

Act on Package Travel and Linked Travel Arrangements

2018, No. 95, 25 June

Entered into force on 1 January 2019. EEA Agreement: Annex XIX, Directive 2015/2302.

Any mention in this Act of a minister or ministry, which does not specify the name or area of competence of the minister or ministry, refers to the **Minister of Tourism, Industry and Innovation** or the **Ministry of Industries and Innovation**, which administers this Act.

Chapter I. General provisions

■ Article 1. Purpose

The purpose of this Act is to ensure consumer protection in respect of the promotion, conclusion and performance of contracts relating to package travel and linked travel arrangements.

■ Article 2. Scope

This Act applies to packages and linked travel arrangements offered for sale, sold or facilitated by traders for travellers.

This Act does not apply to trips:

- a. covering a period of less than 24 hours, unless overnight accommodation is included;
- b. offered occasionally and on a not-for-profit basis and only to a limited group of travellers;
- c. purchased in relation to the purchaser's trade or business on the basis of a general agreement.

■ Article 3. Deviation

Deviations from the provisions of this Act shall be permitted for the benefit of travellers.

■ Article 4. Definitions

1. Travel service:

- a. carriage of passengers;
- b. accommodation which is not intrinsically part of carriage of passengers and is not for residential purposes;
- c. rental of cars and motorcycles requiring a Category A driving licence;
- d. any other tourist service not intrinsically part of a travel service within the meaning of points (a) to (c).

2. *Package*: A combination of at least two different types of travel services for the purpose of the same trip if;

- a. those services are combined by one trader, including at the request of or in accordance with the selection of the traveller, before a single contract on all services is concluded; or
- b. irrespective of whether separate contracts are concluded with individual travel service providers, those services are:

1. purchased from a single point of sale and those services have been selected before the traveller agrees to pay;
2. offered, sold or charged at an inclusive or total price;
3. advertised or sold under the term 'package' or under a similar term;
4. combined after the conclusion of a contract by which a trader entitles the traveller to choose among a selection of different types of travel services; or
5. purchased from separate traders through linked online booking processes where the traveller's name, payment details and e-mail address are transmitted from the trader with whom the first contract is concluded to another trader or traders and a contract with the latter trader or traders is concluded at the latest 24 hours after the confirmation of the booking of the first travel service.

A combination of travel services where not more than one type of travel service as referred to in points (a) to (c) of point 1 is combined with one or more tourist services as referred to in point (d) of point 1 is not a package if the latter services;

a. account for less than 25% of the value of the combination and are not advertised as and do not otherwise represent an essential feature of the combination;

b. are selected and purchased only after the performance of a travel service as referred to in points (a) to (c) of point 1 has started.

3. *Package travel contract*: A contract on the package as a whole or, if the package is provided under separate contracts, all contracts covering travel services included in the package.

4. *Start of the package*: The beginning of the performance of travel services included in the package.

5. *Linked travel arrangement*: At least two different types of travel services purchased for the purpose of the same trip or holiday, not constituting a package, resulting in the conclusion of separate contracts with the individual travel service providers, if a trader facilitates:

a. on the occasion of a single visit or contact with his point of sale, the separate selection and separate payment of each travel service by travellers; or

b. in a targeted manner, the procurement of at least one additional travel service from another trader where a contract with such other trader is concluded at the latest 24 hours after the confirmation of the booking of the first travel service.

Where not more than one type of travel service as referred to in points (a) to (c) of point 1 and other tourist services as referred to in point (d) of point 1 are purchased, they do not constitute a linked travel arrangement if the latter services account for less than 25% of the combined value of the services and are not advertised as, and do not otherwise represent, an essential feature of the trip or holiday.

6. *Traveller*: Any person who is seeking to conclude a contract or is entitled to travel on the basis of a contract concluded within the scope of this Act.

7. *Trader*: Any natural person or any legal person, irrespectively of whether privately or publicly owned, who is acting, including through any other person in his name or on his behalf, for purposes related to his trade or business in relation to contracts with travellers, whether acting in the capacity of organiser, retailer, trader facilitating a linked travel arrangement or as a travel service provider.

8. *Organiser*: A trader who combines and sells or offers for sale packages, either directly or through another trader or together with another trader, or the trader who transmits the traveller's data to another trader in accordance with point (b)(5) of point 2.

9. *Retailer*: A trader, other than the organiser, who sells or offers for sale packages combined by an organiser.

