



Co-funded by the  
Erasmus+ Programme  
of the European Union

# INTERFACE

Innovation and Entrepreneurship for Fragile Communities in Europe

## FRAGILE COMMUNITIES' SITUATION AND SELECTION IN ICELAND

*NATIONAL REPORT*





# FRAGILE COMMUNITIES' SITUATION AND SELECTION IN ICELAND

## ***NATIONAL REPORT***

**Project No. 2017-1-IS01-KA204-026516**

This project has been funded with support from the European Commission.  
The present publication reflects the views of the author only, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

## **PREFACE**

The first step in the implementation of the INTERFACE project comprises the selection of the fragile communities, most suitable to be covered by project activities, to achieve a substantial and long-lasting effect for these communities in partner countries. This National Report presents the results of the fragile communities’ selection process in Iceland and includes an overview of the situation of the selected fragile communities, together with a description of the final fragile communities’ selection process and its outputs. The Report follows the generic structure, proposed by the IO1 ‘Competence Gap Analysis’ leader – Tora Consult, to allow for comparability of reported information and outcomes across INTERFACE partner countries, and includes the following chapters:

- Chapter 1: Fragile communities’ situation;
- Chapter 2: Final selection of the INTERFACE fragile communities – the selection process and its results.

In preparing this material, a variety of sources have been used, incl. statistical data, reports and reviews, together with the results obtained during the fragile communities’ selection process and the own insights/experiences of the authors – Anna Lea Gestsdóttir, Eva Pandora Baldursdóttir and Kristján Þ. Halldórsson. The Icelandic Regional Development Institute’s team would like to acknowledge the contribution of Bifrost University and the Regional development agencies in South-, West-, NE- and East-Iceland which assisted the fragile communities’ selection process.

*Byggðastofnun – Icelandic Regional Development Institute (IRDI)*

*February 2018*

## TABLE OF CONTENTS

Executive summary .....	4
Executive summary in Icelandic .....	5
1. Fragile communities’ situation in Iceland .....	6
1.1. Location and infrastructure.....	7
1.2. Demographic characteristics.....	9
1.3. Local economy and labour market.....	10
Structure of the local economy.....	10
Growth potentials in specific economic sectors .....	11
Business support infrastructure .....	11
Labour market situation.....	12
1.4. Community support initiatives and grant funding .....	13
2. Final selection of the INTERFACE fragile communities in Iceland – the selection process and its results.....	15
2.1. Communities’ fragility mitigating factors assessment .....	15
2.2. Personal characteristics of attitudes assessment survey respondents.....	16
2.3. Perceived community problems and ways to address them .....	18
Concluding remarks.....	19
Annexes .....	20
Annex A. Fragile communities’ mitigating factors assessment grid.....	20
Annex B. Fragile community members’ attitudes assessment – summary of responses.....	22
Bibliographical references.....	28

## **EXECUTIVE SUMMARY**

In Iceland the INTERFACE project is planned in tight connection with the Fragile Communities program developed and run by the Icelandic Regional Development Institute (IRDI) since 2012. This means that the IRDI team had to make some changes in the list of preselected communities to reflect the reality in the Fragile Communities program. This change will serve both the Fragile Communities program and the INTERFACE project. After the changes the list is following: Arneshreppur, Borgarfjordur-eystri, Breiddalshreppur, Grimsey, Hrisey, Raufarhofn, Skaftarhreppur, Vopnafjordur, Thingeyri and Oxarfjardarherað. All except Vopnafjordur are participating in the Fragile Communities program. All are rather remote and have suffered from demographic changes like decline in number of inhabitants and an aging population. Economy is monotonous and all are seeking opportunities to develop new jobs which could attract young educated people. Vopnafjordur is the largest of those communities, still with only 645 inhabitants. It also has a stronger economy than the others.

The use of the Selection grid resulted in selecting five communities for further inspection. Responses on attitudes assessment survey confirmed the selection of Oxarfjardarherað, Vopnafjordur, Borgarfjordur-eystri, Breiddalur and Skaftarhreppur. They are farming areas with service centers in one village and in case of especially Vopnafjordur, Borgarfjordur-eystri and Breiddalur, fisheries have been a big part of the economy. Fisheries are still thriving in Borgarfjordur-eystri and Vopnafjordur is a strong fishing community. All of them are developing tourism as a growing business and especially Skaftarhreppur has made good progress, supported by huge tourist traffic in South-Iceland all year around over the last few years.

Responses to the attitudes assessment survey were almost surprisingly positive towards interest in the INTERFACE project. Response rate was highest in Breiddalur and lowest in Skaftarhreppur. In all cases there was spread in age and gender, however, different in the communities. In all the five communities the responses can be regarded as encouraging towards further participation and thus support the outcome of the Selection grid.

## EXECUTIVE SUMMARY IN ICELANDIC

Á Íslandi er verkefnið INTERFACE skipulagt og framkvæmt í nánú samhengi við verkefnið Brothættar byggðir sem rekið hefur verið af Byggðastofnun og samstarfsaðilum hennar frá árinu 2012. Þetta þýðir að Byggðastofnunarteymið hefur þurft að breyta út frá þeim lista byggðarlaga sem skráður var samkvæmt INTERFACE-umsókn, til að endurspegla gang mála í verkefninu Brothættar byggðir. Eftir breytingarnar er listinn þessi: Árneshreppur, Borgarfjörður eystri, Breiðdalshreppur, Grímsey, Hrísey, Raufarhöfn, Skaftárhreppur, Vopnafjörður, Þingeyri og Öxarfjarðarhérað. Öll ofangreind byggðarlög nema Vopnafjörður taka þátt í verkefninu Brothættar byggðir. Öll eru frekar afskekkt og hafa átt í vök að verjast vegna fólksfækkunar og hækkandi meðalaldurs. Atvinnulíf er fábreytt og öll byggðarlögin leita tækifæra til að auka fjölbreytni starfa, einkum starfa sem gætu höfðað til menntaðs yngra fólks. Vopnafjörður er fjölmennasta samfélagið en hefur þó aðeins 645 íbúa miðað við tölur í upphafi árs 2017. Atvinnulíf á Vopnafirði er einnig að mörgu leyti öflugra en í hinum byggðarlögum. Tiltölulega hátt hlutfall eldra fólks og hlutfall ungs fólks undir landsmeðaltali einkennir öll samfélögin tíu.

