



EUROPEAN PARLIAMENT

2009 - 2014

Committee on the Environment, Public Health and Food Safety

2011/0428(COD)

1.6.2012

*****I**

DRAFT REPORT

on the proposal for a regulation of the European Parliament and of the Council
on the establishment of a Programme for the Environment and Climate Action
(LIFE)
(COM(2011)0874 – C7-0498/2011 – 2011/0428(COD))

Committee on the Environment, Public Health and Food Safety

Rapporteur: Jutta Haug

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

In amendments by Parliament, amendments to draft acts are highlighted in ***bold italics***. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the draft act which may require correction when the final text is prepared – for instance, obvious errors or omissions in a language version. Suggested corrections of this kind are subject to the agreement of the departments concerned.

The heading for any amendment to an existing act that the draft act seeks to amend includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend. Passages in an existing act that Parliament wishes to amend, but that the draft act has left unchanged, are highlighted in **bold**. Any deletions that Parliament wishes to make in such passages are indicated thus: [...].

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a regulation of the European Parliament and of the Council on the establishment of a Programme for the Environment and Climate Action (LIFE) (COM(2011)0874 – C7-0498/2011 – 2011/0428(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2011)0874),
 - having regard to Article 294(2) and Article 192 of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C7-0498/2011),
 - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
 - having regard to the opinion of the European Economic and Social Committee of 25 April 2012¹,
 - having regard to the opinion of the Committee of the Regions of ...²,
 - having regard to Rule 55 of its Rules of Procedure,
 - having regard to the report of the Committee on the Environment, Public Health and Food Safety and the opinions of the Committee on Budgets, Committee on Industry, Research and Energy and the Committee on Regional Development (A7-0000/2012),
1. Adopts its position at first reading hereinafter set out;
 2. Calls on the Commission to refer the matter to Parliament again if it intends to amend its proposal substantially or replace it with another text;
 2. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

¹ OJ C 0, 0.0.0000, p. 0.

² OJ C 0, 0.0.0000, p. 0.

Amendment 1

Draft legislative resolution Paragraph 1 a (new)

Legislative resolution

Amendment

1a. Points out that the financial envelope specified in the legislative proposal is only an indication to the legislative authority and cannot be fixed until agreement is reached on the proposal for a regulation laying down the multiannual financial framework for the years 2014-2020;

Or. en

Amendment 2

Proposal for a regulation Recital 4 a (new)

Text proposed by the Commission

Amendment

(4a) The experience of the LIFE+ programme has shown that the uptake of available LIFE funding has been very unequal between different Member States despite the mechanism of indicative national allocations. Those Member States that have most difficulties with accessing funds, specific assistance and capacity building should therefore be provided for, especially through the system of national and regional contact points and advisory services provided by successful project beneficiaries. Union solidarity and effort sharing should not be reflected by allocating budget shares and thereby compromising project quality, but rather by targeted assistance and additional award points for regions with particular environment-related or climate-related needs. Member States themselves can significantly contribute to increasing their uptake of LIFE funding by

strengthening their system of national or regional contact points, by supporting project preparation technically and financially and by establishing environmental funds or other mechanisms to ensure the availability of matching funds.

Or. en

Amendment 3

Proposal for a regulation Recital 4 b (new)

Text proposed by the Commission

Amendment

(4b) Solidarity should also take the form of a broad and continuous dissemination of project results so that Member States and regions with fewer projects will benefit from lessons learned and technologies or procedures developed by successful projects. LIFE projects should therefore give particular importance to networking activities and to the dissemination of project results and should give advice to interested stakeholders and potential future applicants beyond the LIFE network. The Commission should further strengthen its activities on targeted dissemination of project results within and beyond the LIFE network, with a specific focus on Member States with low uptake of LIFE funds.

Or. en

Amendment 4

Proposal for a regulation Recital 5

Text proposed by the Commission

(5) Given its characteristics and size, the LIFE Programme cannot solve all environmental and climate problems. Rather, its objective should be to catalyse changes in policy development and implementation by providing and disseminating solutions and best practices to achieve environmental and climate goals.

Amendment

(5) Given its characteristics and size, the LIFE Programme cannot solve all environmental and climate problems. Rather, its objective should be to catalyse changes in policy development and implementation by providing and disseminating solutions and best practices to achieve environmental and climate goals. ***In this endeavour, it should support the implementation of the Union Environmental Action Programme. In its resolution of 20 April 2012 on the review of the 6th Environment Action Programme and the setting of priorities for the 7th Environment Action Programme – A better environment for a better life¹ the European Parliament emphasised that the Environmental Action Programmes contribute to ensuring the necessary coordination among the various Union policies and considered that, in the coming decade, it will be even more crucial to address environmental issues with a more coherent and integrated approach that takes into account the links between them and that fills the remaining gaps, as otherwise irreversible damage may be caused. The European Parliament also stressed that the 7th Environment Action Programme should provide the right framework to ensure adequate funding, including for innovation, research and development and that financing environmental objectives, in synergy with LIFE, and fully integrating protection of the environment should be an important part of the next multiannual financial framework, of the reform of the Common Agricultural Policy (CAP), of the Common Fisheries Policy (CFP), of***

Or. en

Amendment 5

Proposal for a regulation Recital 6

Text proposed by the Commission

(6) This Regulation lays down, for the entire duration of the LIFE Programme, a financial envelope of **€3,618** million constituting the prime reference, within the meaning of point 17 of the Commission Proposal for an Interinstitutional Agreement of 29 June 2011 between the European Parliament, the Council and the Commission on cooperation in budgetary matters and on sound financial management, for the budgetary authority during the annual budgetary procedure.