10. *Durable medium*: Any instrument which enables the traveller or the trader to store information addressed personally to him in a way accessible for future reference for a

reasonable period of time and which allows the unchanged reproduction of the information stored.

11. *Unavoidable and extraordinary circumstances*: A situation beyond the control of the party who invokes such a situation and which could not have been avoided even if all reasonable measures had been taken.

12. *Point of sale*: Any retail premises, whether movable or immovable, a telephone service or a retail website or similar online facility, including where retail websites or online sales facilities are presented to travellers as a single facility.

13. *Repatriation*: The traveller's return to the place of departure or another place the contracting parties agree upon.

Chapter II. Information obligations and content of the package travel contract

■ Article 5. Required information before the conclusion of a contract

Before a package travel contract is concluded, the trader shall provide the traveller with the standard information set out in a regulation, and, where applicable, the information referred to in Article 6.

Travellers shall be informed in a timely, clear, comprehensible and accessible manner of any changes to the information presented by the trader.

Where a package is purchased by separate traders through linked online booking processes, cf. point (2)(b)(5) of Article 4, all of the traders shall provide the information referred to in the first paragraph.

The Minister shall lay down in a regulation the standard information to be provided to a traveller before the conclusion of a contract, as well as the information to be provided where packages are purchased by telephone.

■ Article 6. Pre-contractual information

The trader shall provide the traveller with the following information, where applicable:

a. the main characteristics of the travel services:

1. the travel destination, itinerary, periods of stay and number of nights included. If the exact travel time has not yet been determined when the contract is concluded, the organiser, and, where applicable, the retailer, shall inform the traveller of the approximate time of departure and return;

2. the means and characteristics of transport;

3. the location, features and quality category of the accommodation;

4. the meal plans, if included;

5. visits, excursions or other included services;

6. whether any of the travel services will only be provided to the traveller as part of a group and, if so, the approximate size of the group;

7. the language in which the services will be provided; and

8. whether the trip is suitable for persons with reduced mobility and, upon the traveller's request, information on the suitability of the trip taking into account the traveller's needs;

b. the name, address, telephone number and e-mail address of the organiser and, where applicable, the retailer;

c. the total price of the package inclusive of all taxes and, where applicable, all additional fees, or, where those additional costs cannot reasonably be calculated in advance, an indication of the type of additional costs which the traveller may have to bear;

d. the arrangements for payment, including, where applicable, the amount which is to be paid as a down payment, the timetable for payment of the balance, and any financial guarantees to be provided by the traveller;

e. the minimum number of persons required for the package to take place and the time-limit, referred to in Article 16, before the start of the package required for the termination of the trip by the organiser;

f. information on passport and visa requirements, including approximate periods for obtaining visas, and information of health formalities, of the country of destination;

g. information that the traveller may terminate the contract before the start of the package in return for payment of a fee, see Article 15;

h. information on optional or compulsory insurance.

The information referred to in point (a), points (c) to (e) and point (g) of the first paragraph shall form an integral part of the contract on the package and shall not be altered unless the contracting parties expressly agree otherwise.

■ **Article 7.** *Package travel contract*

Package travel contracts shall be in plain, intelligible and legible language and shall include the information referred to in Article 6 and the following information:

a. special requirements of the traveller which the organiser has accepted;

b. information that the organiser is responsible for the proper performance of all travel services included in the contract in accordance with Article 17, and obliged to provide assistance in accordance with the fourth paragraph of Article 19;

c. the name of the entity in charge of the implementation of rules on insolvency protection;

d. the name, address, telephone number and e-mail address of the organiser or another similar entity whom the traveller can contact regarding the performance of the package or other matters covered by this Act;

e. information that the traveller is required to communicate any lack of conformity which he perceives during the performance of the package in accordance with Article 18;

f. where minors, unaccompanied by a parent or another authorised person, travel on the basis of a package travel contract which includes accommodation, information enabling direct contact with the minor or the person responsible for the minor at the minor's place of stay;

g. information on complaint handling procedures and out-of-court complaint mechanisms, where applicable;

h. information on the traveller's right to transfer the package travel contract to another traveller in accordance with Article 11.

The organiser or retailer shall provide to the traveller a copy of the package travel contract or a confirmation of it on a durable medium. The traveller is entitled to a written copy of the package travel contract if the contract was concluded in the presence of both contracting parties.

