

# Agriculture in Iceland

## Country notes for the project “Lanbrugssamarbedje”



Sigurður Torfi Sigurðsson,

Ráðgjafarmiðstöð landbúnaðarins

Email: [sts@rml.is](mailto:sts@rml.is), Phone: +354 516 5078 / +354 776 8778



# Agriculture in Iceland

- The main characteristic of Icelandic agriculture is attributed to breeding of husbandry animals.
- Most of the farms are run as a small family business - Livestock-farms in general
- Most common types are:
  - Sheep farms – meat production
  - Dairy cow farms
- Typical model used to be mixed husbandry animals and the farms where more sustainable.
- Major changes have been in a few years towards more uniform farms with one livestock specie
- Pig and poultry farms are rather big mostly located near Reykjavík area
- Horticulture is widespread and has grown in recent years and is located where good access is for geothermal water and energy
- Barley and oats grown on some farms, increase the last years
  - Problem with the autumn weather and birds – lose the harvest
- Agroforestry and the processing of forest products counts as agriculture.
- Other farming practices are minimal like fur farming (minks, foxes, rabbits and eider farming).



# Agriculture in Iceland

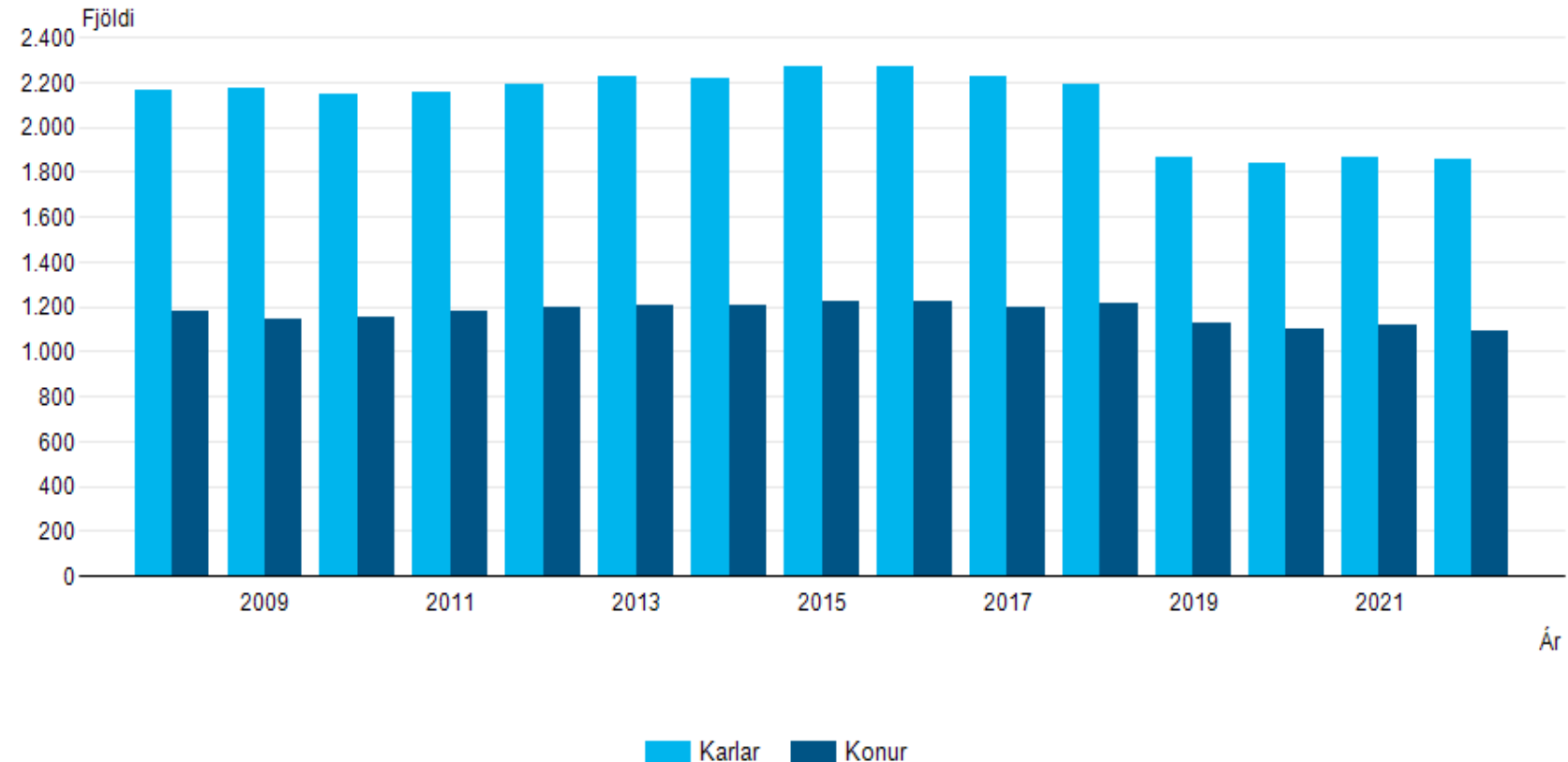
- Agriculture is the foundation of many rural communities in Iceland and provides work for local citizens.
- Agriculture plays an important role in the food security of Icelanders and supports various services, e.g. tourism.
- The policy of the Icelandic government is to support the uniqueness of Icelandic agriculture and maintain its characteristics, and in addition to the sustainable use of natural resources.
- Dairy farms are getting bigger and more production pr. unit
- Sheep farmer have to work outside from the farm where that is possible farms are getting smaller and the average age of farmer getting higher.
- Difficult for young people to start a farm

