

**Act No. 119/2012 on the Icelandic Transport Authority (ICETRA),
administrative institution for transport affairs, as amended**

**Chapter I
General provisions**

Article 1

Role and aim

The Icelandic Transport Authority is a special government institution subject to the authority of the Minister.

The Icelandic Transport Authority manages the administration of transport affairs according to this Act and other Acts that the Authority operates in accordance with. The Authority conducts administration and regulation pertaining to:

1. aviation affairs,
2. harbour affairs and matters concerning sea defences,
3. maritime affairs,
4. traffic affairs,
5. road affairs.

Through its operations, the Icelandic Transport Authority shall contribute to safe, sustainable, accessible and economical transport. The Authority shall also contribute to transport developing in accordance with societal and environmental aims.

The Icelandic Transport Authority carries out the enforcement of Acts in the areas subject to its authority, cf. Article 2, according to more detailed provisions of those Acts.

Article 2

Organisation of the institution, etc.

The Minister appoints the Director-General of the Authority for a period of five years and confirms its organisational chart.

The Director-General is responsible for the operation and running of the Authority; develops the main emphases, tasks and working methods; and conducts its daily management.

The Director-General hires other employees to the Authority.

Each year, the Icelandic Transport Authority shall issue a report on its operations. The Minister may further provide for the role and working methods of the Icelandic Transport

Authority through a regulation.

Article 3

Cooperation and consultation

The Icelandic Transport Authority shall cooperate and consult with those parties, organisations, associations and institutions that relate to its operations.

The Minister can establish a professional council with representatives from the Authority, interested parties and other parties for the purpose of being a forum for consultation and information exchange in the professional fields of the Authority. The Minister may establish a regulation on the operations of a professional council in the field of work of the Icelandic Transport Authority.

Chapter II

Tasks

Article 4

General.

The Icelandic Transport Authority shall act in an advisory capacity to the Minister, provide the Minister with assistance in preparing for enactment of Acts and regulations in its field of work and assist in strategy formulation and decision making in transport affairs.

The Icelandic Transport Authority sets rules on the type and equipment of vehicles, ships, and aircraft, as well as on the qualifications of their operators, and carries out enforcement of the rules.

The Icelandic Transport Authority decides on requirements for the safety of transport structures, in addition to providing for the organisation of traffic and navigation systems in air, on land and at sea.

The Icelandic Transport Authority participates in preparing a transport plan.

The Icelandic Transport Authority shall conduct instruction and information dissemination on transport affairs as applicable.

The Icelandic Transport Authority manages the operation of computer and information systems relating to the operations of the Authority.

The Icelandic Transport Authority takes a stand on recommendations submitted from the Icelandic Transportation Accident Investigation Board.

The Icelandic Transport Authority keeps a record of accidents in the area of transport.

The Icelandic Transport Authority shall carry out other tasks assigned to the Authority according to a decision by the Minister.

Article 5

Oversight of transport structures

The Icelandic Transport Authority monitors that requirements are followed as regards safety of transport structures and safety management in their operation.

The Icelandic Transport Authority conducts a safety audit of transport structures.

Article 6

Operations subject to regulation, research authorisations, etc.

The Icelandic Transport Authority shall monitor that operations, traffic and transport that the Authority is by law assigned to monitor, are in accordance with legislation, regulations, rules or agreements which apply to the operations in question.

In inspecting the operations of parties subject to regulation, the Icelandic Transport Authority is permitted access to operation sites of parties subject to regulation and other sites as deemed necessary by the Authority to conduct regulation. The Icelandic Transport Authority is also permitted access to a vehicle, aircraft, ship or other means of transport, as well as their equipment and cargo in order to perform checks on site, assessments and inspections that the Authority deems necessary for the purpose of regulation. The Authority can also seize data and items which it deems necessary for the purpose of regulation.

The Icelandic Transport Authority is authorised to decree the shut-down and immobilisation of vehicles, aircraft, ships and other means of transport as may be necessary for the purpose of regulation and to perform all necessary inspections of them, their equipment and their cargo. The Icelandic Transport Authority can have means of transport moved for inspection to that location which is deemed convenient at each time for the purpose of regulation.

Parties subject to regulation are obligated to follow the instructions of the Icelandic Transport Authority concerning regulation and provide information and access to that data held by the parties which the Icelandic Transport Authority demands for the purpose of regulation.

Parties subject to regulation must provide the Icelandic Transport Authority, insofar as it finds necessary, with information on their operations and access to data which they hold concerning their operations.

A party subject to regulation shall be able, without notice, to demonstrate that it meets its licensing conditions, and if necessary, undergo any test which the Icelandic Transport Authority is authorised to demand that it undergo.

