

**Opinion of the European Economic and Social Committee on the 'Communication from the Commission to the European Parliament and the Council: Mid-term review of the LIFE+ - Regulation'**

COM(2010) 516 final

(2011/C 132/13)

Rapporteur: **Mr RIBBE**

On 30 September 2010 the European Commission decided to consult the European Economic and Social Committee, under Article 304 of the Treaty on the Functioning of the European Union, on the

*Communication from the Commission to the European Parliament and the Council Mid-term review of the LIFE+ Regulation*

COM(2010) 516 final.

The Section for Agriculture, Rural Development and the Environment, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 28 February 2011.

At its 470th plenary session, held on 15 and 16 March 2011 (meeting of 15 March), the European Economic and Social Committee adopted the following opinion by 185 votes to two with seven abstentions.

## 1. Summary

1.1 Because the first LIFE+ projects only began in January 2009 as a result of implementation difficulties, the mid-term review of the LIFE+ Programme (period: 2007 to 2013) being considered provides insufficient information to make a qualified assessment for the current programming period.

1.2 Nevertheless, the EESC has always stressed the high importance of the LIFE Programme, which has been running for nearly 20 years, for developing and shaping European environmental policy. It believes that it is also necessary and appropriate to continue and further develop the programme during the next funding period (2013–2020).

1.3 The LIFE Programme must be as flexible an instrument as possible to enable the Commission to play an effective shaping role. LIFE accounts for around 0,2 % of the EU budget and can provide valuable contributions and suggestions for possible solutions. However it can neither correct failures arising from other EU policy areas nor finance all EU environment-related strategies.

1.4 The requirements stemming from problems in implementing EU environment policy should be the deciding factor in future choices for LIFE projects. Concern for balanced allocation of funding between Member States should not play any role in this respect in future.

1.5 Environmental policy is more developed in Europe than in other parts of the world because of the demands of an actively involved civil society. In this respect, the Commission rightly emphasises the role of nature and environmental protection organisations which is also acknowledged by the EESC. But other sectors of civil society should also be encouraged to cooperate more closely in LIFE projects in the future. The LIFE+ funding mechanisms should be organised in such a way that good projects do not founder because of rigid co-financing conditions.

## 2. General Comments

2.1 To date, the EU's environmental finance instrument LIFE has clearly been an extremely important programme which has provided the crucial impetus in implementing, developing and shaping the European Union's environmental policy and legislation. It was established in May 1992 by Regulation (EEC) No 1973/92 - the *Financial Instrument for the Environment (LIFE)*.

2.2 LIFE I ran from 1992 to 1995 and had a budget of EUR 400 million (EUR 100 million per year). In the wake of its success, Regulation (EC) No 1404/96 launched a second phase (LIFE II) which ran from 1996 to 1999 with a total budget of EUR 450 million (EUR 112,5 million per year). LIFE III was established by Regulation (EC) No 1655/2000 to run from 2000 to 2004 (EUR 128 million per year). This was extended to the end of 2006 by Regulation (EC) No 1682/2004.

2.3 Regulation (EC) 614/ 2007 launched LIFE+, a new phase in LIFE covering the 2007 to 2013 period with a total budget of around EUR 2,17 billion (around EUR 340 million per year).

2.4 Environmental aid has been completely restructured under LIFE+. Parts of existing EU support programmes included under the old title 07 (Forest Focus, support for NGOs, URBAN, the development of new policy initiatives, aspects relating to environmental policy implementation, and elements of LIFE-Environment and LIFE-Nature) have been merged. On the other hand it was decided that traditional, tangible environmental investment projects would no longer be promoted. These would instead be covered for environmental projects through heading 1a, and for nature protection projects through heading 1b and parts of heading 2. Support for international activities has been transferred from heading 4 (measures for the marine environment) to heading 3.

2.5 LIFE+ focuses on promoting measures that support environmental policy (having a uniquely European dimension) such as exchange of best practice, capacity building of local and regional authorities and support for NGOs having a Europe-wide vocation.

2.6 The Commission therefore envisages that in this financing period investment projects will be covered by the (new) headings 1a, 1b, 2 and 4, rather than by LIFE.

2.7 Since the corresponding LIFE+ Regulation only entered into force in June 2007, the tender procedure for projects could not be launched until October 2007. The first projects from the new LIFE+ phase could thus only commence in January 2009, which means that the mid-term assessment submitted by the Commission and commented on in this opinion can only be a reflection on a relatively small number of projects which have moreover only just got off the ground. The Commission rightly observes that 'limited information on results is thus available'.

### 3. Specific comments

3.1 The mid-term assessment mentions several times how important the LIFE programme is. It is described as being 'an effective tool' that 'achieves added value' and it is emphasised that 'beneficiaries as well as Member States consider that the Programme should be continued as crucial for the implementation of EU environmental policy'.

3.2 The EESC wonders whether these claims from the mid-term report examined by this opinion can be made on the basis of an assessment of projects which only began in January 2009. Although the Committee has never wavered in its belief that the LIFE Programme is very important, the limited amount of data on which the mid-term assessment is based still does not allow any real conclusions to be drawn on the LIFE+ phase.

3.3 However, since the possibility of a new programming period after 2013 is already beginning to be considered, the Committee would like to take this opportunity to go into some basic questions and put forward proposals.

3.4 The Committee would therefore like to point out that, in its view, a proper mid-term assessment of the new phase of the LIFE+ Programme is still not possible at this point.

