

THE EURO COMES TO MALTA

Malta to become a member of the euro area as of 1 January 2008

On 1 January 2008, the euro will become the currency of Malta in accordance with the decision taken *yesterday* by the ECOFIN Council. Thus the euro area will enlarge to 15 member states, with the two Mediterranean countries, Cyprus and Malta joining on the same day. On this historical occasion, I would like to welcome very warmly Malta and its citizens to the euro area. This is a step that follows directly the country's EU membership of 2004, which brings stability and sustainable opportunities to the island. My congratulations go to the authorities and all parties which were involved in the pursuit of the sound policies and preparatory efforts which paved the way for the adoption of the euro.

The Governor of the Central Bank of Malta, Michael C. Bonello, will become a member of the Governing Council of the European Central Bank (ECB), and the Central Bank of Malta a member of the Eurosystem. Michael C. Bonello, together with the other 20 members of the ECB's Governing Council, will thus participate directly in the determination of our single monetary policy and in the daily management of the euro, our money. Allow me to recall in this respect that the primary objective of our monetary policy is the maintenance of price stability for the benefit of soon 15 countries and 319 million inhabitants of the euro area.

The ECB, in close co-operation with the Central Bank of Malta and the Government of the Republic of Malta, has embarked in a comprehensive euro information campaign on the introduction of the euro banknotes and coins towards the public in Malta and will take all measures necessary to ensure a smooth transition from the Maltese lira to the euro. The euro changeover that took place early this year in Slovenia was a highly successful process and by now the euro has become the every day reality of life of all Slovenians. I am sure that the citizens of Malta will also benefit from the economic advantages of belonging to the single European currency area. Drawing also on the positive outcome of several 'price watching' movements in Slovenia, be it grass-root or organised institutionally, I strongly encourage the citizens of Malta to play a conscious role in order to avoid the temporary occurrence of any unfounded price rises on the occasion of the cash changeover.

11 July 2007 – Jean-Claude Trichet, President of the European Central Bank

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