# COMMISSION OF THE EUROPEAN COMMUNITIES

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# A PEOPLE'S EUROPE

Implementing the conclusions of the Fontainebleau European Council

(Communication from the Commission to the Council)

#### A People's Europe

# Implementing the conclusions of the Fontainebleau European Council

# 1. New proposals for a People's Europe

Considering that it is essential that the Community should respond to the expectations of the people of Europe by adopting measures to strengthen and promote its identity and image both for its citizens and the rest of the world; the Fontainebleau European Council requesced the Council to take a series of specific measures before the 30th June 1985 and to study several suggestions.

It decided at the same time to create an ad hoc Committee comprised of Heads of State and Governments in order to prepare for and coordinate these actions.

The Commission welcomes this willingness to reinforce the fundamental consensus of European public opinion on the need for a People's Europe by the adoption of measures which will have real effects on the everyday life of Europeans. The initiative of the European Council seems more opportune than ever as the low participation in the elections for the European Parliament, last June, showed clearly that the man in the street finds it difficult to reconcile the disparity between the political calls for European unity and the fact that they fail to manifest themselves in real terms, in numerous aspects of everyday life.

The Commission intends more than ever to lend active support to this initiative, given that it has for a long time now, made numerous proposals connected with a People's Europe, and to which attention was recently once again drawn in its communication of June 1984 on the consolidation of the internal market.

The present communication to the Council sets out the position that has been reached with regard to work in the four sectors in which the European Council has requested that decisions be taken in the near future; the European passport, a single document for the movement of goods, the abolition of immigration and customs formalities at the Community's internal frontiers for travellers, general systems of equivalence for qualifications. It will present its ideas on the other suggestions made at Fontainebleau at a later date.

On these four sectors, varying progress has been made, but the political will that would make the first steps towards a People's Europe a success was missing.

Inspired by reason of the undertakings made by the European Council and the task of providing impetus confided to the ad hoc Committee, the Commission now expects the Council to achieve consensus on these matters.

- 2. Without waiting for the results of the exercise, immediate progress must be made in two specific fields :
  - the raising from 280 ECU to 2000 ECU; as from 1st July 1985 of the tax allowances for travellers, and the raising at the same time from 70 ECU to 130 ECU of the tax allowances for small non commercial consignments.
  - the adoption generally from the 1st July 1985 of the free passage accross the Community's internal frontiers of Community citizens displaying upon their vehicle a special sticker, with checks being confined to spot checks.

#### II. Current position and new moves

#### 3. EUROPEAN PASSPORT

At its meeting in Rome on 3 and 4 December 1975 the European Council approved the introduction of a passport having a uniform format. Pursuant to this decision the Representatives of the Governments of the Member States meeting within the Council passed a resolution on 23 June 1981 agreeing on the uniform format and the scope of the passport; in addition they resolved that the "Member States will endeavour" to issue European passports from 1 January 1985 at the latest.

According to the information available to the Commission a number of Member States have already taken the necessary steps to ensure that the deadline of 1 January 1985 for the introduction of the European passport explicitly confirmed by the Fontainebleau European Council will be met. But in other Member states its introduction by that date appears to have come up against problems, largely because deliberations on the simultaneous adoption of a machine-readable format are still not concluded.

The Commission considers that the consequent delay in many Member States in introducing the European passport is unacceptable. Any Member State that condones it is seriously underestimating the urgency of the operation from the point of view of the integration policy and flagrantly contradicting the conclusions of the European Council; in addition, such an attitude is incomprehensible if only in view of the preparation period of several years that has been allowed for introducing the passport.

The Commission has repeatedly expressed misgivings about a machine-readable document, to the extent that use of this technique entails the risk of tighter and more systematic checks at the Community's internal borders.

<sup>&</sup>lt;sup>1</sup>OJ C 241, 19 September 1981, p. 1.

