

The municipality of Fljótsdalur



The municipality of Fljótsdalur is the part of East Iceland that lies beyond Lagarfljót up to the highland east of Snæfell. This Infrastructure Analysis includes an overview of services, infrastructure, nature and human resources in the municipality, with special emphasis on the existing opportunities for further strengthening of the economy and investment activities.

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About the Infrastructure Analysis

The Infrastructure Analysis for the municipality of Fljótsdalur 2022 was conducted under the direction of the Project Manager of *Fögur framtíð í Fljótsdal* (Bright future of Fljótsdalur) at Austurbrú, for the municipality. The objectives of Austurbrú are the streamlining of administration, to be a venue for co-operation and integration, and to work towards ambitious goals, for the benefit of the residents in East Iceland.

Bright future of Fljótsdalur) is a community project involving the residents of the municipality of Fljótsdalur. Its goal is to strengthen and support the community in Fljótsdalur through active participation and communication between individuals, companies and institutions that are connected with the locality in one way or another.

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Address of the Head of the Municipal Council

Important preparations for the future

The concept of sustainability is intertwined with all social discourse in the 21st century, and is in fact a slogan representing modern views on the environment, economy and community, for good reason. Our continued well-being on Earth requires that we do not deplete our resources and that we can live in harmony with our current situation.

Many believe that innovation and recycling is a new concept but this is certainly not the case. One example from an exhibition in Óbyggðasetrið (the Wilderness Center) is a drill that the residents built for themselves from an old centrifuge. If anything was to be built, the tool had to be built first!

A rich tradition

We in Fljótisdalur have a long, unbroken tradition of sustainability, looking to the future and striving for progress. The will to make use of the bounty from the local environment is reflected on both a large and a small scale. One evident manifestation of this is the extensive forestry activities that have been conducted here, as the people of Fljótisdalur were the first among farmers in Iceland to engage in tree farming for wood production on their land in 1970. Among the effects of this forward-looking endeavour is that today carbon dioxide binding exceeds carbon dioxide emissions.

The progressive spirit is reflected in the high-quality architecture that is widely

seen in Fljótisdalur, the result of construction projects where no expense was spared. Gunnarshús at Skriðuklaustur is one of the better known structures, and Snæfellsstofa may also be mentioned, inspired by the eternal creative power of the glacier, and the first building in the country to receive an eco certificate.

In the near future, a service building will be constructed at Hengifoss, designed by the Norwegian architect Erik Rønning Andersen and with a clear reference to the environment. There are many more examples and it may be safely stated that few other rural areas in the country can boast of such interesting and often exceptionally noteworthy architecture. This is a strong testimony to the spirit that characterises Fljótisdalur and the community's attitude towards the importance of originality and innovation.

Meeting modern requirements

For a number of years, the locals have actively shown that the strengthening of the community in Fljótisdalur is a cause near to their heart. There are currently nine new buildings under construction in the municipality. These are residential buildings, holiday cottages, storehouses, hotels and service buildings, in addition to which two old and impressive residential buildings that have not been inhabited for decades are being rebuilt. The locals themselves are the main driving force behind these projects, numbering about one hundred people in Fljótisdalur. Impressive endeavours!



Helgi Gíslason

There are also plans for building up a residential area in the valley, a project that can be considered unique on a wide scale. The goal is to create an environment where the residents can enjoy the benefits of urban as well as rural living. In this manner, the community in Fljótisdalur seeks to meet modern requirements and to show by example their willingness to grow, develop and flourish in times yet to come

Plentiful opportunities

The objective with this Infrastructure Analysis, which has now been published, is to provide the reader with an overview of the services, infrastructure, nature and human resources available in the municipality of Fljótisdalur, with a special emphasis on those branches of industry where there is room for more investment and innovation. Furthermore, it sheds light on the diversity of the community as in spite of the small population there are powerful institutions in the area that are concerned with matters of education, nature conservation and energy production, as well as companies that engage in earthwork contracting, tourism services and the processing of forestry products.

This Infrastructure Analysis shows that there are plenty of opportunities in Fljótisdalur, based on a strong tradition and history of sustainability and self-sufficiency. For all those who want to make a difference in Fljótisdalur, this provides an invaluable support for their future efforts.

East Iceland

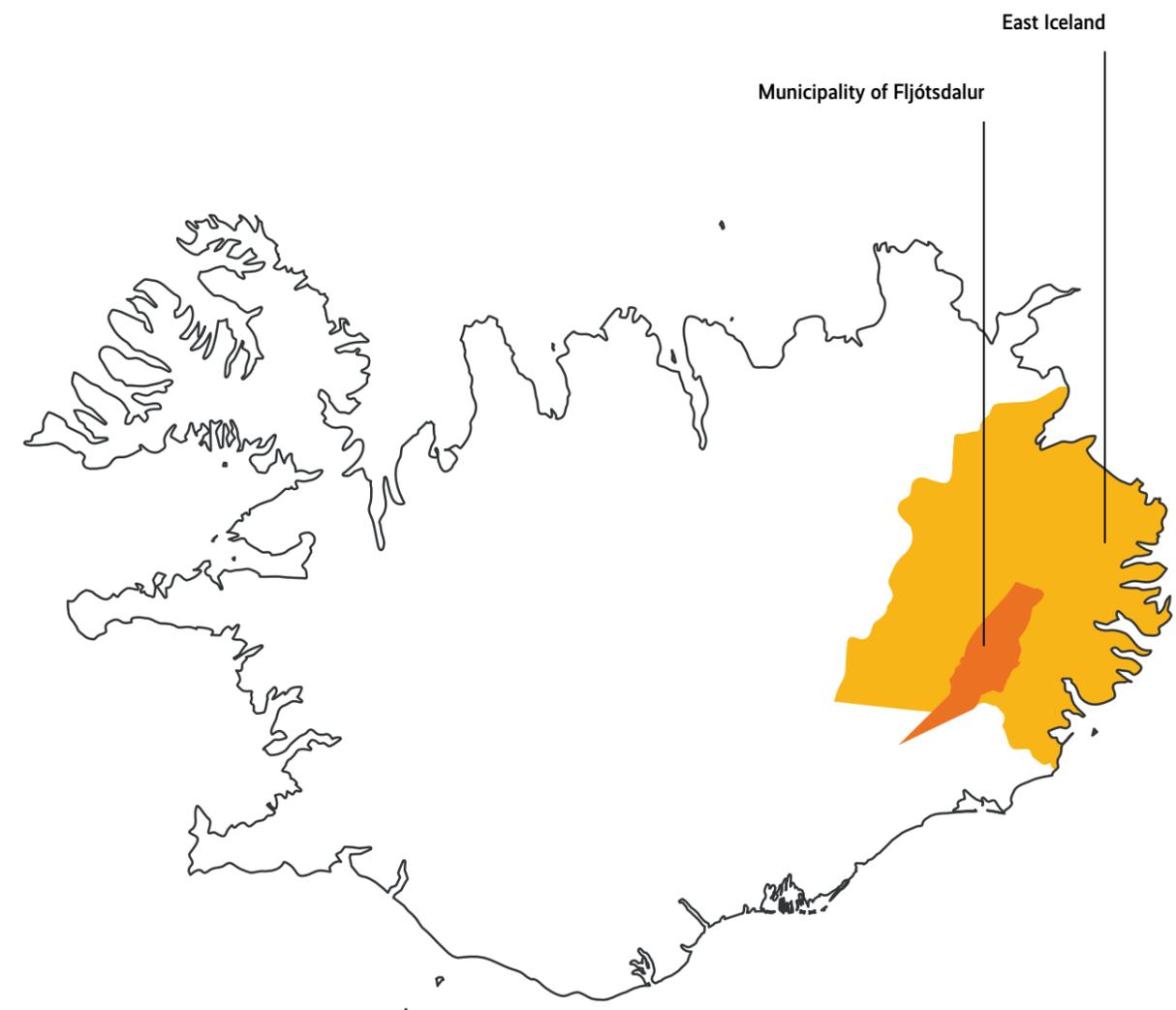
East Iceland has beautiful bays, verdant valleys and highlands unlike any other. This region of the country reaches from Bakkafjörður in the north to Krossness in the south and encompasses in total about 16,000 km. There are about 10,000 inhabitants in East Iceland, divided between four municipalities: Fljótisdalshreppur, Múlaþing, Fjarðabyggð and Vopnafjarðarhreppur. The community has multiple settlements that form a system of population nuclei among prosperous rural areas.

