

EUROPEAN UNION



Committee of the Regions

DEVE-033

Brussels, 13 May 2005

OPINION

of the

Committee of the Regions

of 14 April 2005

on the

**Proposal for a Regulation of the European Parliament and of the Council concerning the
Financial Instrument for the Environment (LIFE+)**

COM(2004) 621 final – 2004/0218 (COD)

THE COMMITTEE OF THE REGIONS,

HAVING REGARD TO the Proposal for a Regulation of the European Parliament and of the Council concerning the Financial Instrument for the Environment (LIFE+) COM(2004) 621 final – 2004/0218 (COD);

HAVING REGARD TO the Decision of the European Commission of 1 October 2004 to consult it on this subject, under Article 175(1) of the Treaty establishing the European Community;

HAVING REGARD TO the decision taken by its president on 26 May 2004 to instruct the Commission for Sustainable Development to draw up an opinion on this subject;

HAVING REGARD TO the Communication from the Commission to the Council and the European Parliament on Financing Natura 2000 COM(2004) 431 final;

HAVING REGARD TO its opinion on the Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions on the 6th Environment Action Programme of the European Community entitled “Environment 2010: Our future, Our choice” and the Proposal for a Decision of the European Parliament and of the Council laying down the Community Environment Action Programme 2001-2010 COM(2001) 31 final – CdR 36/2001 fin¹;

HAVING REGARD TO its opinion on the Communication from the Commission to the Council and the European Parliament entitled “Building our Common Future: Policy Challenges and Budgetary Means of the Enlarged Union 2007-2013” COM(2004) 101 final – CdR 162/2004 fin;

HAVING REGARD TO its draft opinion (CdR 253/2004 rev. 1) adopted on 1 March 2005 by its Commission for Sustainable Development (rapporteur: Mrs Michèle Eybalin, Member of the Regional Council of Rhône-Alpes) (FR-PES);

adopted the following opinion, by a unanimous vote, at its 59th plenary session, held on 13 and 14 April 2005 (meeting of 14 April 2005).

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¹ [OJ C 357, 14.12.2001, p. 44](#)

Views and recommendations of the Committee of the Regions

1. General considerations

The Committee of the Regions

- 1.1 **shares the standpoint** of the European Commission that the LIFE+ instrument cannot be considered in isolation from the overall redefinition of EU financial interventions and the conditions for implementing the different aspects of EU environmental policy; **considers** that it would, however, have been desirable to:
- **carry out a comprehensive stocktaking of EU financial interventions in the environmental field** by making an assessment of the relevance and the impact of each of the funding measures in relation to the aims of the measures themselves and the general objectives of the successive EU action plans for the environment;
 - **make an assessment of the European added value** of the projects financed under the various programmes (programmes managed directly by DG Environment, on the one hand, and programmes incorporated into other EU financial measures, on the other hand) and to make an assessment of the coherence between these projects and the projects supported by DG ENVI;
- 1.2 **considers** that the European Commission should have backed up the proposal for the Regulation on LIFE+ with an analysis of the funding requirements in respect of the implementation at local and regional level of the various EU environmental policy priorities and an appraisal of these interventions in respect of the principle of subsidiarity;
- 1.3 **appreciates** the European Commission's desire to pursue the goal of simplification by having recourse to a single instrument but **highlights** the current difficulties in understanding the real scope for financing environmental projects under the various financial instruments to be established in the period 2007-2013 and draws attention to the need to coordinate the various funding measures in order to encompass the various EU priorities and means of intervention;
- 1.4 **notes that** the projects hitherto funded under the LIFE Environment strand (projects in respect of the industrial environment) and the LIFE Third Countries strand will no longer be eligible for funding under LIFE+ and **calls for** the inclusion of an environmental strand in the "Competitiveness and Innovation" and "Neighbourhood instrument" programmes, under which the abovementioned projects could be funded over the period 2007-2013 to be specified and guaranteed;
- 1.5 **considers** that all of the abovementioned elements need to be spelled out before making proposals in respect of the contents and the means of financing projects which are in line with the key priorities of EU environmental policy (and with the work of the European

Environment Agency (EEA)); if the abovementioned points are not underlined, the proposal for a Regulation on LIFE+ will be regarded more as a financial engineering measures, the rationale behind which is difficult to grasp, and project initiators will be unable to clearly identify EU priorities and the possibilities of giving the green light to their initiatives;

- 1.6 **warns** that only studies, conceptual work and planning activities are eligible for support under the draft LIFE+ programme and that specific implementing measures will no longer qualify for funding from the LIFE programme's resources; the disadvantage of the Commission's drive to merge all priorities for support (Structural Funds and the Rural Development Fund) is that environmental projects will have to compete with other activities.

