



This Nordic island nation is pulling out all the stops to attract and sustain new international operators at its lesser-known airports.

Gordon Smith gives us the low-down

Iceland's secret international gateways

Prior to COVID-19, Akureyri hosted charter services from the UK, Germany and Holland, such as this Titan Airways flight *Isavia*



If you're lucky enough to have visited Iceland, chances are you arrived at Keflavík – the country's primary international airport. This sprawling site, 30 miles southwest of downtown Reykjavík is best known as a hub for Icelandair, but it is also used by more than two dozen foreign carriers that offer a mix of seasonal and year-round services to the North Atlantic country.

That said, upon arrival at Keflavík, you'll be hard pressed to find an onward connection to the north or east of the island. This isn't because the capital lacks air links to these regional centres – it's due to the fact they depart from a separate domestic airport situated in the heart of Reykjavík. While this is hugely convenient for Icelanders on business in the city, it does significantly hamper the prospect of smooth transfers from international destinations to these relatively remote – though enchanting and economically vibrant – parts of this spectacular country.

A quick chat to any Reykjavík native will reveal that the city-centre airport is controversial, with strong feelings on both sides of the argument. Some believe consolidation at the out-of-town Keflavík (albeit with improved public

transport options) would be the most sensible approach, while others extoll the virtues of having a compact and well-regulated downtown airfield. In the land of fire and ice, these often-heated debates have yielded glacially paced decisions, as numerous stakeholders weigh up the pros and cons.

But what if there was a way to supercharge overseas connectivity with Iceland's north and east without encroaching on the quarrels in the capital? A way to turn an island nation with one primary gateway to the world into a place with two or even three? This isn't some wacky conceptual idea drawn up by out-of-touch strategists, but rather a near-immediate option available at little or no cost, with no new infrastructure. Sound too good to be true? Let me explain.

The status quo

Iceland has more than a dozen public airports, all of which are operated by Isavia, the state-owned airport and air navigation service provider. The majority of these are modest airfields that serve as lifeline links to their local communities. However, alongside Keflavík (and the occasional charter into



Reykjavík city) a pair of gateways are not only capable of handling international traffic but are actively seeking potential airline partners.

The first of these is Akureyri – a busy airport that sits on the delta of the Eyjafjörður River in the far north of the country. It serves the nearby town of around 18,000 inhabitants – the largest population centre outside the capital region. While this figure may not seem particularly high, it is important to





Given its status as an official diversion airport, Akureyri is maintained to a very high standard *Isavia*

consider that Iceland is home to around 366,000 people, with the vast majority concentrated in the southwest corner in and around Reykjavík. In fact, Akureyri is so important that it is nicknamed 'the capital of the north' and boasts a thriving cultural scene alongside playing a critical role in fishing, tourism and other valuable industries. But what about the airport itself?

Akureyri analysis

The current complex opened on December 5, 1954, although there are records of scheduled flights between Akureyri and Reykjavík as far back as 1937. In addition to Dash 8 turboprop services to and from Reykjavík with Icelandair (primarily in morning and evening banks), Akureyri has scheduled flights to Grímsey, an island located on the Arctic Circle in the north, as well as to two towns in the east: Thorshöfn and Vopnafjörður with local company

Norlandair. There are also weekly departures to Greenland. All well and good, but how does this ambitious airport make the leap from puddle jumpers to jets? The short answer is that it already has.

Before the pandemic, international charter flights operated to and from Akureyri throughout the year, primarily organised through UK, Dutch and German tour operators. Wet-lease partners for these trips included Transavia, Enter Air and Titan Airways, typically using Boeing or Airbus narrowbodies. From just 6,831 international passengers in 2017, the airport reported a 70.3% increase in 2018 to 11,631. This soared further in 2019, up more than a third year on year to 16,050, before COVID travel restrictions crippled foreign-visitor demand in spring 2020.

With the global public health situation stabilising, airport management and the wider Akureyri community are hopeful that the positive trends seen pre-pandemic can be continued.