In spite of the small population, the economy is flourishing with its many well-established companies, a community of successful creative individuals, and strong infrastructure.

There is a rich tradition in East Iceland for food production, fisheries and ocean-going concerns. It is also the location of aluminium production, and one of the largest hydropower structures in the country, at Kárahnjúkar, which has brought to the area a large number of people highly skilled in technology. The culture, nature and history of the area is celebrated through varied and ambitious exhibitions.

In recent years, East Iceland has become a lively tourist destination for people who are looking for unspoiled nature, a genuine experience and a creative spirit.

This Infrastructure Analysis concerns the municipality of Fljótisdalur, which is the innermost part of the Fljótisdalur area. The purpose of the Analysis is to provide an overview of the services, infrastructure, nature and human resources in the municipality, with particular emphasis on those branches of industry where there is room for more investment.



Municipality of Fljótsdalur



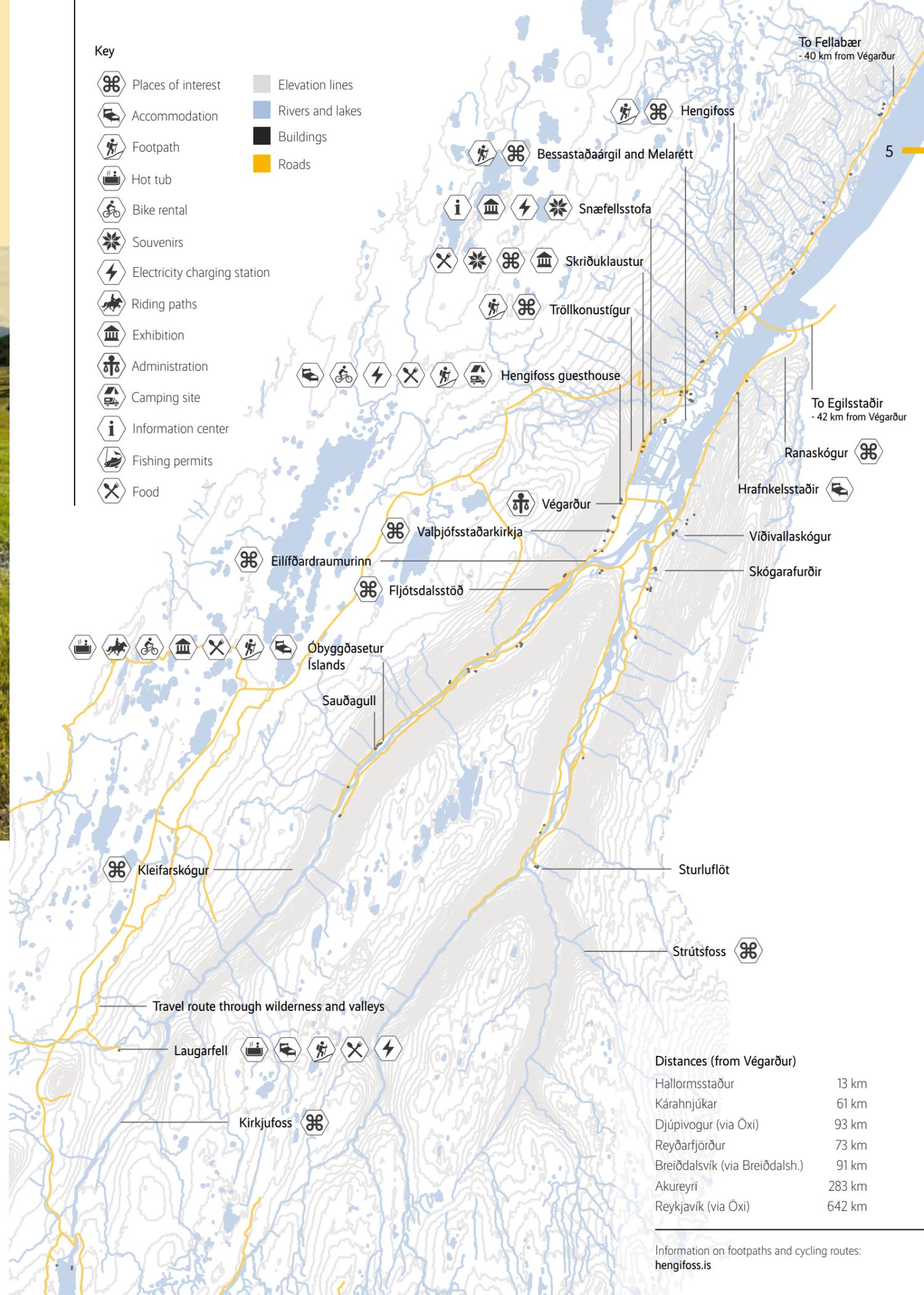
Haymaking in Fljótsdalur.
Image: Ásdís Helga Bjarnadóttir

The Municipality of Fljótsdalur in the Fljótsdalur valley covers more than 1,516 km², extending in the north by Lagarfljót from Hrafngerðisá, and in the east from Gilsá at Fljótsbotn, all the way south to the glacier Vatnajökull. The Fljótsdalur valley is divided into the South valley and the North valley, with Múlinn in between. A quite extensive area of land on the plateau in the municipality of Fljótsdalur is part of the Vatnajökull National Park, which encompasses unique nature and cultural history.