Amendment

(6) This Regulation lays down, for the entire duration of the LIFE Programme, a financial envelope of **EUR [...]** million constituting the prime reference, within the meaning of point 17 of the Commission Proposal for an Interinstitutional Agreement of 29 June 2011 between the European Parliament, the Council and the Commission on cooperation in budgetary matters and on sound financial management, for the budgetary authority during the annual budgetary procedure.

Or. en

Amendment 6

Proposal for a regulation Recital 10

Text proposed by the Commission

(10) Environmental and climate requirements should be integrated into Union's policies and activities. The LIFE Programme should therefore be complementary to other Union funding programmes, including the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the

Amendment

(10) Environmental and climate requirements should be integrated into Union's policies and activities. The LIFE Programme should therefore be complementary to other Union funding programmes, including the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the

European Agriculture Guarantee Fund, the European Agricultural Fund for Rural Development, the European Maritime and Fisheries Fund, and Horizon 2020. The Commission and Member States should ensure such complementarity at all levels. At Union level, complementarity should be ensured by establishing a structured cooperation between the LIFE Programme and the shared-management Union funding programmes in the Common Strategic Framework, in particular to promote funding of activities that complement Integrated Projects or support the use of solutions, methods and approaches developed under the LIFE Programme. The LIFE Programme should also encourage the uptake of environmental and climate-related research and innovation results of Horizon 2020. Within this context it should offer co-funding opportunities for projects with clear environmental and climate benefits in order to ensure synergies. Coordination is required to prevent double funding.

European Agriculture Guarantee Fund, the European Agricultural Fund for Rural Development, the European Maritime and Fisheries Fund, and Horizon 2020. The Commission and Member States should ensure such complementarity at all levels. At Union level, complementarity should be ensured by establishing a structured cooperation between the LIFE Programme and the shared-management Union funding programmes in the Common Strategic Framework, in particular to promote funding of activities that complement Integrated Projects or support the use of solutions, methods and approaches developed under the LIFE Programme. ***To ensure legal clarity and practical feasibility of LIFE Integrated Projects, cooperation between other Union funds and Integrated Projects should be explicitly provided for in Regulation (EU) No .../... [the Common Provisions Regulation]¹. Specific arrangements should be put in place to establish cooperation at an early stage, so that the advantages of Integrated Projects are taken into account during the drawing up of partnership contracts and operational or rural development programmes.*** The LIFE Programme should also encourage the uptake of environmental and climate-related research and innovation results of Horizon 2020. Within this context it should offer co-funding opportunities for projects with clear environmental and climate benefits in order to ensure synergies. Coordination is required to prevent double funding.

¹ COM(2011)0615.

Or. en

Amendment 7

Proposal for a regulation Recital 11

Text proposed by the Commission

(11) Halting and reversing the loss of biodiversity and improving resource efficiency, together with addressing environment and health related concerns, remain key challenges for the Union. These challenges require increased efforts at Union level to provide solutions and best practices that help achieving the targets of the Communication from the Commission "Europe 2020: a strategy for smart, sustainable and inclusive growth" (hereinafter the "Europe 2020 Strategy"). In addition, improved governance, in particular through awareness raising and stakeholders' involvement, is essential to deliver environmental objectives. Therefore the sub-programme for Environment should have three priority areas for action: Environment and Resource Efficiency, Biodiversity, and Environmental Governance and Information. It should be possible for projects financed by the LIFE Programme to contribute to the achievement of the specific objectives of more than one of those priority areas and to involve the participation of more than one Member State.

Amendment

(11) Halting and reversing the loss of biodiversity and improving resource efficiency, together with addressing environment and health related concerns, remain key challenges for the Union. These challenges require increased efforts at Union level to provide solutions and best practices that help achieving the targets of the Communication from the Commission "Europe 2020: a strategy for smart, sustainable and inclusive growth" (hereinafter the "Europe 2020 Strategy"). In addition, improved governance, in particular through awareness raising and stakeholders' involvement, is essential to deliver environmental objectives. Therefore the sub-programme for Environment should have three priority areas for action: Environment and Resource Efficiency, ***Nature and*** Biodiversity, and Environmental Governance and Information. It should be possible for projects financed by the LIFE Programme to contribute to the achievement of the specific objectives of more than one of those priority areas and to involve the participation of more than one Member State.

