



SOUTH ICELAND'S **ACTION PLAN**

REGIONAL AND RURAL
DEVELOPMENT PLAN OF SOUTH ICELAND

2020-2024



ASSOCIATION OF
MUNICIPALITIES
IN SOUTH ICELAND

INTRODUCTION

In March 2019 The Association of Municipalities in South Iceland (SASS) started working on strategic planning for South Iceland's Action Plan for 2020-2024. The regional action plan was carried out in collaboration with Capacent, which managed residential and consultation meetings as well as its entire process. The aim of the process that was established is to promote positive community development and increase South Iceland's competitiveness. The analysis and assessment of the region's situation was in the hands of residents, appointed representatives, SASS's board members and employees. The strategic planning process aimed for the participation of residents and SASS's board members. This was the base for formulated emphasis on a revised vision, main goals and measurable goals for the near future.

Efforts were made to consult with stakeholders and South Iceland's residents to obtain their views on the action plan and to link it systematically together with the decision of priority projects and the allocation of the projects from the Reconstruction Fund. The product of this is South Iceland's Action Plan 2020-2024.

There were four phases of consultation in the formation of South Iceland's Action Plan. First, seven residents meetings were held where the residents' vision of the future and the main goals of the region in terms of economic development and innovation along with culture and environmental issues was the main emphasis. In May there was a major meeting where the methodology "golo-poly" was used, goals and actions were prioritized and linked with the Sustainable Development Goals of the United Nations. Afterwards, main policy aspects were developed as well as main goals along with main emphases prepared based on the priorities set up at the major meeting. Lastly, a cooperation gateway was opened on the web for cooperation between all invested parties for the draft of the new action plan.

INTRODUCTION

Community meetings were held on each issue and roughly 400 residents took part. The meetings' result was the main emphasis of the residents that was then proposed for further elaboration and prioritization at a consultation platform meeting. The consultation platform consisted of 100 individuals, local council members and residents of all 15 communities in South Iceland.

The involvement of municipalities in the region was active throughout the process through SASS's steering committee, a consultation platform and through follow-up of SASS's board to draft a new action plan. During the process a decision was made to divide the action plan into three main categories: Employment and innovation, Environment and Community. These are also the three main objectives of sustainable development. One vision for South Iceland is presented for all the issues but they are then divided into main thrusts, 4-6 measurable goals and emphases for each category. On January the 1st 2020 the basic status of all measurable goals will be specified and the development of the measurable goals will be monitored on a regular basis.

The measurable goals and objectives of each category are graphically connected with the Sustainable Development Goals of the United Nations and the priority goals of the government.

The measurable goals and objectives of the action plan will be implemented through procedures and projects of the Reconstruction Fund of South Iceland on one hand and on the other hand through priority projects that will be annually undertaken in South Iceland.

The overlap between the employment and service areas in other parts of the country do not apply in South Iceland's case.

MAIN EMPHASIS

INCREASED
ENVIRONMENTAL
AWARENESS OF SOUTH
ICELAND'S RESIDENTS TO
REDUCE OUR **CARBON**
FOOTPRINT



ENVIRONMENT



COMMUNITY

IMPROVE
CULTURE,
WELFARE,
EDUCATION AND
COOPERATION TO
INCREASE THE QUALITY
OF LIFE AND THRIVING
IN EVERYDAY LIFE IN
SOUTH ICELAND



**EMPLOYMENT &
INNOVATION**

POWERFUL
ECONOMY IN
SOUTH ICELAND WITH
INCREASED EMPHASIS
ON **INNOVATION,**
PRODUCTIVITY AND
VARIED EMPLOYMENT
OPPORTUNITY