# Governmental Support

- Farmers can apply for government support payments, due to Iceland's position and the possibility of agricultural activities.
- Milk and sheep-/lamb meat production is highly controlled by quota system.
- Subsidies are paid for sheepmeat and milk production.
- Livestock allowances are paid for cattle breeding.
- Land payments are paid for the use of land for harvesting and also for cultivation.
- Sheep-farmers can apply and get payments for quality control and rural support.
- Subsidies are provided for horticulture in the form of land payments or payments for the area of cultivation units.
- In order to be entitled to support payments, farmers must be registered as a farm operator according to the tax authority's business sector classification.
- Farmers are also required to submit their reports according to regulations.

# Number of farms and people working in the agricultural sector

- Total number of registered farms (lögbýli)  $\approx$  6.780
- Operated farms:  $\approx$  3.150
- Employees  $\approx$  3.000



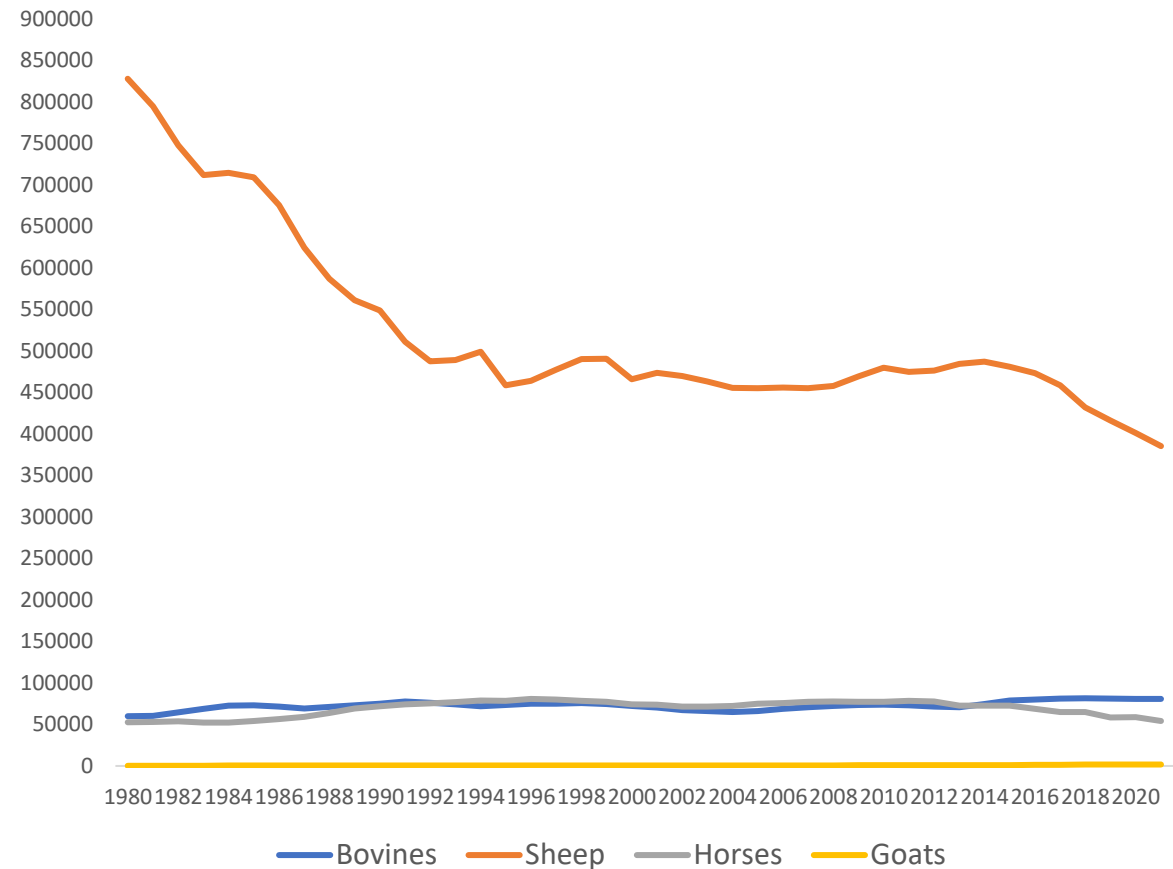
Heimild: Staðgreiðsluskrár

# Livestock in Iceland

## Total official numbers in 2022

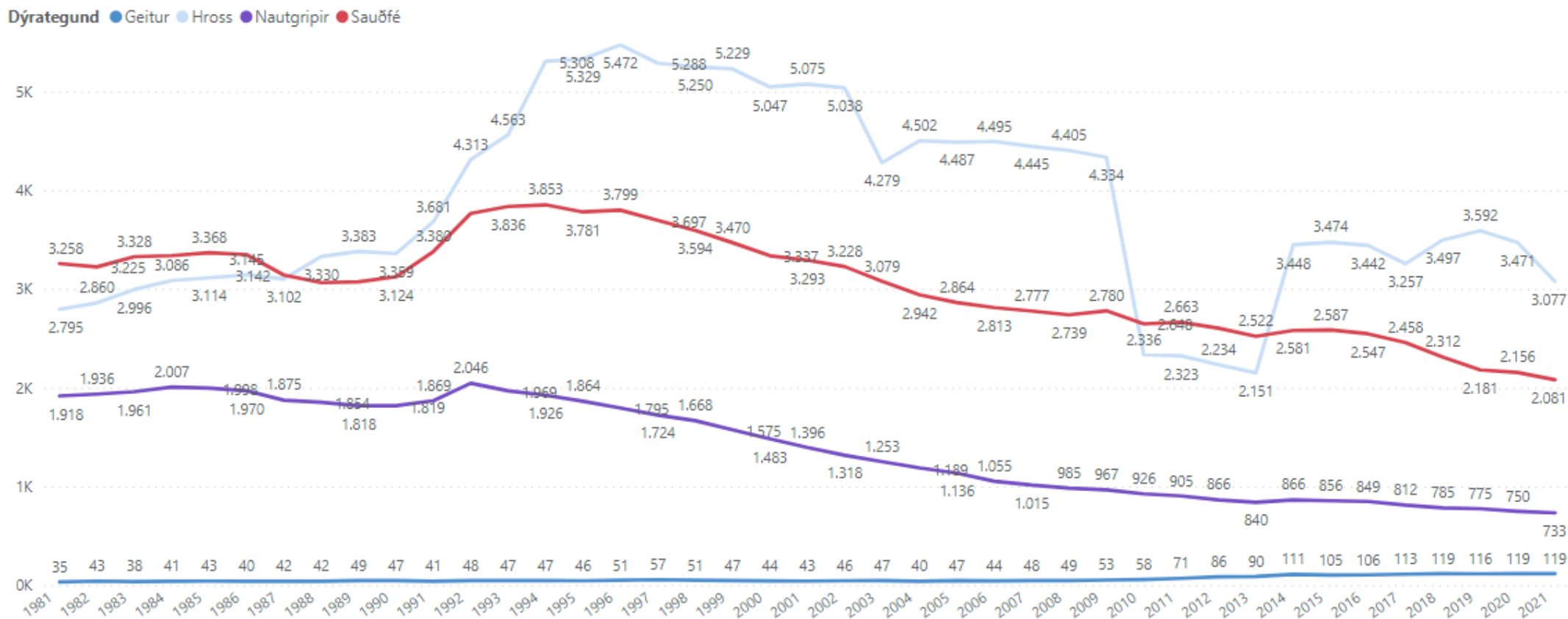
- Bovine 80.563
- Sheep 385.194
- Horses 54.069
- Goats 1.672
- Pigs 2994
- Poultry 187.565
- Minks 16.584
- Rabbits 72