If a package travel contract is concluded off premises, the traveller shall be provided with a copy or confirmation of the package travel contract on paper or, if the traveller agrees, on another durable medium.

■ **Article 8.** *Package travel contract pursuant to point (2)(b)(5) of Article 4*

When a package travel contract as referred to in point (2)(b)(5) of Article 4 is concluded, the trader to whom the data are transmitted shall inform the organiser of the conclusion of the contract leading to the creation of a package. The trader shall provide the organiser with the information necessary to comply with his obligations hereunder as an organiser.

As soon as the organiser is informed that a contract creating a package has been concluded, the organiser shall provide to the traveller the information referred to in the first paragraph of Article 7 on a durable medium.

■ **Article 9.** *Data and information to be provided to a traveller before the start of a package*

In good time before the start of the package, the organiser or retailer shall provide the traveller with the necessary receipts, vouchers and tickets, information on the scheduled times

of departure and, where applicable, the deadline for check-in as well as the scheduled times for intermediate stops, transport connections and arrival.

■ **Article 10.** *Further provisions on the obligations of a trader*

As regards compliance with the information requirements laid down in this Act, the burden of proof shall be on the trader.

If the organiser and, where applicable, the retailer has not provided the traveller with the required information on additional fees or costs, as referred to point (c) of the first paragraph of Article 6, the traveller shall not bear those fees or costs.

Chapter III. Changes to the package travel contract prior to departure

■ **Article 11.** *Transfer of the package travel contract*

A traveller may, after giving the organiser or retailer reasonable notice on a durable medium before the start of the package, transfer the package travel contract to another traveller who satisfies all the conditions applicable to that contract. Notice given at the latest seven days before the start of the package shall in any event be deemed to be reasonable.

The transferor and the transferee shall be jointly and severally liable for the payment of the balance due on the package and for any costs arising from the transfer. The organiser or retailer shall inform the transferor about the actual costs of the transfer. Those costs shall be reasonable and fair, and documents confirming such costs shall be submitted. The organiser or retailer shall only be entitled to demand payment equal to the actual cost incurred by them due to the transfer.

■ **Article 12.** *Alteration of the price*

The prices stated in a package travel contract shall not be altered unless the contract expressly reserves that possibility and states in detail how price revisions are to be calculated. Moreover, price increases shall only be permitted if the package travel contract grants to the traveller a similar right to price reduction.

Price revisions shall be possible exclusively as a consequence of changes in:

- a. the price of carriage of passengers resulting from changes in the cost of fuel or other power sources;
- b. the level of taxes or fees on the travel services included in the contract;
- c. the exchange rates relevant to the package.

The organiser or retailer shall notify the traveller clearly and comprehensibly of all price increases with a justification for such increase and a calculation, on a durable medium at the latest 20 days before the start of the package.

An increase in the price of a package for the purposes of this Article shall be regarded as a significant change, as referred to in Article 14, if it amounts to 8% of the price stated in the package travel contract.

If the traveller requests a reduction in the price of a package, the organiser or retailer shall be entitled to demand payment of the actual costs incurred by them in calculating the price alteration.

■ **Article 13.** *Obligation to notify alteration of package travel contract*

The organiser or retailer may not make changes to a package travel contract, other than price alterations as referred to in Article 12, unless the right to make such changes is reserved in the package travel contract and the change is insignificant.

The organiser or retailer shall without delay inform the traveller in a clear, comprehensible and prominent manner on a durable medium of:

- a. the proposed changes to a package and their impact on the price of the package;
- b. a reasonable period within which the traveller has to approve changes or terminate the package;

c. the consequences of the traveller's failure to notify his decision within such reasonable period;

d. where applicable, the offered substitute package.

The traveller may terminate the package, in accordance with Article 14, if a change to a package represents a significant alteration of any of the main characteristics of the travel service, if the organiser cannot fulfil the special requirements of the traveller as referred to in point (a) of the first paragraph of Article 7, or if the price of the package is increased by more than 8%.

■ **Article 14.** *Discounts, refunds and improvements related to significant changes to a package travel contract*

If a traveller terminates a package pursuant to Article 13, the traveller shall be entitled to a full refund within 14 days or instead to accept a substitute package of similar or higher quality, if the organiser is able to offer such a substitute package.

If a traveller accepts changes to a package pursuant to Article 13 and such changes result in a package of lower quality, or the offer of a substitute package of a lower cost, the traveller shall be entitled to a price reduction. If the price of the package increases, the traveller shall pay the difference.

