The Finnafjord Port Development Project

A unique opportunity to shape regional development in North-Eastern Iceland

Four regional and international partners work together to develop the Finnafjord Port Development Project in North-East Iceland using the chances of a blue economy for the benefit of the region.

The Business Case:

Tapping into the Global Energy Turn and Offering Chances for Sustainable Regional Development

The Finnafjord Port Development Project contributes to decarbonising Iceland´s economy. Green hydrogen, produced from local renewable electricity and refined into green fuels, will replace fossil fuels and power ships, trawlers and trucks on Iceland´s sea and roads.

Heat and oxygen as by-products from electrolysis help to establish land-based fish farming in the Finnafjord area. This will provide steady raw material flows supporting established local fish-processing.

Further development options include facilitating maritime logistics in the Arctic.

Partners of the Project:

A strong association of public and private expertise

MUNICIPALITY OF LANGANESBYGGÐ

MUNICIPALITY OF VOPNAFJARDARHREPPUR

Both municipalities strive to develop their regions sustainably, thus seeing a great potential in the Finnafjord Port-Project, which can be developed in cooperation with experienced partners.

EFLA is a general engineering and consulting company based in Iceland with widespread international activities and consultancy providing high-quality solutions around the globe.

bremenports GmbH & Co. KG are the port infrastructure managers for the ports of Bremen and Bremerhaven in Germany, running the ports´ infrastructure on behalf of the Free Hanseatic City of Bremen since 2002.

Finnafjörður - Providing an Option for Regional Development

Bridging tradition and modernity

The Municipalities of Langanesbyggð stands as a testament to exceptional liveability, characterized by its tranquil environment, rich community fabric, and high quality of life.

The Finnafjord project aims to support a sustainable future development of the local economy and the population structure by attracting several employers, creating interesting job opportunities also for the younger generations.

Tax and concession revenues will provide financial means for maintenance and continuous improvement of societal infrastructure for education, sports, health, tourism, and also for public services.



In Langanesbyggð, the average age of residents is higher than the national average.

The population in the capital area growths at the expense of many rural regions, including Langanesbyggð.

Approx. 66% of the local employed workforce is engaged in fish processing and public services. Unemployment is generally low but fluctuates, linked in part to the scale of fishing operations.

Source: SSNE: Stoðir atvinnu & mannlífs í Langanesbyggð, Mars 2026

The Finnafjord Port Development Project wants to bridge that divide, offering economic development perspectives that preserve the area's distinct character while unlocking its latent commercial potential.

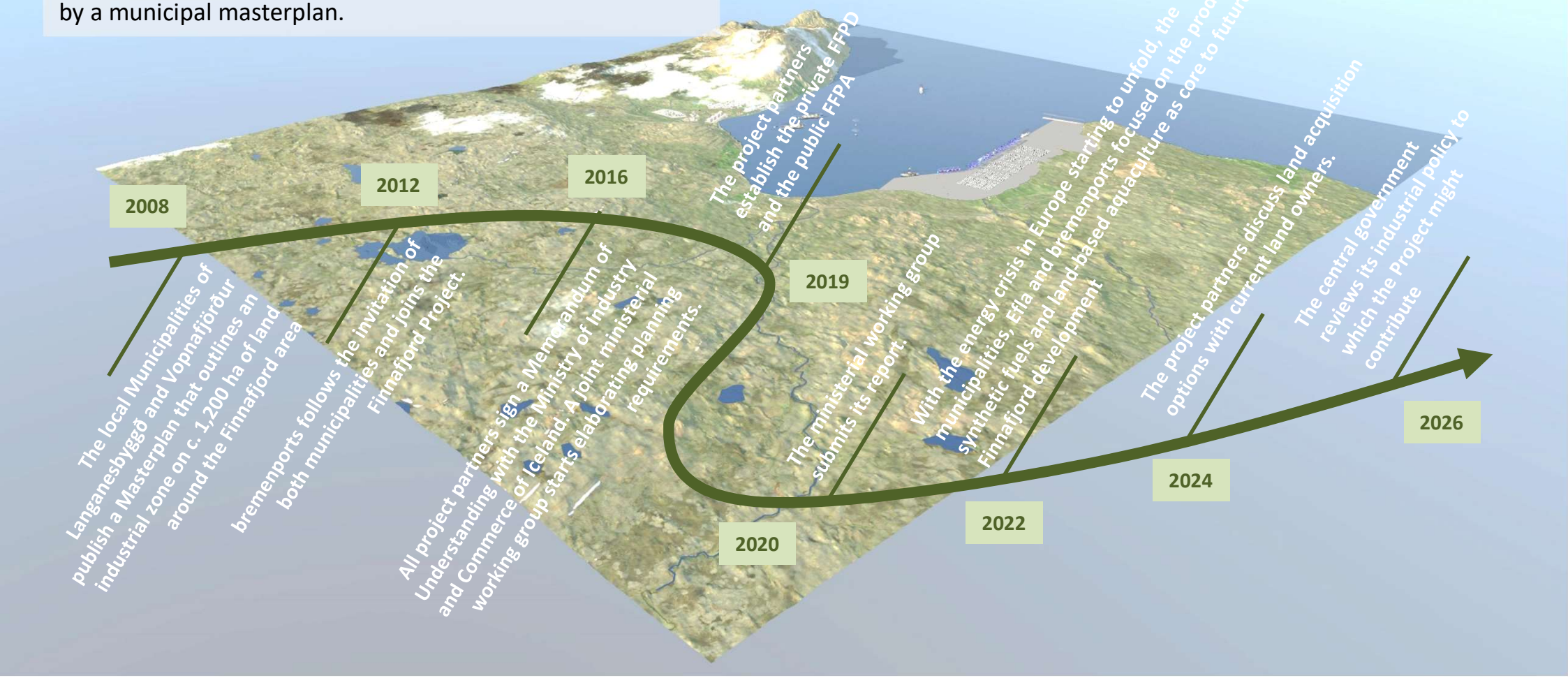
Finnafjörður is the municipality's largest single development area and one of the most extensive future projects in Northeast Iceland.



