



Green 9 proposed amendments to the LIFE+ Regulation (COM(2004)621)

This briefing proposes amendments to the Financial Instrument for the Environment, LIFE+ (COM(2004)621), on behalf of the Green 9 group of leading environmental organisations.

Recitals

4a. (NEW) The final report on Financing Natura 2000 by the Expert Working Group on Article 8 of the Habitats Directive, produced in 2001, recommended that, in the short term, a “significant increase should be made in the funding to LIFE-Nature and the operation of this instrument should be simplified and made more readily applicable to supporting the capital investment needs of a wide variety of Natura 2000 sites”;

Article 1

Objectives

A financial instrument for the environment, hereinafter referred to as “LIFE+”, is hereby established.

The general objective of LIFE+ shall be to contribute to the development and implementation of Community environment policy and of environmental legislation, as a contribution to promoting sustainable development.

LIFE+ will support the implementation of the 6th Environmental Action Programme, and specifically contribute to

- achieving a quality of the environment where the levels of pollution do not give rise to harmful effects on human health and the environment
- stabilising greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system
- protecting, preserving, *managing*, restoring and facilitating the functioning of natural systems, natural habitats, wild flora and fauna, *in particular those within the Natura 2000 network of protected areas*, with the aim of halting desertification and the loss of biodiversity
- promoting better management of natural resources and waste and encouraging a shift to more sustainable production and consumption patterns

- developing strategic approaches to policy development, implementation and integration, including improving environmental governance and raising awareness
- *increase the involvement of European citizens in achieving environmental aims.*

Explanation: One of the key roles of the LIFE+ instrument should be to provide financial assistance to the objective of halting biodiversity loss by 2010. A key task in the achievement of this objective will be to establish, manage and restore to favourable conservation status the Natura 2000 network of protected areas. The LIFE+ instrument should be one of the key tools to achieve this, together with the regional development funds (Structural and Cohesion Funds), rural development funds and fisheries funds. In accordance with this view, a more explicit mention of the management of the Natura 2000 network should be mentioned as an objective of the LIFE+ instrument.

Article 2

Scope, Specific Objectives and Themes

1. To support the achievement of the environmental objectives set out in Article 1, LIFE+ will have two components.

LIFE+ Implementation and Governance will:

- contribute to the development and demonstration of innovative policy approaches and instruments,
- contribute to consolidating the knowledge base for the development, assessment, monitoring and evaluation of environmental policy and legislation,
- support the design and implementation of approaches to monitoring and assessment of the state of the environment and the drivers, pressures and responses that impact on it;
- facilitate the implementation of Community environment policy, with a particular emphasis on implementation at local and regional level,
- *provide financial assistance to activities to maintain and improve natural systems, habitats and wild flora and fauna that fall outside the scope of other sectoral funding instruments*
- provide support for better environmental governance, broadening stakeholder involvement, including that of non-governmental organisations, in *EU policy development* and implementation;

LIFE+ Information and Communication will:

- disseminate information and raise awareness on environmental issues,
- provide support for accompanying measures (information, communication actions and campaigns, conferences, etc).

2. *Under LIFE+, a specific thematic component will be LIFE+ Nature.* An indicative list of eligible themes and actions *under the two main components described under paragraph 1* is provided in Annex 1.

Explanation: In line with the general proposal that LIFE+ should be one of the key financial instruments for maintaining and improving the status of habitats and species under the Birds and Habitats Directives, this should also be explicitly mentioned as one of the specific objectives under the Implementation and Governance axis. Due to the overall role LIFE+ must play in continuing to finance activities related to the implementation of the Birds and Habitats Directives which are not covered by regional, rural development and fisheries funds, in

particular activities related to the management of Natura 2000 sites, it is recommended that LIFE+ Nature should be retained as a specific thematic component of the LIFE+ instrument, dedicated to the above objective.