Although possibly justified at the Community's outer frontiers, any "computerised gates" at internal borders are at all costs to be avoided. The eventual solution should rather lie in a general abolition of border checks of passports and identity documents in passenger travel between Member States, while at the same time tightening controls at the Community's outer borders. (See points 4.2 and 4.3)

The Commission would therefore strongly urge all Member States to take the necessary measures, without any delay, to ensure that the European passport can actually be issued to their nationals from 1 January 1985.

In this context the Commission finds it difficult to hide its concerns arising from the tendency emerging in some Member States to substantially increase the fee for the issue of a passport to coincide with the issue of the European passport. The Commission appreciates that a Member State may charge a fee in the course of its administrative activities to cover the services provided. The risk, however, that an excessive increase in such fees would have dissuasive and harmful effects with regard to the way the European passport is received, should not be underestimated. As complaints reaching the Commission show, current fees for passports in many Member States are already regarded as excessive and are consequently considered to be an obstacle to travel, particularly for young people. The Commission would therefore urge the Member States to review their fee policies and, in any event to refrain from using the introduction of the European passport to increase passport fees.

# 4. ABOLITION OF ALL IMMIGRATION AND CUSTOMS FORMALITIES FOR TRAVELLERS AT INTERNAL COMMUNITY FRONTIERS

The continued existence of customs barriers and signs saying "Customs" and the frequent long queues waiting at the Community's internal frontiers are the most potent symbol and visible expression for Europeans of the absence of European unity. Given the importance of tourism in the Community (1), and also the number of persons who travel for business purposes, it is entirely understandable that, after more than 26 years of the Community having been existence, the present formalities and checks at the internal frontiers are irritating for and resented by its citizens. The European Council was therefore quite right in deciding to put an end to this situation.

#### 4.1 "Customs formalities"

In order to avoid any misunderstanding, it should be pointed out that the "customs formalities" still in force are almost exclusively formalities and checks which exist for tax or administrative reasons. The basic reason why formalities continue to exist is the disparities that continue to exist between the tax systems in the Member States, particularly in value added tax and excise duties.

Without waiting for the long-overdue, large-scale harmonisation of value added taxes and excise duties which can be achieved in the medium term, the Community has nonetheless managed, by means of a range of tax measures, and in particular by the introduction of the system of tax-free allowances, to make some initial tangible achievements in reducing "customs formalities". But this must not blind us to the fact that, quite apart from the continuing efforts to achieve tax harmonisation, many other steps can be taken which, themselves, will help to speed up the elimination of "customs formalities" for travellers within the Community.

<sup>&</sup>lt;sup>1</sup>cf. COM(82)385 final.

#### 4.1.1 Tax-free allowances for travellers

In April 1983 the Commission presented to the Council a programme for periodical increases over several years in tax-free allowances to bring them to 400 ECU by 1987, together with some increases in the duty-free quantities for specific products subject to excise duties such as wine, coffee, and tea(1). Initially, the Council has so far agreed solely to an increase in the tax-free allowance from the starting level of 210 ECU to 280 ECU with effect from 1 June 1984, and even this was tied to a number of transitional regulations applying to specific Member States(2). According to the Commission's calculations this increase in the tax-free allowance does not even offset the reduction in value caused by inflation.

A further increase that would raise the tax-free allowance to 320 ECU as from I January 1985, as proposed by the Commission, is currently being discussed in the Council.

The system of tax-free allowances for travellers is based on the principle that additional taxes should not be levied on goods purchased in one Member State and normally taxed in that State, when such goods are imported (for non-commercial purposes) into another Member State within the limits as to value and quantity laid down by the Community. As a result double taxation and complicated, time-consuming frontier formalities can be avoided. Increasing tax-free allowances in terms of value and quantity can thus make a significant contribution towards facilitating the crossing of frontiers.

This is why the Commission considers it necessary, in order to effectively implement the mandate given by the European Council to immediately go further than the programme mentioned above and to raise tax-free allowances for travellers from 1 July 1985 from the present 280 ECU to 400 ECU. To do so, it will submit a proposal to the Council as soon as possible.

