

***Regions and Cities at a Glance 2020** provides a comprehensive assessment of how regions and cities across the OECD are progressing in a number of aspects connected to economic development, health, well-being and net zero-carbon transition. In the light of the health crisis caused by the COVID-19 pandemic, the report analyses outcomes and drivers of social, economic and environmental resilience. Consult the full publication [here](#).*

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## OECD REGIONS AND CITIES AT A GLANCE - COUNTRY NOTE

### ICELAND

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- A. Resilient regional societies to global crisis
- B. Well-being in regions
- C. Transitioning to clean energy in regions
- D. Metropolitan trends



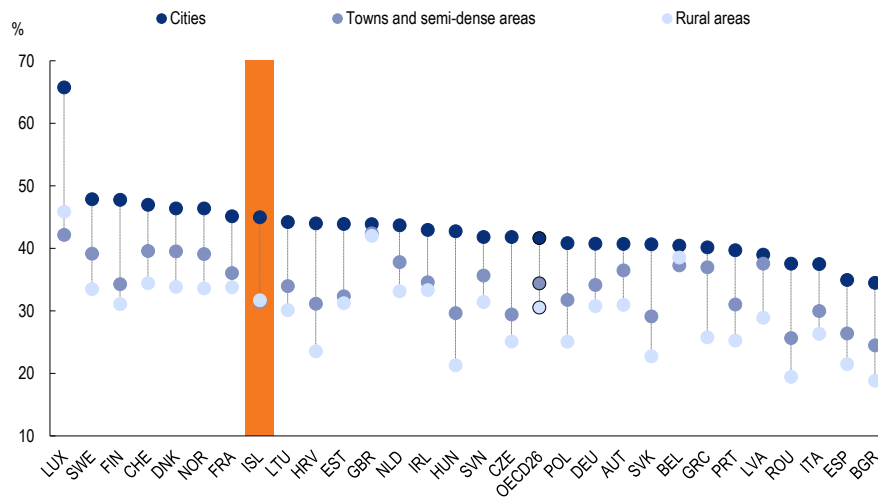
## A. Resilient regional societies to global crisis

### Cities in Iceland have the higher potential for remote working compared to other places

As for practically all OECD countries, cities in Iceland have a higher share of jobs amenable to remote working compared to other to rural areas and to towns and semi-dense areas. In Iceland, the difference in the potential of remote working between cities and other areas is slightly above the OECD average, with cities having 14 percentage points higher share of jobs amenable to remote working than rural areas (Figure A1). Such differences depend on the task content of the occupations in the different settlements, which can be amenable to remote working to different extents.

**A1. Share of jobs amenable to remote working**

*Types of settlement (degree of urbanisation)*

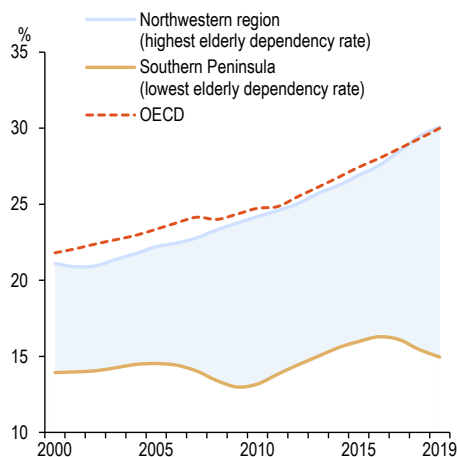


### Ageing challenges the Northwestern region more strongly than other regions

The Northwestern region shows the highest elderly dependency rate (30%) among other small regions in Iceland. The gap between that region and the Southern Peninsula region, the region with the lowest elderly dependency rate (with only 15 elderly for every 100 persons in their working-age), has increased significantly (Figures A2 and A3).