Or. en

Amendment 8

Proposal for a regulation Recital 13

Text proposed by the Commission

(13) The Communication from the

Amendment

(13) The Communication from the

Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions "Our life insurance, our natural capital: an EU biodiversity strategy to 2020" (hereinafter the "Union Biodiversity Strategy to 2020") has set up targets to halt and reverse biodiversity loss. These targets include, among others, the full implementation of Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora and Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds, as well as maintaining and restoring ecosystems and their services. The LIFE Programme should contribute to achieving those targets. Therefore, the priority area Biodiversity should focus on the implementation and management of the Natura2000 network set up by Council Directive 92/43/EEC, in particular in relation to the Prioritised Action Frameworks foreseen in Article 8 of the same Directive, on the development and dissemination of best practices in relation to biodiversity and Directives 2009/147/EC and 92/43/EEC, as well as on the wider biodiversity challenges identified by the Union Biodiversity Strategy to 2020;

Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions "Our life insurance, our natural capital: an EU biodiversity strategy to 2020" (hereinafter the "Union Biodiversity Strategy to 2020") has set up targets to halt and reverse biodiversity loss. These targets include, among others, the full implementation of Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora and Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds, as well as maintaining and restoring ecosystems and their services. The LIFE Programme should contribute to achieving those targets. Therefore, the priority area ***Nature and*** Biodiversity should focus on the implementation and management of the Natura2000 network set up by Council Directive 92/43/EEC, in particular in relation to the Prioritised Action Frameworks foreseen in Article 8 of the same Directive, on the development and dissemination of best practices in relation to biodiversity and Directives 2009/147/EC and 92/43/EEC, as well as on the wider biodiversity challenges identified by the Union Biodiversity Strategy to 2020. ***The contribution of LIFE to the annual funding needs for the Natura 2000 network, estimated at EUR 5 800 million¹, should be seen and determined in the context of secured biodiversity expenses from other Union funds. In its resolution of 20 April 2012 on our life insurance, our natural capital: an EU biodiversity strategy to 2020² the European Parliament called on the Commission and the Member States to ensure that at least EUR 5 800 million per year is provided through Union and Member State funding and that adequate funding is made available through various Union funds (for example the CAP funds, the***

European Maritime and Fisheries Fund, the Cohesion Funds and a strengthened LIFE+ fund), with better coordination and coherence between those funds, inter alia through the concept of Integrated Projects, thereby improving transparency for the different regions in receipt of Union funding;

¹ *Financing Natura 2000. Investing in Natura 2000: Delivering benefits for nature and people. Commission Staff Working Paper SEC(2011)1573.*

² *P7_TA(2012)0146.*

Or. en

Amendment 9

Proposal for a regulation Recital 16

Text proposed by the Commission

(16) The priority area Climate Change Mitigation should contribute to the development and implementation of Union climate-related policy and legislation, in particular ***with regard to*** greenhouse gas monitoring and reporting, policies related to land use, land use change and forestry, emissions trading system, Member States' effort to reduce greenhouse gas emissions, carbon capture and storage, renewable energy, energy efficiency, transport and fuels, ozone layer protection and fluorinated gases.

Amendment

(16) The priority area Climate Change Mitigation should contribute to the development and implementation of Union climate-related policy and legislation, in particular ***by supporting synergies with other environmental objectives, such as biodiversity, in the areas of*** greenhouse gas monitoring and reporting, policies related to land use, land use change and forestry, emissions trading system, Member States' effort to reduce greenhouse gas emissions, carbon capture and storage, renewable energy, energy efficiency, transport and fuels, ozone layer protection and fluorinated gases.

Or. en

Amendment 10

Proposal for a regulation Recital 17

Text proposed by the Commission

(17) The first consequences of climate change can already be seen in Europe and worldwide, such as extreme weather conditions leading to floods and droughts, and rising temperatures and sea levels. The priority area Climate Change Adaptation should therefore contribute to adapt to such impacts across populations, economic sectors and regions to ensure a more resilient Union through specific adaptation measures and strategies. Actions in this field should be complementary to actions eligible for funding under the civil protection financial instrument.

Amendment

(17) The first consequences of climate change can already be seen in Europe and worldwide, such as extreme weather conditions leading to floods and droughts, and rising temperatures and sea levels. The priority area Climate Change Adaptation should therefore contribute to adapt to such impacts across populations, economic sectors and regions to ensure a more resilient Union **environment** through specific adaptation measures and strategies. Actions in this field should be complementary to actions eligible for funding under the civil protection financial instrument **and should support cost-efficient use of funds by generating co-benefits with other environmental objectives**.

Or. en

Amendment 11

Proposal for a regulation Recital 21

Text proposed by the Commission

(21) In order to improve the implementation of environmental and climate policy and enhance the integration of environmental and climate objectives in other policies, the LIFE Programme should promote projects that support integrated approaches to the implementation of environmental and climate legislation and policy. For the sub-programme for Environment, those projects should focus primarily on the implementation of the

Amendment

(21) In order to improve the implementation of environmental and climate policy and enhance the integration of environmental and climate objectives in other policies, the LIFE Programme should promote projects that support integrated approaches to the implementation of environmental and climate legislation and policy. For the sub-programme for Environment, those projects should focus primarily on the implementation of the

Union Biodiversity Strategy to 2020, with particular regard to the effective management and consolidation of the Natura2000 network set up by Council Directive 92/43/EEC through the implementation of Prioritised Action Frameworks foreseen in Article 8 of the same Directive, of Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for the Community action in the field of water policy, and of the Waste and Air legislation. Those projects, while focusing on the themes identified, will be multi-purpose delivery mechanism (e.g. aiming at environmental benefits and capacity building) allowing to reach results in other policy areas, in particular Directive 2008/56/EC of the European Parliament and of the Council of 17 June 2008 establishing a framework for Community action in the field of marine environmental policy (Marine Strategy Framework Directive). Those types of projects could be envisaged in other environmental areas. For the sub-programme for Climate Action, those projects should in particular concern climate change mitigation and adaptation strategies and action plans. Those types of projects should support only a series of specific activities and measures, while other activities that complement those included in the project should be sourced from other Union funding programmes, as well as from national, regional and private sector funds. Funding through the LIFE Programme should exploit synergies and ensure consistency between different Union funding sources by providing a strategic environmental and climate focus.