<sup>&</sup>lt;sup>1</sup>COM(83)117 final, 6 April 1983.

<sup>&</sup>lt;sup>2</sup>Council Directive 84/231/EEC, 30 April 1984; OJ L 117, 3.5.1984, p. 42.

If the total abolition of the tax-related "customs formalities" can only be achieved as part of a far-reaching approximation of indirect tax structures, rates and numbers of rates, this approximation ought not to be made a prerequisite for tax allowances for travellers that are more generous as to limits and quantities, particularly between Member States whose tax rates do not in any case diverge very greatly.

Overall the Commission feels that the risk of increased tax-free allowances being systematically abused is relatively small. This is all the more true as spot checks can continue to be made (see section 5.3).

#### 4.1.2 Removals, change of residence

Since I January 1984 a Directive has been in force which allows individuals changing their place of residence from one Member State to another to import their personal property without having to pay additional tax in the country of destination. This means that personal effects which are part of a removal, provided that they were purchased in the country of origin under normal conditions of taxation at least three months (for motor vehicles etc. at least six months) before the change of residence, are not subjected to double or compensatory taxation.(1)

The Directive on tax exemption for removals could be applied more favourably to the man in the street. The Commission will accordingly shortly be submitting a proposal which should first and foremost simplify the current import, export and transit formalities for removals within the Community for all concerned (e.g. by reducing the papers and documents currently required).

<sup>&</sup>lt;sup>1</sup>Council Directive 83/183/EEC, 28 March 1983; OJ L 105, 23 April 1983, p. 64.

# 4.1.3 Temporary importation of vehicles for private use

A Directive came into force on 1 January 1984 which exempts from tax in the Member State of importation the temporary importation of certain means of transport for private use or or private vehicles for business use(1). The Directive also covers cases where an employee or a student normally resident in one Member State uses a vehicle registered there in order to travel to a place of work or place of study in another Member State.

This Directive on tax exemption for the temporary importation of private vehicles is the first major breakthrough towards settling the countless practical difficulties which arise in cross-frontier movement of persons, which, particularly in frontier regions, has given rise to a large number of complaints from the persons involved. However, more far-reaching measures to simplify formalities still have to be taken.

This is true for example of cases of private use of a company car which an employer with a registered office in one Member State provides for an employee resident in another Member State for the journey between work and home. A solution is also required for cases in which an individual temporarily drives for private purposes in the Member State in which he has his normal place of residence a borrowed vehicle which is registered in another Member State, for example the car of a friend visiting from abroad. In both these cases the use of the vehicle can, under the varying national regulations now in force, be punishable by anything from a considerable fine to confiscation of the vehicle used.

It is cases like these which arise in the everyday lives of numerous Europeans that are rightly felt to be scandalous and which cause serious damage to the Community's image.

The Commission intends shortly to take initiatives that will offer a solution to cases of this type whilst taking due account of the problem of tax evasion.

<sup>&</sup>lt;sup>1</sup>Council Directive 83/182/EEC, 28 March 1983; OJ L 105, 23.4.1983, p. 59.

#### 4.1.4 Imports of used goods for personal use

According to an important judgement of the Court of Justice in 1982 used goods purchased by individuals on which taxes were levied in the country of origin should not be subject to full taxation again in the country of destination. At the very least the amount of tax borne by the goods in the country of origin should be fully taken into account in the Member State of importation. (1)

In order to give practical effect to this legal precedent the Commission recently presented a proposal to the Council which it feels should be discussed and adopted as soon as possible since it settles some very specific cases directly affecting Europeans in their daily lives. (2)

In this connection the Commission would also draw attention to its proposal, which has been pending before the Council for many years, on the value added tax to be applied to cross frontier movements of works or art, antiques, and used goods, which serves the same purpose of avoiding double taxation. Discussion of this proposal should immediately be resumed and a decision taken.