Með því að nota forvalstöflu með skori tiltekinna matsþátta voru fimm samfélaganna valin úr til frekari skoðunar. Gerð var rafræn viðhorfskönnun meðal íbúa þessara fimm samfélaga, þ.e. Öxarfjarðarhéraðs, Vopnafjarðar, Borgarfjarðar-eystri, Breiðdals og Skaftárhrepps. Könnunin staðfesti útkomu úr forvalstöflunni og því verður unnið áfram í þessum fimm byggðarlögum. Í byggðarlögum fimm er stundaður landbúnaður og í hverju þeirra er þjónustukjarni. Í tilvikum Vopnafjarðar, Borgarfjarðar-eystri og Breiðdals eru fiskveiðar og vinnsla hluti atvinnulífs og Vopnafjörður er einn af öflugri útgerðar- og vinnslustöðum landsins. Öll byggðarlögin veðja á ferðaþjónustu sem vaxandi atvinnugrein og einkum í Skaftárhreppi hefur náðst góður árangur, samfara gríðarlegri aukningu á umferð ferðamanna allt árið á Suðurlandi undanfarin ár.

Svörun í viðhorfskönnuninni voru jafnvel jákvæðari en við hefði mátt búast hvað varðaði sýndan áhuga íbúa á þátttöku í INTERFACE verkefninu. Svörunin var mest í Breiðdal en minnst í Skaftárhreppi. Í öllum byggðarlögum var ágæt dreifing í aldri, kynjum, þó svo að hún væri breytileg á milli byggðarlaganna. Í öllum byggðarlögum er hægt að líta svo á að svörunin gefi góð fyrirheit um áhuga á þátttöku og að könnunin hafi þannig staðfest niðurstöður forvalstöflunnar.

## **1. FRAGILE COMMUNITIES’ SITUATION IN ICELAND**

IRDI runs a regional development program that aims to assist Fragile communities in Iceland. The institute regards the selected Fragile communities to be those in most need for assistance due to depopulation, lack of variety in job opportunities, disadvantageous balance in age and/or gender groups and negative situation in other factors. At the time Project proposal writing for the ERASMUS+ call of 2017, 10 communities were pre-selected as candidates for the project. All six communities participating in the above mentioned IRDI Fragile communities program were selected, plus one that was included based on other cooperation with IRDI, namely Vopnafjordur. And finally, three more completed the list of ten candidates.

Now, when the INTERFACE project has started, three new communities have joined IRDI’s Fragile communities program; Thingeyri which was already on the INTERFACE projects’ list; Arneshreppur and Borgarfjordur-eystri. Since the INTERFACE project is partly based on the Fragile Communities program in Iceland, Arneshreppur and Borgarfjordur-eystri subsequently replaced Strandabyggd and Langanesbyggd on the list of candidates, as the latter two are not part of the Fragile Communities program. The final list of candidate communities is as follows: Arneshreppur, Borgarfjordur-eystri, Breiddalshreppur, Grimsey, Hrisey, Raufarhofn, Skaftarhreppur, Vopnafjordur, Thingeyri og Oxarfjardarherað.

## 1.1. Location and infrastructure

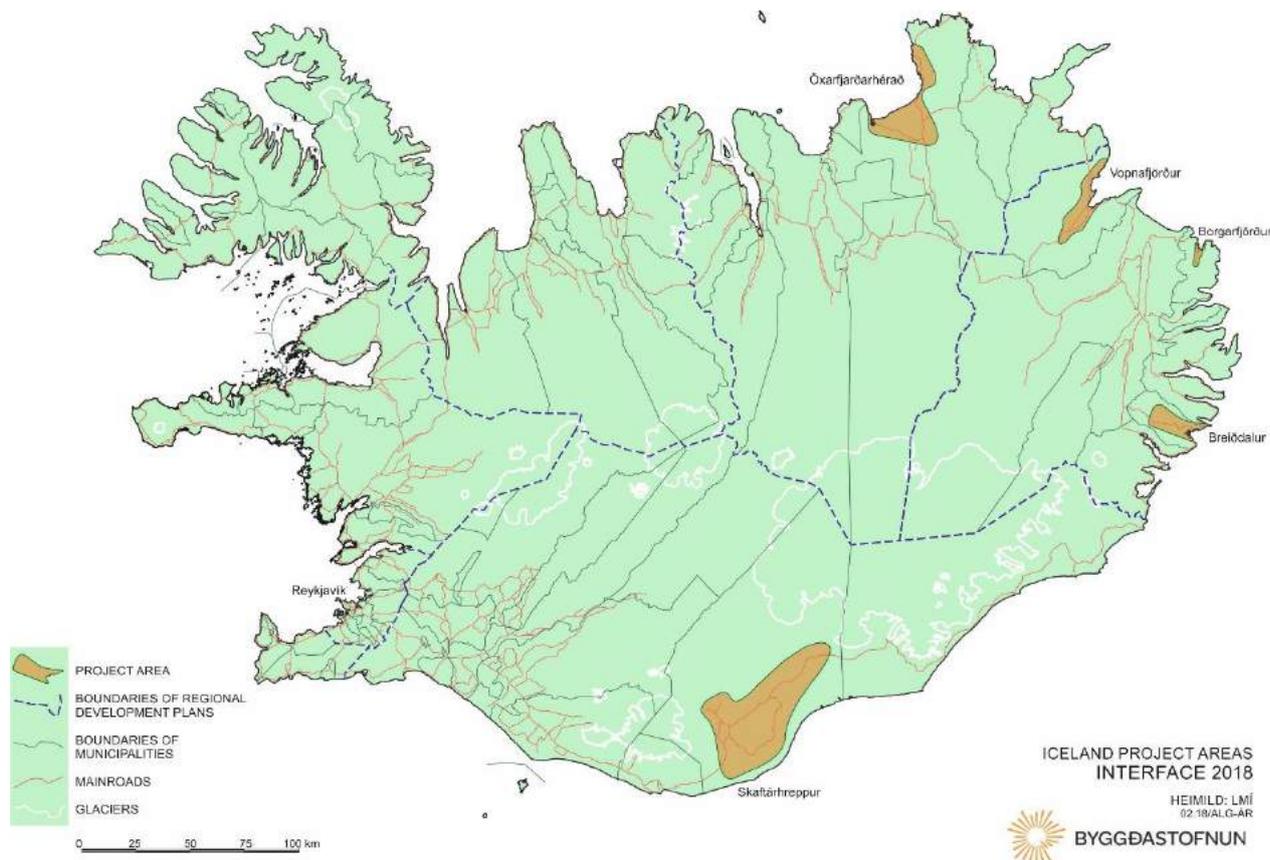


Figure 1. Location of selected communities.

The communities that were chosen to participate are Borgarfjörður-eystri, Breiðdalur, Skaftárhreppur, Vopnafjörður and Óxarfjarðarhérad. As shown on figure 1, the communities are located in North-East, East and South of Iceland.