Sizing up

Although turboprops are the dish of the day here, Akureyri's single Runway 01/19 is 7,874ft long, 147ft wide and can safely accommodate aircraft as large as Icelandair's Boeing 767, if the circumstances really require it (more on that later). Alongside on-site air traffic control (ATC), the supporting equipment and lighting system are to a high standard and include LOC, ILS

and GPS approaches. ILS was added to Runway 19 in January 2020 and has already greatly improved the resilience of the complex. The fire-and-rescue service at

Akureyri's status as 'the capital of the north' ensures it has good domestic air links *Isavia*

Flight times from Akureyri:

To Reykjavík: 45 minutes
To USA: >5 hours
To Europe: >3 hours

Flight times from Egilsstaðir:

To Reykjavík: 60 minutes
To USA: >5 hours
To Europe: >3 hours





Far left: Though the vast majority of traffic is domestic, the northern gateway is equipped to handle international services
Key/Gordon Smith

Left: In just a matter of minutes, the international elements of Akureyri can be activated to accommodate overseas visitors
Key/Gordon Smith

the airport is in accordance with ICAO category five and can be raised to category seven as required. Given its location, winter operations are managed with relative ease, and the airport is open year-round.

Although the vast majority of passenger operations at Akureyri are domestic, clever design means the terminal can be adapted within minutes to process international traffic. A series of sliding doors and moving walls enables specific portions of the building to remain 'sterile', avoiding any possible mixing of domestic and overseas passengers. While this arrangement has worked well during previous international arrivals and departures, construction is currently under way on a brand-new 810 million Iceland krona (€5.5m) facility, which will better serve longer-haul flights.

Due for completion in autumn 2023, the 11,840sq ft international wing will radically improve the passenger

experience, with complementary airside improvements to the apron – also due to be finished next year – enhancing the operations of airline partners during their time on the ground. The project is also expected to boost the economy, with Hyrna, a local construction company, being tasked as the main contractor for a scheme which will extend the total terminal footprint to 29,062sq ft.

Enter Egilsstaðir

Around five hours east by road from Akureyri is Egilsstaðir Airport – the second site that is currently courting international suitors. The surprisingly spacious facility is situated in the heart of Austurland, a region informally known as the East Fjords or simply East Iceland. With just 13,000 inhabitants spread across almost 10,000sq miles, it is definitely a rural area, but don't be fooled by the top-line numbers.

This part of the world enjoys a thriving

economic landscape, with rich mineral deposits and fishing nearby, along with a burgeoning creative and tourism scene.

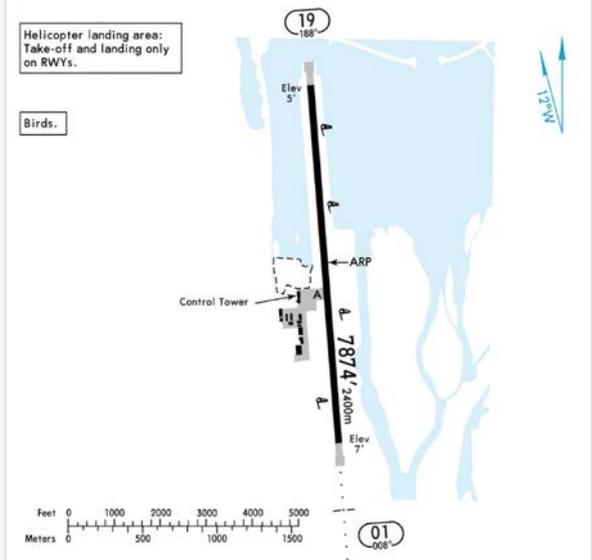
The airport sits on the banks of lake Lagarfliót, just a few minutes from Egilsstaðir itself, which is easily the largest town this side of Akureyri and a real centre of gravity for the region. The original terminal was built between 1963 and 1968 but was redeveloped and significantly expanded during the late 1980s and 1990s. The most recent part of the building is the 12,916sq ft arrivals hall, which was formally opened in April 2007 and is home to some

