

Iceland - United States Department of State

ICELAND: Tier 2

The Government of Iceland does not fully meet the minimum standards for the elimination of trafficking but is making significant efforts to do so. The government demonstrated overall increasing efforts compared to the previous reporting period; therefore Iceland remained on Tier 2. These efforts included referring more investigations for prosecution and allocating significantly more funds to NGOs for victim assistance and for awareness and education campaigns informing foreign workers about their rights in the Icelandic labor market. However, the government did not meet the minimum standards in several key areas. The government did not prosecute or convict any suspected traffickers for the ninth consecutive year. Authorities investigated fewer trafficking cases and identified fewer suspected victims. Additionally, government officials did not adequately screen for trafficking indicators among vulnerable populations.

PRIORITIZED RECOMMENDATIONS:

Significantly increase efforts to prosecute and convict suspected traffickers. • Vigorously investigate and prosecute trafficking cases under the trafficking statute. • Proactively identify trafficking victims and refer them to care facilities for assistance. • Screen all vulnerable individuals for trafficking indicators and stay deportation of potential victims prior to identification and care. • Develop and implement formal victim identification and referral procedures, which clarify division of labor among stakeholders. • Develop a comprehensive data system collecting statistics on victim identification and assistance and investigations, prosecutions, and convictions. • Enhance training for investigating cases and collecting evidence against suspected traffickers. • Increase training for police, prosecutors, judges, and other officials on all aspects of trafficking, particularly on proactive identification of victims among migrant workers, asylum-seekers, and unaccompanied children. • Conduct awareness raising campaigns targeting particularly vulnerable populations and industries.

PROSECUTION

The government maintained weak law enforcement efforts. Article 227a of the criminal code criminalized sex trafficking and labor trafficking and prescribed penalties of up to 12 years' imprisonment. These penalties were sufficiently stringent and, with respect to sex trafficking, commensurate with those prescribed for other serious crimes, such as rape. Limitations of a small government administration and lack of clear policy, structure across government institutions, and political attention and resources slowed progress and coordination. Law enforcement reported five investigations (one sex trafficking, four labor trafficking), a decrease from 15 in 2018, 20 in 2017, and 16

in 2016. Two of the five investigations resulted in prosecutions under non-trafficking laws, including smuggling. The government did not report prosecuting or convicting any trafficking cases since 2010, but police referred two cases to prosecutors, an increase from none in 2018. Lengthy investigations and inadequate evidence collection remained a concern. The government reported a lack of expertise on trafficking in law enforcement and a need for training. Experts also underscored the need for consistently educating prosecutors and judges on all aspects of trafficking. The government did not report any investigations, prosecutions, or convictions of government officials complicit in trafficking offenses. Icelandic authorities collaborated with foreign governments on transnational investigations, including a pan-European case led by Europol involving child trafficking, which resulted in 70 arrests, and a labor trafficking case also led by Europol involving 22 other EU Member States, which led to 323 victims identified and 46 arrests.

The introduction of an action plan to improve the investigation and prosecution of sexual offenses led to additional funding and an increase of staff within the police and prosecution services. The police added an investigator to the unit for combating trafficking and prostitution and maintained a special email address for tips or inquiries about possible trafficking cases. Additionally, the National Police Commissioner released comprehensive guidelines for police officers on investigating trafficking cases. The police maintained a cyber-crime unit to support the trafficking unit by monitoring the internet for trafficking activity and a unit specializing in major crime and trafficking investigations. The Ministry of Justice (MOJ) allocated 52.5 million krona (\$434,750) to the Capital Area Police trafficking unit in 2019. Additionally, the Northern District Iceland Police received funding—33 million krona (\$273,270)—to investigate cases concerning foreign nationals, who are the most vulnerable to trafficking. The government also allocated 10.4 million krona (\$86,120) to the state prosecutor's office and the Metropolitan Police to develop standard operating procedures, checklists, and best practices for the investigation and prosecution of sexual offenses, including trafficking, and 17.5 million krona (\$144,920) to the commissioner's office on a permanent basis to conduct training on organized crime and preventing trafficking, money laundering, and terrorism. The police college curriculum included a legal course and instruction on investigating trafficking cases, and 24 supervisors working in general law enforcement received training on trafficking. The government coordinated a two-day training on trafficking for government employees, police, prosecution authorities, and judges.

PROTECTION

The government maintained victim protection efforts. The MOJ identified seven suspected trafficking victims (five sex trafficking, two labor trafficking), compared with nine in 2018. Government-funded civil society organizations did not identify any potential trafficking victims, compared with nine in 2018 and seven in 2017. However, labor unions and the Red Cross suspected incidents of trafficking, but neither maintained a registry with statistics on trafficking victims. As in previous years, since the government lacked countrywide statistical information on trafficking and anecdotal reports of potential victims varied depending on the source, obtaining data was problematic. The Ministry of Welfare (MOW) reported that no potential male trafficking victims requested assistance, and the women's shelter assisted one potential victim, compared with 25 and none in 2018 and two and four in 2017. The National Police Commissioner issued updated detailed procedures for police to use to identify, contact, and work with possible trafficking victims. As

part of the national action plan (NAP), the government, in conjunction with NGOs, continued to develop a national referral mechanism (NRM), including cost assessments, roles, and responsibilities of stakeholders, with the goal to implement it in 2020. Since there was no NRM during the reporting period, police maintained standardized referral procedures that required them to contact welfare services in the municipality and MOW to coordinate victim care and placement. Experts stated these procedures worked effectively in practice but would benefit from a more structured approach on where to refer victims, as implementation was largely ad hoc. Furthermore, experts noted while it was generally difficult to build victims' confidence in and cooperation with authorities, a formal NRM would promote better cooperation between victims and authorities on investigations and, in turn, enhance data collection.