**A2. Elderly dependency rate, regional gap**

*Small regions (TL3)*



**A3. Elderly dependency rate, 2019**

*Small regions (TL3)*

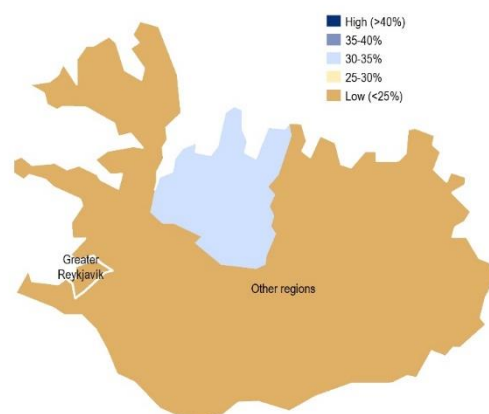
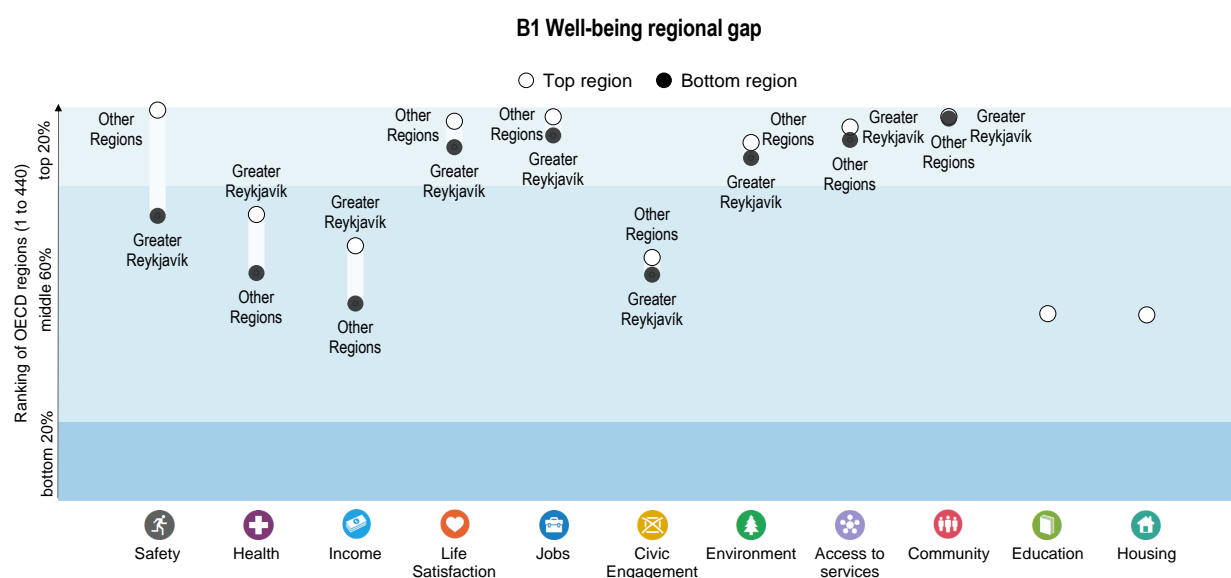


Figure note [A1]: OECD (2020), Capacity to remote working can affect lockdown costs differently across places, <http://www.oecd.org/coronavirus/policy-responses/capacity-for-remote-working-can-affect-lockdown-costs-differently-across-places-0e85740e/>

## B. Well-being in regions

### All regions in Iceland ranks among the top 20% of OECD regions in access to services, environment, jobs, life satisfaction and sense of community



Note: Relative ranking of the regions with the best and worst outcomes in the 11 well-being dimensions, with respect to all 440 OECD regions. The eleven dimensions are ordered by decreasing regional disparities in the country. Each well-being dimension is measured by the indicators in the table below.

All regions in Iceland ranks among the top 20% of OECD regions in access to services (broadband access), environment (PM 2.5 levels), jobs (unemployment and employment rates), life satisfaction and sense of community (perceived social support). The best Icelandic region fare better than the top 20% OECD regions in all well-being indicators for which territorial indicators are available, except for disposable income, voter turnout and population with at least upper secondary education.

#### B2. How do the top and bottom regions fare on the well-being indicators?

	Country Average	OECD Top 20% regions	Icelandic regions	
			Top 20%	Bottom 20%
<b>Safety</b>				
Homicide Rate (per 100 000 people), 2016-18	0.5	0.7	0.0	0.8
<b>Health</b>				
Life Expectancy at birth (years), 2018	82.9	82.6	..	..
Age adjusted mortality rate (per 1 000 people), 2018	7.2	6.6	7.0	7.5
<b>Income</b>				
Disposable income per capita (in USD PPP), 2018	21 107	26 617	21 977	19 569
<b>Life Satisfaction</b>				
Life satisfaction (scale from 0 to 10), 2014-18	7.5	7.3	7.6	7.4
<b>Jobs</b>				
Employment rate 15 to 64 years old (%), 2019	84.1	76.0	84.4	83.5
Unemployment rate 15 to 64 years old (%), 2019	3.7	3.3	3.1	4.1
<b>Civic engagement</b>				
Voters in last national election (%), 2019 or latest year	75.7	84.2	76.3	74.7
<b>Environment</b>				
Level of air pollution in PM 2.5 (µg/m³), 2019	3.0	7.0	5.9	6.6
<b>Access to services</b>				
Households with broadband access (%), 2019	96.0	91.3	96.5	94.5
<b>Community</b>				
Perceived social network support (%), 2014-18	97.8	94.1	98.0	97.5
<b>Education</b>				
Population with at least upper secondary education, 25-64 year-olds (%), 2019	78.6	90.3	..	..
<b>Housing</b>				
Rooms per person, 2018	1.6	2.3	..	..

