

For immediate release

**Icelanders: vote 'NO' at the 6 March 2010 referendum on the Icesave legislation  
The British and the Dutch are engaged in economic warfare against Iceland  
We demand a reasonable Icesave agreement to avoid national bankruptcy**

Reykjavik, Iceland, 10 February 2010 -- Iceland's population is 317,000, the size of Cardiff and Utrecht. The UK and Netherlands are claiming reimbursement for payments of €3.9bn (£3.4bn or ISK715bn) to Icesave depositors of the failed private Landsbanki Bank. This is not an Icelandic debt – it is a forced obligation without any consideration of economic safeguards. The upfront amount is 50% of Iceland's GDP, equivalent to £700bn for the UK or €270bn for the Netherlands. Iceland's foreign debt is already [310% of GDP](#) according to the IMF. The obligation represents €48,000 (£40,000 or ISK8.9m) per Icelandic family. The added annual interest per family is €2,600 (£2,200 or ISK460,000) even with full recovery of Landsbanki assets. The UK, Netherlands and EU must share responsibility with Iceland for the failed financial supervision of cross-border banking. Iceland's share of the burden must be economically viable. We demand a new solution. Icelanders: vote 'NO' to the Icesave legislation on 6 March 2010!

**Icesave is not Icelandic debt.** Iceland adhered to a flawed EU deposit guarantee directive, which did not address a complete collapse of a local banking sector as in Iceland. The UK and Netherlands demand a state guarantee of Icesave deposits, but there is no mention of a state guarantee in the EU directive. The UK, Netherlands and EU must share responsibility for failed financial supervision of cross-border banking.

**Economic warfare by the Dutch and the British.** The UK used anti-terrorist laws against Iceland to freeze the UK assets of Landsbanki, the Central Bank of Iceland and the Government of Iceland causing severe economic and reputational damage to all Icelanders. Furthermore, the imposed terms for the Icesave reimbursement by these governments do not respect the [Brussels guidelines](#) and include a sovereign guarantee of €3.9bn (£3.4bn), taking priority over all other foreign creditors, in addition to the 'partially allowed' recovery of the Landsbanki assets in the UK. The UK and Netherlands demand that only half of Landsbanki's assets are used to cover the guarantee stipulated by EU directives of €20,887 maximum per depositor, i.e. Iceland's obligation. The other half is to arbitrarily reimburse depositors beyond the EU maximum. Excessive interest rate of 5.55% is being charged. Finally, the UK and Netherlands are blocking vital IMF loans until Iceland forcibly signs this imposed repayment.

**InDefence demands a new agreement.** The assets of Landsbanki assets are valued at €6.6bn (£5.7bn or [ISK1,164bn](#)) above the €3.9bn being claimed from Iceland for the minimum deposit guarantee. Responsibility and costs for flawed banking regulation must be shared and Iceland should receive compensation for reputational damage due to the use of anti-terrorist law. Iceland must be able to restore its economy in conformity with the [Brussels guidelines](#).

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*InDefence is a grassroots organisation that was founded in October 2008. It organized a petition to protest the use of the Anti-Terrorism Act by the UK Government against Iceland. This is the largest petition in Icelandic history and the group handed in 83,300 signatures (quarter of the population) to the British Parliament in March 2009. In November 2009, InDefence then launched the successful petition signed by 56,089 voters that led the President of Iceland to refer the amended Icesave legislation to the Icelandic electorate via a referendum to be held on 6 March 2010.*