SOUTH ICELAND'S
ACTION PLAN



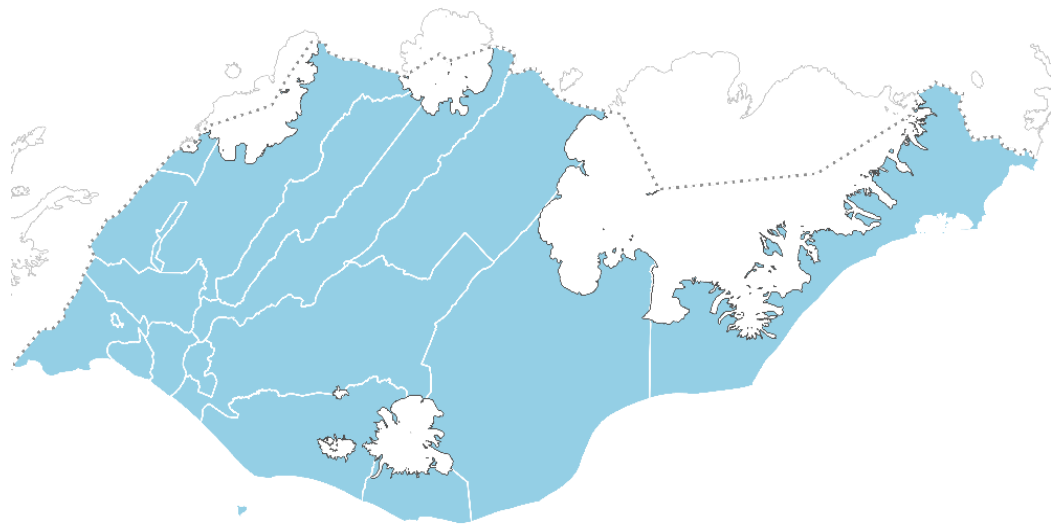
ASSOCIATION OF
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IN SOUTH ICELAND

VISION

In nutshell the vision is how residents envision the region in the year 2024. The vision paints a picture of the desirable situation and what residents wish to achieve after a certain time. An action plan plays one part in achieving this vision. The vision's purpose is to strengthen the basis for the goals decision making for a shorter and longer period.

“In South Iceland increased innovation and productivity along with an increased number of companies has resulted in a stronger economy. The quality of life and everyday life in South Iceland has flourished through improved wellbeing, culture and dramatic increase in cooperation. South Iceland’s carbon footprint has reduced with increased environmental awareness and changed consumer patterns.”

SOUTH ICELAND



South Iceland's Action Plan comprises an area of 31,000 km². From the municipality of Hornafjörður in the east, through to Hellisheiði in the west and Vestmannaeyjar in the south. The area of South Iceland's Action Plan is the coincident area of breyta í The Association of Municipalities in South Iceland, SASS. Roughly 30,000 people lived in the area on the 1st of January 2019 in fifteen municipalities. The municipality of Árborg is the largest by population with approximately 9,500 residents and the least populated municipality is Ásahreppur with 248 residents. Other municipalities in the area are: The municipality of Hornafjörður, Skaftárhreppur, Mýrdalshreppur, Vestmannaeyjar, Rangárþing eystra, Rangárþing ytra, Skeiða- og Gnúpverjahreppur, Hrunamannahreppur, Bláskógabyggð, Grímsnes- og Grafningshreppur, Flóahreppur, Hveragerði and Ölfus.



30.000
RESIDENTS



15
MUNICIPALITIES

SOUTH ICELAND

Since the year 1998 there has been an increase in all age groups in South Iceland apart from the group 9 years old and younger where there has been a substantial decrease. The numbers of the group of 10-19 years old has more or less been the same over the period but there has been an increase in numbers of the age group of 20-29 years old, especially in recent years. A great increase has been in the age group of 30-39 years old in recent years.

The number of women per 100 men has fluctuated from 92-94 women during the period.

During the period the municipal tax base and employee compensation has been partly lower compared to the national average. Capital income per person in South Iceland has fluctuated around the national average from the year 2009.

The municipal tax base and employee compensation decreased after the economic collapse in 2008 just like the national average. Afterwards they have been on the same level. Then the capital income fell sharply and has only risen slowly after that.

The municipal tax base in the year 2017 was 4.1 million ISK per person, which is about 250 thousand ISK lower than the national average. Employee compensation per person was roughly 3.3 million ISK and about 300,000 ISK lower than the national average.