# 4.1.5 Tax relief for small postal consignments

In December 1983 the Commission presented to the Council a programme for the periodical increase over several years of the tax relief allowed for small consignments of a non-commercial character sent by one individual to another in different Member States (4). It was proposed that the current tax-free limit of 70 ECU should be increased to 130 ECU by 1987. As with tax-free allowances for travellers, the increases in the relief for these types of small private consignments of goods have been so small in the past few years that, as a result of the reduction in value through inflation, the real value of the tax-free amounts is now significantly lower than in 1974.

Judgement in Case 47/84 (Schul), 5 May 1982.

Proposal for a Sixteenth VAT Directive, COM(84)318 final, 18 July 1984.

 $<sup>^3</sup>$ Proposal for a SEventh VAT Directive, COM(79)249 final, 11 May 1979.

<sup>4</sup>COM(83)730 final, 12 December 1983.

Although the sending of small consignments of goods for private use strictly speaking has nothing to do with the movement of persons, the Commission considers — as the large number of complaints shows — that the adoption of its proposed increase in the tax-free amounts is an urgent necessity which would be well received by the man in the street.

It considers, as it requested in respect of tax-free allowances for travellers (see point 4.1.1), that it is necessary to go further than the programme of several years duration that has been proposed and to raise the tax-free allowance for small consignments from the present 70 ECU to 130 ECU as from 1 July 1985. In addition the proposal to grant an appropriate tax-free allowance for newspapers, magazines, brochures and books sent by an individual in one Member State to a person in another should be adopted.

In addition the Commission will also quickly reexamine the existing rules for non-commercial consignments of goods subject to excise duties (e.g. gifts of a few bottles of wine). It will present proposals on this subject seeking to ensure more generous treatment of these cases by the Member States, by for example the introduction, at an appropriate level, of a minimum uniform threshold of tax allowances to be applied.

The Commission is also examining the legal position with regard to the "customs clearance fee" levied in some Member States on the despatch and reception of small parcels.

#### 4.1.6 Passenger Road Transport

At the present time the Member States may, by virtue of the derogation contained in Annex F of the 6th VAT DIrective, impose VAT or refrain from doing so on passenger road transport. The majority of Member States have refrained from doing so however, others require VAT to be paid, for distances covered within their territory, by a passenger road transport vehicle from another Member State on an international journey, when it crosses the frontier. Because of this practice there are considerable formalities to be accomplished at the frontier of their countries prolonging the time for which vehicles and their passengers have to stop.

The practice of certain Member States of imposing VAT at the frontier on passenger road transport between Member States does comply with the 6th VAT Directive. However, the Commission considers it desirable, in order to facilitate the crossing of frontiers, that Member States should quickly apply the definitive rules envisaged by the directive for such cases. These provide that passenger transport is only taxed in the state where the journey commences, whilst leaving it up to that state to refrain totally from such taxation if it so wishes (for as long as the derogation provided for in Annex F rests in force).

The Commission will make proposals to harmonise the present divergent practices as soon as possible.

# 4.1.7 Currency controls

The EEC Treaty affords persons receiving services such as tourists, those travelling for study or business purposes and those receiving medical care the automatic right to obtain the funds they need in order to be able to pay for services received in other Member States. This right was explicitly confirmed in a judgement handed down by the Court of Justice of the European Communities at the beginning of the year (1).

In connection with the restrictions and controls on the export of currency which still exist in certain Member States, the Commission recently sent the Member States concerned its interpretation of the Court's judgement on the

Judgement in joined Cases 286/82 and 26/83 (Luisi and Carbone), 31 January 1984.

problem of currency controls, at the same time requesting that they adapt their relevant legislation to the requirements of Community law. A number of Member States have already started to relax their currency controls.

The present practice of conducting currency controls at the frontiers of the Member States concerned has often led to complicated formalities in connection with international travel. The above-mentioned adjustments to the currency control regulations should thus contribute towards significantly improving the situation.