- Borgarfjörður-eystri is isolated, but distance to the nearest service center is not substantial. Road conditions and services are highly inadequate. It is the only village in Iceland not connected to its main service centers with a paved road. With the nearest service center not a great distance away, access to regional infrastructure is adequate. Nevertheless, the community’s infrastructure is lacking. The area lacks access to geothermal energy but is endowed with spectacular nature and landscapes that offer opportunities for tourism and hospitality.
- Breiðdalur is well connected with good roads but distances are quite long. Broadband is being constructed and electric grid stability enhanced. The area has geological specialties and good opportunities for tourism.
- Skaftárhreppur is well connected with a good main road but distances are quite long and local roads are not in a good condition. Internet connection, phone connection and electricity are very inadequate with lack of three-phase electricity. The area is very distinct with natural specialties.
- Vopnafjörður is well connected with good roads both to nearby villages and to the second largest service center in Iceland, but distance is substantial. Electricity is stable

and secure. Internet broadband is being developed. The area has good access to fisheries, salmon rivers and beautiful landscapes.

- Oxarfjardarherad is well connected with good roads but is isolated and distances are quite long. Internet connection is average but no broadband. Electricity is unstable and in lack for any substantial new user. The area is rich in natural resources, both for tourism and industry.

The table below shows the status of public services in each community along with what is in place and what isn't. An X stands for “is in place” and I stands for “visits regularly or ad hoc”.

Public service	Borgarfjordur-eystri	Breiddalur	Skaftharheppur	Vopnafjordur	Oxarfjardarherad
Status:	Lacking	Basic	Basic	Basic	Basic
Basic health care		X	X	X	X
Midwife					I
Church / priest	I	X	X	X	X
Physical therapy			I		
Psychologist		I	I	I	I
Kindergarten	X	X	X	X	X
Elementary school	X	X	X	X	X
Sports center	X	X	X	X	X
Swimming pool		X	X	X	
Public library		X	X	X	X
Post office		X	X	X	X
Police station			X	X	
Retirement home			X	X	X
Waste collection service	X	X	X	X	X

(Icelandic Regional Development Institute, 2014).

## 1.2. Demographic characteristics

Age structure of the population in the communities is shown in the tables below. These figures are from 2017.

	Borgarfjordur-eystri	Breiddalur	Skaftarhreppur	Vopnafjordur	Oxarfjardarherad	AVERAGE
<b>Number of habitants 2017</b>	<b>116</b>	<b>182</b>	<b>475</b>	<b>645</b>	<b>304</b>	<b>344</b>
Below working age 0 - 15	10	27	63	106	41	<b>49</b>
Working age 15 - 64	82	124	302	397	210	<b>223</b>
Above working age 64+	24	31	110	142	53	<b>72</b>

	Borgarfjordur-eystri	Breiddalur	Skaftarhreppur	Vopnafjordur	Oxarfjardarherad	AVERAGE
<b>Number of habitants 2017</b>	<b>116</b>	<b>182</b>	<b>475</b>	<b>645</b>	<b>304</b>	<b>344</b>
Below working age 0 - 15	9%	15%	13%	16%	13%	<b>13%</b>
Working age 15 - 64	71%	68%	64%	62%	69%	<b>67%</b>
Above working age 64+	21%	17%	23%	22%	17%	<b>20%</b>

Data on educational structure for each of the five communities is not available. But according to more aggregated regional figures from IRDI in 2014 the percentages for the parts of the country are following (Icelandic Regional Development Institute, September 2016).

Education \ Part of the country:		North-East Iceland (Oxarfjardarherad)	East Iceland (Vopnafjordur, Borgarfjordur-eystri and Breiddalur)	South Iceland (Skaftarhreppur)	Iceland
Secondary school	Males	27%	32%	27%	<b>21%</b>
Vocational & college		50%	51%	54%	<b>48%</b>
University level		16%	12%	15%	<b>19%</b>
Post-Graduate		7%	5%	4%	<b>12%</b>
Secondary school	Females	36%	40%	33%	<b>26%</b>
Vocational & college		32%	34%	38%	<b>35%</b>
University level		25%	21%	21%	<b>26%</b>
Post-Graduate		7%	5%	8%	<b>13%</b>

### 1.3. Local economy and labour market

#### Structure of the local economy.

- Borgarfjordur-eystri is based on traditional farming with mainly sheep and small fishing and fish processing companies. Over the last couple of decades, tourism has seen considerable growth, with nature in the area being the main attraction. A special magnet is a fantastic place for puffin-watching at the local harbour. Borgarfjordur-eystri is located 71 km. from the biggest town in the East of Iceland, hence the access to regional infrastructure is adequate. Nevertheless, the nearest hospital is almost 200 km. away. The community's infrastructure is lacking and there are no public-sector jobs.
- Breiddalur is a typical farming community. In the village, fishing and processing of fish has also played an important role over many decades. The fish processing plant was closed several years ago but a small plant has been re-opened in recent years. There are small private services and one hotel. Other tourism services are being developed, like jeep-tours. The municipality runs public services, mainly the local school. There is no health clinic and the only public-sector jobs are the school teachers and the local priest.
- Skaftarhreppur is a traditional farming community. In the last few years there has been a vast growth in the number of hotels due to the growing tourism sector. There are also a few small services and the National Park has a growing presence. There are several jobs in the public sector, mainly in schools, the nursing home for the elderly and at the health clinic.
- Vopnafjordur is a traditional agriculture community. Fishing and processing has been an important part of business in the village for decades but even more so during the last ten to fifteen years, as one of the largest fishing companies in Iceland based a branch in the village. Processing of pelagic species has been the bulk of the production, but last year the company also opened a new technological white fish processing plant. There are quite many private businesses in the community, with machinist business being the strongest. The public sector has several jobs in the school, the nursing home for the elderly and at the local municipality office. Vopnafjordur is also known for its two main salmon rivers.
- Oxarfjardarherad is a community merely in farming, with lamb being bulk of the production and the largest local company processing the meat. There has been a gradual growth in fish farming, both a kind of marine fish-farming in a lagoon and on shore. In addition to this there are several jobs around machine contractors and in private services. There are a few jobs in tourism, although it is merely guest-houses and few in the National Park. At last there are several jobs in the public sector, such as the school, primary school, health clinic and with the municipality local branch office.