The Icelandic Transport Authority is authorised to seek police assistance in conducting regulation and acquiring necessary information for the purpose of regulation. The Authority can demand information and data from another authority, irrespective of its obligation to confidentiality, if this is needed to carry out statutory regulation.

In other respects, the regulatory powers of the Icelandic Transport Authority are subject to provisions of the Acts that apply to the pertinent operations, and provisions of other Acts as

applicable.

Article 7

Tasks related to transport on land

The Icelandic Transport Authority shall, among other things:

1. register vehicles in the vehicle record,
2. regulate vehicles, their condition and registration, size and weight, loading and stowage of cargo,
3. regulate driving and rest period of drivers,
4. conduct driving tests, grant licenses to operate driving schools, supervise driving instruction and regulate driving lessons
5. grant licenses to carry out vehicle inspection and regulate such operations,
6. conduct registration of traffic accidents,
7. conduct issuing of licenses for closed driving courses and regulate such operations,
8. grant exemptions from legal provisions on size and weight of vehicles, subject to approval from the Icelandic Road and Coastal Administration,
9. grant operating licenses and work permits for carriage of persons and cargo on land,
10. regulate enforcement of agreements concerning state-sponsored public transport.

Article 8

Tasks related to air transport

The Icelandic Transport Authority shall, among other things:

1. register aircraft into the Icelandic Register of Aircraft,
2. provide licenses for any kind of operations defined in the Aviation Act or in regulations set according to that Act, such as flight operations; operating maintenance facilities, flight schools, and schools for air navigation services or aircraft maintenance technicians, air navigation services; and operating aerodromes and airport terminals, and also constantly regulate these operations,
3. issue licenses in accordance with laws, regulations and international obligations and regulate the operations based on these licenses,
4. issue certificates to individuals in accordance with laws, regulations and international obligations and ensure that examinations are held,

5. provide for the organisation of airspace and of air navigation, or make proposals on such organisation to the Minister,
6. regulate the implementation of aviation security in accordance with laws, regulations and international obligations in the field of aviation security,
7. safeguard the public interest, for instance, by:
 - a. contributing to protection of consumers in their dealings with air operators and other parties subject to license, in addition to parties which sell flights to and from Iceland with foreign air operators
 - b. contributing to the publication of clear and comprehensible information for users and demanding transparent prices and conditions for the use of air transport,
 - c. protecting the rights of disabled persons and persons with reduced mobility who travel by air,

Data and other information obtained by the Icelandic Transport Authority for regulation of aviation operations or for other reasons shall be treated as confidential. The same applies to data which holders of an operating license provide to the Authority and concerns their operating license.

Article 9

Tasks related to maritime affairs

The Icelandic Transport Authority shall, among other things:

1. regulate ships, including their measurement and registration,
2. administer issues concerning measures to prevent marine pollution to the extent that this concerns ships and their equipment subject to rules issued by the Minister for the Environment,
3. monitor investigations of marine casualties and assist in such investigations and submit reports on maritime court inquiries to the Director of Public Prosecutions,
4. administer matters concerning legislation on maritime issues and seafarers to the extent that such legislation is related to ships and their registration, equipment, maritime safety and other matters which the Ministry may delegate to the Authority regarding maritime matters and ships' crews,
5. administer issues concerning maritime security,
6. issue certificates to individuals and provide licenses for any kind of operations defined in special Acts and regulations set according to those Acts.
7. conduct administrative tasks of the Harbour Act, legislation on coastal protection, legislation on lighthouses and the Maritime Traffic Centre Act.

Article 9 a

Publication of International Rules on maritime safety issues

Annexes and Codes related to international maritime Conventions to which Iceland is a party shall be published on the website of the Icelandic Transport Authority, provided that the main Articles of the relevant international Conventions have been published in the C-section of the Government Gazette. The Icelandic Transport Authority shall also publish on the website Circulars, Circular Letters and Guidelines issued by the International Maritime Organization, or which may be issued by other international organizations, for further clarification of the implementation of the relevant international Conventions. The texts of Annexes, Codes, Circulars, Circular Letters and Guidelines may be published in their original language only.

Upon publication pursuant to paragraph 1, the date of issue and entry into force shall be specified. Provisions contained in Annexes, Codes, Circulars and Guidelines shall not be applied until those provisions have been published on the website of the Icelandic Transport Authority, unless they contain provisions relating to civil law and parties have agreed that their exchange will be in accordance with unpublished instructions. The provisions shall bind those concerned as of the date following their publication on the website of the Icelandic Transport Authority if they do not contain other decisions on their entry into force.

Those wishing to receive notifications from the Icelandic Transport Authority on newly published Annexes or Codes, as well as Circulars, Circular letters, guidelines, or amendments, shall have the opportunity to request such notifications.