Snæfell, the highest mountain in Iceland that is not part of a glacier (1,833 m above sea level), is one of the principal landmarks of the area. Nearly 2.500 ha of the municipality of Fljótsdalur is covered by forest, which means that forests and forestry areas account for

nearly 18% of the surface area of the municipality lower than 400 m above sea level. The lowland area, called Fljótsdalsgrundin, is characterised by arable and high-yielding meadows and fields.

The population of the municipality is about 100. There is no densely populated area in the municipality, but there are plans to develop a population centre in the next years. The major locations for work other than farming are the Fljótsdalur Station of the National Power Company, the Snæfell branch of the visitor centre network in Vatnajökull National Park, Gunnarsstofnun and Klausturkaffi at Skriðuklaustur, Hengifoss guest house, Skógarafurðir ehf. and The Wilderness Center in Norðurdalur, in addition to the municipal office at Végarður.



Objectives of the community

The locals in Fljótsdalur have through the community project *Bright future of Fljótsdalur* emphasised the following values and objectives:

- » sustainability
- » innovation
- » environmental protection
- » quality of life

This is also reflected in the following goals:

- » To increase the environmental awareness of those who live and work in the area and also its visitors.
- » To ensure that the nature remains clean and unspoiled to strengthen the image of the area.
- » To work towards a healthier community and increase the quality of life for the people in the municipality.
- » To look towards promoting sustainable development in decision-making.

According to a general plan that remains in effect until 2030, another objective is efficient development of the community in the area, e.g. by creating the best possible conditions for the economy and social activities to flourish, and to make the area an attractive place to live.

Sheep pens at Melar.
Image: Ásdís Helga Bjarnadóttir



Jökulsá in the North valley of the municipality of Fljótsdalur.
Image: Jessica Auer

Defining characteristics

Sustainable use of resources

For centuries, sheep farming has been done on nearly all the farms in Fljótsdalur. The land is fertile and vegetation is spreading widely. The valley has fields with natural irrigation and arable lowlands. Revegetation and cultivation efforts have yielded visible results. Agroforestry in Iceland began with the Fljótsdal plan in 1970. As a consequence, the valley is abundant with forests that are used for various forestry products such as paneling, parquet and fenceposts, in addition to which there is a considerable production of Christmas trees. Timber that is left over from forestry operations is also used as fuel to heat houses. Through modern and environmentally friendly technological solutions, lakes and rivers have been harnessed to produce electricity through hydropower. Reindeer are hunted in a sustainable and organised manner.

Unique nature

Fljótsdalur has unique and beautiful natural surroundings and is visited by a large number of tourists each year. The climate is known far and wide to be pleasant, with warm summers and winters with low precipitation. There are good conditions for farming, especially sheep farming. The local bird life is highly varied, with 50 species of birds having been spotted at Snæfell. The Eyjabakkar area above Fljótsdalur is specifically protected in accordance with the RAMSAR Convention. This protection is due to the international importance of naturally irrigated fields, as the area is one of the largest wetlands in the highlands of Iceland, and a major natural sanctuary for pink-footed geese that lay thousands of eggs in the Snæfell wilderness. The highlands of Fljótsdalur has vegetation that reaches up to about 600 m above

sea level, which can also be considered unique. The Vatnajökull National Park, which includes part of the municipality of Fljótsdalur, is on the UNESCO cultural heritage list and one of the largest national parks in Western Europe. The principal habitat and migration routes of the reindeer population in Iceland are within the boundaries of the municipality of Fljótsdalur. What mostly attracts tourists to the area are the natural marvels Strútsfoss, Kirkjufoss and last but not least Snæfell. The wild birch forests Kleifarskógur and Ranaskógur are quite exceptional and among the vegetation is northern bedstraw, which is the signature plant of Fljótsdalur. Fljótsdalur has bluebells, viola tricolor, mountain flax, common witlow-grass, woodland geranium and rock bramble in more abundance than other areas of East Iceland.

Architecture and history

There are few other places in rural Iceland with architecture of such interesting and often avant-garde nature. Most famous is Gunnarshús at Skriðuklaustur, the design of which is inspired by the work of German architect Fritz Höger. Skriðuklaustur is also the site of the ruins of a monastery of the order of Saint Augustine from the 16th century. Not only can the remains be viewed but the experience has been enhanced by providing digital technical solutions and virtual reality to achieve the vision of a "museum without walls". Snæfellsstofa, the Vatnajökull National Park visitor centre, is designed by the architectural firm ARKÍS and was the first new building in Iceland to receive both design compliance and completion certification according to the British environmental certification system BREEAM in 2016.

Under construction is a service building at Hengifoss, selected in a public design contest. The building is designed by

the Norwegian architect Eirik Rönning Andersen, and has a clear reference to the local topography so it will fit well in with its nearby environment. Also worthy of note is the social centre Végarður, which was designed by architect Gísli Halldórsson, as well as Fljótsdalsstöð, designed by the architectural firm OG and realised in cooperation with Verkís and Landmark, in addition to a large number of buildings the origins of which can be traced to the rural architecture archives of the Agricultural design office. The farmyard at Langhús has unique buildings made of turf and rock and the reconstruction efforts of the Wilderness Center evoke times long past.

The Valbjófsstaður door is a national treasure, originally from a stave church that used to stand in the valley, and a replica of it is installed in the church at Valbjófsstaður.

Longhouse.
Image: Ásdís Helga Bjarnadóttir



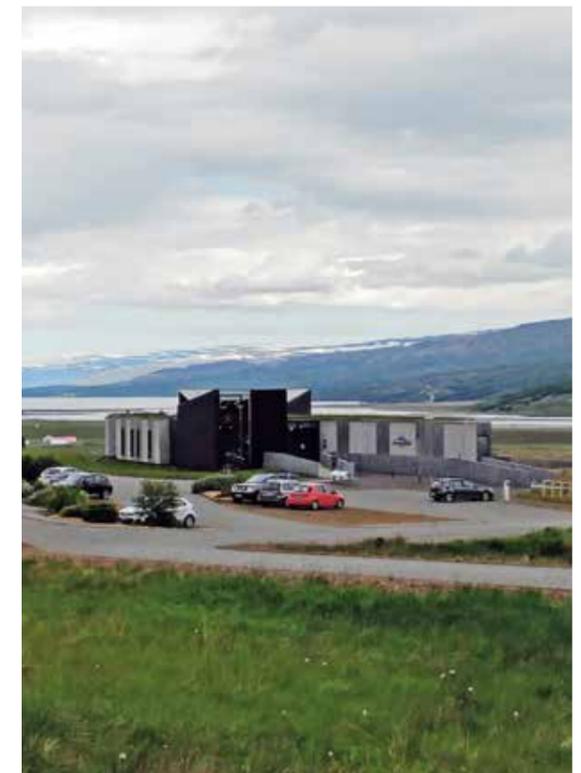
Illustration of the service building at Hengifoss, currently under construction.
Image: Eirik Rönning



