

# ICELAND

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# 1. Consumer policy institutions

## 1.1. MINISTRY RESPONSIBLE FOR CONSUMER POLICY

In Iceland the Ministry that has the main responsibilities for consumer policy, consumer protection and consumer affairs is the Ministry of Justice and Human Rights as of 1 October 2009. Under the auspices of the Ministry are several legal Acts in the field of consumer protection e.g. unfair trade practices, product safety and legal metrology. Various legal acts in the field of consumer protection continue however to be under the auspices of the Ministry of Economic Affairs e.g. act on consumer credits as well as other acts concerning economic rights of consumers, such as contract law, sales of consumer goods that have not (yet) been transferred to the Ministry of Justice and Human Rights.

The Consumer Agency is under the Ministry of Justice and Human Rights and it is the main law enforcement body in the field of consumer protection. The Consumer Agency also assists, formulates and implements the policies. The Consumer Agency ensures enforcement of all legislation in the field of consumer protection that is under the responsibility of Ministry of Justice and Human Rights and also acts that fall under the Ministry of Economic Affairs, as well as some other Ministries, e.g. Ministry of Industry, Ministry of the Environment, are enforced by the Agency. The Consumer Agency is responsible for vast majority of EU legislation protecting consumers as transposed into national legislation of Iceland. The Consumer Agency is the sister organisation to the Nordic organisations of Consumer Agencies that often are also referred to as the Consumer Ombudsman. In 2005 the Spokesman person for consumer interests was established. It is a public service and the role of the Consumer Spokesman is to advocate consumer interests in general and also towards public authorities and the legislature. The Consumer Spokesman has his office within the premises of the Consumer Agency.

- **Ministry of Justice and Human Rights**  
*Address:* Skuggasundi, IS-150 Reykjavík  
*Telephone:* + 354 545 9000  
*Website:* [www.domsmalaraduneyti.is](http://www.domsmalaraduneyti.is)
- **The Consumer Agency (Neytendastofa)**  
*Address:* Borgartún 21, IS-105 Reykjavík  
*Telephone:* + 354 510 1100  
*Website:* [www.neytendastofa.is](http://www.neytendastofa.is)
- **Ministry of Economic Affairs:**  
*Address:* Sölvhólgötu 7, IS-150 Reykjavík  
*Telephone:* + 354 454 8800  
*Website:* [www.efnahagsraduneyti.is](http://www.efnahagsraduneyti.is)

## 1.2. PUBLIC AGENCIES

In Iceland the main public Agency dedicated to consumer protection is the Consumer Agency (Neytendastofa) that is responsible for enforcement of legislation of consumer legal and economic rights as well as product safety, as well as other legislation that is protecting consumers rights in transactions for instance in the field of legal metrology. There is no independent research institution but various research projects are done occasionally and on ad-hoc basis of graduates at the Universities in Iceland.

| Directives              | Public Enforcement Agencies   |
|-------------------------|---|
| Directive 84/450/EEC    | *   |
| Directive 85/577/EEC    | *   |
| Directive 90/314/EEC    | *   |
| Directive 93/13/EEC     | *   |
| Directive 94/47/EC      | *   |
| Directive 97/7/EC       | *   |
| Directive 97/55/EC      | *   |
| Directive 98/6/EC       | *   |
| Directive 1999/44/EC    | *   |
| Regulation 2006/2004/EC | *   |
| Directive 98/27 /EC     | *   |
| Directive 2001/31/EC    | *   |
| Directive 2001/95/EC    | *   |
| Directive 85/374/EEC    | n.a.  |
| Directive 2006/95/EC    | * and **  |
| Directive 2004/22/EC    | *   |
| Directive 98/34/EC      | *   |
| Directive 99/93/EC      | *   |
| Directive 98/34/EC      | *   |
| Directive 2005/32/EC    | *   |
| Directive 92/42/EEC     | *   |
| Directive 92/75/EEC     | *   |
|                         | <p>* The Consumer Agency (Neytendastofa)<br/> Address: Borgartúni 21, IS-105 Reykjavík<br/> Tel: + 354 510 11 00<br/> Website: <a href="http://www.neytendastofa.is">www.neytendastofa.is</a></p> <p>** The Icelandic Fire Authority (Brunamálastofnun) does market surveillance of non-consumer products subject to LVD. Website: <a href="http://www.brunamal.is">www.brunamal.is</a></p> |

### **1.3. NATIONAL CONSUMER ORGANISATIONS**

In Iceland's Consumer Association is a national consumer organisation (NGO) which membership is open to all over 18 yrs of age. Members of the association in 2010 are 13000 individuals and membership fees are the main source of finance. However, the Association receives subsidies from the State budget as well as EU since it is operating the EEJ-Network in Iceland. The Association has its General Assembly every second year. In addition to this Consumer Association there are several other national organisation that are involved with consumer interests such as the Icelandic Automobile Association (FÍB) and the Home and School, the National Parent's Association of Iceland, and others. In addition the ASÍ – union of employees is involved with certain consumer related issues such as price surveys within the food and grocery market in Iceland.