Article 3 [new]

LIFE+ Nature

1. *The specific objective of LIFE+ Nature shall be to contribute to the implementation of Council Directive 79/409/EEC of 2 April 1979 on the conservation of wild birds(10), Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora(11) and, in particular, the Natura 2000 European network established by the latter Directive, contributing also to the achievement of the 2010 target of halting biodiversity loss and beyond.*
2. *The following shall be eligible for funding under LIFE+ Nature:*
 - (i) *nature conservation projects which further the specific objectives set out in paragraph 1 and contribute to maintaining or restoring natural habitats and/or species populations to a favourable conservation status, especially those that contribute to the establishment, management, protection and monitoring of the Natura 2000 European network established by the Directive 92/43/EEC;*
 - (ii) *accompanying measures which further the specific objective set out in paragraph 1 and are required to prepare projects involving partners in several Member States ("starter" measure), as well as to monitor and evaluate projects and disseminate their results ("assist" measure).*
3. *Financial assistance shall be provided by co-financing of projects. The maximum rate shall be:*
 - (i) *50% for nature conservation projects and 100% for accompanying measures*
 - (ii) *by way of exception, the rate of 50% provided for in paragraph 2(i) shall be a maximum of 75% for projects concerning priority natural habitats or priority species within the meaning of Directive 92/43/EEC or the species of birds considered as priority for funding under LIFE-Nature by the Committee set up pursuant to Article 16 of Directive 79/409/EEC.*
4. *The accompanying measures shall be limited to 5% of the available appropriations.*

Explanation: The objective of this new article is to provide details on the scope, objectives, eligible activities, co-financing rates and the specific amount to be dedicated to the specific theme LIFE+ Nature. This article borrows from the articles of the current LIFE regulation concerning LIFE Nature as we believe that many of the positive elements described therein should be retained in the new financial perspective in line with the continued priority need for financing for biodiversity conservation from a dedicated environment fund. According to our calculations, if we accept the Commission estimate of 6.1 billion Euro per annum to manage the Natura 2000 network, a minimum of 250 million Euro per annum should be allocated to this end from the LIFE+ budget. This would be for co-financing those activities which cannot be covered by the Structural, Rural Development and European Fisheries Funds or the Research programme. This 6.1 billion Euro figure is likely to significantly underestimate the total funding needs of the network when the full impact of enlargement, the establishment of a

marine Natura network and site restoration needs are taken into consideration, and therefore 250 million Euro from LIFE+ should be regarded as an absolute minimum figure.

Article 4

Programming

1. Funding will be provided in support of multi-annual strategic programmes drawn up by the Commission. These programmes shall define the principal objectives, priority areas of action, type of actions and expected results for Community funding in relation to the objectives set out in Article 1 *and Article 3[new] on LIFE+ Nature*, and would, as far as possible, include indicative financial estimates.
2. Annual work programmes shall be based on the multi-annual strategic programme and shall set out, for a given year, the aims being pursued, the fields of action, the calendar, expected results, implementation modalities, financing amounts and the maximum rate of co-financing.
3. The multi-annual and annual programmes will be adopted according to the procedures set out in Article 12. If circumstances require, the multi-annual and annual programmes may be amended during the period of their application following the same procedures.

Explanation: Given that the scope, objectives and eligible activities of the LIFE+ Nature specific theme are already described in detail in the new Article related to this theme, these should be automatically considered during the multi-annual and annual programming process as a compulsory element.

Article 6

Beneficiaries

The LIFE+ programme shall be open to public and/or private bodies, actors and institutions, in particular:

- National, regional and local authorities
- Specialised bodies foreseen in EU legislation
- International organisations, for actions in the Member States and countries referred to in Article 7
- Non-governmental organisations, **specifically when working towards the development or implementation of EU policy.**

For programmatic support to European Non-Governmental Organisations, support will be organised according to the principles, criteria, limits and methodology of Decision No 466/2002/EC of the European Parliament and of the Council, in particular its articles 2, 4 and 6. The budget for this purpose shall be substantially and annually increased based on the relevant 2006 budget. This would allow an increase in the involvement of such organisations in the making, implementation and evaluation of EU policies with an impact

in environmental and sustainable development objectives. Organisations eligible for this programme shall be considered organisations of European general interest, for which article 3, paragraph 2 of this regulation applies. The Commission shall seek the involvement of NGOs in the formulation and evaluation of this particular programme(s);

