

Statement by the Czech Republic, Hungary, Latvia, Lithuania, Poland and Slovakia on convergence reports to the minutes of the Council of the European Union in the Composition of the Heads of State and Government (16 June 2006)

We warmly welcome enlargement of the eurozone and congratulate Slovenia. Entry of the new member states into eurozone will contribute positively to the European economic performance.

However, the 2006 convergence reports on Lithuania have revealed the need to launch a discussion on the interpretation of the price stability criterion in order to better reflect the economic dynamics of the enlarged European Union.

We would like to draw attention to uncertainties that persist in the application of the price stability criterion, *inter alia*, in defining best performing member states and assessment of inflation sustainability; economic logic of the measurement based on the euro zone should also be addressed.

We look forward to discussion based on an in-depth analysis of the European Commission and the European Central Bank before the issue of the next convergence reports with a view to working out the solutions, especially on how to take into account the conditions of rapidly growing economies while respecting provisions of the Treaty.

We note that after discussions within the EU institutions that followed its application Lithuania remains convinced of its readiness to successfully integrate into the euro zone from 1 January 2007.