Note: OECD regions refer to the first administrative tier of subnational government (large regions, Territorial Level 2); Iceland is composed of two large regions. Visualisation: <https://www.oecdregionalwellbeing.org>.



## C. Transitioning to clean energy in regions

### In Iceland, the regions outside Greater Reykjavik produce all the electricity in the country using only renewable sources.

Iceland has achieved a full transition to clean electricity production. The Icelandic regions outside Greater Reykjavik, which produce all the electricity of Iceland, generate all its electricity using renewable sources and without coal. In 2017, the regions outside Greater Reykjavik generated around 19 000 gigawatts hour of clean electricity – almost three times the average of clean electricity production in OECD regions (Figure C1). In the Icelandic regions outside Greater Reykjavik, the energy mix is dominated by hydropower and geothermal energy – which account for 73% and 27% of the total generation respectively.

**C1. Transition to renewable energy, 2017**

	Total electricity generation (in GWh per year)	Regional share of renewables in electricity generation (%)	Regional share of coal in electricity generation (%)	Greenhouse gas emissions from electricity generated (in Ktons of CO <sub>2</sub> eq.)	
Other regions	19 228	100%	0%	534	Oth.
Greater Reykjavik	0	0%	0%	0	Gre.

Carbon efficiency in the production of electricity is very high across Icelandic regions compared to the average of OECD regions. While OECD regions emit, on average, around 380 tons of CO<sub>2</sub> per gigawatt hour of electricity produced, the regions outside Greater Reykjavik emit around 28 tons of CO<sub>2</sub> per gigawatt hour of electricity generated (C2).

**C2. Contribution to total CO<sub>2</sub> emissions from electricity production, 2017**

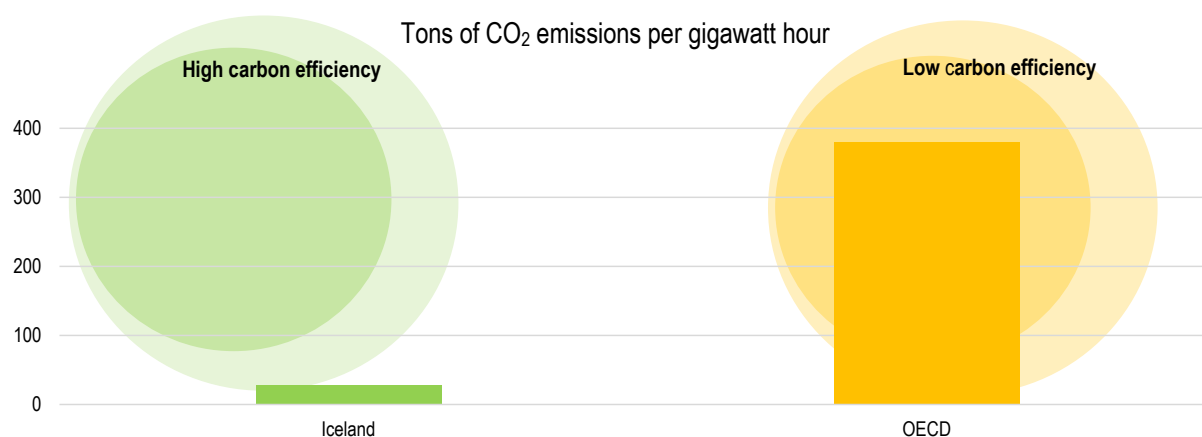


Figure notes: Regions are arranged in Figure C1 by total generation, and in Figure C2 according to gap between share of electricity generation and share of CO<sub>2</sub> emissions (most positive to most negative). These estimates refer to electricity production from the power plants connected to the national power grid, as registered in the Power Plants Database. As a result, small electricity generation facilities disconnected from the national power grid might not be captured. Renewable energy sources include hydropower, geothermal power, biomass, wind, solar, wave and tidal and waste. See [here](#) for more details.



## D1. Metropolitan trends

### Compared to the OECD average, a larger share of population in Iceland lives outside cities

Reykjavik is the only city with at least 50,000 inhabitants in the country. The city of Reykjavik and its surrounding commuting zone (functional urban area, FUA) accounts for 28% of the country population. Compared to the whole OECD area, where FUAs account for 75% of the population, FUAs in Iceland represent a much lower share of the country population (Figure F1).

**D1. Distribution of population in cities by city size**  
Functional urban areas, 2018