Chapter IV. Termination and withdrawal of a package

■ **Article 15.** *Termination of a package*

A traveller may terminate a package before the start of the package for a reasonable fee. The package travel contract may specify a reasonable termination fee based on the time of the termination before the start of the package and the expected loss of income for the organiser or retailer.

In the absence of a standardised termination fee in the package travel contract, the amount of the fee shall correspond to the loss of income for the organiser or retailer.

The organiser or retailer shall not be entitled to a fee from the traveller if the termination is due to extraordinary and unavoidable circumstances significantly affecting the performance of the package or the carriage of passengers to the destination, or in the event of a price increase exceeding 8% as referred to in Article 12.

The traveller shall not be entitled to additional compensation in the circumstances referred to in the third paragraph.

The organiser or retailer shall reimburse any payments owed to the traveller under the first to third paragraphs within 14 days of the termination.

■ **Article 16.** *Withdrawal of a package*

The organiser or retailer may terminate a package and provide the traveller with a full refund, but without being liable for additional compensation, if:

a. the number of persons enrolled for the package is smaller than the minimum number stated in the contract and the organiser notifies the traveller of the termination of the package within the specified period, but not later than:

1. 20 days before the start of the package in the case of trips lasting more than six days;

2. seven days before the start of the package in the case of trips lasting between two and six days;

3. 48 hours before the start of the package in the case of trips lasting less than two days; or

b. the organiser or retailer is prevented from performing the contract because of unavoidable and extraordinary circumstances and notifies this to the traveller without undue delay before the start of the package.

The organiser or retailer shall reimburse any payments owed to the traveller within 14 days of the termination.

Chapter V. Performance of the package

■ Article 17. *Responsibility for the performance of the package*

The organiser and retailer are jointly and severally responsible for the performance of the travel services included in the package travel contract, irrespective of whether those services are provided by themselves or by other travel service providers.

If the traveller has complaints, special requests or messages in relation to the performance of the package, the traveller may address these directly to the retailer through which it was purchased, and the retailer shall forward those complaints, requests or messages to the organiser. The traveller may also directly contact the organiser during the performance of the package.

■ Article 18. *Notification of lack of performance and organiser's obligation to take corrective action*

The traveller shall inform the organiser or retailer without undue delay of any lack of conformity which he perceives during the performance of a travel service included in the package travel contract.

The traveller shall give the organiser or retailer a reasonable period to remedy the lack of conformity, unless this is impossible or entails disproportionate costs, taking into account the extent of the lack of conformity during the performance of a travel service and the value of the travel service affected.

If it is not possible to remedy the lack of conformity except by providing services of a lower quality than those specified in the package travel contract, the traveller shall be entitled to a price reduction corresponding to the difference between the agreed services and the services provided, see Article 21.

If the organiser or retailer does not remedy the lack of conformity within a reasonable period or refuses to remedy the lack of conformity, the traveller may do so himself and request reimbursement of the necessary expenses from the organiser or retailer.

The traveller may not reject the remedy proposed by the organiser or retailer unless it results in services of lower quality than those agreed or if the price reduction granted under the third paragraph is inadequate.

■ Article 19. *Repatriation and obligation to provide assistance*

If the package includes the carriage of passengers, the organiser or retailer shall provide repatriation of the traveller in the cases where the traveller terminates the package travel contract as referred to in Article 20.

As long as it is impossible to ensure the traveller's return because of unavoidable and extraordinary circumstances, the organiser or retailer shall bear the cost of necessary accommodation, if possible of equivalent category as specified in the package travel contract, for a period of up to three nights, unless the traveller has superior rights pursuant to other laws.

The limitation of three nights of stay referred to in the second paragraph shall not apply to disabled persons or persons of reduced mobility and any person accompanying them, pregnant women and unaccompanied minors, as well as persons in need of specific medical assistance, provided that the organiser or retailer has been notified of their particular needs at least 48 hours before the start of the package.

If the traveller is in need of information on health services or other public authorities, needs to make distance communications or help in finding alternative travel arrangements, the organiser or retailer shall provide appropriate assistance as promptly as possible. The organiser may charge the traveller a fee corresponding to the cost incurred by the organiser in providing the assistance, if the difficulty that requires the organiser's assistance is caused intentionally by the traveller or through the traveller's negligence.