3.5 In its opinion <sup>(1)</sup> on the draft LIFE+ Regulation that was subsequently adopted, the EESC sounded several warnings which now seem to have been confirmed.

3.6 The Committee said that the LIFE Programmes could clearly be deemed to be very effective steering instruments on the part of the Commission. Such significant success was

achieved using such limited resources because the EU Commission was able to set conditions and because both potential project participants and also Member States were to some extent 'competing' for LIFE funds: Member States (or rather, public and private project promoters from Member States) needed to design and develop innovative projects which fitted in with the objectives of the LIFE programme. A selection procedure was put in place in which projects were subjected to critical analysis before being either approved, or rejected because of poor quality or insufficient funding. This meant that, as far as allocation of funding was concerned, there was both a certain degree of European transparency and clear steering by the Commission.

3.7 The EESC believes that the Commission should have an instrument which it is exclusively responsible for shaping in order to support its environment policy which is clearly making slow progress in some sectors. It should not have to concern itself, for example, with the allocation of funding to the regions.

3.8 Nevertheless, in its mid-term assessment, the Commission notes that the indicative national allocations introduced in the new programme phase have improved the 'geographical distribution of projects', but that the evaluation hints that these national allocations may 'lead to selecting projects of lower quality'.

3.9 This is precisely what the EESC had feared. It therefore calls on the Commission and the Council to fundamentally reconsider the approach to the LIFE Programme. It should not be a question of transferring EU funds to Member States to finance environmental projects with a European dimension. The Programme should clearly be applied where the Commission services perceive the greatest need for taking EU environment policy forward.

3.10 Environmental policy in Europe is now strongly influenced by EU legislation, which can only be justified on the basis of a functioning internal market. But there is little point in making the legislation more European if the instrument intended to take the policy forward is to some extent being made more country-focused.

3.11 The EESC believes that the projects and processes funded by LIFE should be directed more specifically than before towards implementing strategies adopted by the EU (in particular the EU sustainable development strategy – which we are hearing remarkably little about – the biodiversity strategy, the climate protection strategy and the environmental aspects of the Europe 2020 Strategy). Special importance should be placed on the projects serving as models, which does not mean that each individual project must necessarily be innovative – as is currently required in the 'biodiversity' area. Often, it is not that innovation is lacking, but simply that existing solutions are not made known or applied.

<sup>(1)</sup> CESE 382/2005, OJ C 255 of 14.10.2005, p. 52.

3.12 The Commission will need a high level of flexibility as regards both content and financing, including co-financing rates, when selecting projects in the future. The EESC considers that 100 % EU funding should also be possible.

3.13 The Commission rightly observes that contributions from civil society are vital to developing environmental policy. Europe's environmental policy is often considered more progressive than that of other parts of the world, precisely because the debate within society calls for greater protection of the environment and nature. It is in the EU's interest to stimulate that debate which must not founder solely because of fixed co-financing rates.

3.14 The EESC is in favour of the LIFE+ programme being implemented through constructive cooperation with all NGOs both in the Member States (business associations, trades unions etc.) and at EU level. Members of these organisations are often active in areas in which the EU would like to see greater environmental protection and implementation of EU environmental policy. A corresponding raising of awareness and commitment should not just be the responsibility of the environmental organisations, but also of businesses.

3.15 The EESC would therefore like to point out expressly that, along with the traditional associations for protecting nature and the environment, business associations and trades unions should also be encouraged to play an active part in LIFE Projects.

3.16 The EESC agrees with the Commission's view that '*more prioritisation and focus ... and establishing annual focus areas*' are required. In this respect, importance should also be placed on cross-sectoral approaches. Similarly, cross-border projects with third countries should not be categorically ruled out.

3.17 Although the EESC greatly values the LIFE programme, it warns against overestimating its possibilities. The approximately EUR 340 million provided annually can fund many projects that can deliver valuable pointers for positive approaches in environmental policy. But this money, which represents around 0,2 % of the EU budget, cannot, for example, solve all the problems arising from mistakes made in the management of other EU policy areas.

3.18 The EESC is sceptical about the statement in the mid-term review that the 'biodiversity' strand of the LIFE+ Programme could be '*a major instrument to specifically finance the implementation of the Biodiversity Action Plan*'. The LIFE Programme should, must and will help to show how the maintenance of biodiversity can be reconciled with the use of natural resources. However, other financing instruments should be used to achieve this.

3.19 In its communication, the Commission itself states <sup>(2)</sup> that 'the Common Agricultural Policy (CAP) is the policy tool having the most significant impacts on biodiversity in rural areas' and that 'the European Agricultural Fund for Rural Development (especially under Axis 2) remains the most important Community funding source for Natura 2000 and biodiversity in the EU', i.e. not the LIFE Programme.

3.20 Currently, only 20 % of all the funding needs for managing Europe's nature reserves, including Natura 2000, are covered. This problem cannot be solved by LIFE alone, but rather by the often mooted integration of environmental and nature protection into other policy areas. In other words, the real role and task of the LIFE Programme need to be clearly redefined.

Brussels, 15 March 2011.

*The President*  
*of the Economic and Social Committee*  
Staffan NILSSON

---

<sup>(2)</sup> Report from the Commission to the Council and to the European Parliament: The 2010 Assessment of Implementing the EU Biodiversity Action Plan COM(2010) 548.