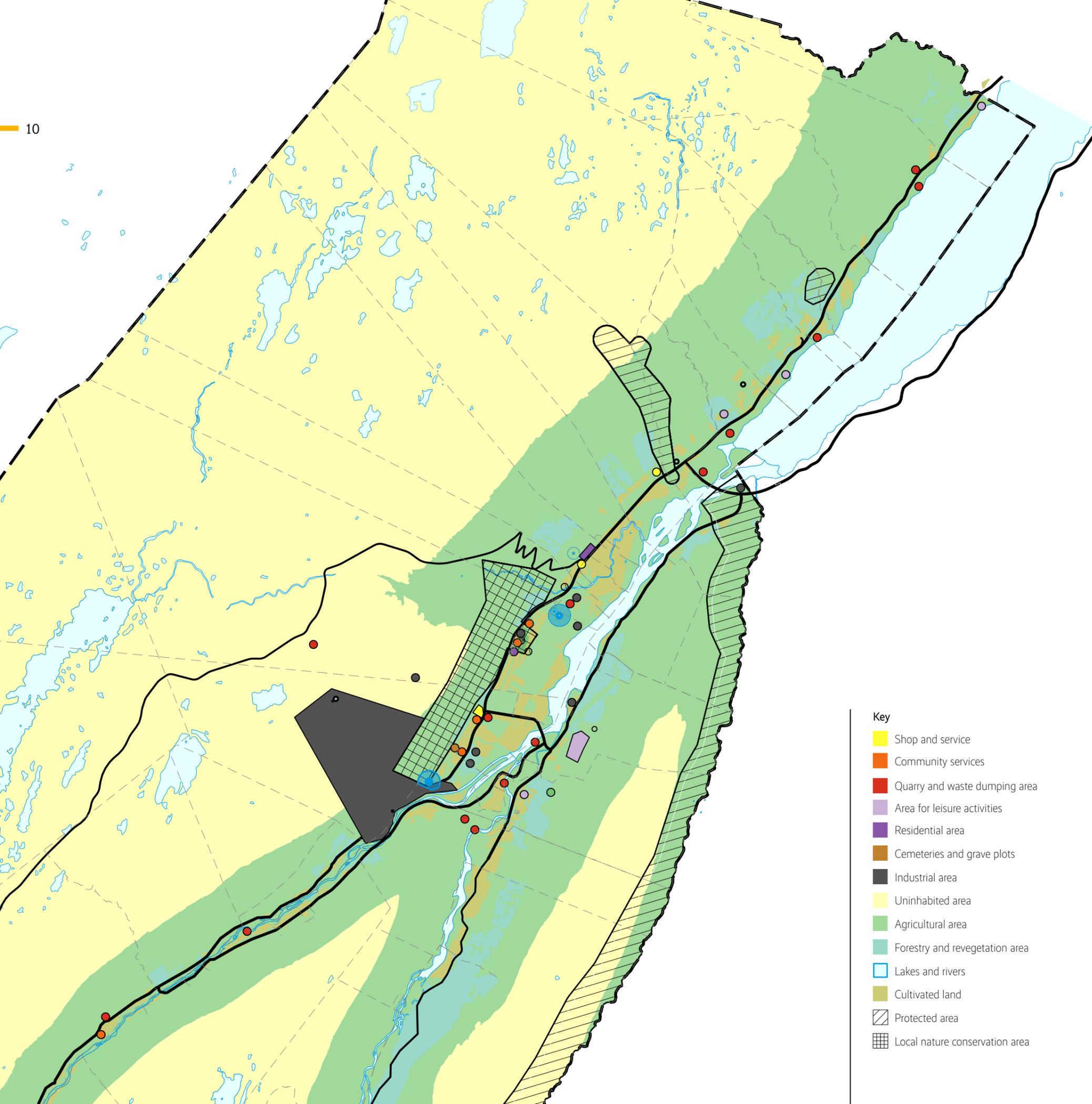
Gunnarshús at Skriðuklaustur.
Image: Ásdís Helga Bjarnadóttir



Snæfellsstofa.
Image: Skúli Björn Gunnarsson



Snæfellsstofa.
Image: Ásdís Helga Bjarnadóttir



Key

- Shop and service
- Community services
- Quarry and waste dumping area
- Area for leisure activities
- Residential area
- Cemeteries and grave plots
- Industrial area
- Uninhabited area
- Agricultural area
- Forestry and revegetation area
- Lakes and rivers
- Cultivated land
- Protected area
- Local nature conservation area

General plan

RESIDENTIAL HOUSING

The municipality of Fljótisdalur has a general plan that is in effect until 2030. According to that general plan as many as three residential buildings may be built on each parcel of land without a specific plan being required. In 2020 the municipality of Fljótisdalur made an agreement with TGJ design, consultancy and research firm on finding a site for an attractive, unique and eco-friendly residential area that does not clash with the surrounding landscape, in a naturally secure location and that will be accessible and suitable for the expanding economic activities in the valley. The location of this residential area should also be selected based on environmental psychology, so that the layout will maximise the well-being and positive experience of residents and visitors. It is also emphasised in the current general plan that all special planning will contribute to better shaping of the environment, such as regarding size, form, material, look and colour choice where new buildings are concerned. A site has been selected for the residential area on the land of Hjarðarból, and special planning and consequent alterations to the general plan are being worked out.

AREA FOR LEISURE ACTIVITIES

In Fljótisdalur it is permitted to build as many as three vacation cottages on farmland plots that are larger than 70 ha, without having to define the area as a leisure activities area in the general plan. It is considered important that the overall appearance of built-up areas is consistent with the surrounding environment and relevant situation. Five areas in Fljótisdalur are defined as leisure activities areas in the general plan.

COMMERCIAL PROPERTY

A large majority of commercial property in Fljótisdalur is connected with farming, but other forms of commercial activity are conducted at Skriðuklaustur, Végarður, Fljótisdalsgrund, Snæfellsstofa, Valbjófsstaður and in the Wilderness Center. According to the current general plan there are defined shopping and service areas at Hengifoss, Eyralandi/Bessastaðir, Végarður and Laugarfellsskáli. There is an industrial area for forestry and agricultural products at Hvammseyri past Valbjófsstaður. Another area is defined for industrial activities in connection with Fljótisdalsstöð, a total of 10 km². In the older plan it was assumed that on the land of Ytri Víðivellir II there would be an area for the processing of forestry products where currently extensive activities are being conducted. There is an accessible space at Hvammseyri on the land of Valbjófsstaður.