■ Article 20. *Termination of package travel contract*

If a substantial portion of travel services specified in a package travel contract is not provided or is highly inadequate, the traveller may terminate the package travel contract and, where appropriate, request price reduction and compensation for damages, in accordance with Articles 21 and 22.

■ **Article 21.** *Price reduction*

The traveller is entitled to a reduction in the price of a package for any period during which there was lack of performance of the package travel contract, unless the organiser or retailer proves that the lack of performance is attributable to the traveller.

■ **Article 22.** *Compensation for damages*

The traveller shall be entitled to compensation for any damage which the traveller sustains as a result of any lack of performance, unless the organiser or retailer proves that the lack of performance is:

- a. attributable to the traveller;
- b. attributable to a third party unconnected with the agreed services and is unforeseeable or unavoidable;
- c. due to unavoidable or extraordinary circumstances.

The organiser or retailer may, in the package travel contract, limit the compensation they are required to pay under the first paragraph, in accordance with the limitations prescribed in other laws or international conventions that apply to specific travel services which are included in the package.

Chapter VI. Linked travel arrangements

■ **Article 23.** *Information requirements prior to linked travel arrangements*

Before the traveller is bound by any contract leading to the creation of a linked travel arrangement or any corresponding offer, the trader facilitating linked travel arrangements shall provide the traveller with the standard information prescribed in a regulation stating:

- a. that the traveller will not benefit from any of the rights applying exclusively to packages under this Act;
- b. that each service provider will be solely responsible for the proper contractual performance of his service;
- c. that the traveller will benefit from the insolvency protection provided for in Article 24.

The obligation to provide information as referred to in the first paragraph also applies to traders established outside the European Economic Area if their marketing efforts are in any way directed at Icelandic persons.

Where a linked travel arrangement is the result of the conclusion of a contract between a traveller and a trader who does not facilitate the linked travel arrangement, that trader shall inform the trader facilitating the linked travel arrangement of the conclusion of the relevant contract.

Where the traveller facilitating the linked travel arrangement does not have adequate insolvency protection as required by Chapter VII, or if he has not provided the information referred to in the first paragraph, the provisions of Article 11, Chapter IV and Chapter V shall apply to the travel services included in the linked travel arrangement.

The provisions of the Act on Consumer Contracts shall apply to linked travel arrangements, as appropriate.

Chapter VII. Insolvency protection

■ **Article 24.** *Obligation to provide insolvency protection*

The sale of packages and linked travel arrangements requires provision of insolvency protection and a licence. The issue of licences is governed by the Act on the Icelandic Tourist Board.

- An organiser or retailer who offers for sale or sells packages to travellers in Iceland shall provide insolvency protection for the refund of all payments made for a package which is not performed in accordance with the relevant contract, and, if the carriage of passengers is included in the package, insolvency protection for the traveller's repatriation, in the event of the organiser or retailer becoming insolvent or the suspension of their operations.
- If the organiser or retailer has valid insolvency protection in another EEA State and submits adequate confirmation thereof, the obligation to provide security under this Act shall be regarded as having been fulfilled.
- The insolvency protection shall remain in force so long as the operating licence granted under the Act on the Icelandic Tourist Board remains valid, and shall be available for up to six months after the cancellation of the licence or suspension of operations.
- Traders facilitating linked travel arrangements shall provide insolvency protection for the refund of all payments they receive from travellers insofar as a travel service which is part of a linked travel arrangement is not performed as a consequence of the trader's insolvency or the suspension of his operations. If such traders are the party responsible for the carriage of passengers, the insolvency protection shall also cover the traveller's repatriation.
- Insolvency protection may be in the form of:
 1. money deposited with a recognised bank or savings bank into an account in the name of the Icelandic Tourist Board;
 2. a guarantee issued by a commercial bank or savings bank, or insurance written by an insurance company. Such entities shall be licensed to operate in the European Economic Area and shall submit a statement confirming that the scope and amount of the security complies with this Act;
 3. other security deemed acceptable by the Icelandic Tourist Board. A statement shall be submitted confirming that the scope and amount of such security complies with this Act.
- The Icelandic Tourist Board may charge parties that are required to provide insolvency protection a fee to cover the cost of administration and calculation of the amount of security. The amount of such a fee shall be set out in a regulation issued by the Minister under the first paragraph of Article 26.

