

13 December 2012

Eurogroup Statement

We consider that progress has been made towards a possible macro-financial assistance programme for Cyprus, which foresees a significant financial, fiscal and structural adjustment, as foreseen in the draft Memorandum of Understanding agreed at staff level on 23 November. We welcome that the Cypriot authorities are demonstrating their commitment to such reforms and that the Cypriot parliament has passed a first set of measures that had been agreed with the international institutions.

We took note of the interim results of the due diligence exercise on the capital needs of the Cypriot financial sector, whose main parameters were broadly in line with expectations underlying programme discussions. The final results are expected in the middle of January. We are assured that Cyprus's immediate financing needs have been covered.

We are confident that agreement on the programme could soon be reached, and we call on the international institutions and Cyprus to finalise negotiations accordingly.