The Minister may prescribe additional provisions on this subject in a Regulation.

Article 10

International cooperation

The Icelandic Transport Authority takes part in international cooperation and forming of international rules in its field of work as provided by law, international conventions or government decision. The Authority shall, among other things:

1. prepare for agreements with foreign states and international institutions and make such agreements, as the case may call for,
2. work on the implementation and enforcement of international conventions and EEA Acts,
3. monitor the constant Icelandic fulfilment of obligations provided by international conventions and conduct preparation and participation in international assessments.

Article 11

Research and development work

The Icelandic Transport Authority participates in and conducts research, analysis and development in its field of work.

The Minister shall establish a regulation on the role of the Icelandic Transport Authority in the areas of research, analysis and development.

Chapter III

Fees, etc.

Article 12

Fees

A special traffic safety fee shall be levied which goes to the Icelandic Transport Authority, amounting to ISK 500 and to be paid upon general inspection of a vehicle, registration of a vehicle and registration of change of vehicle ownership. The Minister sets rules on the collection of the fee and the payment of the fee to the Treasury.

The initial fee for issuing airworthiness certificates and noise and pollution certificates shall be collected based on the aircraft's maximum takeoff mass:

1. For aircraft up to 2,700 kg a fee amounting to ISK 18,196 shall be paid in addition to ISK 12.45 for each kilogram.
2. For aircraft from 2,701 to 5,700 kg a fee amounting to ISK 27,134 shall be paid in addition to ISK 10.37 for each kilogram.
3. For aircraft from 5,701 to 50,000 kg a fee amounting to ISK 127,690 shall be paid in addition to ISK 11.17 for each kilogram.
4. For aircraft over 50,000 kg a fee amounting to ISK 638,452 shall be paid in addition to ISK 6.38 for each kilogram.

Payment for the initial issuing of an airworthiness certificate can be repaid proportionally if the aircraft registration lasts for less than 12 months.

The fee for issuing a temporary airworthiness certificate that is to be valid for less than 30 days shall be $\frac{3}{12}$ of the fee for initially issuing an airworthiness certificate.

If an aircraft that is registered abroad is transferred onto the Air Operator Certificate of an Icelandic air operator, the fee to be paid shall be the same as that for issuing an initial airworthiness certificate.

Article 13

Service fees according to tariff

The Icelandic Transport Authority may collect service fees for:

1. issuing, altering, renewing and reissuing certificates/cards and permits to individuals, assessing and certifying data accompanying applications; collecting a fee for certain certificates and permits is also allowed, based on an hourly fee,

2. issuing operating licenses, permits and certificates/cards to legal entities, altering licenses and certificates, renewing and reissuing permits, issuing certificates and granting exemptions from such issuing, assessing and certifying data accompanying applications per hour needed for the assessment; collecting a fee for certain operating licenses, certificates, exemptions and permits is also allowed, based on an hourly fee; applicants may be required to pay in advance for reviewing data and communicating during the process of assessment and certification, and a fee shall be paid for temporary surrender of certificates.
3. registrations, deregistrations and changes to ownership and possession of an aircraft, vehicle, ship and for issuing of ship's papers,
4. inspections of ships and their equipment, oversight of repair and new construction and alterations to ships,
5. registrations and inspections of diving equipment and taking of examinations for a diving certification,
6. aviation security, maritime security, confirmation of risk assessment and security programme and courses for port facility security guard and security officers,
7. regulation of registered aircraft, ships and automatic mandatory ship reporting systems,
8. regulation of holders of permits, operating licenses and certificates/cards issued by the Icelandic Transport Authority,
9. exam taking, skill and driving evaluation, that is, for conducting exams, written and/or practical, or review and monitoring of exam taking and skill/driving evaluation, assessment and certification of data accompanying applications for provision of learning courses per hour needed for the assessment,
10. registration number plates and inspection labels,
11. permits related to individual events and services, such as air shows, flight competitions, parachuting, low level flight, aerobatics, firework shows, over flights operated with limited airworthiness certificates or reviewing insurance terms for air transport,
12. driving instruction books,
13. coordination or cooperation with foreign authorities on behalf of a party subject to regulation, including work on agreements, review of agreements or transfers of regulation, according to a fee per hour of work,
14. sale of specialised services in the field of work of the Authority, including special services requested for certification, recognition, testing or the providing of permits, according to a fee per hour of work,
15. issuing a certificate to confirm airworthiness according to an hourly rate, cf. the second paragraph in Article 14,
16. tasks provided for in special laws applicable to the Authority's activities.

Decisions on fees shall be based on the cost of wages and wage-related expenses, production, vehicle use (mileage), training and continued education, outsourced specialist services, housing, working facilities, telecommunications equipment, management and staff services, and international cooperation in the interest of transport, in addition to travel and accommodation and expenses for a party subject to regulation, for instance on account of travel, accommodation and outsourced specialist services. Fee amounts shall be based on the generally incurred cost of regulation and services.