■ Article 25. *Scope of insolvency protection*

- The insolvency protection referred in Article 24 shall cover all travel services included in the package travel contract which are not provided as a consequence of the organiser or the retailer becoming insolvent or the suspension of their operations. The insolvency protection shall also cover the repatriation of the traveller if the carriage of passengers is included in the package travel contract, as well as the cost of accommodation up to the time of repatriation.
- The traveller shall be allowed to complete the package in accordance with the original contract. In such event, the insolvency protection referred to in Article 24 shall be used to pay for that portion of the travel services which are included in the package travel contract and which otherwise would not have been provided. In such cases the traveller shall not be entitled to further payments.
- A refund shall be provided of all payments made for a package which will not be performed as a consequence of the organiser or retailer becoming insolvent or the suspension of their operations. This shall also apply to payments made in advance, irrespective of whether a final contract on the package has been concluded, provided that adequate proof of payment is submitted.

■ Article 26. *Amount of insolvency protection*

- The Minister shall by regulation issue provisions on the calculation of the amount of insolvency protection, bookkeeping and financial reporting by traders so as to ensure that the sale of packages is kept separate from other operations, the materials necessary to assess the

amount of insolvency protection, and other matters related to the implementation of the provisions of this Chapter.

The Icelandic Tourist Board may require a higher amount of insolvency protection than prescribed in a regulation issued under the first paragraph in cases where the operations concerned are particularly risky, the equity of the organiser or retailer is negative according to their annual financial statements, if there is a temporary increase in the scope of the operations or if it is likely that the amount of insolvency protection will not suffice in the event of the organiser or retailer becoming insolvent or the suspension of their operation.

The Icelandic Tourist Board may temporarily reduce the amount of required insolvency protection in the event of a temporary decrease in the scope of the operations. Organiser or retailers shall submit a reasoned request for a temporary reduction to the Icelandic Tourist Board.

If the scope of operations requiring the provision of insolvency protection will foreseeably be substantially less in the current year than indicated by materials which underpinned the decision on the required amount of security, this shall be notified to the Icelandic Tourist Board. In such cases, the Icelandic Tourist Board may reduce the amount of required insolvency protection. In the event of a temporary increase in the scope of operations, the temporary increase in the scope of operations may be excluded in the calculation of the insolvency protection required to be provided for the following year.

■ **Article 27.** *Payment from the insolvency protection*

In the event of suspension of operations or insolvency of an organiser or retailer or trader facilitating linked travel arrangements, the Icelandic Tourist Board shall publish a call to file claims in the Official Gazette as well as by other prominent means as considered appropriate in each case. Claims shall be filed in writing and received by the Icelandic Tourist Board or administrator within 60 days of the call to file claims. Claims shall be accompanied by adequate proof of the claim, as well as confirmations of payments or transfers.

The Icelandic Tourist Board may appoint an administrator to oversee payment from the insolvency protection. The administrator shall handle administration work related to the repatriation of travellers where appropriate. The cost associated with the administrator's work shall be paid from the insolvency protection provided by the organiser.

Chapter VIII. General provisions

■ **Article 28.** *Liability for booking errors*

A trader is liable for any errors or technical defects in the booking system which are attributable to him and, where the trader has agreed to arrange the booking of a package or of travel services which are part of linked travel arrangements, for the errors made during the booking process.

A trader shall not be liable under the first paragraph for booking errors which are attributable to the traveller or which are caused by unavoidable and extraordinary circumstances.

■ **Article 29.** *Specific obligations of the retailer where the organiser is established outside the European Economic Area*

Where the organiser is established outside the European Economic Area, the retailer established in an EEA State shall be subject to the obligations laid down for organisers in Chapter V and VII, unless the retailer provides evidence that the organiser complies with those Chapters.

■ **Article 30.** *Authority to issue regulations*

The Minister may issue a regulation containing further provisions on the implementation of this Act, including the calculation of the amount of security and the required standard information.