… Rome wasn´t build in a single day either…

History of the Project since 2008

The Finnafjord Port Development puts life to an area which, 20 years ago, was designated an industrial development site by a municipal masterplan.



The proposed Finnafjord Port Project area

An unrivalled combination of land & sea areas

The Finnafjord Port area is situated between Þórshöfn, Bakkafjörður, and Vopnafjörður, thereby benefiting from proximity to existing settlements, airfields, and harbours.

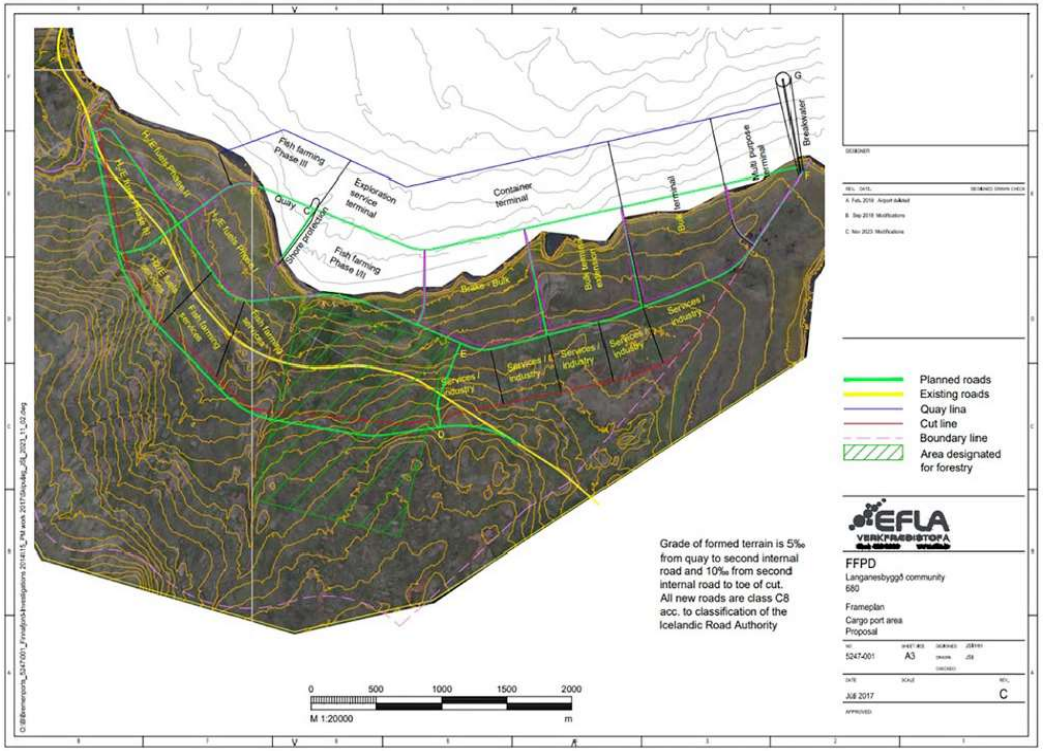
It offers approx. 1,200 ha of gently sloped land with a potential for a deep-sea port, which will be ice-free all year round sheltered from waves as it is leeward to westerly winds.