#### Growth potentials in specific economic sectors

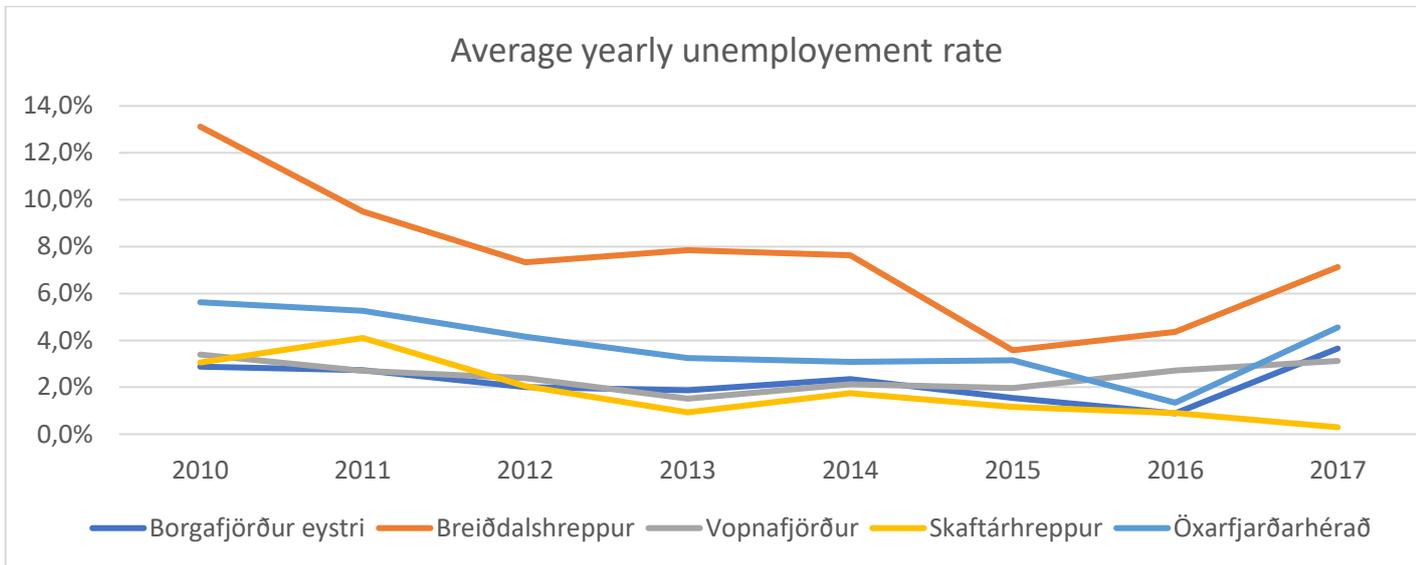
- Borgarfjordur-eystri has opportunities to build further on its rich nature, especially towards tourism. Borgarfjordur could be marketed as one of the most remote places in the country being the town located the furthest away from the Capital area. Community members are protesting the lack of road construction, as the last 60 kilometres of road leading to the community are uninviting and hinders a lot of growth potential.
- Breiddalur is looking at a further growth in tourism and offers unique attractions. It is about the only place in Iceland where people can look directly at the inner structure of a once active volcano which has been eroded by ice and weather. Breiddalssetur museum and geology centre can play a leading role on this front.
- Skaftarhreppur is a rich farming land and could foster growth, especially if the government decides to make use of the publicly owned farmland publicly owned. The tourist boom in Iceland, being particularly strong and less cyclical in South, is likely to foster the main growth opportunities in the community.
- Vopnafjordur has become one of the large fishing and fish-processing places in Iceland and could offer opportunities for further development. However, the future development depends heavily on only one company. Tourism in the community has growth potential although no single main tourist attraction is easy to point out. Roads and service infrastructure need further development for better growth potential.
- Oxarfjardarherad is considered to have growth opportunities on more than one front. The abundant access to fresh water and geothermal energy make it very well suited for further development of fish farming or vegetables green-house farming. The community’s tourism services are underdeveloped, which can partly be explained by long distances, lack of infrastructure and limited marketing by government initiatives. There should be quite some opportunities to develop tourism in the coming years.

#### Business support infrastructure

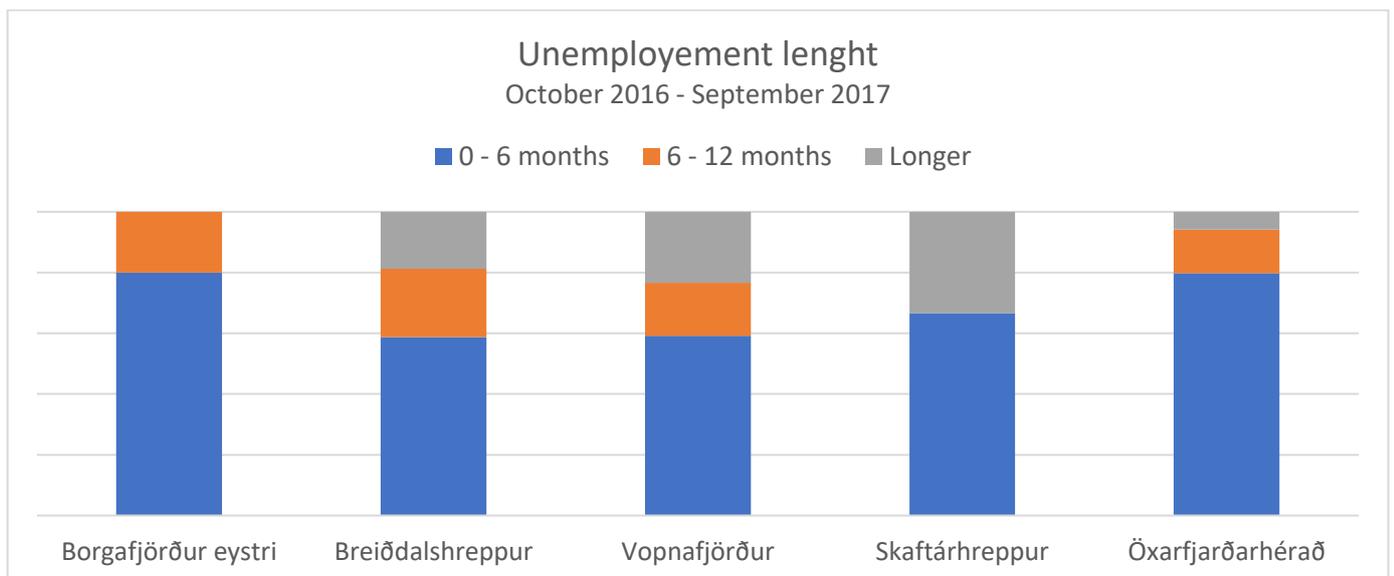
In each of these communities, public or private business support is very limited. IRDI supports and strengthens local development by the provision of credit and other forms of financial support, with the aim of improving economic and living conditions particularly in those regions threatened by depopulation. The Institute supports eight Regional Development Agencies in Iceland, one in each constituency and the Agencies are operated in each rural region in the country. They provide a coordinated and interdisciplinary service related to economy, education and culture. The agencies work closely with businesses and entrepreneurs in various projects and have information on other available support in their region such as local or regional financing. They provide services and consultancy in fields such as business and marketing planning and analysis, feasibility studies and investment opportunities. The Agencies are state funded and the services are free of charge up to a certain limit. Entrepreneurs can usually receive consultation for up to 20 hours free of charge, for instance if they are developing a business plan for implementation in the region.

