

Petar Chobanov: The effect of the eurozone - the experience of member states

Speech by Mr Petar Chobanov, Deputy Governor of the Bulgarian National Bank, at the opening of the national discussion of the Economic and Social Council conference "The effect of the eurozone. The experience of member states", Sofia, 20 June 2025.

* * *

Ladies and gentlemen,

Thank you for inviting me to open today's event. The history of the euro is also part of Bulgaria's monetary history. Since the very adoption of the single European currency, our national currency has been pegged to it. Ever since we have been inextricably linked to the economies of the countries using the euro.

It is worth mentioning that the positive assessments by the European Commission and the European Central Bank about Bulgaria's readiness to join the euro area are a well-earned success for the efforts made. Despite the tense, uncertain and with an unclear future international environment, Bulgaria has managed to keep its stability and to make an enviable progress on the path of its economic integration. We have come a long way together and, of course, the challenges ahead of us remain. We need to continue purposefully and actively as a team in order to practically complete the process of our accession to the euro area.

We are entering the intense second phase of the communication strategy for the adoption of the euro. The actual final work on the introduction of the new currency in Bulgaria is underway.

The BNB has prepared a collection of summarised and systematised questions and answers, where the citizens and other interested parties can find answers to questions frequently asked by the public about the changeover to the euro. Today you can have a look at it and actively use it in the communication campaign. It is also published on the website of the Bulgarian National Bank.

In this historic transition period, we very much count on businesses, trade unions, consumer organizations. The preparation for the dual display of euro and lev prices for goods and services is at its final stage, and now it can practically be seen in some places. The advance information for the population about the upcoming changes, the clarifications on occurring issues and difficulties, and any support provided during the transition period, would ease the future use of the new currency in a calm and secure environment.

Trust in the business is an essential element of the economic situation, and I believe that the prices of goods and services will remain at a similar level and will not be a cause for tensions. Price stability is especially important for the development of the economy and affects people's living standard.

In this regard, we rely on the trade unions with their expertise to continue to be the link with the employed, to protect their interests, and to inform them about the important practical issues of the changeover.

Consumer organisations, actively engaged in protecting consumers' interests, providing information on their rights, and exercising control over traders, will continue to be an important factor for stability and trust in the economic processes.

We can mention Estonia and Lithuania as good examples for our country with regard to their entry into the euro area. As you know, they too operated under a currency board arrangement and participated in the Exchange Rate Mechanism II without changing their monetary regime. No major disruptions or problems have been seen in these countries, therefore we can expect with a high degree of certainty that our experience will also be successful and without major difficulties.

For us, the euro area is an opportunity, and yet a responsibility – together we should carry out a smooth transition and outline prospects for better well-being and development.

I wish you all productive work in the final stage of Bulgaria's accession to the euro area!

Thank you for your attention!