**Annex 1**

**Roadmap Towards a Complete Economic and Monetary Union**

**STAGE 1** 1 JULY 2015 - 30 JUNE 2017

**IMMEDIATE STEPS**

**Economic Union**
- A new boost to convergence, jobs and growth
- Creation of a euro area system of Competitiveness Authorities;
- Strengthened implementation of the Macroeconomic Imbalance Procedure;
- Greater focus on employment and social performance;
- Stronger coordination of economic policies within a revamped European Semester.

**Financial Union**
- Complete the Banking Union
- Setting up a bridge financing mechanism for the Single Resolution Fund (SRF);
- Implementing concrete steps towards the common backstop to the SRF;
- Agreeing on a common Deposit Insurance Scheme;
- Improving the effectiveness of the instrument for direct bank recapitalisation in the European Stability Mechanism (ESM);
- Launch the Capital Markets Union
- Reinforce the European Systemic Risk Board

**Fiscal Union**
- A new advisory European Fiscal Board
- The board would provide a public and independent assessment, at European level, of how budgets – and their execution – perform against the economic objectives and recommendations set out in the EU fiscal framework. Its advice should feed into the decisions taken by the Commission in the context of the European Semester.

**Democratic accountability, legitimacy and institutional strengthening**
- Revamp the European Semester
- Reorganise the Semester in two consecutive stages, with the first stage devoted to the euro area as a whole, before the discussion of country-specific issues in the second stage.
- Strengthen parliamentary control as part of the European Semester
- Plenary debate at the European Parliament on the Annual Growth Survey both before and after it is issued by the Commission, followed by a plenary debate on the Country-Specific Recommendations;
- More systematic interactions between Commissioners and national Parliaments both on the Country-Specific Recommendations and on national budgets;
- More systematic consultation and involvement by governments of national Parliaments and social partners before the annual submission of National Reform and Stability Programmes.
- Increase the level of cooperation between the European Parliament and national Parliaments
- Reinforce the steer of the Eurogroup
- Take steps towards a consolidated external representation of the euro area
- Integrate into the framework of EU law the Treaty on Stability, Coordination and Governance; the relevant parts of the Euro Plus Pact; and the Inter-governmental Agreement on the Single Resolution Fund

**STAGE 2**

**COMPLETING THE EMU ARCHITECTURE**

**Economic Union**
- Formalise and make more binding the convergence process

**Fiscal Union**
- Set up a macroeconomic stabilisation function for the euro area
- Convergence towards similarly resilient national economic structures would be a condition to access this mechanism.

**Democratic accountability, legitimacy and institutional strengthening**
- Integrate the European Stability Mechanism (ESM) into the EU law framework
- Set up a euro area treasury accountable at the European level

**FINAL STAGE AT THE LATEST BY 2025**