Labour market situation

In general, unemployment is low in Iceland. The overall rate was 2.1% in 2017, but figures vary across regions. The unemployment has been the highest in Skaftárhreppur from 2010 till now. In Skaftárhreppur the unemployment rate was only 0.3% on average in 2017 (Directorate of labour, nd.).

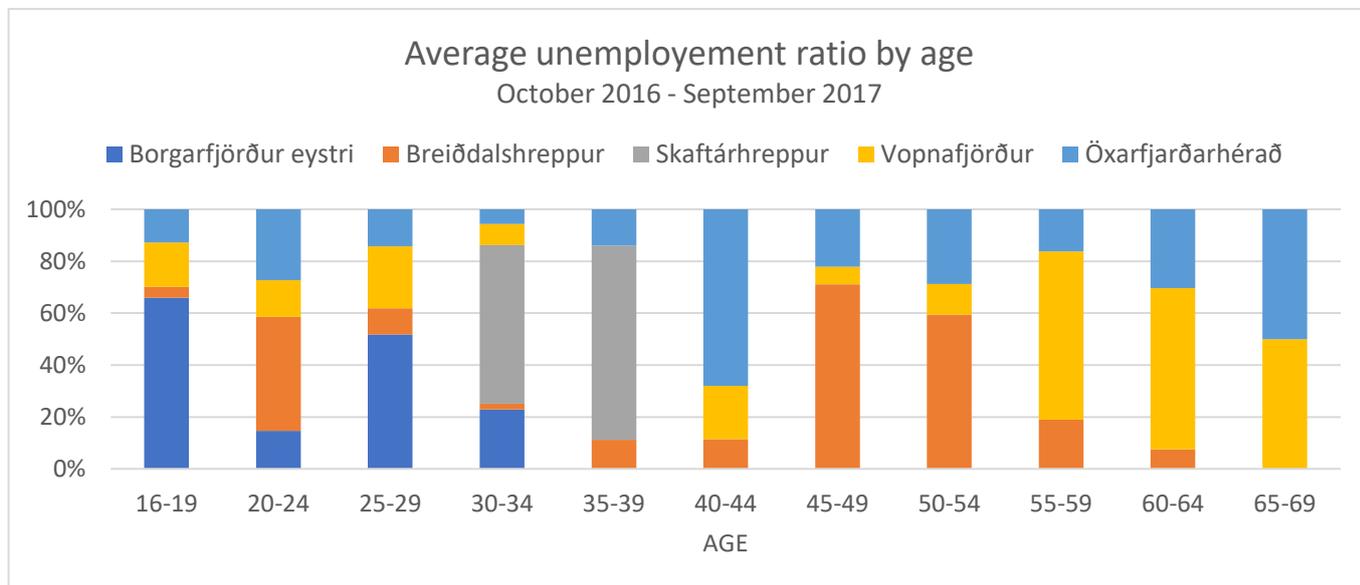


Long-term unemployment is relatively low, though the most in Skaftárhreppur where employment rates are highly dependent upon stability or growth in tourism. This can be vulnerable, for instance if currency rates change with even more expensive ISK. The average long-term unemployment (more than 12 months) is non-existing in Borgarfjörður-eystri and very low in Öxarfjarðarherað<sup>1</sup>, where less than 6% of unemployed are for long-term (Directorate of labour, nd.).



Figures for Öxarfjarðarherað are not accessible isolated from the whole Nordurthing Municipality numbers.

The economy is quite monotonous and does not yield many exciting opportunities for young people. Because of that they rarely return home after studies elsewhere. It could be said that unemployment has in some parts been exported to other parts of the country, mainly the Capital area and the larger towns. The average over one-year unemployment age distribution for each community can be seen in the following graph (Directorate of labour, nd.).



In both the fishing industry and especially in the tourism, demand for more people has been met by importing labor from other countries during the high-season.

#### 1.4. Community support initiatives and grant funding

The National funding and Development policies certainly cover all the selected areas. However, the focus has been on innovation and, in reality, the policies have been somewhat restrictive towards fragile and remote communities in general, due to lack of experience and initiative. We have for instance in many cases seen great need for funding in basic things like facilities. But so far, the general funding policies have not allowed funding in project buildings, facilities, equipment etc. In the IRDI Fragile communities program this was changed in 2017 and now the program can also fund the above mentioned initial investments given certain conditions met. This seems to have already boosted interest in the fragile communities.

The local/regional administration has the role of running so called local Regional Development office in defined areas. These offices are financed by the municipalities and the Icelandic Regional Development Institute through contracts. The offices support promising initiatives within their regions, and not the least, they support individuals and organisations in submitting applications for grants from the national schemes.

There are examples initiatives in the selected communities that have received grants from national fund, however these cases are fewer than in stronger communities. Participation in

the Fragile Communities program has helped those communities to make progress in applications for grants. We are not aware of EU grants directed to those fragile communities.



## **2. FINAL SELECTION OF THE INTERFACE FRAGILE COMMUNITIES IN ICELAND – THE SELECTION PROCESS AND ITS RESULTS**

### **2.1. Communities’ fragility mitigating factors assessment**

Based on the results in the assessment grid (the whole grid is in Annex A), the selected communities are:

- Oxarfjardarherad (Total score 36)
- Skaftarhreppur (Total score 35)
- Vopnafjordur (Total score 33)
- Borgarfjordur-eystri (Total score 32)
- Breiddalur (Total score 31)

IRDÍ has extensive knowledge on community’s situation in Iceland. To have the scoring done as accurate and relative as possible, four members of IRDÍ’s staff gave scores together and three Regional Development Agencies gave communities within their operational areas scores. When there was a difference in criteria scoring between Regional Development Agencies and IRDÍ’s staff, the criteria were discussed with the Agencies and weighted against the criteria in other communities.