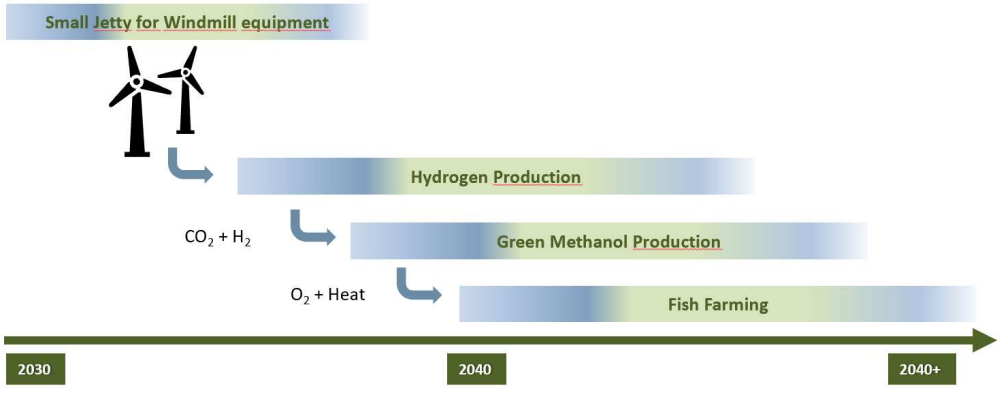
Development Options

Tapping into the global energy turn and offering chances for sustainable regional development

- **Approx. 2030**: Private and public activities requiring simple port facilities, such as delivery of wind farm parts and search & rescue services will be served by a single jetty.
- **Approx. 2035**: Scaling up electrolysis (splitting water into hydrogen, oxygen and heat) with locally produced energy and synthetic-fuel production using the hydrogen.
  Land-based aquaculture using oxygen and heat from electrolysis.
- **Approx. 2040+**: Logistics hub for minerals storage and handling that is mined in the Arctic area. This might be extended to serve any Polar maritime route, if feasible.

The project requires clear long-term commitment and solution-oriented mindset from municipal stakeholders and governmental institutions as the basis for large investments.





Langanesbyggð hefur það að markmiði að verða öflugt og eftirsóknarvert samfélag þar sem nýsköpun, náttúra, fjölbreytt atvinnustarfsemi og skemmtilegt mannlíf mætast.

Ónýtt tækifæri leynast víða, svo sem í landbúnaði, ferðaþjónustu, menningu og orkumálum.

Source: Atvinnustefnu Langanesbyggðar 2026-2030, ásamt aðgerðaráætlun 2026-2028

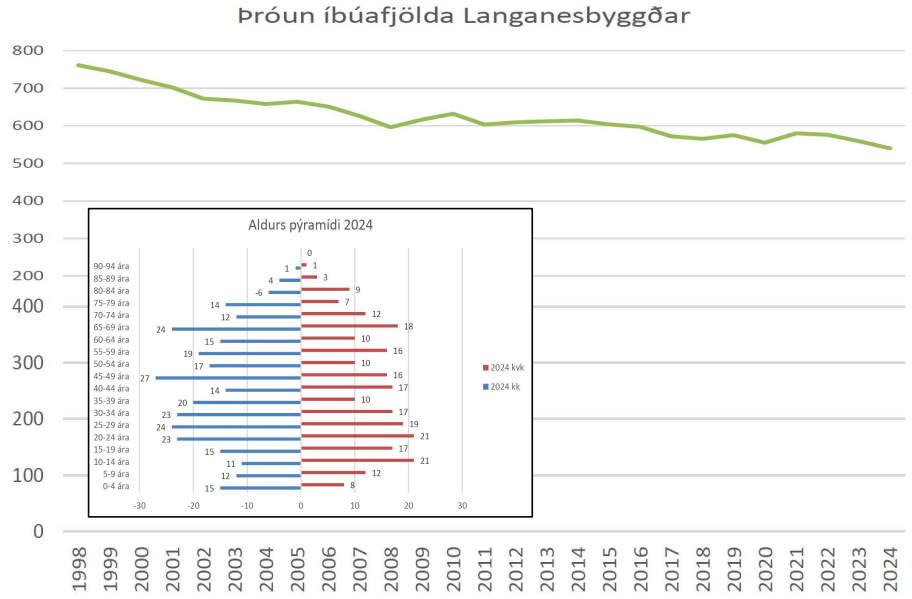


A Vision for the next 50+ Years

What benefits will the Project create?