Utilities

Electricity production

Fljótsdalsstöð in Fljótsdalur is the largest power plant of the National Power Company. It has 690 MW of installed power and can process 4,800 gigawatt hours of electricity per year. The station is located about 800 m inside the mountain Valbjófsstaðarfjall with about a 400 m hydraulic head. From Háslón, the main reservoir, the water runs about 40 km through headrace canals to the plant. Two smaller reservoirs use water from the river Jökulsá í Fljótsdal and the lakes Ufsarlón and Kelduárlón, from which the water runs through underground tunnels and is joined with water from Háslón in one headrace canal that leads to the plant with a total hydraulic head of about 600 m. The water powers six strong turbines and then runs through a canal into Jökulsá river in Fljótsdalur close to Valbjófsstaður. The main part of the energy goes from the plant over Hallormsstaðaháls to Alcoa Fjarðaál at Reyðarfjörður.

A new power transmission line of Landsnet, called Kröflulína 3, connects the plants Þeistareykjavirkjun and Kröfluvirkjun to the plant at Fljótsdalur. Together they form a strong core that improves the electricity transmission system, and increases the stability and quality of energy supply.

Homes and companies in Fljótsdalur have access to three phase electricity. A few farms have 620 kV small plants. There is potential for expanding them. There are also plans for constructing more such small plants with new technology that is suitable for rivers with heavy currents. Already available is an assessment of the options for small-scale power plants in Fljótsdalur from the engineering firm Vatnaskil.

Fljótsdalur Powerhouse.
Images: Ásdís Helga Bjarnadóttir



Waste management

Households that pay a tipping fee sort their waste into general, recyclable and organic waste. Organic waste is not collected, households are provided with special bins for such waste. Other waste is collected and either deposited in approved landfill sites or recycled. Commercial waste is not entirely managed within the Municipality but rather the companies have made contracts with commercial entities regarding containers and the emptying thereof.

There is a waste container area near Végarður where the municipality has rented skips for iron, timber, general/unsortable waste and hazardous waste (batteries). The municipality has also offered farmers the option to temporarily use skips for iron and timber if they are engaging in specific cleaning projects.

There are septic tanks at all farmhouses and companies. An officially approved collection pit for sludge is located below Valbjófsstaður.

Heating utility

Fljótsdalur has no heating plant but there are a number of locations where warm water sources can be found. At Laugarfell there is a source of hot water that is used to heat the housing and natural pools. Close to the Wilderness Center is a thermal spring which is connected to a heat pump that supplies heat for a hot tub and other concerns (see the image to the right). According to the general plan, further research and search for other geothermal sources will be conducted. There is a wood-fuelled heating plant at Végarður. In a few places, wood is used as fuel for heating houses where wood from pruning is used for high temperature burning.

Bath house at the Wilderness Center.
Image: Ásdís Helga Bjarnadóttir

Water utilities

Most farmlands in Fljótsdalur have their own water utilities, and the registered water utilities that are licensed are five in number. Two are used by the National Power Company, i.e. at Fljótsdalsstöð and at Ufsarlón. There is one utility at Skriðuklaustur, which serves a number of places between Skriðuklaustur and Végarður. In addition, there is a water utility at Laugarfell and further down the road at Hengifossárgil.

Telecommunications

Telecommunications transmitters for television and radio transmissions, and repeaters for mobile phone connection are located at various sites in the Municipality and there is a fibre-optic connection to all farmhouses. Many places have a 3G and 4G connection. According to the general plan the installation of main lines for telecommunications systems underground alongside roads and paths is permitted without alterations to the general plan.



Environment and resources

Climate

Fljótisdalur is known for its gentle weather, characterised by low winds in a generally dry and warm climate. The direction in which the winds blow is influenced by the topography. In Fljótisdalur, south-western winds prevail. Vatnajökull and the highlands of the Eastern Fjords shields the area from southern and south-eastern winds. The average temperature for the year 2020 at Hallormsstaður was 4.1° C and the average summer temperature (from June to September) was 9.5° C. The total precipitation that same year was 982.4 mm, and on average it rains much less in the valley Fljótisdalur than outside it. The lowlands get little snow in the winters, but droughts can be detrimental for vegetation, especially in early summer.

Geography and geology

Fljótisdalur and the bottoms of other valleys are surrounded by mountains that are similar in elevation, i.e. between 600 and 700 m, and which form a plateau where the rivers and glaciers have carved out a kind of trough through erosion. Currently it is filled by Lagarfljót and the alluvium that forms a plain a short distance from Fljótisbotn, at the low elevation of about 25 m above sea level. These quite unique surroundings include water that drops from considerable heights from the plateau down to the bottom of the valley, in the form of diverse and beautiful waterfalls. The distance from the coast of Héraðsflói to Fljótisdalur is about 80 km. The inner part of the valley is divided at Múli into the South valley with Kelduá and the North valley with Jökulsá.

The bedrock in the area mostly consists of basic igneous rock with reddish sedimentary rock in between, which is one of the main defining characteristics of Fljótisdalur.

Natural hazards

The municipality of Fljótisdalur is situated outside earthquake and volcanic eruption areas. Still, volcanic ash has reached the valley, and it is not uncommon for ash and clay to be blown by the wind over the valley from the highlands when the wind comes in from certain directions. There is a considerable risk of landslides where the solid bedrock is only covered by a thin layer of mantle rock. Earthslides tend to occur following heavy precipitation. It is not known if there is permafrost anywhere in the area. The best-known landslide areas are on the eastern slopes of the mountains Múli in the South valley and Valþjófsstaðarfjall above Valþjófsstaður and Skriðuklaustur. No official risk assessment has been made regarding landslides, avalanches or bush and forest fires.