Explanation: NGOs play an essential role in making the connection between the EU Institutions and the general public, in this way contributing to good environmental governance. In this sense, they are definitely organisations of general European interest. In order to contribute to their efficiency and impact, the new regulation should provide for a predictable and reliable multi-annual framework for these organisations (not withstanding the right of the Commission to judge individual organisations on their performance and the quality of their plans). The Decision agreed between the three Institutions in 2002 established a framework that combined both flexibility, predictability and adequate control. It is also important that a clear signal be given that the amounts allocated for this support should not fluctuate from year to year, but should gradually increase. NGO support provided by the EU should have a clear link to EU-wide policies, therefore this type of funding activity would be ill suited to a decentralised model.

Article 8

Complementarity between financial instruments

- 1. (NEW) The European Commission shall ensure co-ordination and coherence of LIFE+ and types of funding from the Cohesion policy. The European Commission shall ensure that appropriate mechanisms are established for ensuring coordination from the planning to the implementation phases between the operational programmes and the use of the Funds LIFE+, Structural Funds, the European Agricultural Fund for Rural Development (EAFRD) and the European Fisheries Fund (EFF). Co-ordination between LIFE+ and the European Research Programme shall be ensured too.**

Explanation: Economic diversification and the development of rural and fisheries-dependent areas must be environmentally sustainable. 60% of Natura 2000 sites are in rural areas. Therefore, support from the Structural Funds, Rural Development Fund and Fisheries Fund must be carried out within the context of regional sustainable development strategies integrating relevant Natura 2000 management plans, and should take into account opportunities to enhance nature and biodiversity. LIFE + should finance the actions and activities that cannot be covered by those funds in a coordinated manner aiming to meet regional sustainable development objectives. Member States' national strategic reference frameworks and operational programmes must provide detailed information on the coherence of priority areas and actions between Regional, Rural Development, Fisheries and LIFE+ funds.

Article 9

Duration and budgetary resources

1. This regulation shall be implemented starting on 1 January 2007 and ending on 31 December 2013.

The financial framework for the implementation of this instrument is set at *EUR 3500 million* for the period from 1 January 2007- 31 December 2013 (seven years).

3. (NEW) *The European Commission will ensure that at the minimum 75% of the budget is allocated to the first three priority themes as mentioned in Annex 1 which are: Climate Change, Nature and Biodiversity, and Environment and Health.*

4. (NEW) *The Commission will ensure that the annual budget for the continuation of the Community Programme to support Environmental NGOs ("the NGO programme" under the decision 466/2002/EC of the European Parliament and of the Council) will progressively increase based on the relevant 2006 budget.*

Explanation: The total budget of LIFE+ should be raised in line with the proposed annual budget allocation for the LIFE+ Nature specific theme, taking into consideration of the financial needs of the other themes that are eligible for funding under LIFE+. A significant part of the total LIFE+ budget should be prioritised and be allocated to the three first themes mentioned in Annex 1, that is Climate Change, Nature and Biodiversity and Environment and Health. A part of the budget should also be allocated to continue support for European environmental NGOs.

Article 12

Committee

3. (NEW) *In addition to the general rules established under article 7 and 8 of Decision 1999/468/EC, the European Commission shall submit to the European Parliament the proposals relating to the measures to be taken by the Committee and in particular any measures related to the planning of the distribution and allocation of the annual LIFE+ budget (either concerning the LIFE+ Regulation itself, the multi-annual strategic programmes or the annual work programmes).*

4. (NEW) *The Chairman will invite as observers to the Committee meetings experts from civil society groups to talk on the distribution and allocation of the LIFE+ budget (either concerning the LIFE+ Regulation itself, the multi-annual strategic programmes or the annual work programmes). The principles and conditions on public access to documents applicable to the Commission shall apply.*

Explanation: Decisions on the allocation and distribution of LIFE+ budget should involve the European Parliament, budgetary authority, as well as representatives of civil society, beneficiaries of these funds. Measures related to this Regulation as well as the multiannual

programmes and the annual work programmes should be taken within the principles of transparency involving the European Parliament and the NGOs.