## 2.2. Personal characteristics of attitudes assessment survey respondents

COMMUNITIES		Borgarfjörður-eystri	Breiddalur	Skaftarhreppur	Vopnafjörður	Oxarfjarðarhreð	AVERAGE
	<b>Response rate:</b>	67%	70%	29%	48%	60%	<b>55%</b>
Gender	Male	83%	71%	37%	40%	42%	<b>55%</b>
	Female	17%	29%	63%	60%	58%	<b>45%</b>
Age	20 - 29	33%	13%	0%	10%	0%	<b>11%</b>
	30 - 39	17%	29%	0%	20%	17%	<b>17%</b>
	40 - 49	33%	0%	29%	20%	8%	<b>18%</b>
	50 - 59	0%	29%	57%	40%	50%	<b>35%</b>
	60+	17%	29%	14%	10%	25%	<b>19%</b>
Education	Secondary School	33%	29%	25%	40%	42%	<b>34%</b>
	Vocational Education & Training	33%	43%	25%	40%	25%	<b>33%</b>
	University Level	17%	14%	38%	20%	33%	<b>24%</b>
	Post - Graduate	17%	14%	12%	0%	0%	<b>9%</b>
Affiliation	Local Administration	33%	29%	25%	40%	17%	<b>29%</b>
	Business Organization	33%	29%	63%	30%	33%	<b>38%</b>
	Business Support Organization	0%	0%	0%	10%	0%	<b>2%</b>
	Civil Society Organization	0%	14%	0%	0%	0%	<b>3%</b>
	Individual Community Member	33%	29%	12%	20%	42%	<b>27%</b>

- Borgarfjörður-eystri had a response rate which is above average. Gender bias here was the greatest and relatively few participants were 50+ years old. Number of young participants 20-29 years old was above average. There were participants from all educational backgrounds. The participants’ affiliation was similar as the average.
- Breiddalur had the best response rate overall. Gender bias was greater than average. Age distribution was fairly even but relatively few participants were over 40 years old. There were participants from all educational backgrounds and participants’ affiliation was similar as the average, with the exception that this area was the only one that had participants belonging to a civil society organization.
- Skaftarhreppur had the worst response rate overall, but can be explained as culturally typical behaviour of the region and does not necessarily indicate low interest. Gender bias was reverse with greater female participation. Age distribution is uneven where no participant is younger than 40 years old. There were participants from all educational backgrounds and participants’ affiliation was similar as the average, though with less participants belonging to a local administration and more to private business organizations.

- Vopnafjordur had a response rate close to average. Gender bias was reverse from average. Age distribution is fairly even, though a bit more respondents were 50-59. Educational background was more uneven than average. Relatively fewer participants had a university or post-graduate diploma. The participants’ affiliation was similar as the average, with the exception that this area was the only one that had participants belonging to a business support organization.
- Oxarfjardarherad had a response rate and gender bias close to average. Age distribution is rather uneven where no participant is younger than 30 years old. There were participants from most educational backgrounds, except for a post-graduate.

### 2.3. Perceived community problems and ways to address them

COMMUNITIES		Borgarfjörður-eystri	Breiddalur	Skaftarhreppur	Vopnafjörður	Oxarfjarðarherað	AVERAGE
QUESTIONS							
How would you rate the general level of pro-activity in your community with regards to issues of community importance?	Very high	0%	14%	0%	10%	9%	<b>7%</b>
	High	20%	43%	0%	10%	9%	<b>16%</b>
	Rather high	40%	14%	63%	80%	37%	<b>47%</b>
	Rather low	40%	14%	37%	0%	27%	<b>24%</b>
	Low	0%	14%	0%	0%	18%	<b>6%</b>
	Very low	0%	0%	0%	0%	0%	<b>0%</b>
If you had the opportunity to participate in an initiative, which would potentially serve to address one or more of the problematic fields in your community, would you take it?	Yes	100%	67%	100%	78%	100%	<b>89%</b>
	No	0%	33%	0%	22%	0%	<b>11%</b>
Would you or anyone you know be interested in actively participating in an initiative, directed towards boosting the level of the skills needed within your community?	Yes	100%	71%	100%	88%	100%	<b>92%</b>
	No	0%	29%	0%	12%	0%	<b>8%</b>
If such an initiative is undertaken in the future, how would you rate the interest and support it is likely to receive in your community?	Very high	0%	57%	0%	12%	17%	<b>17%</b>
	High	50%	29%	37%	50%	33%	<b>40%</b>
	Rather high	50%	14%	63%	38%	33%	<b>40%</b>
	Rather low	0%	0%	0%	0%	17%	<b>3%</b>
	Low	0%	0%	0%	0%	0%	<b>0%</b>
	Very low	0%	0%	0%	0%	0%	<b>0%</b>

The table above shows how each community responded when asked about the level of pro-activity within their community, initiative and interest in participating. All the communities have shown and expressed interest in the foreseen INTERFACE activities.

## **CONCLUDING REMARKS**

The IRDI staff members believe the outcome of the survey supports the initial selection resulting from the assessment grid (Annex A). Thus, the team is hopeful that further development of the project in all selected communities will yield positive results and there will be people interested in taking part in the program.

Finally, the team like to acknowledge the fact that there are no communities amongst the Fragile Communities’ program in Iceland selected in West- and Mid-Iceland. However, we are very interested in giving our Fragile communities project managers in the pre-selected communities, the opportunity to participate in certain events and activities of the INTERFACE program, despite not being represented in the formal group of participating communities. We strongly believe this might help them in their work in those communities. In such case, participation would not be funded through the INTERFACE project, but rather by IRDI and/or the relevant communities. The team expects that giving those project managers the opportunity to enhance their capacity by participating in INTERFACE activities will both gain them and the project since they will bring their ideas and experience to the table together with the other participants.

## ANNEXES

### Annex A. Fragile communities’ mitigating factors assessment grid

<i>Partner country:</i>		<i>Iceland</i>									
<b>Community No.</b>		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>
<b>Criterion</b>		<b>Criterion scoring (on a 1-5 scale)</b>									
1.	The community has a strategic location in terms of connectivity and access to big markets and high-quality public services	2	1	3	2	4	5	3	1	2	3
2.	The community has access to high-quality public services and regional infrastructure facilities are favourable for the development of the local/regional economy	3	1	3	3	3	3	3	1	2	3
3.	Although in place, the natural resources’ potentials are not being sufficiently utilised for the betterment of the community	3	4	5	3	4	4	3	4	4	3
4.	The age and educational structure of the human resources in the community are relatively favourable, yet the local economy cannot fully utilise them	2	2	3	2	2	3	2	2	2	4
5.	So far, the grant funding, received by the community has been limited, mainly due to the lack of initiative coming from within the community itself	2	3	4	3	2	4	3	5	4	4
6.	The community has growth potentials in specific economic sectors, e.g. agriculture, tourism, etc., which so far have not been sufficiently utilised	3	3	4	3	3	4	3	4	4	3
7.	The business support infrastructure at local level (if any) does not seem to operate effectively to the benefit of local businesses	3	4	4	4	4	3	3	4	4	3
8.	The improvement of the socioeconomic situation in this and similar underdeveloped communities is among the priorities of Development policies at regional and national level	3	4	3	3	3	3	3	4	3	3
9.	The local/regional administration is apt to supporting activities, initiated by third parties or by community members themselves in support of local development	5	5	4	4	3	3	4	2	4	4
10.	The community’s situation is affected by external factors, such as economic crisis, geopolitical situation, etc., with little effort at local level to mitigate their adverse effects	3	2	3	3	3	3	3	3	3	3
<b>Total score:</b>		<b>29</b>	<b>29</b>	<b>36</b>	<b>30</b>	<b>31</b>	<b>35</b>	<b>30</b>	<b>30</b>	<b>32</b>	<b>33</b>