Below, left: The airport is extremely well equipped to ensure continuous operations, no matter the weather at its northern location
Key/Gordon Smith



Airport Statistics – Akureyri

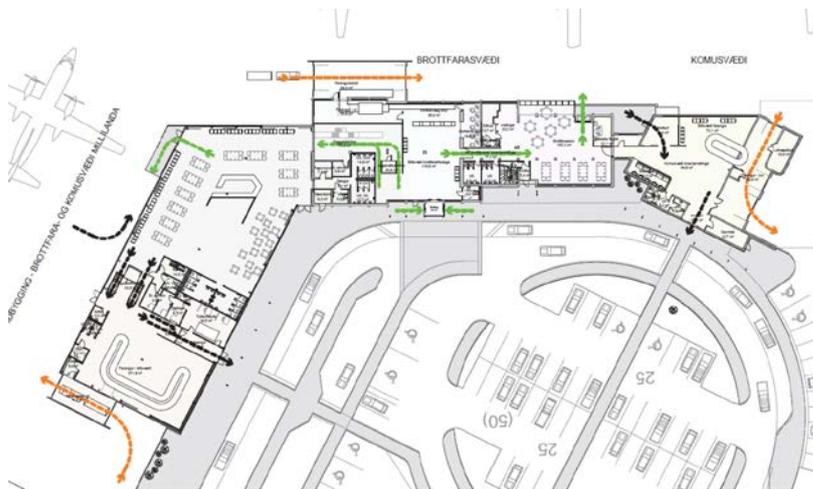
IATA:	AEY	Copyright © 2022
ICAO:	BIAR	Jeppesen All rights reserved. The charts are available to the flight simulation community via Navigraph Charts: www.navigraph.com. (Not for airborne/operational use)
Location:	65°39'40"N 18°04'20"W	
Elevation:	2m (6ft)	
Runways:	01/19 - 2,400m (7,874ft)	
Frequencies:	ACC: 119.7 TWR: 118.2 RDR: 118.7	
Website:	www.isavia.is/en/akureyri-airport	





Above: Situated deep within an eastern fjord, Seyðisfjörður is home to the weekly ferry to the Faroe Islands and Denmark IcelandicExplorer/Austurbrú

Right: Expansion plans are under way, with a brand-new international terminal due to open in the second half of 2023 Isavia



Right: Once complete, the new space will offer improved dining, customs and duty-free facilities for foreign travellers Isavia



impressive local artwork. Much like Akureyri, a series of moving walls can be deployed to ensure the separation of any international passengers, with a bright two-level departure lounge able to accommodate the peaks and troughs of larger jet service.

The complex prides itself on friendly but efficient service, with luggage arriving on the carousel in just 2.7 minutes on average – a figure most frequent flyers at Heathrow or JFK could only dream of. There is a genuine sense of place at both airports, with thoughtful, and often highly creative, touches throughout the terminals, which make it apparent you have landed somewhere rather special.

In line with its northern neighbour, the site meets ICAO category five and this can be boosted to category seven on request. As the airport is just a 20-minute drive from the port town of Seyðisfjörður – home to a weekly ferry service to the Faroe Islands and Denmark – there is a ready supply of local customs agents, should they be needed for any far-flung arrivals.

Passenger numbers at Egilsstaðir peaked at 98,000 in 2017 – the vast majority of which was intra-Iceland traffic. Allowing for a post-pandemic recovery period, there is optimism that,

with the right international partner(s), passenger numbers could smash the 100,000 milestone in the coming years.

Operational matters

While it is easy to imagine eastern Iceland being a challenging environment for aviation, with dramatic landscapes and unpredictable meteorology, Egilsstaðir is blessed with remarkably stable flight and approach conditions. Sitting in a relatively sheltered valley around ten miles from the nearest coastline, the weather is generally favourable for aviation, with a reliability of scheduled flights close to 99% – bolstered by AFIS control and ILS, RNAV and NDB approaches.