Union Biodiversity Strategy to 2020, with particular regard to the effective management and consolidation of the Natura2000 network set up by Council Directive 92/43/EEC through the implementation of Prioritised Action Frameworks foreseen in Article 8 of the same Directive, of Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for the Community action in the field of water policy, and of the Waste and Air legislation. Those projects, while focusing on the themes identified, will be multi-purpose delivery mechanism (e.g. aiming at environmental benefits and capacity building) allowing to reach results in other policy areas, in particular Directive 2008/56/EC of the European Parliament and of the Council of 17 June 2008 establishing a framework for Community action in the field of marine environmental policy (Marine Strategy Framework Directive). Those types of projects could be envisaged in other environmental areas. For the sub-programme for Climate Action, those projects should in particular concern climate change mitigation and adaptation strategies and action plans. Those types of projects should support only a series of specific activities and measures, while other activities that complement those included in the project should be sourced from other Union funding programmes, as well as from national, regional and private sector funds. Funding through the LIFE Programme should exploit synergies and ensure consistency between different Union funding sources by providing a strategic environmental and climate focus.

Integrated Projects will benefit other funds by increasing their absorption capacity for environment-related and climate-related expenditure. Given the novelty and the lack of broad experience with the 'Integrated Project' approach, stakeholders should, when needed, be

supported through an increased co-funding rate and technical assistance for the preparation phase. In addition, a two-step selection procedure should alleviate the application phase. Exchanges concerning successful integrated approaches should be facilitated, involving all relevant sectors of administration and stakeholders. Based on experience of the first programming years, the factors determining the smooth functioning and success of Integrated Projects should be analysed. Based on that analysis and depending on funding available, additional areas might be added to the scope of Integrated Projects.

Or. en

Amendment 12

Proposal for a regulation Recital 21 a (new)

Text proposed by the Commission

Amendment

(21a) Integrated Projects should serve as a model aimed at supporting Member States in using funds efficiently and in establishing constructive and continuous cooperation between different sectors of administration to address major implementation challenges. Given that those challenges exist throughout the Union, experience with the new project type should be as broad as possible. Every Member State should therefore be guaranteed to receive funding for at least three Integrated Projects in different areas, provided basic quality requirements are met, over the programming period. Further pan-European thematic distributional targets may be laid down by the Commission.

Or. en

Amendment 13

Proposal for a regulation

Recital 23

Text proposed by the Commission

(23) In order to carry out its role in the initiation of environmental and climate policy development and implementation, the Commission should use resources from the LIFE Programme to support the initiation, implementation and mainstreaming of Union environmental and climate policy and legislation, including the purchase of services and goods. Financial resources allocated to communication activities under this Regulation shall also cover corporate communication on the political priorities of the Union.

Amendment

(23) In order to carry out its role in the initiation of environmental and climate policy development and implementation, the Commission should use resources from the LIFE Programme to support the initiation, implementation and mainstreaming of Union environmental and climate policy and legislation, including the purchase of services and goods. Financial resources allocated to communication activities under this Regulation shall also cover corporate communication on the political priorities of the Union. ***The Commission should also dedicate financial resources to improve communication activities and information systems on the implementation of all major Union environmental legislation as outlined in its Communication of 7 March 2012 entitled "Improving the delivery of benefits from EU environment measures: building confidence through better knowledge and responsiveness"¹. This should, as a first and urgent step, include the online publication and regular update of precise indications of whether, how and where Union directives in the climate and environment field have been implemented, including transposed, in each Member State. Such a widely accessible overview will complement the implementation focus of LIFE projects, provide useful background information for the design of projects and, more generally, raise citizens' awareness of the broad application, Union-wide positive impact and thus the importance of Union law.***

Amendment 14

Proposal for a regulation Recital 26

Text proposed by the Commission

(26) With a view to simplifying the LIFE Programme and reducing administrative burden for applicants and beneficiaries, more use should be made of flat rates and lump-sums, ***and funding should focus on more specific categories of costs. By way of compensation for ineligible costs and in order to maintain the effective level of support provided by the LIFE Programme, the co-funding rates should be 70% as a general rule and 80% in specific cases.***

Amendment

(26) With a view to simplifying the LIFE Programme and reducing administrative burden for applicants and beneficiaries, more use should be made of flat rates and lump-sums. ***The Commission should consider introducing two-phase application procedures for all projects and options to accelerate the selection procedure, including providing for a shorter gap between selection and the start of a project. The Commission should also endeavour to facilitate, upon request, contact between interested applicants and beneficiaries of ongoing projects in similar areas to allow for an exchange of experience for the application and implementation phase. The Commission should furthermore ensure that detailed reasons are provided for a project's rejection and that those reasons are communicated before the announcement of the subsequent call for proposals. Where best practices from other funds exist, corresponding changes for the LIFE programme should be made, where appropriate.***

Amendment 15

Proposal for a regulation Recital 26 a (new)

Text proposed by the Commission

Amendment

(26a) In order to maintain the effective level of support provided by the LIFE Programme, the co-funding rates should be 50 % as a general rule and 60 % for Integrated Projects and corresponding technical assistance projects. To increase the accessibility of LIFE funding for regions with least capacities to provide matching funds, less developed regions as defined in Regulation (EU) No .../... [the Common Provisions Regulation] should be entitled to an increased co-funding rate up to 75 %.