The government allocated 79 million krona (\$654,190) to an NGO offering psychological services to individuals in prostitution and trafficking victims, compared with 78 million krona (\$645,910) in 2018. The government, in collaboration with several NGOs, maintained a center, Bjarkarhlíð, offering free comprehensive services to abuse victims, including trafficking victims, and allocated 70 million krona (\$579,660) in 2019, a significant increase compared with 50 million krona (\$414,040) in 2018. During the reporting period, the government adopted an action plan on preventing violence and its consequences, which included action items to combat trafficking and provide services for victims accompanied by six million krona (\$49,690) in funding. The action plan also earmarked three million krona (\$24,840) for coordinated welfare services, specifically for victims, and designated Bjarkarhlíð as the official provider of safe housing, counseling, health care, and financial support. Lastly, the action plan called for the creation of standardized guidance for all anti-trafficking service providers, as well as allocated 10 million krona (\$82,810) in 2019 and 15 million krona (\$124,210) annually until 2023 to ensure the implementation of all action items no later than 2022. Additionally, the government continued to fund an NGO-run domestic abuse shelter providing emergency shelter to female trafficking victims and their children; the government allocated 94 million krona (\$778,400) to the shelter, an increase compared with 77.4 million krona (\$640,940) for 2018. As part of its Coronavirus-stimulus package, in March 2020, the government donated 100 million krona (\$828,090) to expedite construction of the shelter. The shelter maintained a team of specialists to manage cases involving possible trafficking victims. Victims had access to free legal, medical, psychological, and financial assistance, whether or not they stayed at the shelter or cooperated with authorities. Municipal and national child protection services were responsible for assisting unaccompanied children, including child trafficking victims. Observers noted shortcomings in the assistance process for unaccompanied minors, noting that the Directorate of Immigration placed such children in an unsupervised reception center with no child protection staff and only one security guard. There were no accommodations available for male victims, though they could access general municipal social services and receive referrals to NGOs providing food, shelter, legal advice, and health care. Municipal social service agencies provided services and financial assistance to trafficking victims, and the MOW reimbursed the municipalities for all associated expenses. Victims could file civil suits against traffickers, but no victims did so during the reporting period. Foreign trafficking victims could obtain either a nine-month residence permit or a one-year renewable residence permit, which was available to victims who cooperated with law enforcement or who faced retribution or hardship in their home countries. The government issued one nine-month temporary residence permit in 2019, compared with none in 2018 or 2017. Despite the directorates of immigration and labor developing formal procedures for identifying potential trafficking victims when processing applications for residence and work permits, observers suspected possible trafficking victims were at times subject to deportation without full screening for trafficking indicators, especially

Nigerian and Ghanaian women exploited abroad who applied for asylum in Iceland. Observers also raised concerns that immigration policies prioritized following deportation procedures over identification. In 2019, the Directorate of Immigration appointed a team to develop enhanced registration guidelines, reporting mechanisms, and data collection on trafficking information within its agency.

PREVENTION

The government increased prevention efforts. In 2019, the government adopted and implemented its NAP, which included proposed revisions to legislation, regulations, and administrative directives and action items focused on bolstering public awareness, education, and institutional knowledge. Three task forces, each assigned with developing specific policy proposals to implement the NAP, comprised the MOJ-led national steering group, which coordinated interagency anti-trafficking efforts. The government allocated five million krona (\$41,400) for awareness and education campaigns, informing foreign workers about their rights in the Icelandic labor market. Experts noted the need for more awareness campaigns directed at the public and greater outreach to potential trafficking victims. The Directorate of Labor maintained a three-person team to respond to suspected trafficking cases and educate government employees on trafficking and identifying potential victims. Labor union officials reported the government did not effectively address labor trafficking and, in some cases, deported potential victims who failed to produce identification or work permits without proper screening for signs of trafficking. Additionally, labor unions cited a general lack of knowledge and understanding of trafficking issues among government officials and called for improved training of police. The government made efforts to reduce the demand for commercial sex acts. In July, authorities arrested 48 individuals in connection with purchasing commercial sex. In an effort to stem traffickers from obtaining temporary national identification numbers through financial institutions, parliament passed legislation designating a sole authority responsible for the issuance of national identification numbers.

TRAFFICKING PROFILE

As reported over the past five years, human traffickers exploit domestic and foreign victims in Iceland, and to a lesser extent, traffickers exploit victims from Iceland abroad. Traffickers exploit women from Africa, Eastern Europe, the Baltics, and South America in sex trafficking. Traffickers exploit men and women from the Baltics, Eastern Europe, and Asia in forced labor in the construction, tourism, and restaurant industries, as well as car washes and laundromats. Reports indicate asylum-seekers and foreign students in Iceland are especially vulnerable to trafficking. Foreign “posted workers” are at particular risk of forced labor as the traffickers pay them in their home countries and contract them to work for up to 183 days in Iceland to avoid taxes and union fees, limiting tax authorities’ and union officials’ ability to monitor their work conditions and pay. Traffickers reportedly exploit the visa-free regime in the Schengen Zone and the European Economic Area to bring victims to Iceland for up to three months and move them out of the country before they must register with local authorities.