Its 6,562ft Runway 04/22 is generously proportioned, even for larger narrowbodies. From a consumer perspective, this means less chance of delayed passengers, but it is also a vital narrative when speaking to potential air operators. Time is money in the aviation business, and no carrier wants its jet stuck in a remote airport down-route. The ability for Isavia and its partners to present airlines with impressive dependability metrics, enhanced with recent investments in airside infrastructure, should help grease the wheels of any upcoming negotiations.

In addition to being one of four airports in Iceland able to handle international flights, Egilsstaðir, like Akureyri, also serves an important role as a diversion airport, should usual operations at Keflavík go awry or a transatlantic aircraft need to make an emergency



The spacious arrivals hall at Egilsstaðir was opened in 2007
Key/Gordon Smith



Egilsstaðir's terminal can be modified easily to ensure international and domestic passengers are separated – in this case, via a large swing door
Key/Gordon Smith



The main terminal at Egilsstaðir was originally built in the 1960s, but has since seen major renovation
Isavia

*Right: Egilsstaðir's airy departure lounge prides itself on serving locally sourced treats
Key/Gordon Smith*



*Right: In recent years, tourism has developed within Austurland. A highlight is the Vök Baths, that utilise the famous geothermal water
Austurbrú*



*Below: Once on the ground, visitors can look forward to attractions such as Stuðlagil – a ravine known for its columnar basalt rock formations and blue-green water
Bjorn Steinbekk/
Austurbrú*



landing. This is all the more relevant when one considers Isavia ATC figures, which reveal more than a quarter of all North Atlantic air traffic passed through the Reykjavík Oceanic Control Area in the pre-pandemic period. Put simply, even airlines that don't fly to Iceland will likely have some involvement with the country's wider aeronautical ecosystem.

Alongside universal threats, such as technical faults, fog and strong wind, aviators have the added consideration of volcanic activity to include on their flight plans. With Iceland sitting on the lively Mid-Atlantic tectonic ridge, the importance of these emergency secondary gateways during volcanic eruptions cannot be overstated – this is partly the reason behind why the sites are kept to a higher standard than might otherwise be expected for regional airfields.

Government support

These two airports are not alone in their quest to enhance route development and strike it lucky on the international circuit. The Icelandic government and Isavia are offering extensive support for carriers considering services into Akureyri and/or Egilsstaðir. With many hopeful that the worst of the pandemic is over, the airport's backers have sought to revive a campaign to both attract and sustain new operators.

At a central-government level, the Icelandic Route Development Fund aims to "support the development of new flight routes to Iceland and enable regular international flights through the Akureyri and Egilsstaðir". The goal is to encourage better distribution of travellers throughout the country, boost utilisation of public infrastructure, and enhance the quality of life for local residents as well as the business environment in north and east of Iceland. Grants of up to €1.5m are available annually for 2022 and 2023, as the pandemic pain eases. The fund operates both a route and marketing development division, with promotional support of at least €60,000 also on offer, if the amount is matched by the relevant operator.

This government assistance is supplemented by a wide-reaching package of incentives by Isavia itself, in a wider bid to persuade airlines and travel companies to include both summer and winter flights to these relatively undiscovered regions.

On offer is a 100% discount on landing and passenger charges for year one, tapering to 90% in year two and 75% in year three. As an additional sweetener, there is a subsidy of €18 per arriving passenger, paid to air operators with a minimum of six flights, which, according to Isavia, combined with the airport discount incentives, can total up to €25 per passenger.

Offering a real-world example, a single-class Boeing 737-800 with 189

seats and a 75% load factor (equating to 141 passengers) would expect to pay €2,609 under the standard rates for landing, passenger and airport security fees. With first-year discounts wiping out all but the security payment of €11.80 per passenger, an airline could save almost €1,000 on each trip in year one alone. While in isolation this might not be enough to seal the deal, when compounded with the wider incentives, investment in airport infrastructure and a renewed interest in tourism to more remote parts of Iceland, it is hoped the business case will really start to stack up.