2. **Contents and implementing provisions of LIFE+**

The Committee of the Regions

- 2.1 **expresses its concern** over the desire expressed by the European Commission to delegate a very substantial part of the programming and the budget (between 75% and 80%) of the LIFE+ instrument to the various Member States, without defining, in the proposal for a Regulation, the procedures and conditions in respect of these "decentralisation" measures;
- 2.2 **warns of the need for vigilance** in order to ensure that the desire to achieve simplification and flexibility, which underlies the proposal for a Regulation, does not lead to a "renationalisation" of EU environmental policy and **points out** that, for the first time, a key programme for supporting one of the major internal policies of the European Commission is being "nationalised" for no good reason, as European funding is already available for taking action for the benefit of the environment at local level;
- 2.3 **considers it inappropriate** that all the criteria for defining the measures to be financed are set out in a multi-annual strategic programme and annual work programmes and **draws attention**, in this context, to the fact that the funding arrangements (rates of grant, actions and eligibility criteria) are not spelled out in the proposal for a Regulation;
- 2.4 **calls for** the concept of "European added value" to be clarified and explanations to be provided as to the bearing which this objective is to have on the nature and selection of the projects and its bearing on the other sources of EU funding which could intervene; **stresses**, in this context, the need to draw up a number of objective criteria and to explore the possibility of modulation in respect of clear European added value;
- 2.5 **draws attention** to the desire, set out in section 3 of the Explanatory Memorandum, to make LIFE+ a simplified and proportionate instrument and **expresses the hope** that vigilance will be demonstrated in applying this proportionality to the five main lines of intervention, bearing in mind that, irrespective of budgetary constraints, steps should be taken to ensure that the LIFE+ instrument does not become the tool of just part of EU environmental policy; this

vigilance must be exercised when the two multi-annual programmes, which it is planned to formulate at EU level (2007-2009 and 2010-2013) are drawn up; vigilance should, however, also be shown in the event of the possible establishment of national programmes;

- 2.6 **calls upon** the Commission, in this context, to make an appraisal of the consequences and the feasibility of introducing minimum commitment thresholds in respect of each of the intervention priorities;
- 2.7 **expresses its deep concern** over the maintenance of priorities and the possibilities for funding certain projects, in particular the funding of the establishment and management of the NATURA 2000 network of sites, as well as projects to improve the environmental condition of surface waters; **believes** that the financial instruments provided for under the Financial Perspective for 2007-2013 are not such as to ensure successful implementation of the network; and **calls upon** the European Commission to explain the links and shed light on the available (earmarked) budgets under each of the financial instruments (European Agriculture Fund for Rural Development (EAFRD) and ERDF), other than LIFE+, which should provide a source of funding for these projects;
- 2.8 **requests** the Commission **in particular** to significantly increase the EUR 300 million annual budget allocated to LIFE+ in order to cater for a variety of needs and to earmark a minimum percentage for implementation of the NATURA 2000 network;
- 2.9 **has reservations about** the area of intervention covered by the “Implementation and Governance” strand, which seeks to improve the “knowledge base” for the development and implementation of environmental policy; without wishing to call the need for such a measure into question, these interventions would appear to fall, first and foremost, within the remit of the European Environment Agency (EEA);
- 2.10 **calls upon** the European Commission, therefore, to improve the definition of the actions which it is planned to carry out under this heading and to improve the coordination between these measures and both the initiatives and the budgets of the EEA.

3. **Involvement of local and regional authorities in the implementation of LIFE+**

The Committee of the Regions

- 3.1 **considers** that the expenditure commitments in respect of improvements to the environment provided for under the forthcoming financial perspectives should ensure that efficient and effective back-up action is taken at EU level in such a way as to trigger, by means of the multiplier effect, actions at national, regional or local level and **stresses** that the bulk of expenditure in this field has to be met by regional and local bodies and that regional and local authorities are major players in the funding of these actions;

- 3.2 **considers** that LIFE+ must not, however, serve as a mere back-up instrument for these interventions; as is the case with the projects financed under the current LIFE instrument, LIFE+ should rather provide funding, geared to initiatives which provide a specific European added value in the field of EU environmental policies;
- 3.3 **attaches great importance** to the involvement of local and regional authorities in the establishment and implementation of funding programmes in the environmental field; **does, however, express its concern** over the fact that this role is not set out in clear and explicit terms in the proposal for a Regulation, despite the fact that the Commission wishes to decentralise, to a considerable extent, the programming and management of LIFE+;
- 3.4 **takes the view** that there is a need to clarify a number of the conditions relating to the implementation of the LIFE+ instrument, as regards the procedures for co-financing operations between the LIFE+ instrument, on the one hand, and the Member States, local and regional authorities and other public and private players, on the other hand, and **draws attention**, in this context, to the difficulties encountered by several players – in particular private sector players – in securing funding for environmental projects having a low level of cost effectiveness simply by pursuing a proactive approach;
- 3.5 **urges** that, in this context, steps be taken to explore flexible methods of partnership and to establish an approach based on a tripartite model, geared to the use of methods incorporating activities carried out under contract, thereby involving local and regional governments in the achievement of political objectives, with a view to giving a shot in the arm to the implementing mechanisms.

Brussels, 14 April 2005.

The President
of the
Committee of the Regions

The Secretary-General
of the
Committee of the Regions

Peter Straub

Gerhard Stahl