THE REGION'S SITUATION

STRENGTHS

Cooperation between municipalities
Rich in natural resources
Strong social awareness and cultural activities
High knowledge of industry
Robust food production and tourism

WEAKNESSES

Dispersed settlement
Transport
Level of education
Low-wage area
A monotonous economy

CHALLENGES

The fourth industrial revolution
Closeness to the capital area
Government actions
Age distribution
Multiculturalism
Culture in the age of the smart devices
Tourism development
Global warming

OPPORTUNITIES

The fourth industrial revolution
Culture – History – Tourism
Natural resources
Complete food processing
Sustainable energy utilization for value creation
Location independent jobs

THE REGION'S SITUATION

EMPLOYMENT AND INNOVATION

- In South Iceland the focus is on the future of employment and there is optimism in relation to economics.
- In South Iceland there is a will to increase location independent jobs so that South Iceland can be viewed as one employment area.
- In South Iceland the most important sectors are trade and service, the seafood industry, public service, agriculture and tourism. The tourism is the industry that has grown most rapidly over the years.
- In South Iceland a value increase is strengthened by encouraging innovation and complete processing of raw materials.

ENVIRONMENT

- In South Iceland great emphasis is placed on sustainable development and changed consumer pattern to meet challenges in environmental issues.
- In South Iceland the use of public transport is encouraged as well as increased traffic safety.
- In South Iceland awakening is on increased carbon sequestration along with moving towards behavior change in relation to carbon emissions.

COMMUNITY

- In South Iceland the focus is to increase cooperation and strengthen the region, decrease cost and simplify administration.
- In South Iceland emphasis is placed on connecting the municipalities together with collective events.
- In South Iceland there is a focus on strengthening the multicultural society by encouraging people from different cultural backgrounds to participate in cultural activities as well as increase communication between nations.
- In South Iceland the emphasis is on strengthening cultural education along with connecting culture with the nature, among other things to empower tourism.

THE REGION'S SITUATION

DO MORE

- Increase cooperation between companies, pioneers and the universities.
- Increase the importance of art education and jobs involving culture and the creative industries.
- Increase emphasis on innovation and growth of companies.
- Increase environmental awareness and sustainable consumption.
- Increase specialist jobs.
- Improve access to products from South Iceland.
- Engage the younger generation and their cultural activities.
- Increase the share of innovation in the school curriculum.

START BY

- Use waste as a resource.
- Help immigrants to settle in our community.
- Tell stories from each region.
- Attract artists to the region and promote South Iceland's artists.
- Create environment for location independent jobs.
- Attract new companies.
- Complete the processing of food that used to be primary processed.
- Share information about cultural events.

DECREASE

- Packaging and plastic use.
- Use fossil fuels.
- Food waste.
- Complicated systems.
- Buying and the use of smart devices.

STOP

- Working against each other and downgrading the society.
- Landfill and transport of waste.
- View nature as an endless resource.
- Experience collaboration as competition.

THE ISSUES MAIN EMPHASIS

INCREASED
ENVIRONMENTAL
AWARENESS OF SOUTH
ICELAND'S RESIDENTS TO
REDUCE OUR **CARBON**
FOOTPRINT



IMPROVE
CULTURE,
WELFARE,
EDUCATION AND
COOPERATION TO
INCREASE THE QUALITY
OF LIFE AND THRIVING
IN EVERYDAY LIFE IN
SOUTH ICELAND



POWERFUL
ECONOMY IN
SOUTH ICELAND WITH
INCREASED EMPHASIS
ON **INNOVATION,**
PRODUCTIVITY AND
VARIED EMPLOYMENT
OPPORTUNITY

EXTERNAL FACTORS



THE ASSOCIATION OF
LOCAL AUTHORITIES
IN SOUTH ICELAND

MUNICIPALITIES

SUSTAINABILITY

THE STATE

THE FOURTH INDUSTRIAL REVOLUTION

THE GLOBAL GOALS

Sustainable Development Goals of the United Nations

The Sustainable Development Goals is an action plan for the benefit of mankind, the planet and for prosperity.

They also seek to promote peace throughout the world and thereby greater freedom.