## 4.2 Immigration formalities

The prerequisite for total abolition of immigration formalities for individuals crossing the Community's internal frontiers is that allowing travellers to cross frontiers without checks on the one hand, and the safeguarding of legitimate needs of internal security on the other, should no longer be regarded as mutually exclusive. A whole new approach has to be found. This means in particular that, in moves towards integration, the Community's internal frontiers should no longer be taken as the starting point for combatting crime or drug smuggling, preventing illegal immigration, etc. Instead, increased and effective cooperation between the responsible authorities in the Member States and stricter checks at the Community's external frontiers should be the starting point for a Community solution.

Even now, however, additional steps can be taken to ease immigration formalities for travellers, by the immediate implementation of the <u>Resolution</u> on the easing of personal checks at frontiers.

On 7 June 1984 the Council and the Member States adopted a resolution on measures to reduce waiting time and the duration of checks at the Community's internal frontiers<sup>(1)</sup>. This is to be achieved in particular by setting up special check-points for nationals of the Member States and carrying out only spot checks at frontiers.

To make it easier to cross frontiers, it will be assumed that a person belongs to a Member State of the Community if he presents a European passport. Finally, more far-reaching concessions are demanded for people living close to a frontier.

The resolution on the easing of personal checks at the Community's internal frontiers, adopted by the Council on a proposal from the Commission, is the first step towards the complete elimination of immigration formalities and checks. However, further action must be taken (see 4.3 below).

The resolution must be put into practice immediately to meet the European Council's demands. The Member States should inform the Commission of the implementing measures they take.

## 4.3 Two-stage plan to eliminate all frontier formalities

The European Council has quite explicitly set as its objective the abolition of "all immigration and customs formalities" for people crossing the Community's internal frontiers and calls for this to be achieved in the near future and at all events before the middle of 1985.

The Commission feels that the various formalities and checks at the Community's internal frontiers should be abolished in two stages. It bases its views on agreements which already exist between certain countries for phasing out frontier checks and which it sees as a fine example of Ways of speeding up the elimination of personal checks at internal frontiers. It believes that all Member States should make such arrangements with their neighbours and that there should be overall Community coordination. The initial considerations could serve as a basis for coordinated Community action and thus contribute to achieving the objective set by the European Council:

<sup>(1)</sup> OJ C 15 E of 19 June 1984, p.1

4.3.1. <u>In the first stage</u>, the Community should introduce as from 1st July 1985 a special sticker system analogous to that provided for in the Franco-German agreement of 13th July 1984.

With regard to Community citizens displaying such a special sticker on their vehicle, the rule of free passage across the Community's internal frontiers for travellers would apply and checks could be limited to spot checks; it would not be possible to derogate from this rule except other than in exceptional and justified circumstances e.g. for imperative security reasons.

It would thus be possible to carry out a simple visual check of vehicles and their occupants as they cross the frontier at reduced speed without the flow of traffic being reduced. Spot checks could be carried out by waving drivers into a special lane.

Similar measures, for Community citizens, as regards travel by other means of transportation, should also be given thought.

In parallel with the actual implementation of the former on 1st July 1985, it will be necessary, during the first stage, to achieve the realisation of the fiscal measures dealt with under points 4.1.1. to 4.1.6.

4.3.2. The second stage would see the complete elimination of all frontier formalities and checks. This assumes in addition to the harmonization of taxes (see 4.1. above), the harmonization of provisions on the issue of visas and the admission of nationals of non-Community countries, and the establishment of an appropriate and effective structure for close cooperation between national immigration and police authorities.

4.3.3. The Commission considers that having regard to the complexity of the problem, moves which are so fundamentally new as those necessary for the total removal of frontier checks and formalities in compliance with the European Council's mandate cannot be achieved within the time limit laid down by the European Council except for the first stage. However, the second stage of the plan must begin immediately afterwards.

### 4.4. Right of residence

Between 1964 and 1973 the Community put into effect several directives on the right of admission and residence for Community citizens wishing to work in another Community country. These measures guarantee freedom of movement for workers and the self-employed within the Community. In addition, the Community has also made it possible for a national of one Member State to continue to reside permanently in another Member State where he has been working.