For me and the local community:

- Operation and maintenance of plants and machinery in the Finnafjörður will generate high-quality jobs, offering prospects for local families.
- Local companies will benefit from construction, for example building contractors, restaurants and retailers.
- Growing economic activity leads to increased private property values and quality of life.
- Resulting tax and concessioning income for the municipalities will stabilise local communities and finances.



Source: Aðalskipulag Langanesbyggðar, 2026 – 2040, Mai 2026

“To reverse negative population trends and create the conditions for job growth, it is necessary to build upon the strengths Langanesbyggð already possesses.

Economic development in the area depends on the interplay of energy, infrastructure, location, and natural resources.

Source: SSNE: Stoðir atvinnu & mannlífs í Langanesbyggð, Mars 2026

For Iceland:

- Contribution to a decarbonised national industry, especially in transportation and shipping, including fishing vessels.
- The production of synthetic fuels based on locally available electrical energy will shield Iceland from global energy shocks, thus making the nation independent of resulting price rises of fossil fuels.
- Reverse the socio-economic gap of North East Iceland to the capital area.



Socio-economic Impact

What impact will the Project create?

If the project becomes a reality, the societal impact would clearly be significant. Developing the industrial and port area would create a foundation for job growth across various sectors and improved services for residents.

For the municipality, revenues could rise and revenue streams become more stable through increased property taxes, local income taxes, and income from services provided.

However, such a project of this size will not materialise overnight. Any industrial project will impact the immediate environment, both during construction and operations.

All future industries in the Finnafjörður area must fulfil national requirements according to Icelandic law and regulations.

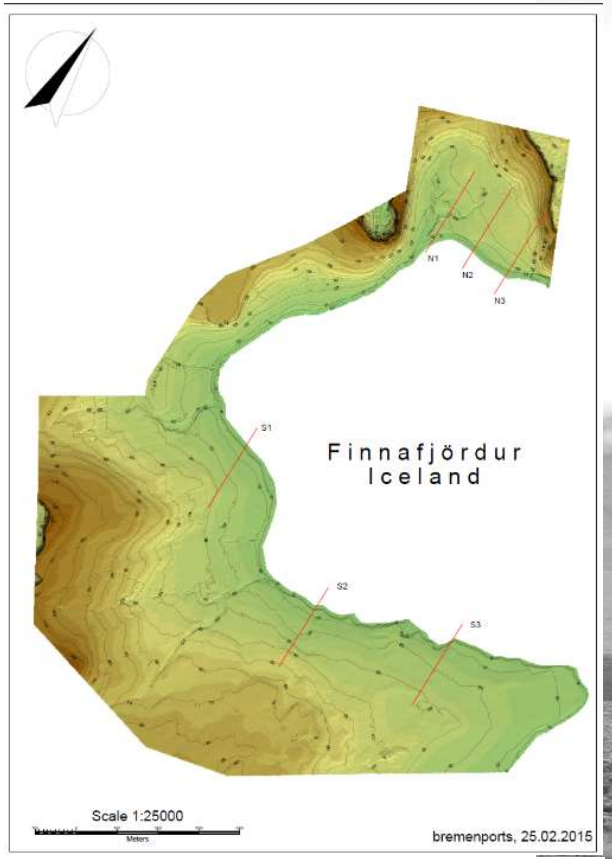
bremenports has so far commissioned preliminary environmental studies, including:

- Topography
- Birds, mammals and vegetation
- Geological survey

The scope of these studies does not yet include any emissions assessment from industrial activity. Neither does it include the impact of potential dredging in the fjord. Any such investigations need to be addressed in the course of the zoning planning.

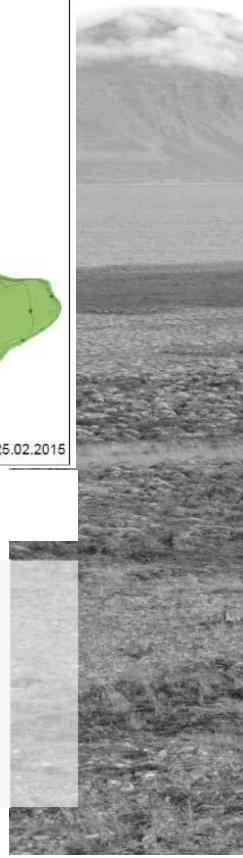
We are aware of the fact that construction of port and industrial installations requires human resources to be brought in and accommodated in the area.