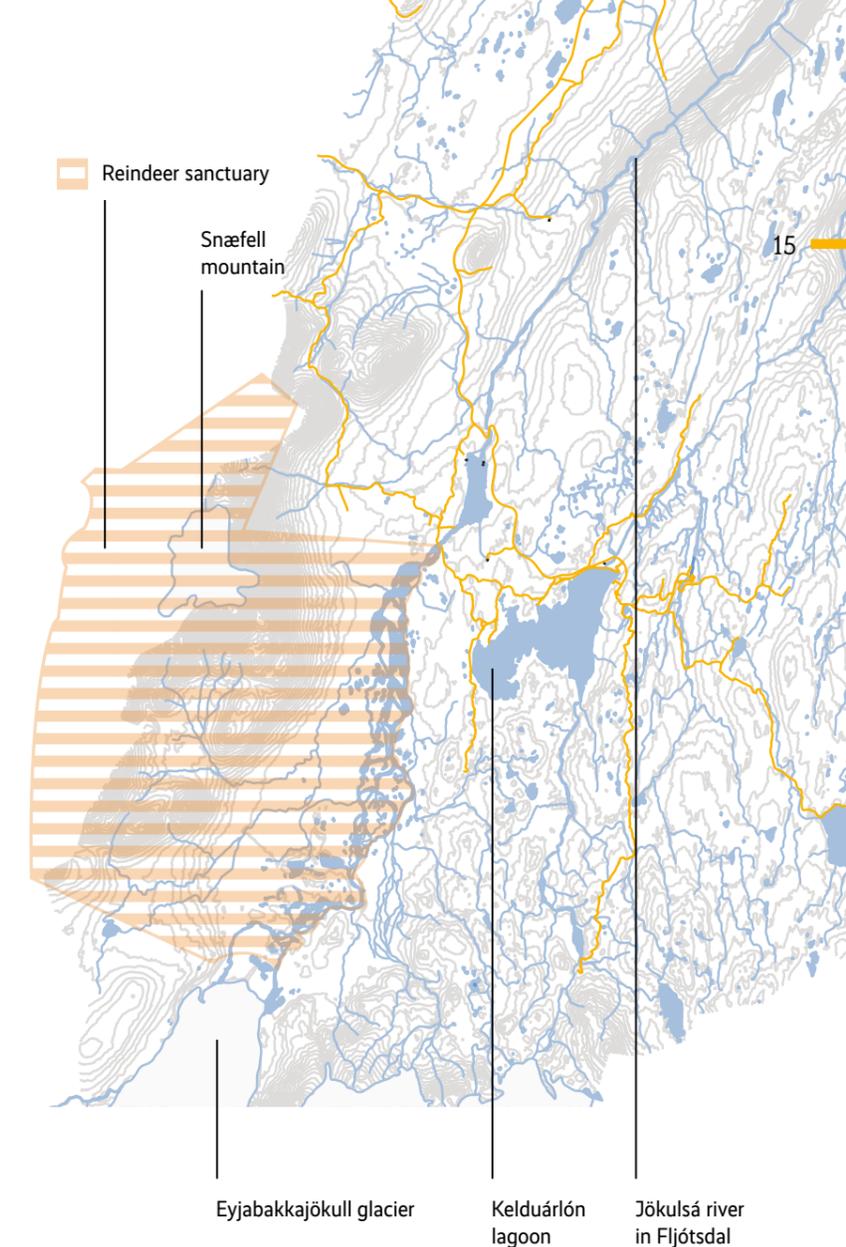
An assessment has been made of the risk of the dams bursting at the reservoirs in Kelduárlón and Ufsarlón, which would cause Lagarfljót to swell. If the dams would burst it is considered possible that six farms and their cultivation land could be at risk from the resulting flooding from Ufsarlón, but Kelduárlón is not considered to pose any danger. There are two farms in the North valley and the others are located in the lowlands between Végarður and Hengifoss. However, the risk of the dams bursting is believed to be an extremely unlikely event and it is not believed that there is any particular risk from any other natural hazards than those stated earlier.

It is known that heavy flooding can sometimes occur, when the snow melts at the end of winter and in voluminous rainfalls, and submerge large parts of the lowlands in the valley. The floods cause the water level of Lagarfljót to rise and have a widespread effect in the region. The last major flooding occurred in the autumn of 2017.

Ecosystem

The landscape is beautiful and complex. Sedimented basalt mountains have a strong impact on the look of the valley, as does the flood plain through which the rivers Kelduá and Jökulsá run and join together to pour into Lagarfljót along with Gilsá. In many places there are hills covered in forests, wild birch and tree farms. There are also hills where the soil has shifted due to landslides that have carried vegetation and soil along with them. Heather and flowery vegetation has spread widely and there are many grassy meadows and fields. Due to the favourable climate there are plentiful and varied options for cultivation.

The Fljótisdalur plateau has vast and verdant heathlands, which are used by sheep farmers for the summer grazing. Sheep farming is a major branch of the agriculture in the Municipality. The principal reindeer habitat in Iceland is located within the area. Part of the Vatnajökull National Park is within the boundaries of the municipality, as is Snæfell. Eyjabakkar is a vegetated wetland area on the plateau, in front of the edge of the glacier Eyjabakkajökull at about 640 m above sea level. The area is an internationally important habitat for wetland birds, especially pink-footed geese, an for biodiversity. The conservation areas within Vatnajökull National Park are managed according to an approved management and conservation plan that addresses nature conservation, outdoor recreational activities and regional development. Public lands within the geographical boundaries of the Municipality of Fljótisdalur are Villingadalur, Suðurfell, Múli and the land below Fell. In addition, a large part of the land at Valþjófsstaður and Skriðuklaustur is defined as public land.



Reindeer in Fljótisdalur.
Image: Ásdís Helga Bjarnadóttir



Snæfell.
Image: Ásdís Helga Bjarnadóttir

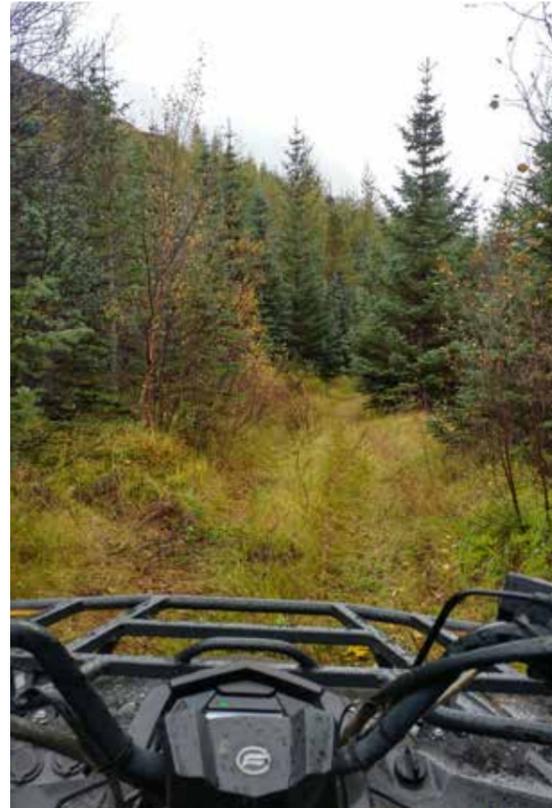


Transportation

Road network

There is a good road network connecting to the neighbouring communities. Highway no. 931 goes around Lagarfljót and leads to the Fljótsdalur circle route no. 933. That road can be exited into the Norðurdalur circle route no. 934 to get to the Wilderness Centre and back by route no. 9340 (gravel road) past Fljótsdalss-töð and Valþjófsstaður. From Végarður in Fljótsdalur there are about 15 km to Hallormsstaður, and from there it is about 42 km to Egilsstaðir and highway no. 1. There is a similar distance from Végarður by Fell to Fellabær, about 40 km. From there an asphalt road leads to the harbour in Seyðisfjörður, Mjóeyri in Reyðarfjörður and the airfield in Egilsstaðir.

