

**Report on  
Preparing for Next Steps on Better Economic Governance in the Euro Area**

**Questions for Sherpas ahead of the meeting on 27 April 2015**

1. Many contributions call for a streamlined, simplified and better focused European semester. How could this be achieved concretely?
2. The need to strengthen the momentum for structural reforms, particularly in the Euro Area Member States, is underlined in most contributions. What instruments should be employed to foster implementation of reforms? In particular, how to launch a process of real convergence in the areas that are considered key for the smooth functioning of EMU? Which areas would be concerned?
3. Regarding a prospective fiscal capacity for the Euro Area, should it be linked to progress on structural reforms, and if so in what form? What other functions should such a fiscal capacity serve (e.g. investment, asymmetric shock absorption)? How could it be phased in?
4. Several contributions refer to the need to take better account of the social dimension of EMU. How could this be done in practice?
5. Many contributions focus on the shorter term, but many also mention the need for a medium and long-term dimension. What should be the essential building blocks for the longer term? Pending further Treaty changes, could further steps of economic integration be envisaged on an intergovernmental basis?
6. Many contributions also make reference to the Capital Markets Union and banking union. What elements would be necessary to complete the banking union?
7. The call for stronger political legitimacy and accountability is omnipresent in Sherpas' contributions. How to achieve this concretely?