The tariff shall be confirmed by the Minister and issued in Section B of the Official Journal.

If service is requested outside conventional office hours, payment shall be made for the work of an employee according to the specified rate plus a premium according to the tariff of the Icelandic Transport Authority.

Article 14

Revenue

The Icelandic Transport Authority is authorised to earn revenue through specialised service and work agreements, as well as research activities and development projects.

Fees according to paragraph 1 shall be determined in a reference tariff set by the Icelandic Transport Authority.

The part of the operations of the Icelandic Transport Authority which is operated on a commercial basis in a competitive market shall be separated financially from other parts of the operations and the charge shall be based on market price. Sale of services shall be based on agreements.

The Minister confirms the tariff according to this Article.

Article 15

Enforceability of fees

Icelandic Transport Authority fees according to Article 13 shall be enforceable without adjudication or settlement.

Chapter IV

Various provisions

Article 16

Transfer of regulation, etc.

The Icelandic Transport Authority can through an agreement, subject to the approval of the Minister, assign to other authorities, a recognised classification society, inspection agencies or other parties, individual parts of regulation according to this Act.

The Icelandic Transport Authority may, with an approval by the Minister, purchase and manage the State's shares in research and development enterprises. The Authority may furthermore offer expertise in the international market and generate revenue through the export of its expertise.

Article 17

Compulsory measures

The Icelandic Transport Authority may invalidate and for confirmation recall licenses, permits, recognitions or certificates, which have been granted, if the Authority considers the party in question no longer to meet the conditions stated in the license, permit, recognition or certificate or to have breached significant aspects in the provisions of laws and rules that apply to the operations or certification. The same applies if the party is considered incapable of carrying out the operations covered by the license, permit, recognition or certificate. Revocation and recall may be limited to specified sections of the license, permit, recognition or certificate.

In other respects, Icelandic Transport Authority compulsory measures are subject to provisions of special Acts which the Authority operates in accordance with, and of other Acts as applicable.

Article 18

Right of appeal, etc.

Decisions by the Icelandic Transport Authority may be appealed to the Minister in accordance with provisions of the Administrative Procedures Act.

If a user of transport services or anyone else finds that a party subject to license violates its obligations according to Acts that the Authority operates in accordance with, rules set pursuant to those Acts, or conditions stipulated in a license, the respective user or other person may send a complaint to the Authority, which must deal with the matter if applicable.

The staff of the Icelandic Transport Authority may not serve on the Boards of or be employed by companies or other parties whom they are to regulate. They may not have interests at stake or financial connections with such parties or their organisations.

Article 19

Obligation of confidentiality; disclosure of information

Icelandic Transport Authority personnel are bound to secrecy. They may not disclose information to unrelated parties and shall be liable for disclosing anything which they discover in their employment that should remain secret, including information on the operations or business of the parties they regulate. The same applies to independent specialists when working on behalf of the Icelandic Transport Authority. The obligation of confidentiality continues even though employment is terminated or a project contract ends.

The Icelandic Transport Authority may collect, process and publish statistical information on transport affairs, and operators subject to licensing must provide such information upon request.

Notwithstanding statutory provisions on confidentiality, information may be disclosed to regulatory authorities of other states and the regulatory bodies working for recognised international organisations to which Iceland is a party, provided that this is integral to international cooperation on regulating the operations of parties subject to regulation and that such disclosure is necessary in order to effect regulation.

Article 20

Entry into force.

This Act enters into force immediately but shall not apply until 1 July 2013.

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Transitional provisions.

1. Employees of institutions that have carried out the tasks which will be under the auspices of the Icelandic Transport Authority according to this Act and are employed upon the entry into force of this Act shall be offered employment at the new institution. Legal protection for employees' work at the Icelandic Transport Authority is governed by provisions of the [Government Employees Act No. 70/1996](#), with subsequent amendments, and the Act on Workers' Rights in the Event of Transfers of Undertakings No. 72/2002, as applicable at each time. Provisions in [Article 7 in the Government Employees Act No. 70/1996](#) do not apply to positions that are filled according to this item.

2. In spite of item 1 of this provision, the posts of employees belonging to the institutions that will be merged into the Icelandic Transport Authority will be terminated when this Act becomes applicable. The Minister is authorised to make a decision on moving a Director from the group of current Directors of the transport institutions to the post of Director-General of the Icelandic Transport Authority, cf. [Article 36 of Act No. 70/1996](#). Those officials whose term of office is not continued shall be offered employment at the Icelandic Transport Authority or the Icelandic Road and Coastal Administration.