### **1.4. NATIONAL COUNCIL/ASSEMBLIES OF CONSUMER ORGANISATIONS AND OTHER STAKEHOLDERS**

Please refer to section 1.3.

### **1.5. CONSUMER MEDIA**

The Consumer Agency in Iceland provides a website offering vast information on consumer legal and economic rights, as well as safety related issues. *Website:* [www.neytendastofa.is](http://www.neytendastofa.is).

The Consumer Agency also provides for telephone services to consumers daily between 9-12.00 a.m. where consumers can consult and seek advice from lawyers in respect to questions they may have. *Tel:* + 354 510 11 00.

The Consumer Agency issues its annual report and two times a year (or more) an electronic newsletter with information to consumers. Press releases, leaflets and advertisements are also part of the Agency's work with media and dissemination of information to consumers and the public at large.

The Consumer Association of Iceland issues several times per year its Consumers periodical with various articles on consumer issues, reports on testing and quality of various products.

#### **1.5.1. Printed media**

Please refer to section 1.5.

#### **1.5.2. TV channels**

There are no special TV channels or special shows on TV that only deal with consumer issues. Only occasionally consumer issues are part of the daily newsprograms of the Icelandic TV stations.

### **1.5.3. Radio stations**

More or less the same as in section 1.5.2.

## **1.6. REDRESS BODIES: COURTS AND ADRS**

The general civil court system deals with dispute cases and there are no specialized courts hearing consumer cases. For reason of costs consumer disputes are rarely put on trial before the courts.

The main complaint board is the Sales of Goods and Services complaint Board (Kæruneftnd lausafjár-og þjónustukaupa) which is an independent board the gives non-binding opinions and solutions to disputes that arise between consumers, retailers and craftsmen. The Consumer Agency provides the secretariat support to the Board.

Consumers can also file complaints to the Consumer Agency if dispute arise in relation to the legislation that the Agency is responsible for. The Agency can take general administrative decisions on principle matters regarding the legislation but does not however solve individual claims for consumers.

In addition the following complaint boards are established and have the mandate to solve consumer complaints in their respective fields:

- Complaint board of telecommunications (Úrskurðarnefnd fjarskipta- og póstmála)
- Complaint board of legal services (Úrskurðarnefnd lögmanna)
- Complaint board for real estate rent agreements (Kæruneftnd húsaleigumála)
- Complaint board– Issues of apartment buildings (Kæruneftnd fjöleignarhúsamála)
- Complaint board– Insurance issues (Úrskurðarnefnd í váttryggingamálum)
- Complaint board– Financial services ( Úrskurðarnefnd - viðskipti við fjármálafyrirtæki)
- Complaint board– Travel industry (Úrskurðarnefnd um ferðalög)
- Complaint board– Craftsmen disputes (Úrskurðarnefnd-þjónustu iðnaðarmanna)
- Complaint board– Dry clean and laundry (Úrskurðarnefnd -efnalaugar og þvottahús)
- Complaint board– Dental services (Úrskurðarnefnd um tannlækningar)

Information is also found at website: [www.neytendastofa.is/lisalib/getfile.aspx?itemid=173](http://www.neytendastofa.is/lisalib/getfile.aspx?itemid=173)

## **1.7. EUROPEAN CONSUMER CENTRE**

In Iceland the Consumer Association is responsible for the activities of the EEJ-Network or clearance and assistance of consumer complaints. It also has the responsibility to help consumers exploit the benefits of the single market. This activity is funded by the European Commission and contribution from the Ministry of Justice and Human Rights on a basis of a service agreement.

### **Evrópska neytendaaðstoðin**

Address: Hverfisgötu 105 – 101 Reykjavík

Tel: + 354 – 545 1200

Website: [www.ena.is](http://www.ena.is)

## **1.8. SELF-REGULATION AND CO-REGULATION**

Some examples of self-regulation and ethical guidelines are found in Iceland for instance in the field of advertising. This is however not a very widespread practice for regulating consumer related issues.