In addition, there is an asphalt highland road up to the heathland and Kárahnjúkar and a gravel road from there to Jökuldalur, and an interesting highland route that connects together some beautiful natural marvels. From the highland route, designated jeep trails can be accessed that lead to mountain cabins, such as at Fjallaskarð, Snæfell, Geldingafell and more interesting places in the highlands of Fljótsdalur.



Quad biking in Fljótsdalur.
Images: Ásdís Helga Bjarnadóttir



Footpaths, riding paths and cycle routes

Within the municipality of Fljótsdalur there are footpaths with marker posts that lead to such unique nature marvels as Hengifoss, Strútsfoss and Gjáhhalli. Tröllkonustígur (Troll woman path), Fos-saganga (Waterfall walk) along Jökulsá í Norðurdal, and Fossahringur (Waterfall circle route) starting at Laugarfell, and various routes at Snæfell. There are also cross-country ski paths that start at Laugarfell and the Wilderness Centre when conditions are favourable.

For horseback riding there are routes through the forest Hallormsstaðaskógur and the valley Fljótsdalur on a gravel path at Hrafnkelsstaðir.

Old travel and trading routes lie to Gautavík in Berufjörður, over Viðidalur and passing over Fljótsdalsheiði to Hrafnkelsdalur and Jökuldalur.

The valley and heathland has mountain bike paths that are clearly marked, with coordinates that can be viewed online. A very popular option is to bike the circle route around Lagarfljót and the Fljótsdalur circle route. Since 2012 the popular cycling race *Tour de Ormurinn* has been held in mid-August, on a route that extends as far as the North valley.

A cairn on the land of Geitagerði, one among many that lend character to Fljótsdalur.
Image: Ásdís Helga Bjarnadóttir



Harbours

Fljótsdalur is a landlocked valley with no access to the sea. The nearest harbours to Végarður are in Seyðisfjörður in Múlaþing, a distance of about 66 km, and in Reyðarfjörður in Fjarðabyggð, about 75 km away. There are old ferry points at Brekka and Húsatangi.

Airports

The airfield at Egilsstaðir is only 45 km from Végarður in Fljótsdalur. It is one of four airports in Iceland that meet the requirements of international air service, and is defined as an auxiliary airport to Keflavík Airport. The airport has fire-fighting and emergency medical service staff on call. Egilsstaðir airport is open around the clock, all year round. The local weather and the conditions for aircraft to approach are highly favourable.



Avid cyclists competing in *Tour de Ormurinn*.
Image: Skúli Björn Gunnarsson

Labour market

Human resources

In the municipality of Fljótisdalur, the population was recorded at about 100 individuals on 1 January 2021, 67 men and 31 women. A substantial number of people from the neighbouring municipality comes to work in the municipality of Fljótisdalur, especially in connection with the National Power Company plant, Skriðuklaustur and Snæfellsstofa. Similarly, inhabitants of the municipality of Fljótisdalur go to work in other municipalities.

In 2018, the total number of man-years in the Municipality of Fljótisdalur was defined at 52, whereas in January of 2021 the total number was 55, according to the Directorate of Labour. In the spring of 2021, a survey was also conducted for the companies and institutions in the municipality, and here the findings are used for reference regarding whole year jobs in 2021 and the additional number required for 2026. The majority of jobs are in connection with the public sector and sheep farming, but the increase in economic activity is mostly due to tourism services and derived agricultural jobs. There is hardly any unemployment in the municipality of Fljótisdalur.



Sheep gathering in Fljótisdalur.
Image: Ásdís Helga Bjarnadóttir

Services

The Municipality

The municipality of Fljótisdalur provides a variety of services to its residents with regard to administration and construction, transportation, waste collection, sheep gathering and more. It guarantees mandatory basic education services through a cooperation agreement with Múlaþing. Health care services and other support services such as banks, post office and shops are obtained from Egilsstaðir. Egilsstaðir has a Department of Civil Protection and Emergency control center, a police station and a fire department. The municipality of Fljótisdalur works together with Austurbrú and the residents on a community project that aims at strengthening and supporting the community and finding the future potential for the region. The municipality encourages its residents to seek education, engage in entrepreneurship and improve the environment through various endeavours and grant offers.

Government institutions

The municipality of Fljótisdalur had the highest number of jobs per capita (22.4%) in 2019, a total of 15 full-time equivalent units. This is due to the jobs offered by the National Power Company in the Fljótisdalur plant, by Vatnajökull National Park in Snæfellsstofa, and the full-time units offered by Gunnarsstofnun (the Gunnar Gunnarsson Institute) at Skriðuklaustur.

Gunnarsstofnun is run as a private non-profit institution with a specific organisational chart and defined budget. Gunnarsstofnun has the use and care of Skriðuklaustur, where the Institute runs a culture and education center with cultural activities all the year round, such as exhibitions, concerts, lectures and other events. This is a full-year endeavour that employs a director and caretaker in addition to employing people over the summer months and for specific tasks.

The National Power Company operates the **Fljótisdalur plant**, the largest power plant in the country, with 690 GW of installed capacity and the ability to

Year-round jobs and prospects for the year 2026

Sector	Year-round jobs 2018	Year-round jobs 2021	Additional requirements 2026
Forests and wood	4	8	4-6
Tourist services	10,3	8	5
Public sector	23	27,5	3,5
Agricultural industry	15	12	0
Contractors and derived jobs in agriculture	1	3	3

generate 4,800 GW hours of electricity per year. About 15 individuals work in the plant in fixed shifts.

Vatnajökull National Park covers an area of over 14,141 km² and is among the biggest national parks in Europe. The National Park's visitor centre, Snæfellsstofa, is located at Skriðuklaustur. There the Park has an information center, a souvenir shop and an exhibition, and it is also the base for the supervision of walkers' huts in the highlands. There is a National Park Director, Assistant Park Director and a number of Park Rangers working in the Park.

At **Végarður** public workers can avail themselves of work facilities, for example the employees in Austurbrú, who provide services in connection with the economy, education and culture in East Iceland. Embassy attachés and employees from various companies, pioneers in different fields and university students have also used these facilities.

Companies and services

In Fljótisdalur, most companies are concerned with farming, processing of raw materials, and tourism services.

Hengifoss guesthouse is located next to Végarður social center. The guesthouse offers various forms of accommodation,

such as private rooms and rooms suitable for families, as well as camping sites with or without electricity. Their facilities are therefore used to a considerable extent for family reunions, weddings and other forms of celebration.

Klausturkaffi provides restaurant services at Skriðuklaustur. It places great emphasis on providing Icelandic cuisine, using raw materials from the area, both from agriculture and the wild. The company also produces unique food souvenirs and offers them for sale in the area.

