



Economic and Monetary Union – A timeline

- 1970** — The Werner Report, named after Luxembourg's then Prime Minister and Finance Minister, sets out a three-stage approach to EMU – which is shelved because of difficult economic conditions in the early 1970s.
- 1978** — The European Monetary System is launched, consisting of an Exchange Rate Mechanism (ERM) and the European currency unit (ECU).
- 1989** — The Delors Report (named after the then Commission President Jacques Delors) maps out the road to EMU in three stages.
- 1990** — Launch of the **first stage** of EMU: closer economic policy coordination and the liberalisation of capital movements.
- 1992** — Signature of the Maastricht Treaty setting out the timetable for Economic and Monetary Union and the convergence criteria that Member States will be required to meet to participate in EMU.
- 1994** — Start of the **second stage** of EMU: creation of the European Monetary Institute (EMI). Member States are required to work to fulfil the five convergence criteria on inflation, interest rates, government deficit and debt, and exchange rate stability.
- 1995** — Madrid EU summit: The single currency is named 'the euro', and the scenario for the third stage of EMU – the introduction of the euro – is set out, with a three year transition period between the introduction of the new currency and the launch of euro cash.
- 1997** — The Stability and Growth Pact is agreed at the Amsterdam EU summit, to ensure that Member States maintain budgetary discipline in EMU. The European Council also agrees on the revised exchange rate mechanism (ERM II) which links the euro and currencies of non-participating Member States.
- 1-3 May 1998** — The European Council agrees to launch the third stage of EMU on 1 January 1999 and that 11 of the 15 Member States meet the criteria to adopt the single currency. They are: Belgium, Germany, Spain, France, Ireland, Italy, Luxembourg, the Netherlands, Austria, Portugal and Finland. It establishes the European Central Bank, which replaces the EMI as of 1 June 1998.
- 1 June 1998** — The European Central Bank starts operating with a mandate to decide and conduct monetary policy for the euro area. The primary objective of the ECB is to maintain price stability
- 31 December 1998** — The exchange rates between the euro and the currencies of the Member States that will adopt the euro are irrevocably fixed as from 1 January 1999.
- 1 January 1999** — Start of the **third stage** of EMU: the euro is launched as the single currency for 11 Member States. However, the euro only exists as a virtual currency.
- 1 January 2001** — Following compliance with the Maastricht criteria, Greece becomes the 12th country to join the euro area.
- 1 January 2002** — Euro banknotes and coins are introduced in the 12 euro-area Member States.
- 1 January 2007** — Slovenia becomes the 13th member of the euro area in 2007.
- 1 January 2008** — Cyprus and Malta bring the number of euro-area members to 15.
- 1 January 2009** — The euro celebrates its first 10 years, and welcomes its 16th member - Slovakia.