GOALS

POWERFUL ECONOMY
IN SOUTH ICELAND
WITH INCREASED
EMPHASIS ON
INNOVATION,
PRODUCTIVITY AND
VARIED EMPLOYMENT
OPPORTUNITY

1. To increase the number of **new businesses** by **10%** by the year 2025
2. To increase the turnover rate of businesses in **creative industries** and hi-tech by **10%** by the year 2025
3. To increase **civil service jobs*** in the region by **15%** by the year 2025
4. To increase the **productivity of businesses** by **10%** by the year 2025
5. To **increase funding for innovation** by **10%** by the year 2025





EMPHASIS

- We want to increase the number of **location independent jobs** in South Iceland.
- We want an increased share of economic income in South Iceland in the year 2024 to **come from goods and services** that did not exist in the year 2019.
- We want South Iceland to be known for **innovation in energy efficiency** based on quality and cleanness.
- We want to improve the **competitiveness** of companies in South Iceland.
- We want **tourism** in South Iceland to be based on a sustainable society.
- We want to increase **innovation** and turnover of **food production** in South Iceland.
- We want to promote greater **diversity in the business** sector in South Iceland.
- We want to strengthen **research and development in the business sector** in South Iceland.

IN RELATION TO THE GOVERNMENT'S PRIORITY GOALS

- **8.2.** Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors.
- **8.5.** By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.
- **8.9** By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products.
- **9.1** Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.
- **9.5** Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries. Including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending.
- **11.2** By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.
- **11.A** Support positive economic, social and environmental links between urban, peri-urban and rural areas by strengthening national and regional development planning.



GOALS

INCREASED
**ENVIRONMENTAL
AWARENESS** OF SOUTH
ICELAND'S RESIDENTS
TO REDUCE OUR
CARBON FOOTPRINT

1. Increase **carbon sequestration** by **10%** by 2025.
2. Reduce **carbon emissions** by **10%** by 2025.
3. Finish making a **comprehensive land-use plan** by 2025.
4. That **all the municipalities in South Iceland** have **deployed the Sustainable Development Goals of the United Nations** by 2025.



SOUTH ICELAND'S
ACTION PLAN

Further explanation on p. 24



ASSOCIATION OF
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IN SOUTH ICELAND



EMPHASIS

- We want all **waste classification** in South Iceland to be uniformed and that the majority of household waste will be recycled.
- We want to increase the use of **sustainable energy sources** in South Iceland.
- We want to restore wetlands where appropriate.
- We want to **restructure the operation of the public transport system in relation to environmental aspects.**
- We want to increase the number of organized **areas for foresting and land reclamation.**
- We want to support the **implementation of the Sustainable Development Goals of the United Nations** in all our municipalities.
- We want to change the **attitude of residents** in South Iceland **towards waste.**
- We want to map water areas and coordinate **water protection** areas between the municipalities in South Iceland.
- We want to encourage the use of organization in South Iceland among others to manage **tourism and infrastructure** better along with defining protected areas.



IN RELATION TO THE GOVERNMENT'S PRIORITY GOALS

- **6.3** By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.
- **6.6** By 2020, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes.
- **8.4** Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead.
- **11.6** By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.
- **12.2** By 2030, achieve the sustainable management and efficient use of natural resources.
- **13.2** Integrate climate change measures into national policies, strategies and planning.
- **14.3** Minimize and address the impacts of ocean acidification, including through enhanced scientific cooperation at all levels.
- **15.2** By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally.
- **15.5** Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species.
- **15.8** By 2020, introduce measures to prevent the introduction and significantly reduce the impact of invasive alien species on land and water ecosystems and control or eradicate the priority species.
- **15.9** By 2020, integrate ecosystem and biodiversity values into national and local planning, development processes, poverty reduction strategies and accounts.





GOALS

**IMPROVE CULTURE,
WELFARE, EDUCATION
AND COOPERATION TO
INCREASE THE QUALITY
OF LIFE AND THRIVING
IN EVERYDAY LIFE IN
SOUTH ICELAND**

- 1.** Increase the level of education by 5% by 2025.
- 2.** Increase residents' positive attitude towards culture in the area by 5% by 2025.
- 3.** Improve the status of foreign citizenships by 5% by 2025.
- 4.** Increase the level of happiness of residents in South Iceland by 5% by 2025.
- 5.** Increase funding for cultural activities by 10% by 2025.