Chapter IX. Enforcement and entry into force

■ Article 31. Enforcement and decisions of the Consumer Agency

- The Consumer Agency shall monitor compliance with Chapters I to VI and VIII of this Act and rules established on their basis. The procedure followed by the Consumer Agency shall be governed by the Act on the Surveillance of Commercial Practices and Marketing.
- The Consumer Agency's authority to gather information, seize materials and provide information to foreign governments, and its obligation of confidentiality, shall be governed by Chapter VIII of the Act on the Surveillance of Commercial Practices and Marketing.
- The Consumer Agency may take action against anyone who violates the provisions of Chapters II to VI and VIII of this Act as appropriate. The Consumer Agency's authority to take action which may involve imposing a prohibition, giving instructions or granting conditional permission, shall be governed by Chapter IX of the Act on the Surveillance of Commercial Practices and Marketing.
- Decisions taken by the Consumer Agency under this Act may be appealed to the Appeals Committee for Consumer Affairs, which operates on the basis of Article 4 of the Consumer Agency Act.
- Decisions of the Consumer Agency may not be referred to the courts until the ruling of the Appeals Committee has been rendered.
- In the event that a person does not accept the ruling of the Appeals Committee for Consumer Affairs, such person may bring legal action for the purpose of having the decision of the Consumer Agency overturned. Such action shall be brought within six months from the time that the person concerned was informed of the ruling of the Appeals Committee. Legal action does not suspend the entry into force of the Committee's ruling, nor does it preclude enforcement proceedings.

■ Article 32. Penalties and remedies

- The Consumer Agency may impose administrative fines on those who fail to comply with the provisions of Chapters I to VI and VIII of this Act and, if applicable, rules established on their basis, or the decisions of the Consumer Agency. Administrative fines so imposed may range from ISK 100 thousand to ISK 20 million.
- Decisions taken by the Consumer Agency to impose administrative fines are legally enforceable. Fines shall accrue to the State Treasury, net of collection costs. If administrative fines are not paid within a month from the decision of the Consumer Agency, penalty interest shall be paid on the amount of the fine. The determination and calculation of the penalty interest shall be governed by the Act on Interest and Price Indexation. Administrative fines will be imposed regardless of whether a violation is committed intentionally or negligently.
- In the event of non-compliance with a decision taken in accordance with this Act, the Consumer Agency may decide to impose periodic penalties on those subject to the decision until compliance is met. A decision to impose periodic penalties shall be notified in writing by verifiable means to those subject to the decision. Periodic penalties can range from ISK 50 thousand to ISK 500 thousand per day.
- A decision to impose periodic penalties may be appealed to the Appeals Committee for Consumer Affairs within fourteen days of being notified to the person subject to the decision. Periodic penalties shall not begin to accrue until this time period has passed. In the event that a decision is appealed to the Appeals Committee for Consumer Affairs, periodic penalties shall not begin to accrue until the Committee has issued a ruling.

■ Article 33. Enforcement and decisions of the Icelandic Tourist Board

- The Icelandic Tourist Board shall monitor compliance with Chapter VII.

- The Icelandic Tourist Board may ask persons requiring a licence to submit the materials that it considers necessary in order to estimate the amount of the security required under Chapter VII.
- The Icelandic Tourist Board may impose periodic penalties on those who do not comply with the provisions of Chapter VII or the decisions of the Icelandic Tourist Board.
- A decision to impose periodic penalties shall be notified in writing by verifiable means to those subject to the decision. Periodic penalties can range from ISK 50 thousand to ISK 500 thousand per day.
- A decision to impose periodic penalties may be appealed to the Minister within fourteen days of being notified to the person subject to the decision. Periodic penalties shall not begin to accrue until this time period has passed.
- Periodic penalties are legally enforceable after expiry of the time limit for appeals, but an appeal to the Minister will delay enforcement until a final decision has been rendered. Action brought before the courts will not delay enforcement.
- A decision taken by the Icelandic Tourist Board under Chapter VII may be appealed to the Minister within four weeks from the date of notification of the person subject to the decision. Appealing to the Minister will not delay the entry into force of the decision.
- The Icelandic Tourist Board may deliver to, and receive from, foreign governments any materials and information necessary for the implementation of Chapter VII. The Icelandic Tourist Board may also publish a list on its website of persons requiring a licence who have provided adequate security as required under Chapter VII.

■ **Article 34.** *Transposition of Directive*

- This Act constitutes the transposition of Directive (EU) 2015/2302 of the European Parliament and of the Council of 25 November 2015 on package travel and linked travel arrangements, amending Regulation (EC) No 2006/2004 and Directive 2011/83/EU of the European Parliament and of the Council and repealing Council Directive 90/314/EEC, as incorporated into the Agreement on the European Economic Area by a decision of the EEA Joint Committee No 187/2017 of 22 September 2017 amending Annex XIX (Consumer protection) to the EEA Agreement.

■ **Article 35.** *Entry into force*

- This Act shall enter into force on 1 January 2019. ...

■ **Article 36.** *Amendments to other Acts ...*