Although the general right of residence of Community citizens does not directly concern frontier controls, the Commission wishes to emphasize that there are still quite a number of problems in this field, which in light of a People's Europe need a solution.

To supplement the existing rules, the Commission has already, some years ago, made a proposal aimed at solving the problems of residence — more particularly — the problem of students and other persons who for personal reasons opt for long—term or permanent residence in a Member State other than their country of origin <sup>(1)</sup> The present legal position is that these persons have no right of residence, and this leads to frequent complaints to the Commission and total incomprehension on the part of the persons affected (e.g. a pensioner who wishes to retire to another Member State).

Like the European Parliament, the Commission considers it important that, negotiations in the Council which have already lasted several years, should as soon as possible result in a positive decision.

<sup>(1)</sup> COM (80) 358 of 27 June 1980

# 5. INTRODUCTION OF A SINGLE DOCUMENT FOR THE MOVEMENT OF GOODS

Despite the considerable progress already made in facilitating the carriage of goods between Member States, there are still too many formalities and checks at frontiers often causing tiresome and above all expensive delays. The events that occurred last spring at the Italian-French and Italian-Austrian-German frontier zone demonstrated very clearly how urgent it is also to find a solution to the problems encountered by goods traffic at frontiers. In a communication issued last April the Commission listed the existing difficulties and proposed practical solutions (1).

The European Council's call for the introduction of a single document for the movement of goods — first made at the 1982 Copenhagen summit and now repeated — has confirmed the Commission in its view that the Council must now finally act on the Commission proposals which have been pending for such a long time.

At the Council meeting on the Internal Market fixed for the 9th October 1984 a decision should be taken as to the introduction of a single documents, which should in one single form replace a hundred of national forms. In connection with this, the Commission would emphasize the fact that the quantity of data on this single form must still be significantly reduced in order to simplify things for the business persons concerned.

Furthermore, the Commission would stress, once again, that the introduction of a single document is not in itself sufficient to eliminate all the formalities and checks still applying to the carriage of goods. A key role will be played by the proposal for a 14th VAT Directive, under which VAT on imports would no longer be collected at customs offices but on the basis of the periodic return which the importer in any case has to submit to his tax office<sup>(2)</sup>. This measure is an indispensable step towards the elimination of frontier formalities and checks for the carriage of goods between Member States.

<sup>(1)</sup> COM(84)134 of 4 April 1984

<sup>(2)</sup> com(82)402 final of 5 July 1982

# 6. UNIVERSITY DIPLOMAS AND THE FREEDOM OF ESTABLISHMENT

The European Council calls for a general system for ensuring the equivalence of university diplomas in order to bring about the effective freedom of establishment within the Community.

The Commission interprets the European Council's conclusions as referring primarily to the mutual recognition of diplomas in connection with the freedom of establishment and the freedom to provide services, i.e. affecting the right to work. However, the academic recognition of diplomas and periods of study, i.e. the educational angle, is also of major importance for the creation of a People's Europe, as well as the question of the mobility of students, researchers and university professors.

### 6.1 Freedom of establishment

Progress has been slow since the early successes in the seventies for measures concerning the mutual recognition of university diplomas and the closely related freedom of establishment and the freedom to provide services, especially in the medical professions. Proposals for directives granting these freedoms to architects and technical professions have now been before the Council for over fifteen years. A Commission proposal for a Directive relating to the activities of pharmacists is at present being examined by the Council and a decision may be forthcoming by the end of the year.

The Commission welcomes the European Council's call for a general system for ensuring the equivalence of university diplomas. The slow progress of recent years has convinced the Commission too that a more flexible overall approach must be devised to achieve any real breakthrough as regards the freedom of establishment.