## **2. Consumer policies**

### **2.1. CONSUMER PROTECTION LEGISLATION**

The consumer protection legislation in Iceland reflects the consumer acquis of the EU and these acts are transposed into national legislation on the basis of the Agreement on the European Economic Area (EEA-Agreement). In Iceland the Consumer Agency is not only responsible for the enforcement of the EU acquis that protect consumers legal and economical rights but also other acquis for the protection of consumers health and safety (product safety and market surveillance) and rights to correct measurements in trade (legal metrology issues). In addition to the aforementioned EU acquis there are various legal acts that protect consumers as for example the Act on purchase of property and Act on ban against advertisements of tobacco and alcoholic beverages.

### **2.2. CONSUMER ORGANISATIONS**

In Iceland there is no specific national policy to consumer organisations in terms of how the organisation should be structured or as to what level certain issues should be dealt with. The Consumer Association in Iceland has been operating in over fifty years and its activities have developed over the decades based on the Association's own strategic plans and priorities. Prior to the establishment of the Consumer Agency the Association negotiated a service agreement with the Ministry according to which the Association agreed to provide certain information and assistance to consumers against annual fee or subsidy from the Ministry. In addition to the Iceland's Consumer Association there are some specialized organisation for certain consumer interests e.g. automobile owners, small investors etc.

### **2.3. ENFORCEMENT/REDRESS**

The Consumer Agency plays a public role for the enforcement of the legislation in the field of consumer protection. This role is identical to the Consumer Ombudsman role of other Nordic countries such as Denmark, Sweden and Norway. Consumers and businesses can refer disputes with respect to the legislation to the Agency. The Consumer Agency has also the right investigate and to take up cases on its own initiative. The Agency is empowered to take administrative decisions, such as bans, administrative sanctions and penalties. The Agency does however not solve dispute on individual claims of civil nature but its decisions on legal interpretation of the legislation can have impact on solutions in individual dispute cases with consumers. The Director is appointed by the Minister for a period of 5 years and renewable. The Consumer Agency is an

independent authority and the Director can prioritise the Agency's work according to resources and needs.

The main complaint board established by the legislation is the board is the Sales of Goods and Services complaint Board (Kæruneftnd lausafjár-og þjónustukaupa) which has its domicile at the Consumer Agency. The board handles individual claims of consumers in disputes related to the Consumer Sale of Goods Act as well as the Sale of Services of Craftsmen Act. Its decisions and solutions are not binding but the procedure is free of charge. Annually it handles over 150 cases.

In addition to the aforementioned board there are several individual complaint boards established within the business community usually with special terms of reference agreed by the consumer's association and the relevant Ministry.

## **2.4. INFORMATION AND EDUCATION**

The Consumer Agency has the obligation to offer information and advice on consumer protection laws and regulations. Furthermore the role of the Agency is to do surveys and assist consumer to have overview of the market and stimulate transparency to the extent possible. The Consumer Agency has a website offering vast variety of information that is of interest to the consumer as well as information on their legal rights and obligations of business operators to respect these rights as stipulated in law and regulations. The Agency also provides for an effective e-Government solution where consumers in Iceland can free of charge establish their own and personalized portal where they have overview of all their communications with the Agency and its staff. Consumers can as well easily submit complaints and notifications to the Agency either through their personal gateway or directly without being registered users of the e-Government solution. The Consumer Agency also provides for telephone services with lawyers every day 09.00-12.00 a.m. and other staff members during opening hours from 09.00-16.00.

The Consumer Agency has established a Consumer Education Board that however has not been meeting on a regular basis. The main objective of this Board is to promote and introduce consumer education in the Icelandic school system and school curriculum. The Agency also prepares has also prepared leaflets and other information, including advertisements, from time to time. Also in its annual report is found information relevant for consumers which gives some insight to trends and developments in consumer protection in Iceland.

## **2.5. INFORMATION GATHERING / RESEARCH**

The Consumer Agency has made several surveys on various issues, gathered information and made reports on different consumer protection issues. The Agency thus made a report in 2006 on the possibilities of introducing a "standard budget" for Icelandic households and families. In 2007 the Agency delivered a report to the Minister on the feasibility to conduct electronically price surveys in general food stores to increase competition and price transparency within the retail market for food and other consumer goods for daily consumption. The Agency also has made price surveys in the various sectors and also surveys in order to verify whether business

operators perform their duties for instance in respect to indication of price, etc. The Consumer Agency is competent authority for market surveillance of general product safety and therefore conducts various inspections in the market place as well. The Consumer Agency also takes part in the co-operation with other EU/EEA authorities, e.g. within the framework of the CPC, such as SWEEPS and other projects related to gathering information on actual market practices in various sectors.