

Brussels, 1 January 2008

Cyprus adopts the euro

Cyprus adopted the euro today. All available data indicate that the changeover from the Cyprus pound went well and as planned. Citizens are able to withdraw euro cash from ATMs all over Cyprus and to use it for daily payments.

"This is an exciting moment for Cyprus and for Europe. Cyprus has adopted a strong and stable currency which is helping Europe to withstand global financial instability and high energy and commodity prices. The euro, accompanied by the right economic policies, helps create growth and jobs and keep inflation within limits. Cyprus is today more than ever a proud and independent island. It has cemented its place at the heart of the EU, increased its economic potential and influence and made it easier for its businesses to trade and its people to travel", said Commission President José-Manuel Barroso.

" Today with the adoption of the euro, Cyprus has become even more integrated in the heart of the European Union, less than four years after it joined the EU. This is thanks to the stability-orientated economic policies pursued by Cyprus, which I hope will continue after it adopts the euro. I encourage the Cypriot people to embrace our shared currency with confidence because they are entering a monetary union that has proven its worth in terms of price stability and low interest rates", said Joaquín Almunia, European Commissioner for Economic and Monetary Affairs.

As of today, the euro is Cyprus' currency, and euro banknotes and coins are legal tender on the island. The euro has replaced the Cyprus pound at a rate of CYP 0.585274 for one euro (or € 1.71 per pound), following a decision taken by the Ecofin Council in July on Commission proposals.

During the dual circulation period running until 31 January 2008, the Cyprus pound can still be used in daily cash payments in parallel with the euro. It is however expected that already in a couple of days the cash changeover will be completed and virtually all cash transactions will be carried out in euro.

According to all available sources of information, everything went smoothly today and no significant problems occurred. Already by noon nearly all automated teller machines (ATMs) operating in Cyprus were converted to dispensing exclusively euro banknotes.

Cypriot citizens warmly welcomed their new currency, and a celebration was organised at the Ministry of Finance.

President Barroso and Commissioner Almunia will be in the Cypriot capital Nicosia on 18 January for a ceremony to celebrate the adoption of the euro.

The Commission will continue to monitor the changeover operation very closely.

Background

As also Malta adopted the single currency today (see [IP/08/2](#)), the euro area now comprises 15 out of the 27 EU countries and includes a population of 318 million out of the EU's total of 493 million.

The euro area exists since 1 January 1999, when 11 of the then 15 EU Member States adopted the single currency. Greece followed in 2001. The euro banknotes and coins were introduced on 1 January 2002, after a transitional period of three years (one year in the case of Greece) during which the euro was the currency of the Member States concerned and could be used in scriptural form, while national cash was still used in cash payments. As the first of the 10 Member States which acceded to the EU on 1 May 2004, Slovenia adopted the euro in on 1 January 2007.

For more information see [Memo/07/596](#), [IP/2007/1982](#) and [IP/2007/1993](#) as well as DG Ecfm's website

http://ec.europa.eu/economy_finance/the_euro/

http://ec.europa.eu/economy_finance/thematic_articles/article10547_en.htm

http://ec.europa.eu/economy_finance/thematic_articles/article10547_el.htm (in Greek)

The Cypriot government has established a toll-free telephone line for questions on the euro: 8000 2008; e-mail: info@euro.cy; website <http://www.euro.cy>