Or. en

Justification

The Commission proposes an increased co-financing rate to compensate for the proposed limitation of eligibility of VAT and permanent staff costs. This report reintroduces this eligibility for many cases. A significant increase in the co-financing rate would only be possible at the expense of the total number of projects and the leverage effect of the LIFE instrument. However, given that the lack of matching funds was identified as an important bottleneck for the limited uptake of LIFE funding in some Member States, less developed regions should be entitled to a higher co-funding rate.

Amendment 16

Proposal for a regulation Recital 26 b (new)

Text proposed by the Commission

Amendment

(26b) Given the small size of the LIFE instrument, especially compared to other Union funds, it should lead, as directly as possible, to concrete measures and European added value. Funding of value added tax (VAT) and permanent staff from the LIFE budget should therefore be

reduced as far as possible. Managing public goods such as nature and environment is one of the core tasks of public administrations. The LIFE programme should support such management. Therefore, only staff specifically recruited for a LIFE project should be eligible for funding in the case of public administrations. LIFE eligibility rules should be harmonised, to the extent possible, with rules for other funds to ensure smooth cooperation, particularly through Integrated Projects.

Or. en

Amendment 17

Proposal for a regulation Recital 26 c (new)

Text proposed by the Commission

Amendment

(26c) Not all non-profit organizations and other project beneficiaries receiving Union co-funding can recover VAT costs under their national VAT regimes. Only in these cases, VAT costs should be eligible under the LIFE programme to ensure fair and equal treatment of all beneficiaries. This should not apply to non-taxable persons within the meaning of the first subparagraph of Article 13(1) of Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax¹. The Commission should, supported by project beneficiaries and LIFE contact points, present an annual overview of both the amount of VAT reimbursed to LIFE projects in each Member State and the practice of VAT recovery options for LIFE projects in each Member State.

Amendment 18

Proposal for a regulation Recital 27

Text proposed by the Commission

(27) The LIFE Programme and the sub-programmes should be regularly monitored and evaluated based on corresponding indicators to allow for readjustments. In order to provide evidence of the co-benefits that both sub-programmes can bring to climate action and biodiversity, and to provide information on the level of spending, the monitoring of the LIFE Programme should track climate-related expenditure and biodiversity-related expenditure, as defined in the MFF Communication. Such tracking should be performed based on a simple methodology by placing the expenditure in one of three categories: climate/biodiversity related only (to be counted as 100%), significantly climate/biodiversity related (to be counted as 40%), and not climate/biodiversity related (to be counted as 0%). That methodology should not exclude the use of more precise methodologies, where appropriate.

Amendment

(27) The LIFE Programme and the sub-programmes should be regularly monitored and evaluated based on corresponding indicators to allow for readjustments. ***When developing indicators for the assessment of programmes and projects, the Commission should place emphasis on quality monitoring on the basis of performance indicators and expected results and impacts. The Commission should also propose a method for monitoring the long-term success of projects, especially in the area of nature and biodiversity.*** In order to provide evidence of the co-benefits that both sub-programmes can bring to climate action and biodiversity, and to provide information on the level of spending, the monitoring of the LIFE Programme should track climate-related expenditure and biodiversity-related expenditure, as defined in the MFF Communication. Such tracking should be performed based on a simple methodology by placing the expenditure in one of three categories: climate/biodiversity related only (to be counted as 100%), significantly climate/biodiversity related (to be counted as 40%), and not climate/biodiversity related (to be counted as 0%). That methodology should not exclude the use of more precise methodologies, where appropriate.

Amendment 19

Proposal for a regulation Recital 27 a (new)

Text proposed by the Commission

Amendment

(27a) Given the long-standing experience of the Commission's Directorate General (DG) responsible for the environment with managing the LIFE programme and projects and the positive experience of LIFE beneficiaries with external Monitoring Teams, any change in the management structure of LIFE Programme and projects should be thoroughly assessed and subject to a probationary period. The management of Integrated Projects under the sub-programme for Environment as well as projects in the priority area Nature and Biodiversity should stay within the Commission's DG responsible for the environment.

Or. en

Amendment 20

Proposal for a regulation Recital 29

Text proposed by the Commission

Amendment

(29) In order to ensure uniform conditions for the implementation of this Regulation related to the adoption of the multiannual work programmes, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council

deleted

of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers.

Or. en

Amendment 21

Proposal for a regulation Recital 30

Text proposed by the Commission

(30) In order to secure the best possible use of Union funds and to ensure European added value, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of ***eligibility criteria for project selection***, criteria for the application of geographical balance to “Integrated Projects”, and performance indicators applicable to specific thematic priorities. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and to the Council.