Grass-fed livestock in Iceland 1980 – 2022



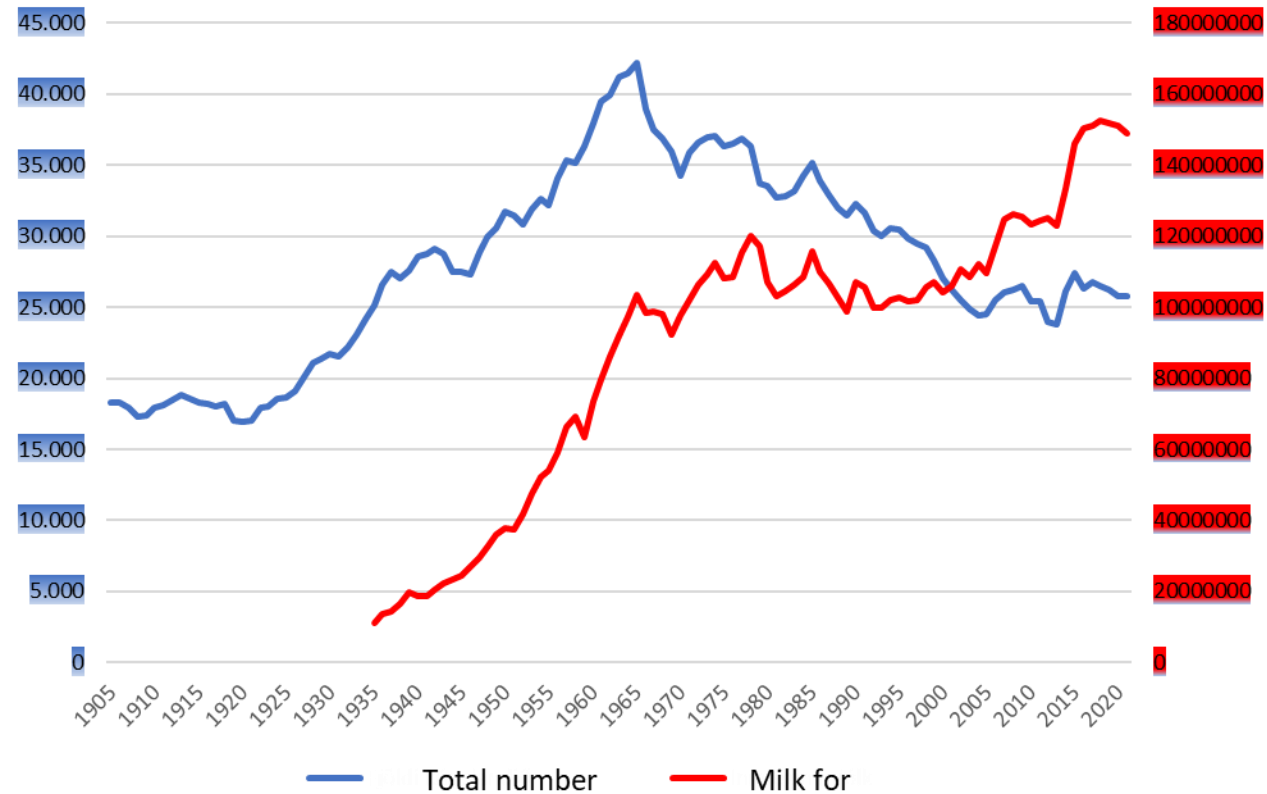
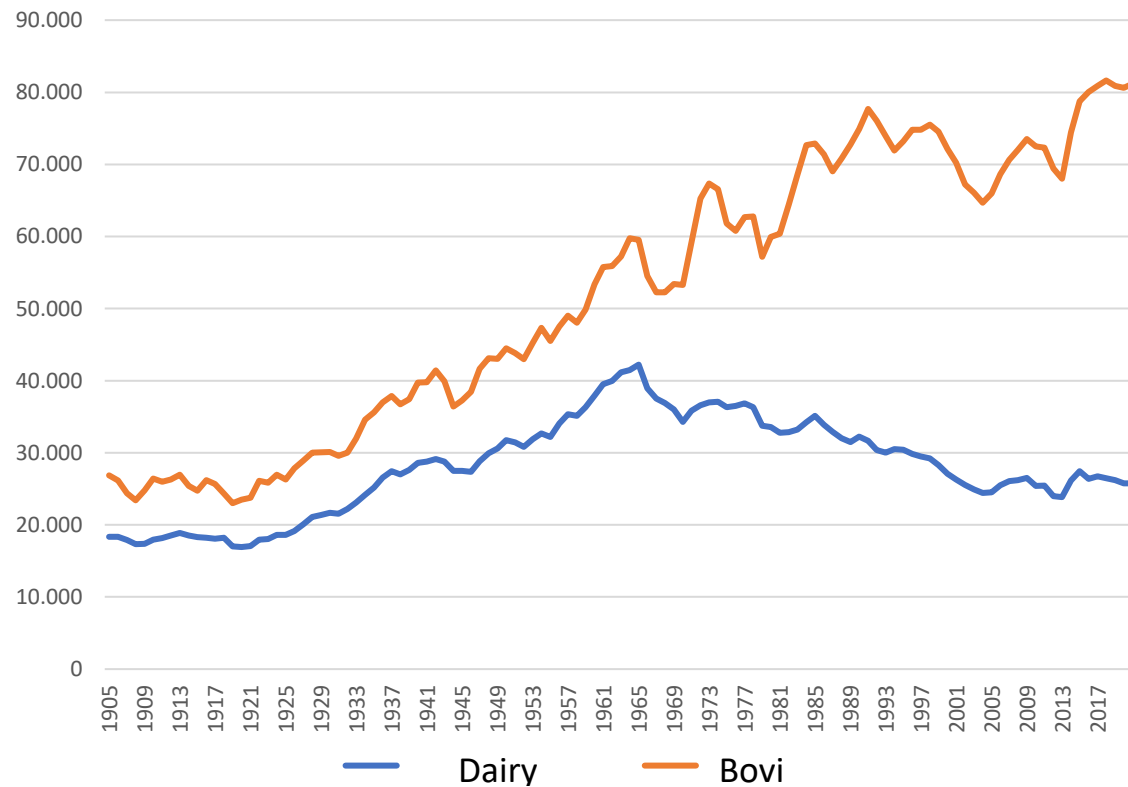
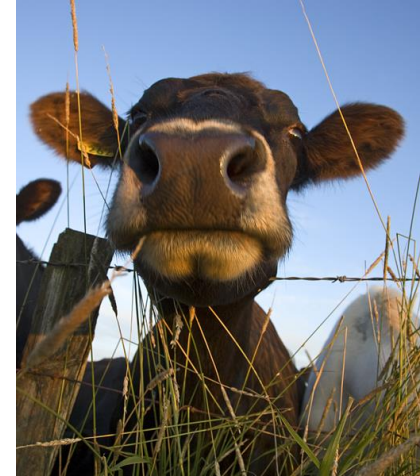
# Number of farms (livestock owners) in Iceland 1980 – 2021

