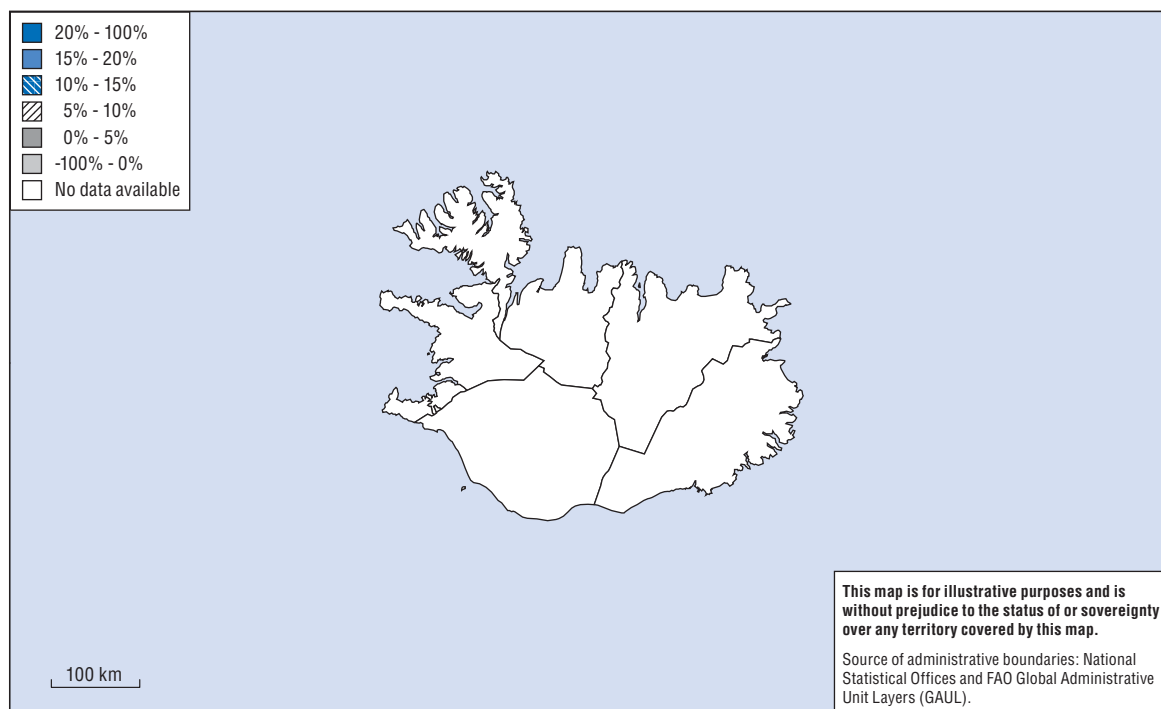


Iceland


Population and territory	<ul style="list-style-type: none"> ● 311 000 inhabitants (2007), 103 001 km².
Administrative structure	<ul style="list-style-type: none"> ● Unitary country: <ul style="list-style-type: none"> ❖ TL2: 2 Regions. ❖ TL3: 8 statistical regions <i>landsvæ</i>.
Share of sub-national government in total spending/revenues	<ul style="list-style-type: none"> ● Spending: 27.2% (2009). ● Revenues: 27.6% (2009).
Concentration and inequalities	–
Key challenges	<ul style="list-style-type: none"> ● Depopulation of areas outside of the Capital Region.
Objectives of regional policy	<ul style="list-style-type: none"> ● Avoid regional depopulation. ● Minimise regional disparities. ● Create optimum community conditions for rural areas and ensure the quality of public services in sparsely populated areas.
Legal/institutional framework for regional policy	<ul style="list-style-type: none"> ● Regional Plan.
Urban policy framework	–
Rural policy framework	<ul style="list-style-type: none"> ● Four-year Development Plans with Growth Agreements and Cultural Agreements.
Major regional policy tools	<ul style="list-style-type: none"> ● Institute of Regional Development: credit and financial support for projects in the regions and the operation of eight independent regional development agencies. ● IMPRA – Innovation Centre: soft support for economic activity in the regions and financial support. ● Regional growth agreements. ● Equalisation Fund.
Policy co-ordination at central level	<ul style="list-style-type: none"> ● Co-ordination by the Ministry of Industry, Energy and Tourism and the Institute of Regional Development.
Multi-level governance between national and sub-national levels	<ul style="list-style-type: none"> ● Regional growth agreements.
Policy co-ordination at regional level (cross-sectoral)	<ul style="list-style-type: none"> ● IMPRA facilitates the creation of regional knowledge clusters, gathering several national agencies antennas.
Policy co-ordination at regional level (geographic)	<ul style="list-style-type: none"> ● Municipal mergers.
Evaluation and monitoring	<ul style="list-style-type: none"> ● Institute of Regional Development.
Future orientations of regional policy	<ul style="list-style-type: none"> ● Further streamlining the rather fragmented support system by merging similar services.

Notes: Due to the scarce number of regions, no information on the Gini index and on the performance in time of the regional GDP per capita is provided for this country.

Regional contribution (%) to national GDP growth, 1995-2007



Source: Calculations based on Cambridge Econometrics and OECD Regional Database (2009).

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