



**COUNCIL OF
THE EUROPEAN UNION**



Brussels, 10 July 2007
11608/07 (Presse 164)

Cyprus and Malta to adopt the euro on 1 January 2008

The Council today decided¹ to allow Cyprus and Malta to adopt the euro as their currency, thus enlarging the euro area to 15 member states, as from 1 January 2008.

It also adopted regulations setting permanent conversion rates for the Cypriot pound and the Maltese lira against the euro² and adjusting certain technical provisions on introduction of the euro³.

Cyprus and Malta will issue euro notes and coins at the same time as adopting the euro. The conversion rates are set at 0.585274 Cyprus pounds to the euro and 0.4293 Maltese lira to the euro, which correspond to the current central rates of both currencies within the EU's ERM II exchange rate mechanism.

¹ The decision was taken at a meeting of the Economic and Financial Affairs Council.

² Regulations amending regulation 2866/98.

³ Regulations amending regulation 974/98.

P R E S S

The Council encouraged Cyprus and Malta to continue with appropriate policies to ensure that they can make the most of the benefits of joining the euro, in particular as regards budgetary rigour, structural reform and maintaining the competitiveness of their economies.

Thirteen out of the EU's 27 member states currently use the euro as their currency: Belgium, Germany, Greece, Spain, France, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Austria, Slovenia and Finland. Euro notes and coins were introduced in 12 of those countries on 1 January 2002 and in Slovenia on 1 January 2007.
