



EUROPEAN CENTRAL BANK

EUROSYSTEM

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PRESS RELEASE

LATVIA JOINS THE EURO AREA

- The euro is introduced in Latvia
- Latvijas Banka becomes a member of the Eurosystem

Today, the euro has been successfully introduced in Latvia. The number of European Union (EU) Member States using the single European currency has therefore increased to 18, thereby raising the number of Europeans sharing the currency to some 333 million people.

“On behalf of the Governing Council of the European Central Bank (ECB), I welcome this further enlargement of the euro area. Latvia has earned its position as an integrated part of the Economic and Monetary Union”, said Mario Draghi, President of the ECB.

Following the adoption of the euro by Latvia, Latvijas Banka, the national central bank of Latvia, becomes a member of the Eurosystem, the central banking system of the euro area, which comprises the ECB and, as of today, the 18 national central banks of the EU Member States that have adopted the euro. In accordance with the Statute of the European System of Central Banks and of the European Central Bank, Latvijas Banka has paid up the remainder of its contribution to the capital of the ECB and transferred its contribution to the foreign reserve assets of the ECB.

The integration of Latvian monetary financial institutions (MFIs) into the euro area banking system on 1 January 2014 was already taken into account in the publication of the euro area liquidity needs and the benchmark allotment on 27 December 2013. Latvian counterparties of the Eurosystem will be able to participate in ECB open market operations announced after 1 January 2014.

A list of the MFIs located in Latvia that are subject to reserve requirements will be published shortly on the ECB's website, as are the lists of the MFIs located in other EU Member States that have adopted the euro. Provision has also been made for a transitional maintenance period from 1 to 14 January 2014 for the imposition of minimum reserve requirements on Latvian MFIs. The assets located in Latvia that are eligible for use as collateral in the credit operations of the Eurosystem will also be added to the euro area's list of eligible marketable assets, which is available on the ECB's website.

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