Given the concession structure of the investments, we will carefully plan construction activities together with the municipality so not to overstretch local resources.



Topographic map from survey 2015. Source: bremenports

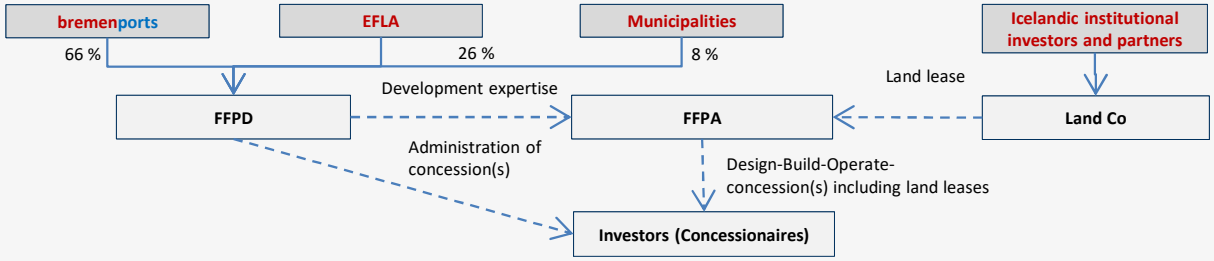
Same applies for logistics planning, such as the transport and storage of required materials.



The Project Structure

Public and private partners collaborate in a project of national interest.

- Three organisations take care of development, land provision and concessioning. Revenue will come from concessions with investors based on a detailed zoning plan to be developed in close cooperation with the municipality and subject to its final approval.
- After deducting operational expenses for all three organisations, remaining profits are shared amongst all entities.



- The investors will plan, construct and operate their own infrastructure. Each concession will need to undertake an individual environmental impact assessment.
- Each investor will pay for its own plants, machinery and infrastructure, including operations and maintenance.
- Concession agreements will include provisions to dismantle the assets once the concession expires.

Finnafjord Port Development Company (FFPD):

- Owned by bremenports (66%), Efla (26%) and the Municipalities of Langanesbyggð and Vopnafjörður together hold 8%.
- FFPD is mandated by Finnafjord Port Authority to develop a business model for the Project, propose a zoning plan for the area, find potential investors and oversee the contract implementation.
- The FFPD does this at own costs and risks.

Finnafjord Port Authority (FFPA):

- 100% owned by the municipalities.
- Assumes the legal role of port authority including granting the concessions (via Finnafjarðarhöfn slhf. (100% municipality owned, not shown in graphic).
- Responsible for planning, infrastructure connectivity, and public port services.
- FFPA has mandated FFPD to support the port development until 2060. Over time, FFPA will resume ever more control for the project.

Land Company (LandCo):

- Provider of land under a master land lease agreement, and takes associated commercial risks.



Next steps

What is needed to implement the Project?

The availability of competitive electrical energy from local renewable sources is the key for a successful development of the area, not only in terms of the Finnafjord project, but also in a wider context of regional communities.

- The Project relies on locally produced renewable energy – and that comes from wind farms in the vicinity of Finnafjord.
- Further, the project needs a strong local endorsement from local municipal representatives and the central government. This allows FFPD to continue talking to potential companies interested to establish facilities at the project area to further investigate their needs.
- FFPD puts all needs together into a zoning plan, which we will discuss with FFPA and the LandCo for municipal approval.
- Further options for land use in the hinterland for additional economic development are being investigated by FFPD.
- The project needs a clear timeline for a high-voltage grid connection to support the wind energy supply to the FF area.





FINNAFJORD DEVELOPMENT COMPANY ehf. (FFPD)
Þróunarfélag Finnafjarðarhafnar ehf.

Laynghálsi 4, 110 Reykjavík
Registry Excerpt (Kennitala No.): 550719-0450

Contacts at

EFLA CONSULTING ENGINEERS

Hafsteinn Helgasson
+354 412 6102
hafsteinn.helgasson@efla.is

bremenports Bremen Bremerhaven GmbH & Co. KG

Dr. Lars Stemmler
+49 151 1525 8362
lars.stemmler@bremenports.de