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EMPHASIS

- We want to promote cultural tourism in South Iceland.
- We want to increase and improve the space for artistic creation in South Iceland.
- We want to increase the number of cultural events in South Iceland.
- We want to increase the number of multicultural events in South Iceland.
- We want to increase the number of residents that take courses in Icelandic in South Iceland.
- We want to increase activity and exercise of all residents in South Iceland.
- We want to promote even closer cooperation between municipalities in South Iceland.
- We want to assist in increasing consultation and cooperation between non-governmental organizations in South Iceland.

IN RELATION TO THE GOVERNMENT'S PRIORITY GOALS

- **3.5** Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol.
- **4.4** By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.
- **4.7** By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development.
- **10.3** Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.
- **17.17** Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships. In their implementation, experience of collaborative projects and resourcefulness will be a priority.





GOALS:

- To support projects that are job-creating and productivity increasing.
- To support innovation and projects that promote diversity in the job market.

SOUTH ICELAND'S STRUCTURAL FUND INNOVATION FUNDS

NEW EMPHASES UNTIL THE YEAR 2024

- Innovation among existing companies and marketing of products and services for new markets.
- Innovation in energy efficiency and food production. Along with development projects for creative industries and hi-tech.
- Projects involved in or support innovation projects of the younger generation.
- Projects that promote sustainability and have positive impact on the environment.
- Projects that relate to promotion of international competitions funds.
- Research and cooperation projects that are related to the fund's objectives.

Projects (applications) can fulfill one or more of the fund's goals. The conditions are that all projects meet at least the fund's objectives in each category.

How well the projects are considered to meet the fund's goals and objectives is in the hands of a specialist council that assesses this in the case of each allocation.



GOALS:

- To improve cultural activities and art in south Iceland.

SOUTH ICELAND'S STRUCTURAL FUND CULTURAL FUNDS

NEW EMPHASES UNTIL THE YEAR 2024

- Multicultural events and cooperation projects.
- Projects that support spaces for artistic creation among residents and development projects among museums, centers and exhibitions.
- Projects that encourage cooperation between two or more parties, districts, arts and events that are set up in more than one place.
- Projects that involve or support the younger generation's artistic creation and culture.
- Workshops and art teaching for children and young people
- Cultural projects that promote increased environment awareness, sustainability and/or build upon cultural heritage of South Iceland.

Projects (applications) can fulfill one or more of the fund's goals. The conditions are that all projects meet at least the fund's objectives in each category.

How well the projects are considered to meet the fund's goals and objectives is in the hands of a specialist council that assesses this in the case of each allocation.



	GOALS	SCALE	WHEN	MEASUREMENT METHODS
1	To increase the number of new businesses	10%	2025	Data from RSK (Iceland Revenue and Customs)
2	To increase the turnover rate of businesses in creative industries and hi-tech	10%	2025	Data from SASS's company database of categorized by ISAT numbers
3	To increase civil service jobs	15%	2025	The Regional Development Fund and The Ministry of Finance
4	To increase the productivity of businesses	10%	2025	The SASS's company database
5	To increase funding for innovation	10%	2025	Total capital in South Iceland derived from the Reconstruction Fund, the Icelandic Centre of Research and other funds.
6	Increase carbon sequestration	10%	2025	Researches in the year 2019 and again in 2024
7	Reduce carbon emissions	10%	2025	Researches in the year 2019 and again in 2024
8	Finish making a comprehensive land-use plan	It will be done	2025	Whether the land-use plan will be finished
9	That all the municipalities in South Iceland have deployed the Sustainable Development Goals of the United Nations	It will be done	2025	Survey among the municipalities in South Iceland
10	Increase the level of education	5%	2025	Statistics Iceland and a resident survey conducted by SASS
11	Increase residents' positive attitude towards culture in the area	5%	2025	Resident survey conducted by SASS
12	Improve the status of foreign citizenships	5%	2025	Resident survey conducted by SASS along with assessment on various factors such as unemployment, employment participation rate and the success of Icelandic courses
13	To increase the level of happiness of residents in South Iceland	5%	2025	The Directorate of Health and Resident survey conducted by SASS
14	To increase funding for cultural activities	10%	2025	Total capital in South Iceland derived from the Reconstruction Fund, the Icelandic Centre of Research and other funds