ANNEX 1

Indicative themes and actions eligible for funding

[indent 2] - nature and biodiversity: including the Natura 2000 Network (complementary to but not overlapping with rural development and cohesion policy instruments) such as innovative approaches to site management and planning and management costs for certain sites, including new sites or those not covered by either structural or rural development fund and **European Fisheries Fund** provisions; **the monitoring of their conservation status; funding for the development and implementation of species action plans;** the reversal of the decline in biodiversity by 2010 and monitoring of forests and environmental interactions in the Community, as well as forest fire prevention measures. **A total amount of 6.1 billion Euros per year is required (according to the estimates given in Annex 8 to the Communication on financing Natura 2000) for implementation of the Natura 2000 Network; an estimated amount of 250 million euro per year will be allocated through LIFE+ for those activities which cannot be covered by the Structural, Rural Development and European Fisheries funds.**

(indent 3) – Environment and Health: The Environment and Health Action plan, the new Chemicals legislation (REACH) and the Water Framework Directive.

(indent 3 bis): Environment and Health: Clean Air for Europe, the Marine, Soil, Urban and Pesticides thematic Strategies.

Explanation: A study by the RSPB (BirdLife in the UK) concluded that by using the Commission's own estimate of 6.1 billion Euros per year needed for the financing of the Natura 2000 network, 250 million Euros per year should be allocated under the LIFE+ budget line for this purpose. This would cover the gaps that are likely to remain in the other Community financing instruments (structural funds, rural development funds, fisheries funds). This should be taken as an absolute minimum figure, as the Commission estimates does not fully take into account the costs of the expansion of the Natura 2000 network in the marine environment and other crucial factors such as the accession of Bulgaria and Romania in 2007. Moreover, LIFE+ Nature should cover not only costs of financing the Natura 2000 network, but also other activities to protect biodiversity in the wider countryside in order to achieve the target of halting biodiversity loss by 2010.

ANNEX 4 (NEW)

Promotion of non-governmental organisations primarily active in the field of environmental protection

As stated in the Memorandum, LIFE+ will continue the support for non-governmental organisations (NGOs), which so far was provided under the Community Action Programme promoting non-governmental organisations (Decision No 466/2002/EC of the European Parliament and of the Council). This will be done by following similar aims, rules and guidelines as previously - in particular:

- 1.) NGOs qualifying for the grant must be active at a European level, either singly or in the form of several coordinated associations with a structure (membership base) and activities covering at least three European countries.
- 2.) NGOs qualifying for the grant must be able to contribute to the EU policy making process in the development and implementation of EU policy and legislation.
- 3.) NGOs qualifying for the grant must be an independent, non-profit-making legal person primarily active in the field of environmental protection and enhancement with an environmental objective aimed at the public good and with a view to sustainable development.
- 4.) NGOs qualifying for the grant must carry out activities in line with the priority areas identified in the Sixth Environmental Action Programme.
- 5.) A beneficiary under this grant programme shall be free to use the grant to cover its eligible expenses, as it deems appropriate, over the grant period.
- 6.) The total amount available for the support of environmental NGOs active at the European level shall continue to increase, taking into consideration:
 - the need for NGOs to contribute to and comment on an increasing range of policy areas (integration of environmental consideration in other policy areas)
 - the enlargement of the European union (increasing number of eligible NGOs and NGO networks)
 - the important contribution of environmental NGOs in building up democratic and civil society structures, especially in the new member states and the accession countries
 - the important role NGOs play in representing the interests of future generations and a clean and healthy environment in European decision making,
- 7.) The promotion of non-governmental organisations primarily active in the field of environmental protection will take place continuously throughout the entire period of LIFE+.
- 8.) The programme promoting NGOs will be carried out by DG ENV and not be delegated to the national level.

9.) The grant shall not exceed 70% of the applicant's average audited annual eligible expenses during the preceding two years.

Explanation: This amendment aims to ensure continuity in the objectives, aims and methodology of Decision No 466/2002/EC of the European Parliament and of the Council, regarding support to Non Governmental Organisations primarily active in the field of Environment.