



**COUNCIL OF
THE EUROPEAN UNION**



10723/08 (Presse 175)

PRESS RELEASE

2880th Council meeting

HEADS OF STATE OR GOVERNMENT

Brussels, 19 June 2008

President **Mr. Janez Janša**
Prime Minister of Slovenia

P R E S S

Main results of the Council

*The Council discussed a proposal to allow **Slovakia to adopt the euro as its currency** as from 1 January 2009, on the basis of convergence reports from the Commission and the European Central Bank.*

Noting that Slovakia fulfils all convergence criteria and legal requirements for adopting the euro as its currency, it called on the Ecofin Council to adopt the proposal at its meeting on 8 July. This will allow Slovakia six months to prepare for the changeover.

The decision will enlarge the euro area from 15 to 16 member states.

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OTHER ITEMS APPROVED

None

¹

- Where declarations, conclusions or resolutions have been formally adopted by the Council, this is indicated in the heading for the item concerned and the text is placed between quotation marks.
- Documents for which references are given in the text are available on the Council's Internet site (<http://www.consilium.europa.eu>).
- Acts adopted with statements for the Council minutes which may be released to the public are indicated by an asterisk; these statements are available on the Council's Internet site or may be obtained from the Press Office.

PARTICIPANTS

The governments of the Member States and the European Commission were represented as follows:

Belgium:

Mr. Yves Leterme Prime Minister

Bulgaria:

Mr. Sergei Stanishev Prime Minister

Czech Republic:

Mr. Mirek Topolánek Prime Minister

Denmark:

Mr. Anders Fogh Rasmussen Prime Minister

Germany:

Mrs Angela Merkel Federal Chancellor

Estonia:

Mr. Andrus Ansip Prime Minister

Ireland:

Mr. Brian Cowen Prime Minister

Greece:

Mr. Costas Karamanlis Prime Minister

Spain:

Mr. José Luis Rodríguez Zapatero Prime Minister

France:

Mr. Nicolas Sarkozy President

Italy:

Mr. Silvio Berlusconi Prime Minister

Cyprus:

Mr. Dimitris Christofias President

Latvia:

Mr. Māris Riekstiņš Minister for Foreign Affairs

Lithuania:

Mr. Valdas Adamkus President
Mr. Gediminas Kirkilas Prime Minister

Luxembourg:

Mr. Jean-Claude Juncker Prime Minister

Hungary:

Mr. Ferenc Gyurcsány Prime Minister

Malta:

Mr. Lawrence Gonzi Prime Minister

Netherlands:

Mr. Jan Peter Balkenende Prime Minister

Austria:

Mr. Alfred Gusenbauer Federal Chancellor

Poland:

Mr. Donald Tusk Prime Minister

Portugal:

Mr. José Sócrates Prime Minister

Romania:

Mr. Traian Basescu President

Mr. Călin Popescu-Tăriceanu Prime Minister

Slovenia:

Mr. Janez Janša Prime Minister

Slovakia:

Mr. Robert Fico Prime Minister

Finland:

Mrs. Tarja Halonen President

Mr. Matti Vanhanen Prime Minister

Sweden:

Mr. Fredrik Reinfeldt Prime Minister

United Kingdom:

Mr. Gordon Brown Prime Minister

Commission:

Mr José Manuel BARROSO President

European Central Bank:

Mr Jean-Claude TRICHET President of the European Central Bank

ITEMS DEBATED**ENLARGEMENT OF THE EURO AREA**– *Reports on convergence, proposal on adoption of the euro by Slovakia*

The Council:

- took note of the presentation by the Commission and the European Central Bank (ECB) of reports on progress made by the ten non-euro area member states with a derogation¹ in fulfilling convergence criteria and their obligations regarding economic and monetary union;
- discussed a proposal from the Commission for a Council decision for Slovakia to adopt the euro as its currency, abrogating what is considered a derogation, as from 1 January 2009;
- took note of a letter from the president of the Economic and Financial Affairs (Ecofin) Council on the outcome of a discussion on these issues at the Ecofin Council's meeting on 3 June.

In the light of the positive assessment by both the Ecofin Council and the European Parliament, it welcomed the Commission's proposal on Slovakia and called on the Ecofin Council to adopt it at its meeting on 8 July. The Ecofin Council will also be called on to adopt a regulation fixing the conversion rate of the Slovak koruna to the euro.

The decision will enlarge the euro area to 16 member states as from 1 January 2009.

¹ Bulgaria, the Czech Republic, Estonia, Latvia, Lithuania, Hungary, Poland, Romania, Slovakia and Sweden.

The Commission and ECB convergence reports examine the compatibility of the member state's legislation with treaty provisions and with the statute of the European system of central banks. They also examine progress on fulfilment of the convergence criteria – namely price stability, the government's budgetary position, exchange rate stability and long-term interest rates – and requirements regarding legal compatibility.

At its meeting on 3 June, the Ecofin Council shared the Commission's assessment that Slovakia has achieved legal compatibility and a high degree of sustainable convergence, and that it therefore fulfils the conditions for adoption of the euro. It encouraged Slovakia to pursue prudent fiscal policies and implement further structural reforms.

Fifteen of the EU's 27 member states currently use the euro as its currency: Belgium, Cyprus, Germany, Greece, Spain, France, Ireland, Italy, Luxembourg, Malta, the Netherlands, Austria, Portugal, Slovenia and Finland. Euro notes and coins were introduced in 12 of those countries on 1 January 2002, in Slovenia on 1 January 2007 and in Cyprus and Malta on 1 January 2008.

OTHER ITEMS APPROVED

None