**List of communities:**

- Community No.1: Hrisey
- Community No.2: Grimsey
- Community No.3: Oxarfjardarherad
- Community No.4: Raufarhöfn
- Community No.5: Breiddalur
- Community No.6: Skaftarhreppur
- Community No.7: Thingeyri
- Community No.8: Arneshreppur
- Community No.9: Borgarfjordur-eystri
- Community No.10: Vopnafjordur

**Explanation and justification of the ranking**

Based on the results in the assessment grid, the selected communities are:

- Oxarfjardarherad (Total score 36)
- Skaftarhreppur (Total score 35)
- Vopnafjordur (Total score 33)
- Borgarfjordur-eystri (Total score 32)
- Breiddalur (Total score 31)

Annex B. Fragile community members’ attitudes assessment – summary of responses

COMMUNITIES			Borgarfjardur-eystri	Breiddalur	Skafthreppur	Vopnafjardur	Oxarfjarðarherað	TOTAL SUM / AVERAGE	
No.	QUESTIONS	CHOICES	No. of respondents:	6	7	8	10	12	43
			Response rate:	67%	70%	29%	48%	60%	55%
I.2	Gender	Male	83%	71%	37%	40%	42%	55%	
		Female	17%	29%	63%	60%	58%	45%	
		Valid Answers	100%	100%	100%	100%	100%	100%	
		No Answer	0%	0%	0%	0%	0%	0%	
I.3	Age	20 - 29	33%	13%	0%	10%	0%	11%	
		30 - 39	17%	29%	0%	20%	17%	17%	
		40 - 49	33%	0%	29%	20%	8%	18%	
		50 - 59	0%	29%	57%	40%	50%	35%	
		60+	17%	29%	14%	10%	25%	19%	
		Valid Answers	100%	100%	88%	100%	100%	98%	
		No Answer	0%	0%	12%	0%	0%	2%	
I.4	Education	Secondary School	33%	29%	25%	40%	42%	34%	
		Vocational Education & Training	33%	43%	25%	40%	25%	33%	
		University Level	17%	14%	38%	20%	33%	24%	
		Post - Graduate	17%	14%	12%	0%	0%	9%	

		Valid Answers	100 %	100 %	100 %	100%	100%	<b>100%</b>
		No Answer	0%	0%	0%	0%	0%	<b>0%</b>
I.5	Affiliation	Local Administration	33%	29%	25%	40%	17%	<b>29%</b>
		Business Organization	33%	29%	63%	30%	33%	<b>38%</b>
		Business Support Organization	0%	0%	0%	10%	0%	<b>2%</b>
		Regional Development Organization	0%	0%	0%	0%	0%	<b>0%</b>
		Training Organization	0%	0%	0%	0%	0%	<b>0%</b>
		Social Enterprise	0%	0%	0%	0%	0%	<b>0%</b>
		Voluntary Organization	0%	0%	0%	0%	8%	<b>2%</b>
		Civil Society Organization	0%	14%	0%	0%	0%	<b>3%</b>
		Individual Community Member	33%	29%	12%	20%	42%	<b>27%</b>
		Valid Answers	100 %	100 %	100 %	100%	100%	<b>100%</b>
		No Answer	0%	0%	0%	0%	0%	<b>0%</b>
II.1	Are you and those around you satisfied with the overall situation in your community?	Yes	17%	50%	37%	70%	8%	<b>36%</b>
		No	83%	50%	63%	30%	92%	<b>64%</b>
		Valid Answers	100 %	86%	100 %	100%	100%	<b>97%</b>
		No Answer	0%	14%	0%	0%	0%	<b>3%</b>
II.2	How would you rate the general level of pro-activity in your community with regards to issues of community importance?	Very high	0%	14%	0%	10%	9%	<b>7%</b>
		High	20%	43%	0%	10%	9%	<b>16%</b>
		Rather high	40%	14%	63%	80%	37%	<b>47%</b>
		Rather low	40%	14%	37%	0%	27%	<b>24%</b>
		Low	0%	14%	0%	0%	18%	<b>6%</b>
		Very low	0%	0%	0%	0%	0%	<b>0%</b>
		Valid Answers	83%	100 %	100 %	100%	92%	<b>95%</b>
		No Answer	17%	0%	0%	0%	8%	<b>5%</b>

II.3	Which of the categories do you consider most problematic for your community?	Natural resources: air, water, soil, etc.	33%	29%	88%	50%	75%	<b>55%</b>
		Infrastructure facilities: roads, electricity, etc.	83%	71%	100%	60%	92%	<b>81%</b>
		Human resources: age structure, level of skills, etc.	83%	57%	75%	70%	75%	<b>72%</b>
		Access to financial support for public and private projects	33%	57%	75%	50%	67%	<b>56%</b>
		Business sector, jobs and labour productivity	83%	71%	88%	70%	83%	<b>79%</b>
		Regional and local development policy	17%	43%	50%	50%	33%	<b>39%</b>
		External factors: economic crisis, geopolitical situation, etc.	0%	14%	12%	0%	17%	<b>9%</b>
		Valid Answers	100%	100%	100%	100%	100%	<b>100%</b>
		No Answer	0%	0%	0%	0%	0%	<b>0%</b>
II.4	Are you aware of any initiative(s) which has been undertaken in your community to address one or more of the problematic fields identified above?	Yes	50%	71%	100%	80%	67%	<b>74%</b>
		No	50%	29%	0%	20%	33%	<b>26%</b>
		Valid Answers	100%	100%	88%	100%	100%	<b>98%</b>
		No Answer	0%	0%	12%	0%	0%	<b>2%</b>
II.5	If the answer to the previous question was affirmative what problematic area(s) did the initiative(s) address?	Natural resources: air, water, soil, etc.	0%	40%	25%	29%	50%	<b>29%</b>
		Infrastructure facilities: roads, electricity, etc.	67%	60%	88%	29%	50%	<b>59%</b>
		Human resources: age structure, level of skills, etc.	0%	60%	25%	57%	0%	<b>28%</b>
		Access to financial support for public and private projects	0%	80%	38%	14%	50%	<b>36%</b>
		Business sector, jobs and labour productivity	0%	60%	63%	29%	50%	<b>40%</b>
		Regional and local development policy	33%	20%	25%	43%	0%	<b>24%</b>
		External factors: economic crisis, geopolitical situation, etc.	0%	20%	0%	0%	13%	<b>7%</b>
		Valid Answers	50%	71%	100%	70%	67%	<b>72%</b>
		No Answer	50%	29%	0%	30%	33%	<b>28%</b>
II.6	Was the action(s) initiated by actors from within the specific	Internal Actors: Local administration	100%	80%	88%	100%	88%	<b>91%</b>