Amendment

(30) In order to secure the best possible use of Union funds and to ensure European added value, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of ***the adoption and, where appropriate, the revision of multiannual work programmes, the establishment of additional*** criteria for the application of geographical balance to “Integrated Projects”, ***the extension of the scope of and the modification of the maximum allocation for “Integrated Projects”*** and ***the establishment of*** performance indicators applicable to specific thematic priorities. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and to the Council.

Or. en

Amendment 22

Proposal for a regulation Article 2 - point d

Text proposed by the Commission

(d)“integrated projects” mean projects implementing in a sustainable manner, on a large territorial scale, in particular, regional, multi-regional or national scale, environmental or climate strategies or action plans required by specific environmental or climate Union legislation, pursuant to other Union acts or developed by Member States' authorities;

Amendment

(d) “Integrated Projects” mean projects implementing in a sustainable manner, on a large territorial scale, in particular, regional, multi-regional, national or ***transnational*** scale, environmental or climate strategies or action plans required by specific environmental or climate Union legislation, pursuant to other Union acts or developed by Member States' authorities. ***They aim at integrating environmental and climate policy into other policies, especially by promoting a coordinated mobilisation of other Union, national and private funds towards environmental or climate objectives and towards major implementation challenges;***

Or. en

Amendment 23

Proposal for a regulation Article 2 - point f a (new)

Text proposed by the Commission

Amendment

(fa)"capacity building projects" mean projects aimed at financially supporting, for a maximum duration of two years and not more than once per Member State per programming period, the national or regional contact point of LIFE. The contact points shall thereby be enabled to widely distribute information about the LIFE programme to potential applicants, to establish close cooperation with administrations managing other Union funds in order to identify synergies with LIFE and to support applicants

throughout the application procedure to ensure high-quality projects. Capacity building projects are selected through a separate application procedure;

Or. en

Amendment 24

Proposal for a regulation Article 2 - point f b (new)

Text proposed by the Commission

Amendment

(fb) “information, awareness, exchange and dissemination projects” mean projects aimed at supporting communication, dissemination of information and awareness raising in the fields of environment and climate. This may also include inter-sectoral exchanges between administrations and/or stakeholders in order to showcase successful integrated projects and approaches.

Or. en

Amendment 25

Proposal for a regulation Article 3 - paragraph 1 - subparagraph 1 - point c a (new)

Text proposed by the Commission

Amendment

(ca) to support the implementation of the Union Environmental Action Programme.

Or. en

Amendment 26

Proposal for a regulation

Article 3 - paragraph 1 - subparagraph 2

Text proposed by the Commission

In doing so, the LIFE Programme shall contribute to sustainable development and the achievement of the ***Europe 2020 Strategy's*** objectives and targets.

Amendment

In doing so, the LIFE Programme shall contribute to sustainable development and the achievement of the objectives and targets ***of the Europe 2020 Strategy, the Union biodiversity strategy to 2020, the Roadmap to a Resource Efficient Europe and the Roadmap 2050.***

Or. en

Amendment 27

Proposal for a regulation

Article 4 - paragraph 1

Text proposed by the Commission

1. The financial envelope for implementing the LIFE Programme shall be EUR ***3 618 000 000.***

Amendment

1. The financial envelope for implementing the LIFE Programme shall be EUR ***[...]***

Or. en

Justification

As the agreement on the proposal for a regulation laying down the Multiannual Financial Framework for the years 2014-2020 has not been reached yet, the financial envelope is only an indication to the legislative authority.

Amendment 28

Proposal for a regulation

Article 4 - paragraph 2 - point a

Text proposed by the Commission

(a) EUR ***2 713 500 000*** of the overall

Amendment

(a) EUR ***[...], which amounts to***

financial envelope referred to in paragraph 1 shall be allocated to the sub-programme for Environment;

approximately 75 % of the overall financial envelope referred to in paragraph 1, shall be allocated to the sub-programme for Environment;

Or. en

Amendment 29

Proposal for a regulation

Article 4 - paragraph 2 - point b

Text proposed by the Commission

(b) EUR **904 500 000** of the overall financial envelope referred to in paragraph 1 shall be allocated to the sub-programme for Climate Action.

Amendment

(b) EUR [...], ***which amounts to approximately 25 %*** of the overall financial envelope referred to in paragraph 1, shall be allocated to the sub-programme for Climate Action.

Or. en

Amendment 30

Proposal for a regulation

Article 4 - paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. At least 78 % of the budgetary resources for LIFE Programme shall be allocated to innovative financial instruments and projects supported by means of action grants set out in Article 18.

Or. en

Amendment 31

Proposal for a regulation

Article 4 - paragraph 2 b (new)

Text proposed by the Commission

Amendment

2b. From the amount referred to in paragraph 2a of this Article, not more than 35 % shall be allocated to Integrated Projects referred to in point (d) of Article 18 throughout the programming period. That maximum percentage shall be re-evaluated in the framework of the mid-term evaluation referred to in point (a) of Article 27(2). Depending on the outcome of the assessment and after consultation with stakeholders, the Commission shall be empowered to adopt delegated acts in accordance with Article 30 concerning a decrease, increase or deletion of that maximum percentage.

Or. en

Justification

Integrated Projects are a very promising tool, given their potential to provide model cases for integration, for a coherent and well coordinated implementation of climate and environment legislation and for an efficient use of Union funds. However, given the limited experience with Integrated Projects, they should be phased in gradually and related factors for success be closely examined at the mid-term evaluation of the LIFE programming period.

