

Commission press release on the introduction of the euro in Cyprus and Malta (Brussels, 7 January 2008)

Caption: In this press release dated 7 January 2008, the European Commission welcomes the success of the introduction of the euro in Cyprus and Malta on 1 January.

Source: RAPID. The Press and Communication Service of the European Commission. [ON-LINE]. [Brussels]: European Commission, [11.01.2008]. IP/08/18. Disponible sur <http://europa.eu/rapid/searchAction.do>.

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http://www.cvce.eu/obj/commission_press_release_on_the_introduction_of_the_euro_in_cyprus_and_malta_brussels_7_january_2008-en-1adf3310-b2af-4e84-88e4-59eb599968dd.html

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Close to 3/4 of all payments by Cypriot and Maltese citizens now in euro

Brussels, 7 January 2008

The euro changeover has proved to be a success in Cyprus and Malta in the first week of January. The changeover of all cash and non-cash transactions to the euro appears to be going swiftly and without noteworthy problems. After only a few days, the euro had already largely replaced the Cyprus pound and the Maltese lira in people's wallets and purses. On 5 January, almost three out of four cash payments in shops were made in euro. While there were some queues in banks and shops on the first days of the new year and after a busy first week which also included the start of the winter sales in Malta, the situation seems to be progressively getting back to normal.

"The adoption of the euro in Cyprus and Malta is proceeding very swiftly. This is testimony to the good preparations beforehand for which all involved in the two countries, starting with their respective governments, must be congratulated. It is now crucial that both countries continue to implement sound fiscal and budgetary policies so that they can fully benefit from economic and monetary union", said Joaquín Almunia, European Commissioner for Economic and Monetary Affairs.

Since 1 January, the euro is Cyprus' and Malta's currency, and euro banknotes and coins are officially in circulation on both islands. The ratio of euro cash payments in shops increased quickly during the first week: on 5 January (the first Saturday of the year), about three quarters of all cash payments in shops were already made in euro only (72% in Cyprus and 73% in Malta), according to a survey carried out among the Cypriot and Maltese population for the Commission.¹ Retailers gave change exclusively in euro in virtually all cash transactions where change was given (97% in Cyprus and 99% in Malta).

On 5 January, at least three out of four citizens in both countries were carrying only or mostly euro cash in their wallets and purses (for banknotes: 74% in Cyprus, 76% in Malta; for coins 81% in Cyprus, 84% in Malta). In Malta, a majority of citizens had exclusively euro banknotes (58%) and euro coins (62%) in their wallets, though the respective figures in Cyprus were slightly lower at 32% and 40%.

As people appeared to be eager to exchange their national cash holdings into euro and to withdraw euro cash, there were still some queues at banks on Saturday, particularly in Malta, where the winter sales have already started. But the situation seems to be getting back to normal now. In Cyprus, some 179 000 over-the-counter exchanges and withdrawals were made between 1 and 4 January, involving some € 253 million. In Malta, approximately 132 000 over-the-counter withdrawals took place between 1 and 5 January, for a total amount of around € 88 million. Some 105 000 ATM withdrawals had been made in Cyprus by 4 January, and 202 000 in Malta up to and including 6 January.

With respect to the conversion of prices into euro, so far only a few incidents of undue price increases have been reported in both countries, for example for parking fees, cinema tickets and doctors' fees. The authorities are investigating all these cases and are asking those responsible to revert to the former prices where necessary. Consumers are encouraged to remain vigilant and to report any cases of unfair pricing to the authorities or consumer associations.

For more information see DG ECFIN'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)

http://ec.europa.eu/economy_finance/thematic_articles/article10547_mt.htm

(in Maltese)

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>

The Maltese government has set up a national euro helpline: Linja Ewro 154; e-mail: euro@gov.mt; website: <http://www.euro.gov.mt/>

¹ Surveys are being carried out at regular intervals until the end of the dual circulation period (31 January 2008). The results are available at http://ec.europa.eu/economy_finance/thematic_articles/article10547_en.htm.