

LIFE programme for 2021-2027

Launched in 1992, the LIFE programme is the only EU fund entirely dedicated to environmental and climate objectives. It supports the implementation of relevant EU legislation and the development of key policy priorities, by co-financing projects with European added value. In June 2018, the European Commission submitted a proposal for a new LIFE regulation as part of the 2021-2027 Multiannual Financial Framework (MFF) with a financial envelope of \leq 5.45 billion in current prices. An early second-reading agreement was reached with the Council in trilogue negotiations, which is now due to be voted by Parliament during the April 2021 session.

Background

The LIFE programme targets projects that test and demonstrate environmental solutions, or bridge the gap between EU research and innovation programmes and those financing large-scale deployment. LIFE's main impact is indirect through its catalytic role to support small-scale projects by facilitating their development and mobilising funding from other sources. To date, more than 5 000 projects have been co-financed.

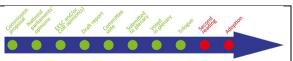
European Commission proposal

The <u>new LIFE programme</u> for the environment and climate action would contribute to the shift towards a clean, circular, energy-efficient, low-carbon and climate-resilient economy, including through the transition to clean energy; protect and improve the quality of the environment; and halt and reverse biodiversity loss, contributing to sustainable development. It aims to support projects in four areas: nature and biodiversity, circular economy and quality of life, climate change mitigation and adaptation, and clean energy transition. The proposal introduces a number of changes, e.g. a new type of project – 'strategic nature projects' and 'strategic integrated projects' – with high potential to leverage additional public and private funding; a subprogramme dedicated to the clean energy transition; and the use of blending operations. It does not set co-financing rates for project types and prioritises projects with the highest catalytic potential or those providing co-benefits and promoting synergies between the LIFE areas.

European Parliament position

On 11 December 2018, the European Parliament voted on the proposal, approving the Environment, Public Health and Food Safety (ENVI) committee's report with a large majority. MEPs proposed to increase the LIFE financial envelope to €7.272 billion, allocating 73.2 % to the environment portfolio. Interinstitutional negotiations resulted in a 'common understanding' on the non-budgetary aspects, which was then adopted by plenary at first reading on 17 April 2019. Negotiations on the LIFE regulation resumed in December 2020, following agreement on the MFF. The co-legislators reached a provisional agreement, which was approved by the ENVI committee on 15 January 2021. The agreement sets LIFE's budget at €5.432 billion, 64 % of which will be devoted to environment action. €2.143 billion would go to the Nature and Biodiversity sub-programme. LIFE is thus expected to support a high number of biodiversity projects and tackle degradation of ecosystems, now included along with other modifications in its general objective. It will also contribute to the EU budget-wide target of at least 30 % of expenditure supporting climate objectives. Co-financing rates are reintroduced, and projects with the highest potential to achieve LIFE's objectives will have priority. On 16 April, ENVI adopted its recommendation for second reading, which is due to be debated during the April plenary session.

Recommendation for second reading: <u>2018/0209(COD)</u>; Committee responsible: ENVI; Rapporteur: Nils Torvalds (Renew, Finland).



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