Amendment 32

Proposal for a regulation

Article 8 - paragraph 3

Text proposed by the Commission

Amendment

3. In accordance with their respective responsibilities, the Commission and the Member States shall ensure coordination between the LIFE Programme and the European Regional Development Fund, the European Social Fund, the Cohesion Fund,

3. In accordance with their respective responsibilities, the Commission and the Member States ***in an active and concerted effort*** shall ensure coordination between the LIFE Programme and the European Regional Development Fund, the European

the European Agricultural Fund for Rural Development, and the European Maritime and Fisheries Fund, in order to create synergies, particularly in the context of Integrated Projects referred to in Article 18 point (d), and to support the use of solutions, methods and approaches developed under the LIFE Programme. At Union level, coordination shall take place within the Common Strategic Framework referred to in Article 10 of Regulation (EU) No.... (CSF Regulation).

Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development, and the European Maritime and Fisheries Fund, in order to create synergies, particularly in the context of Integrated Projects referred to in Article 18 point (d) ***and also through the establishment of prioritised action frameworks referred to in Article 8 of Directive 92/43/EEC***, and to support the use of solutions, methods and approaches developed under the LIFE Programme. At Union level, coordination shall take place within the Common Strategic Framework referred to in Article 10 of Regulation (EU) No.... (CSF Regulation).

Or. en

Amendment 33

Proposal for a regulation Article 8 a (new)

Text proposed by the Commission

Amendment

Article 8a

Integrated Projects

1. Integrated Projects shall serve as concrete instrument for mainstreaming environment and climate objectives into overall Union expenditure in line with the Europe 2020 strategy. They shall provide model cases for efficient and well-coordinated implementation in areas where it is most needed by Member States and/or regions.

2. Integrated Projects shall focus primarily on the areas of nature, water, waste, air, and climate change mitigation and adaptation. Depending on their performance, after the mid-term evaluation referred to in point (a) of Article 27(2), and on funds available, the

Commission shall be empowered to adopt delegated acts in accordance with Article 30 concerning the addition of the areas to be covered by Integrated Projects such as noise, soil, marine or urban environment.

3. The coordination with and mobilisation of other Union funding sources is a central element of Integrated Projects and shall therefore be promoted.

4. Integrated Projects shall be managed at the appropriate administrative and territorial level to deal with the specific sector and to mobilise complementary Union, national, regional or private funds. Stakeholders shall be involved in the implementation of Integrated Projects.

5. The Commission and the Members States shall actively support and facilitate the development of Integrated Projects through:

(a) technical assistance projects which, through LIFE action grants under the programming periods 2007-2013 and 2014-2020, provide financial support for applicants to prepare Integrated Projects, including the set up of an appropriate institutional structure for collaboration between different departments and participating groups. Technical assistance shall in particular ensure that these projects comply with the timing, technical and financial requirements of the LIFE Programme in conjunction with the Union funds referred to in Article 8(3);

(b) exchange projects, whereby the project partners of successful Integrated Projects or integrated approaches invite interested teams of other Members States or regions to share experience with putting in place coordination structures between different Union funds and with national and private funds. Each visiting team shall represent different sectors of administration and/or stakeholders;

(c) seminars and workshops on a regular basis, and at least every two years, to facilitate exchange of experience, knowledge and best practices on the design, preparation and implementation of Integrated Projects. These seminars shall be organised by the Commission;

(d) communication and information activities addressed, amongst others, to responsible management bodies of various funds.

6. Geographical balance of Integrated Projects shall be ensured in accordance with Article 19(3). Member States shall endeavour, if necessary supported by a LIFE technical assistance project, to prepare and propose at least one integrated project in the first two programming years or within the duration of the first multiannual work programme.

Or. en

Amendment 34

Proposal for a regulation Article 9 - paragraph 1 - indent 2

Text proposed by the Commission

- Biodiversity;

Amendment

- ***Nature and*** Biodiversity;

Or. en

Amendment 35

Proposal for a regulation Article 10, point c

Text proposed by the Commission

(c) to improve the knowledge base for the development, assessment, monitoring and

Amendment

(c) to improve the knowledge base for the development, ***implementation***, assessment,

evaluation of Union environmental policy and legislation, and for the assessment and monitoring of the factors, pressures and responses that impact on the environment within and outside the Union.

monitoring and evaluation of Union environmental policy and legislation, and for the assessment and monitoring of the factors, pressures and responses that impact on the environment within and outside the Union.

Or. en

Amendment 36

Proposal for a regulation Article 11 - title

Text proposed by the Commission

Specific objectives for the priority area
Biodiversity

Amendment

Specific objectives for the priority area
Nature and Biodiversity

Or. en

Amendment 37

Proposal for a regulation Article 11 - point c

Text proposed by the Commission

(c) to improve the knowledge base for the development, assessment, monitoring and evaluation of Union biodiversity policy and legislation, and for the assessment and monitoring of the factors, pressures and responses that impact on the biodiversity within and outside the Union.

Amendment

(c) to improve the knowledge base for the development, **implementation**, assessment, monitoring and evaluation of Union biodiversity policy and legislation, and for the assessment and monitoring of the factors, pressures and responses that impact on the biodiversity within and outside the Union.