The conclusions of the Brussels European Council on 21 and 23 March 1983 and the Council Resolution of 6 June 1974 on the mutual recognition of diplomas, certificates and other evidence of formal qualifications<sup>(1)</sup> the Commission's initial approach to the Fontainebleau mandate is as follows:

The system aimed for must be applicable to a large number of sectors. The basic idea is the mutual recognition of diplomas without any previous harmonization of education and training. To make up for this absence of harmonization, an individual wishing to benefit from this freedom of movement must have acquired some relevant professional experience in an employed or self-employed capacity in the country of origin or host country before being admitted unconditionally, in the host country to a profession covered by the planned arrangements. Each horizontal plan must cover the activities of the self-employed and the employed, since several activities requiring a university diploma can be carried out by both categories.

However, fcr this procedure to be successful, the experience gained in past years must be taken into consideration. From an analysis of past results and difficulties the Commission will submit proposals as soon as possible on the outline of a general system for ensuring the equivalence of university diplomas in order to bring about the effective freedom of establishment within the Community.

In connection with this the Commission would moreover draw attention to the fact that it made a proposal to the Council for a decision on the comparability of vocational training qualifications between Member States <sup>(2)</sup>.

This seeks to eliminate obstacles to the free movement of workers in the Community resulting from the diversity of national diplomas. The Commission hopes that the Council will soon come to a decision on this proposal.

<sup>(1)&</sup>lt;sub>0</sub> J C 98, 20.8.1974, p.1

<sup>(2)</sup> COM (84) 482 final of 7 September 1983 and COM (84) 406 final of 12 JUly 1984

# 6.2. Mobility of students, researchers and university teachers

For many years the Council and the Ministers of Education meeting within the Council have discussed the situation relating to the academic recognition of diplomas and periods of university study and the practical conditions for greater mobility at university level. The Commission welcomes the initiatives that have been taken to date.

To date more than 500 universities and other higher education establishments have participated. In addition, support has been given in the form of grants and scholarships to educators and administrators so as to enable them to familiarize themselves with systems of higher education in other Member States. Every Member State has set up an office which acts as an information centre on academic recognition. The Commission is currently preparing measures that will support these activities on a Community level by the creation of a coordination centre.

In 1984 the Commission succeeded for the first time in awarding a limited number of scholarships enabling students to undertake part of their studies in another Member State. It is this type of action that is essential to give added momentum to the mobility of students within the Community; however, it would need very great practical and financial support to develop this action in an adequate manner.

Finally, it should be stated that at the beginning of this year the Commission sent a Communication to the Council on a plan for stimulating European cooperation and scientific and technical interchange<sup>(1)</sup> which requires a favourable response.

<sup>(1)</sup> COM(84)46 final of 3 February 1984

#### 6. A PEOPLE'S EUROPE

The European Council considers it essential that the Community should respond to the expectations of the people of Europe by adopting measures to strengthen and promote its identity and its image both for its citizens and for the rest of the world.

An ad hoc Committee will be set up to prepare and co-ordinate this action. It will be composed of representatives of the Heads of State or of Government of the Member States.

The European Council approves the agreement reached on the principle of creating a European passport and asks the Council to take the necessary decisions to ensure that this passport is actually available to Member States' nationals by 1 January 1985 at the latest.

It asks the Council and the Member States to put in hand without delay a study of the measures which could be taken to bring about in the near future, and in any case before the middle of 1985:

- a single document for the movement of goods;
- the abolition of all police and customs formalities for people crossing intra-Community frontiers;
- a general system for ensuring the equivalence of university diplomas, in order to bring about the effective freedom of establishment within the Community.

The Committee will examine inter alia the following suggestions:

- symbols of the Community's existence, such as a flag and an anthem:
- formation of European sports teams;
- streamlining procedures at frontier posts;
- minting of a European coinage, namely the ECU.

It would also like the Member States to take steps to encourage young people to participate in projects organized by the Community beyond its frontiers, and in particular to support the creation of national committees of European volunteers for development, bringing together young Europeans who wish to work on development projects in the third world.

- ' The ad hoc Committee will also examine the following suggestions:
- measures to combat drug abuse;
- the twinning of children's classes.

The Commission will contribute to the proceedings of the Committee within the limits of its powers.