	region or outside it and who was/were the main actor/s?	Business organization	0%	80%	67%	57%	50%	<b>51%</b>
		Business support organisation	0%	0%	20%	0%	25%	<b>9%</b>
		Regional development organization	0%	0%	60%	29%	63%	<b>30%</b>
		Training organization	0%	0%	0%	0%	0%	<b>0%</b>
		Social enterprise	0%	0%	0%	0%	0%	<b>0%</b>
		Voluntary organization	0%	40%	60%	0%	13%	<b>23%</b>
		Civil society organization	67%	20%	80%	29%	13%	<b>42%</b>
		Valid Answers	50%	71%	100%	70%	67%	<b>72%</b>
		No Answer	50%	29%	0%	30%	33%	<b>28%</b>
		External Actors: Regional/National Government	0%	80%	57%	14%	38%	<b>38%</b>
		Business organization	0%	40%	40%	14%	13%	<b>21%</b>
		Business support organisation	0%	0%	50%	14%	0%	<b>13%</b>
		Regional development organization	0%	0%	40%	0%	13%	<b>11%</b>
		Training organization	0%	0%	0%	0%	0%	<b>0%</b>
		Social enterprise	0%	0%	0%	0%	0%	<b>0%</b>
		Voluntary organization	0%	0%	40%	0%	0%	<b>8%</b>
		Civil society organization	0%	20%	20%	0%	0%	<b>8%</b>
		Valid Answers	50%	71%	100%	70%	67%	<b>72%</b>
		No Answer	50%	29%	0%	30%	33%	<b>28%</b>
		II.7	Have you already been involved in any such activity?	Yes	17%	57%	88%	44%
No	83%			43%	12%	56%	33%	<b>45%</b>
Valid Answers	100%			100%	100%	90%	100%	<b>98%</b>
No Answer	0%			0%	0%	10%	0%	<b>2%</b>
II.8	If you had the opportunity to participate in an initiative, which would potentially serve to	Yes	100%	67%	100%	78%	100%	<b>89%</b>
		No	0%	33%	0%	22%	0%	<b>11%</b>

	address one or more of the problematic fields identified above, would you take it?	Valid Answers	100 %	86%	100 %	90%	100%	<b>95%</b>
		No Answer	0%	14%	0%	10%	0%	<b>5%</b>
II.9	Raising the potential for responsibly and autonomously employing which of the following skills do you believe would be beneficial for your community?	Innovation	83%	71%	88%	63%	83%	<b>78%</b>
		Creativity	50%	43%	38%	88%	50%	<b>54%</b>
		Analytical thinking	0%	29%	50%	63%	25%	<b>33%</b>
		Resourcefulness	67%	71%	63%	100%	83%	<b>77%</b>
		Leadership	50%	43%	88%	75%	67%	<b>65%</b>
		Resilience	83%	57%	50%	100%	58%	<b>70%</b>
		Valid Answers	100 %	100 %	100 %	80%	100%	<b>96%</b>
		No Answer	0%	0%	0%	20%	0%	<b>4%</b>
II.10	Would you or anyone you know be interested in actively participating in an initiative, directed towards boosting the level of the above skills within your community?	Yes	100 %	71%	100 %	88%	100%	<b>92%</b>
		No	0%	29%	0%	12%	0%	<b>8%</b>
		Valid Answers	100 %	100 %	100 %	80%	100%	<b>96%</b>
		No Answer	0%	0%	0%	20%	0%	<b>4%</b>
II.11	Have any initiatives of such type already been implemented in your community?	Yes	50%	100 %	75%	63%	50%	<b>68%</b>
		No	50%	0%	25%	37%	50%	<b>32%</b>
		Valid Answers	100 %	100 %	100 %	80%	100%	<b>96%</b>
		No Answer	0%	0%	0%	20%	0%	<b>4%</b>
II.12	If such an initiative is undertaken in the future, how would you rate the interest and support it is likely to receive in your community?	Very high	0%	57%	0%	12%	17%	<b>17%</b>
		High	50%	29%	37%	50%	33%	<b>40%</b>
		Rather high	50%	14%	63%	38%	33%	<b>40%</b>
		Rather low	0%	0%	0%	0%	17%	<b>3%</b>
		Low	0%	0%	0%	0%	0%	<b>0%</b>
		Very low	0%	0%	0%	0%	0%	<b>0%</b>

	Valid Answers	100 %	100 %	100 %	80%	100%	<b>96%</b>
	No Answer	0%	0%	0%	20%	0%	<b>4%</b>

## **BIBLIOGRAPHICAL REFERENCES**

- Directorate of labour. (nd.). *Atvinnuleysistölur í excelskjölum*. Retrieved from Vinnumálastofnun:  
<https://www.vinnumalastofnun.is/um-okkur/tolfraedi-og-utgefid-efni/atvinnuleysistolur-i-excelskjolum>
- Directorate of labour. (nd.). *Sveitarfélög nánari greining*. Retrieved from Vinnumálastofnun:  
<https://www.vinnumalastofnun.is/um-okkur/tolfraedi-og-utgefid-efni/atvinnuleysistolur-i-excelskjolum/sveitarfelog-nanari-greining>
- Iceland Post. (nd.). *Íslandskort*. Retrieved from Pósturinn:  
<https://www.postur.is/einstaklingar/posthus/islandskort/>
- Icelandic Regional Development Institute. (2014). *Staðsetning starfa ríkisins 2014*. Sauðárkrókur: Byggðastofnun.
- Icelandic Regional Development Institute. (2014). *Staðsetning þjónustustarfsemi fyrirtækja 2014*. Sauðárkrókur: Byggðastofnun.
- Icelandic Regional Development Institute. (2015). *Staðsetning starfsemi sveitarfélaga 2015*. Sauðárkrókur: Byggðastofnun.
- Icelandic Regional Development Institute. (September 2016). *Stöðugreining 2016*. Sauðárkrókur: Byggðastofnun.

# PARTNERS



**Aitoliki Development Agency S.A.**  
Greece



**Byggðastofnun**  
*Icelandic Regional Development Institute*  
Iceland



**CESIE**  
Italy



**Haskolinn a Bifrost**  
Iceland



**Tipperary County Council**  
Ireland



**Tora Consult Ltd.**  
Bulgaria



Co-funded by the  
Erasmus+ Programme  
of the European Union

The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.