## Farms with grass-fed livestock



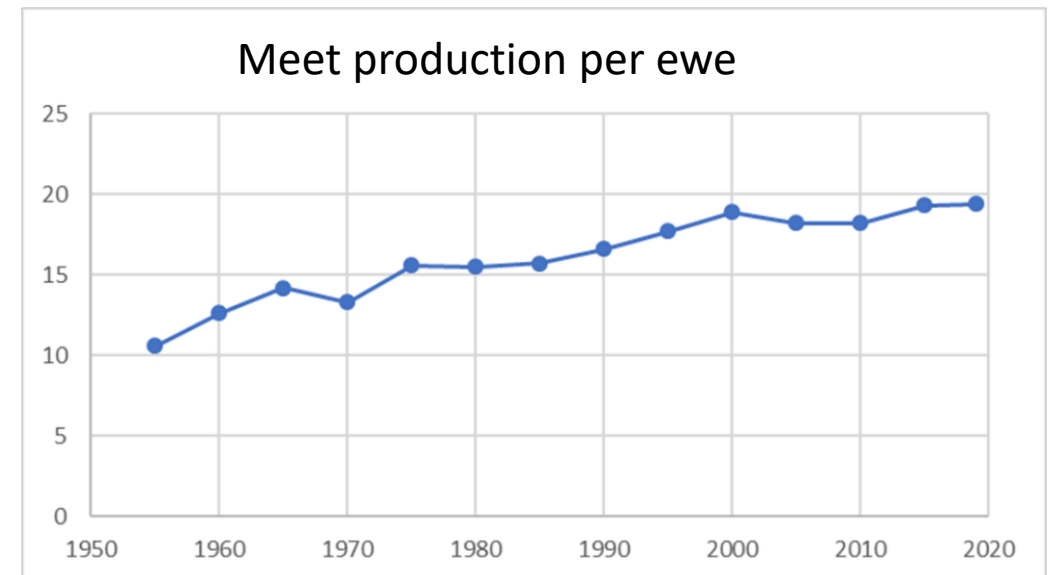
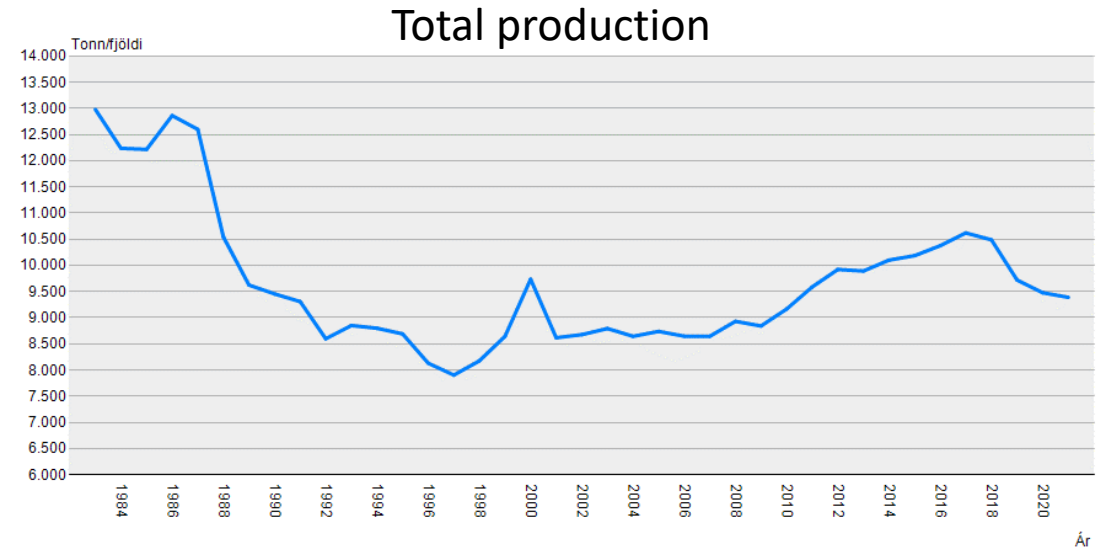
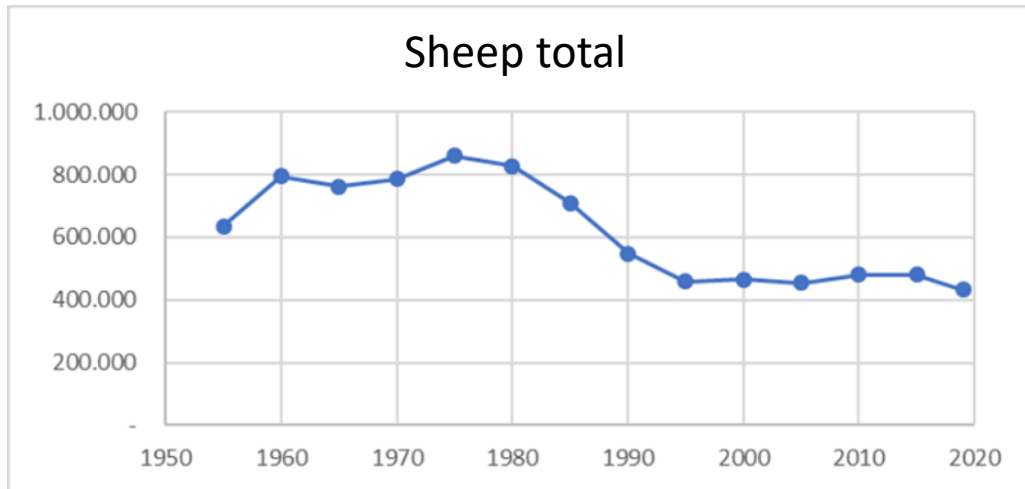


