

Brussels, 12 December 2005



Dear Permanent Representative

**Environmental challenges for the financial perspective 2007-2013:  
the Green 10's response to the UK Presidency's negotiating box, as  
presented on 5 December**



We are writing, on behalf of the ten leading environmental organisations active at EU level, with regard to the financial perspective 2007-2013, in advance of a possible political agreement at the European Council in December.



The outcome of negotiations will have a major impact on Europe's citizens, economy and environment. For too long, major EU spending programmes, such as the Common Agricultural Policy (CAP), have failed to deliver public benefits in return for payments from the public purse. The debate on the next financial perspective presents a crucial opportunity to reverse this trend by ensuring that funds are clearly linked to the achievement of the EU's sustainable development objectives.



Our organisations are **deeply** concerned about the negotiating box presented by the UK Presidency on 5 December, which proposes to cut the budget for rural development from EUR 89bn to EUR 66 bn compared to the original proposal from the Commission, and provides no clarification about the future of the environment budget line (LIFE+).



Friends of  
the Earth  
Europe

We ask you to ensure that the following priority recommendations are reflected in any deal on the financial perspective:

- The **rural development budget** (Pillar II of the CAP), which delivers a wide range of social, economic and environmental objectives, should be safeguarded from cuts. Instead, there should be further – and mandatory - transfers of funds from Pillar I (direct payments and market aid) to Pillar II (rural development) over the course of the next financial perspective. Pillar II has great potential to deliver on the EU's targets for sustainable development, whereas Pillar I has proven to be environmentally and economically unsustainable in many cases.



The current proposal to cut funds for rural development by 26 per cent compared to the Commission's proposal and only to allow member states to transfer funds from Pillar I to Pillar II - without binding them to do so - will fail to deliver the EU's sustainable development objectives in rural areas.



- Sufficient funds should be allocated to the **Natura 2000 network** of EU-protected areas. The Commission estimates that the cost of managing Natura 2000 is around EUR 6.1 billion per year. It is essential that the network is co-financed from the EU's structural funds, from rural development funds, from the environment instrument (LIFE+) and from the European Fisheries Fund, at rate of at least EUR 3 billion per year, as proposed by the European Parliament. Unlike the Luxembourg compromise proposal presented in June, the UK Presidency proposal fails even to mention Natura 2000.



- The **environment budget (LIFE+)**, which currently represents around 0.2 per cent of the EU's budget, should be enhanced so that it can make an adequate contribution to financing the Natura 2000 network and the environmental programmes of the European Community. The Parliament's proposal to allocate EUR 9.5 billion to LIFE+ over the period 2007-2013 should be strongly supported.



· Any spending on the EU's **trans-European transport networks** should be preceded by a thorough, transparent and audited cost-benefit analysis and Strategic Environmental Assessments of the corridors, as the Commission's proposed budget represents a massive increase in funding compared to the current financing period.

· The environmental dimension of the **EU's external actions (Heading 4)** should be adequately funded so that the EU can meet its international environmental commitments. A thematic programme for the environment should be created, drawing funding from all relevant instruments and amounting to at least EUR 450 million per year.

We urge you to ensure that these environmental priorities are reflected in the final deal on the financial perspective, by significantly amending the UK's compromise proposal according to the recommendations above. If this opportunity is missed, the EU risks bequeathing an impoverished Europe to future generations.

Yours faithfully



Clairie Papazoglou, Head of EU Policy, **BirdLife International**

Also on behalf of:

Magda Stoczkiewicz, Policy Coordinator, **CEE Bankwatch Network**  
Matthias Duwe, Acting Director, **Climate Action Network Europe**  
John Hontelez, Secretary General, **European Environmental Bureau**  
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