Denmark and Iceland, touching at Reykjavík and many of the more important ports on the western and northern coasts of the country.

For many years the United Steamship Company was the only company running ships regularly between Iceland and other countries; but for the last thirty years other companies, either Danish or Norwegian, have also kept up some sort of regular service to the country. This, however, has not been without interruptions, and the "United" has often been left alone in the field. When it becan to be realized that it might be awkward to depend almost solely on one foreign company for regular mail service with other countries, the Icelandic Steamship Company Ltd. was formed in 1914 (Eimskipafélag Íslands). Participation was general in Iceland, for shares were issued for small amounts. Icelanders in America also bought a great number of shares, and even the Icelandic government took some. The company started business in 1915 with two ships, and during the Great War when communication with European countries became difficult and dangerous, they sent their ships to America; but these voyages were discontinued when peace was again restored. In spite of various difficulties with which the young company has had to grapple, its progress has been steady; it has now four steamers, and the fifth is soon to be added to the number. The company's ships are called by various waterfalls or "forces" in Iceland (Gullfoss, Goðafoss, Brúarfoss, Selfoss, and Dettifoss). The Eimskipafélag keeps up a regular steam communication between Iceland on the one hand and Denmark. Great Britain and Hamburg on the other. During the present year 61 regular trips between Iceland and foreign countries are planned by the company with many ports of call in Iceland.

Since 1908 the Bergen Steamship Company (Det Bergenske Dampskibsselskab) has had two steamers regularly running between Iceland and Norway; one of them now makes fortnightly trips between Reykjavík and Bergen; the other 8 yearly trips, in each of which she calls at a number of ports on the Icelandic coasts.

One steamer, run at the expense of the State, makes 17 yearly trips round the coasts, calling at a number of ports not touched at by ships engaged in the foreign trade. Besides this there are 10 other ships and boats which enjoy government grants for keeping up the local communication in various firths and bays.