



ÍÐNADARRÁÐUNEYTIÐ

*Ministry of Industry, Energy and Tourism*

Referendum No. 1/2010

On January 5<sup>th</sup>, the President of Iceland decided to refer to a general referendum an amendment of the laws authorizing a state guarantee for the repayment of loans from the Governments of the United Kingdom and the Netherlands to the Depositors' and Investors' Guarantee Fund of Iceland. The content and consequences of this decision have in some cases been misinterpreted in the international press. The Ministry of Industry therefore wants to highlight the following facts:

- Iceland will honor its obligations towards the UK and the Netherlands.
- The national referendum deals only with the implementation and conditions of the state guarantee – not whether or not to pay.
- The government's economic plan, developed and financed in cooperation with the International Monetary Fund, remains in effect.
- Economic data indicates that the economy is performing better than projected and is already showing signs of recovery from the financial crisis of 2008.

Reykjavik, 7 January 2010