Sigrún Björk Jakobsdóttir, CEO of Isavia Regional Airports summed up the organisation's vision: "Akureyri and Egilsstaðir are well equipped for facilitating most narrowbody aircraft, with excellent passenger facilities that provide an easy, fast arrival and departure. Iceland has so much to offer beyond Reykjavík and the well-known 'Golden Circle' attractions and by raising awareness of the generous grants, discounts and subsidies offered to aircraft landing at the regional airports in the north and east of Iceland, we hope to attract more business."

"We want tour operators to create holiday itineraries in these regions and we'd also like to see flights available for the independent and business travellers and also for the residents of the area – the alternative can be an eight-hour drive from Reykjavík to East Iceland."

Growing awareness

Given its strategic geographic position – which one native aptly described as "nowhere and everywhere at the same time" – it is perhaps unsurprising that, before the pandemic, the average

Icelander flew overseas six times a year. The Scottish cities of Glasgow and Edinburgh can be reached in just a couple of hours, while many of continental Europe's prime spots can be reached in not much more than three hours. Heading west, flight times from New York and Boston can be as little as four and a half hours, albeit with a little padding either side, for take-off and landing formalities.

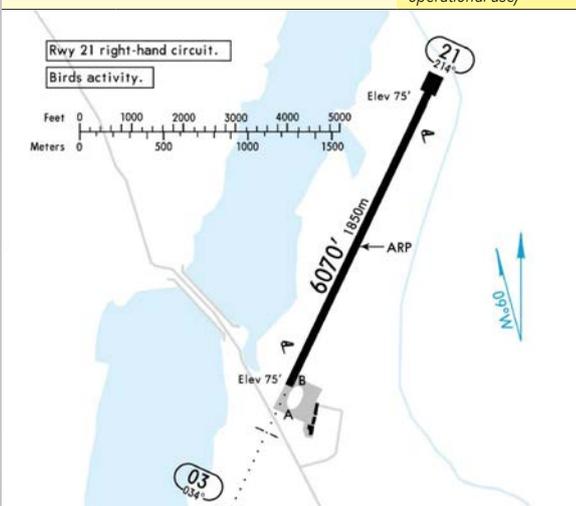
Despite Iceland's roving residents, the relatively small catchment populations around Akureyri and Egilsstaðir will mean the majority of passengers on any new international services are likely to be overseas visitors. This, coupled with the fact that flag carrier Icelandair and low-cost local newcomer Play are both focused on hub-and-spoke activity at Keflavík, means the best prospects for new international services come from overseas firms.

For the avoidance of doubt, the barrier to entry is not Iceland itself. Official figures show the country is already incredibly well connected, with routes to 68 different airports in 62 cities across Europe and North America. These include services with big-name brands such as Delta Air Lines, Lufthansa, United Airlines and British Airways, as well as a dynamic mix of budget operators, such as easyJet, Vueling and Wizz. Aside from seasonality, the issue is that all these operators exclusively serve Keflavík, which is some five hours and eight hours (weather permitting) from Egilsstaðir in the east.

As the tourists who make the trip to Iceland are already considered to be a relatively adventurous bunch – even in summer, a holiday here will be far

Airport Statistics – Egilsstaðir

IATA:	EGS	Copyright © 2022
ICAO:	BIEG	Jeppesen All rights reserved. The charts are available to the flight simulation community via Navigraph Charts: www.navigraph.com .
Location:	65°17'00"N 14°24'05"W	(Not for airborne/operational use)
Elevation:	23m (76ft)	
Runways:	03/21 - 2,000m (6,562ft)	
Frequencies:	ACC: 119.7 AFIS: 119.4	
Website:	www.isavia.is/en/egilsstadir-airport	



removed from the season's typical bucket-and-spade beach breaks – authorities hope that a strong desire for repeat visits among first-time holidaymakers will stimulate more interest in the lesser-known corners of the country. This, combined with attractive direct flights into the heart of the action and a shared enthusiasm by Iceland airport stakeholders, has the potential to have a transformative effect on these often overlooked, but fascinating, parts of the world. ✕

If all goes to plan, both regional airports will see the return of regular international services over the next year *Isavia*

