2	0,1
Beverages and tobacco	0,2	0,1
Animal and vegetable oils, fats and waxes	0	0,02
Crude materials, inedible, except fuels	0	0,01
Total	100.00	58.5

Source: Czech Statistical Office.

Table No. 3: Trade between the Czech Republic and Iceland in 2007-2018 (EUR thousand)

Year	Turnover	Czech exports	Czech imports	Balance
2007	59 525	40 118	19 407	20 711
2008	54 745	19 303	35 442	-16 139
2009	42 644	8 050	34 594	-26 544
2010	75 167	16 033	59 134	-43 101
2011	58 259	20 275	37 984	-17 709
2012	82 421	28 150	54 321	-26 171
2013	85 673	31 079	54 594	-23 515
2014	77 999	30 741	47 258	-16 517
2015	123 967	46 788	77 178	-30 390
2016	102 698	45 952	56 721	-10 769
2017	115 078	56 978	58 100	-1 122
2018	102 800	44 300	58 500	-14 200

Source: Czech Statistical Office.

venture with Icelandic partner Suðurverk hf. from 2013 onwards and in 2017 put into use the construction of the 7.5 km long Norðfjörður tunnel complex in the east; it was the largest infrastructure-based investment in Iceland since 2008

- In the spring of 2017, the Czech-Iceland joint-venture Metrostav-Suðurverk won the tender for the construction of nearly 6 km of the Dýrafjörður road tunnel in the northwest part of the island. In addition to the underground construction, the consortium will build a bridge between the two fjords and an 8-kilometer section of the road. Of the total value of the order of CZK 1.3 billion, Metrostav has CZK 800 million. Completion date is planned for autumn 2020.
- The structure of Czech exports to Iceland remains without major changes. Dominant, according to the classification of SITC classes, the item "Machinery and transport equipment" is 74,5%, followed by the item "Miscellaneous manufactured articles" with a share of 11%.