The Wilderness Centre in Egilsstaðir in the North valley is a tourism company that offers an interactive exhibition to show what adventures can be experienced in the surrounding nature. The Wilderness Centre also provides food, accommodation, a hot tub and various recreational activities. The Wilderness Centre also runs tourism services at Laugarfell in Fljótisdalsheiði. The operators of the Centre have received many awards for the excellent design and structure thereof.

Sauðagull is a pioneering company in Egilsstaðir in the North valley. Its objective is to revive and develop handicrafts and foodstuffs from sheep products and sheep milk.

Skógarafurðir is a family business and other Icelandic raw materials obtained



Forest floor after rainfall.
Image: Esther Ósp Gunnarsdóttir

from elsewhere. Among the items they produce are firewood, decking material, panelling, parquet and logs.

Hel-Fjallahjólaleiðir is a pioneering company connected with Hrafnkelsstaðir and Þuriðarstaðir. Its work involves the mapping of mountain bike routes in Fljótisdalur and arranging services in relation to mountain biking.

Fljótisdalur is the location for a considerable amount of **contracting activities**, such as in earthmoving work, snow clearing, carpentry, car repairs and custom-building in connection with farming.

Opportunities



The community in Fljótisdalur looks to the future and has worked on the community project *Bright future of Fljótisdalur*. Forward-looking and targeted steps are taken towards further development of the community. The following pages contain a list of the opportunities in the region, based on an analysis in connection with that project.

Hikers at Hengifoss.
Image: Jessica Auerzz

Food production

Sheep farming is the principal branch of agriculture. There are various opportunities with regard to the use of products and development of various commodities involving meat, milk, wool, bones and other items that become available. Projects involving sheep milk from the area have been successful and met with positive reactions. Nearby, there is access to an experimental kitchen in Hallormsstaður school, which offers sustainability and creativity studies. The school provides guidance and officially recognised facilities that enable new opportunities to be explored in the local area. There are also basic facilities available for food processing in the kitchen at Végarður.

Similarly, there are opportunities inherent in horse and cattle breeding. The use of farms for educational purposes and as part of treatment resources can also be considered, with emphasis on encouraging people to enter the labour market or empower them mentally and physically.

The region includes high-yield hunting areas with birds such as rock ptarmigans and geese, and also reindeer. There is fish in many lakes on Fljótisdalsheiði and fishing licences are sold at Kelduá in the South valley. There are a great many opportunities in that area that still go unexplored, but it has everything that is necessary for innovation in connection with game hunting and tourism.

There has been a great increase in the use of herbs for human consumption, also among the local restaurants. Commodities have been produced for sale using rock bramble, rhubarb, mushrooms and other raw materials. Experiments have also been done with growing barley for beer production, cultivating rosewort for food supplements among many other efforts. Various opportunities are therefore available in the use of wild vegetation and cultivation of plants, whether for specific products, for admixture, food or handicraft of any form.

The municipality of Fljótisdalur is considered to be well suited for the cultivation of corn, such as barley, oats, rapeseed and hops. These opportunities consist of local cultivation and co-operative processing and marketing efforts.



Whortleberries.
Image: Esther Ösp Gunnarsdóttir



Ice cream made from sheep milk is produced in Fljótisdalur.
Image: Esther Ösp Gunnarsdóttir

Forestry

The valley is a great repository of knowledge in the field of forestry, as the people of Fljótisdalur were the first to begin organised commercial forestry in Iceland. Cultivation of forests for the production of wood has been going on for 50 years. Christmas trees have been produced for a long time and there is room for increasing that production, and also to combine efforts to further improve the quality of the trees and their commercial value.

Forest areas include a considerable amount of undergrowth that can be used for pasturing, such as mushrooms, rock bramble, medicinal herbs and herbs suitable as food supplements. It is a custom in the region to use the sap, branches, bark, cones and other parts of birch trees for colouring, tanning or food artistry.

There is potential for the sale of carbon units through forestry and there are also various, hitherto unexplored, options whereby forestry could be connected with tourism and outdoor activities.

The campsite at Hengifoss guest house.
Image: Ásdís Helga Bjarnadóttir



Industry

There are forestry concerns in Fljótisdalur that include the production of parquet, panelling, decking material, fence posts and firewood that is provided to the major pizzerias in the country. Thus there are opportunities inherent in further processing of Icelandic wood. The varied forms of agriculture in the valley additionally offer different processing of agriculture-related products, not least in connection with sheep, for example meat processing, the use of wool and tanning of hides. There are opportunities with regard to other branches of agriculture that go unexplored. Processing and completion of wild game products remain among the unexplored options, even in such close proximity to some of the major hunting grounds in the country. The municipality has the largest power plant in the country, Fljótisdalsstöð.



Forest in Fljótisdalur.
Image: Esther Ósp Gunnarsdóttir



Pine.
Image: Esther Ósp Gunnarsdóttir

Wood processing in Fljótisdalur.
Image: Ásdís Helga Bjarnadóttir



Tourism

There are many and diverse opportunities in connection with tourism, not least when considering the proximity to Vatnajökull National Park and the Eyjabakkar area. The nature of the area is quite unique, as is the local wild animal and bird life. Tourists have flocked to Hengifoss, although their dispersion throughout the valley has been limited. This means that there are opportunities to offer information there regarding other recreational activities and services throughout the region, by providing a staffed service building. Restaurant services are quite sought-after between April and October, but at other times it is limited to group bookings. More recreational activities can be offered in the area, both in summer and winter. The area is suitable for water sports, hikes, mountain walks, riding trips, hunting trips, bird watching and other activities. There are numerous opportunities for establishing round-the-year tourism and to increase the use of buildings connected with the tourism industry, such as the mountain hotel Laugarfell and the mountain cabins in the highland area.



Horseback riding in Fljótisdal.
Image: Jessica Auer



Improving the tourist facilities at Hengifoss.
Image: Jessica Auer

By the Fljótisdalur Power Plant.
Image: Jessica Auer



Nature and history

Fljótisdalur, Valþjófsstaður and Skriðuklaustur were major destinations in East Iceland in their day. Tales and accounts have been recorded regarding habitation, travel routes and economic activity, which can be used in scholarly research, recreation and handicraft.

The Fljótisdalur valley and local highlands are natural marvels unto themselves, both in summer and winter. There is potential for diverse tourism services based on experiences, physical challenges, increased knowledge and mental nourishment. This means that there is material for further development and job creation, as well as access to specialists in nearby

agencies in the community, such as Vatnajökull National Park, Gunnarstofnun at Skriðuklaustur, the Nature

Agency for East Iceland, the Environment Agency of Iceland and the University of Iceland research center in East Iceland.

As aforesaid, the municipality of Fljótisdalur is a unique environment with resources that are highly desired for building up the economy and for investment. The community is also happy to welcome new people with a wealth of ideas into their fold.

Further information may be found on the community's website: fljotsdalur.is.

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