# Total number of bovine vs. number of dairy cows in Iceland and milk production





# Sheep and sheep- and lamb-meet production 1955-2015







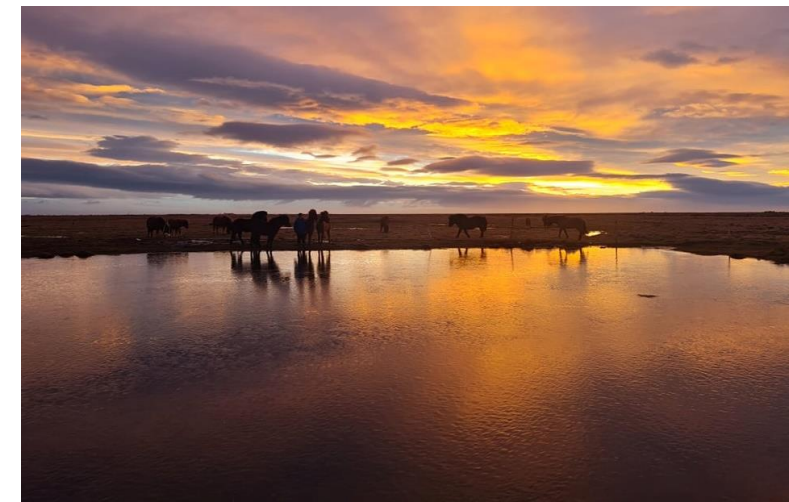






# Environmental programs for farmers

- Farmers in Iceland are active participants in several environmental projects.
- Lot of land improvements have been made by cooperation between farmers and public institutions.
- Most of the projects that farmers have been involved in are projects to restore vegetation, forestry and wetland restoration.
- In recent years, there has been an increasing emphasis on projects related to climate issues and sustainability.
- Such projects have been available to Icelandic farmers who have set themselves the goal of reducing the emission of greenhouse gases from their farm operations in order to move towards carbon neutrality in the sector.
- Cooperation and participation of farmers is often the key to good results in environmental projects.

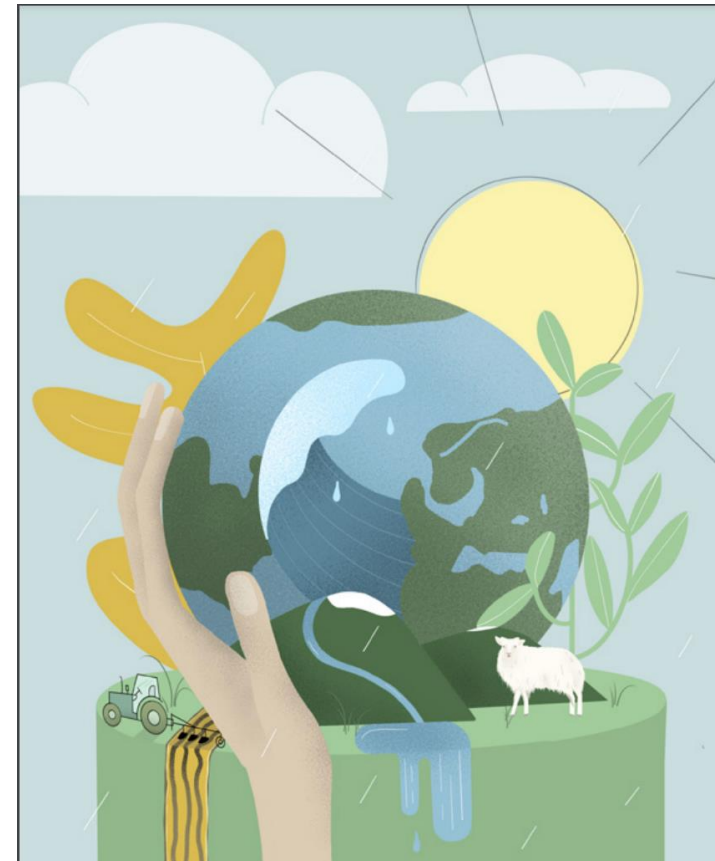


# Climate friendly farmers



LOFTSLAGSVÆNN  
LANDBÚNAÐUR

- A programme for farmers who want to commit to trying to optimize farming to achieve climate benefits.
- Farmers apply for participating and get payments for participating.
- Farmers set themselves the goal of reducing the emission of greenhouse gases from their farm and they make an action plan in order to move towards carbon neutrality.
- 50 farmers are now participating
- Farmers receive instructions and education.



# Land restoration

- There is a long-time tradition of cooperation between Icelandic farmers and The Soil Conservation Service (Land og skógur) to reclaim vegetation on degraded land.
- Land degradation comes from overgrazing or is damaged from some natural hazard.
- Most popular program is “Bændur græða landið” ≈ 600 farmers are participating.
- There are few other different programmes in this category
- Farmers get seeds and fertilizer for free, but sometimes they contribute labor and machinery.
- In the end farmers get better grazing land.





# Forestry

- Several different programs where farmers can participate.
  - Cultivated forest for timber production.
  - Reforestation – natural birch forest reclaimant.
  - Cultivated forest for shelter and / or carbon sequestration.
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- The Forestry Service (Land og skógur) provide the plants.
  - Farmers get paid 90% of labor for planting and fences.





# Wetland reclamation

- Farmers and landowners can participate in these programs
- Rather few farmers who are willing to provide land for these projects
- Lot of misunderstanding among farmers and discrepancies in information flow
- Farmers / landowners provide land
- Programs pay for construction work such as filling ditches.



# Nature conservation and biodiversity

- No programs in the moment for farmers.
- Possibility for landowners / farmers to make a contract with the government.
- Several farmers own land in nature conservation areas.
- Several project have explored the possibilities and attitudes towards nature conservation amongst farmers.



UMHVERFI OG  
NÁTTÚRUVERND

# Circular economy

- No special programs for farmer are in the moment.
- It is mandatory to sort garbage in households.
- Farmers use most of the organic material that comes from the farm as a fertilizer.
- Most of round bail plastic is recycled







This project was  
founded by NORA  
(Nordisk  
Atlantsamarbejde)



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