Or. en

Amendment 38

Proposal for a regulation Article 14 - introductory part

Text proposed by the Commission

In view of contributing to the reduction of greenhouse gas emissions, the priority area Climate Change Mitigation shall in particular have the following specific objectives:

Amendment

In view of contributing to the reduction of greenhouse gas emissions, the priority area Climate Change Mitigation, ***while supporting synergies with other environmental objectives, such as biodiversity***, shall in particular have the following specific objectives:

Or. en

Amendment 39

Proposal for a regulation Article 15 - introductory part

Text proposed by the Commission

In view of contributing to supporting efforts leading to increased resilience to climate change, the priority area Climate Change Adaptation shall in particular have the following specific objectives:

Amendment

In view of contributing to supporting efforts leading to increased resilience to climate change, the priority area Climate Change Adaptation, ***while supporting synergies with other environmental objectives, such as biodiversity***, shall in particular have the following specific objectives:

Or. en

Amendment 40

Proposal for a regulation Article 18 - point d

Text proposed by the Commission

(d) integrated projects ***primarily in the areas of nature, water, waste, air, and***

Amendment

(d) Integrated Projects;

climate change mitigation and adaptation;

Or. en

Justification

The areas covered by Integrated Projects are specified in the proposed Article 8a (new) paragraph 2.

Amendment 41

**Proposal for a regulation
Article 18 - point e a (new)**

Text proposed by the Commission

Amendment

***(ea) capacity building projects in
accordance with Article 19(2a);***

Or. en

Amendment 42

**Proposal for a regulation
Article 18 - point g**

Text proposed by the Commission

Amendment

(g) information, awareness and
dissemination projects;

(g) information, awareness, ***exchange*** and
dissemination projects;

Or. en

Amendment 43

**Proposal for a regulation
Article 19 - paragraph 1 - subparagraph 1 - point a**

Text proposed by the Commission

Amendment

(a) being of Union interest by making a
significant contribution to the achievement

(a) being of Union interest by making a
significant contribution to the achievement

of one of the objectives of the LIFE Programme set out in Article 3;

of one of the ***general*** objectives of the LIFE Programme set out in Article 3 ***as well as the specific objectives for the priority areas set out in Articles 10, 11, 12, 14, 15 and 16;***

Or. en

Amendment 44

Proposal for a regulation Article 19 - paragraph 1 - subparagraph 2

Text proposed by the Commission

Amendment

The Commission shall be empowered to adopt delegated acts in accordance with Article 30 concerning the conditions for the application of the criterion referred to paragraph 1(a) in order to adapt that criterion to the specific priority areas defined in Articles 9 and 13.

deleted

Or. en

Amendment 45

Proposal for a regulation Article 19 - paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. The selection of funding for all projects referred to in Article 18 shall be based on merit and quality pursuant to paragraph 1.

The award procedure shall be based on the principles of solidarity and effort sharing and Member States and areas particularly in need for Union solidarity shall be given priority. A particular responsibility, burden or exposure of a Member State or region with regards to the areas covered by this programme shall

therefore be taken into account in the award process as part of the evaluation of the eligibility criterion referred to in point (a) of paragraph 1.

If a Member State has been awarded less than two projects in two subsequent years, it shall be entitled to receive special technical assistance such as targeted workshops to support the preparation of high quality projects for the following year and may apply for a capacity building project according to point (ea) of Article 18. The Member States having received far less than their indicative national allocations under the programming period 2007-2013 may also apply for a capacity building project.

The Commission shall ensure dissemination of the results of the most successful projects with a special focus, where relevant, on those Member States that have been allocated least projects in the respective field.

Or. en

Justification

All LIFE projects should be selected based on quality and their contribution to EU added value regarding LIFE-specific objectives, i.e. their demonstration/replication potential and environment/ climate impact. These elements should not be compromised by a focus on national shares. Solidarity means that Member States and regions with a low selection rate should be strongly supported to increase their applications' quality - this will benefit all projects and ensure a fair distribution in the long term without an allocation system that needlessly complicates the award procedure.

Amendment 46

Proposal for a regulation Article 19 - paragraph 3

Text proposed by the Commission

3. Integrated Projects referred to in Article 18 point (d) shall involve, **where**

Amendment

3. Integrated Projects referred to in Article 18 point (d) shall involve stakeholders and

appropriate, stakeholders and promote, *when possible*, the coordination with and mobilisation of other Union funding sources.

The Commission shall ensure geographical balance in line with the principles of solidarity and effort sharing in the award process for Integrated Projects. The Commission shall be empowered to adopt delegated acts in accordance with Article 30 concerning criteria for the application of geographical balance in each thematic area referred to in Article 18 point (d).

promote the coordination with and mobilisation of other Union funding sources.

The Commission shall ensure geographical balance in line with the principles of solidarity and effort sharing in the award process for Integrated Projects. ***In this endeavour:***

(a) the Commission shall ensure that each Member State, throughout the entire programming period and provided that the conditions referred to in paragraph 1 are met, receives funding for at least one integrated project for the area of nature, at least one integrated project in the area of climate adaptation or mitigation and at least one integrated project in one of the other areas identified in Article 8a;

(b) the Commission shall be empowered to adopt delegated acts in accordance with Article 30 concerning the setting out of specific thematic, pan-European distributional targets, applicable to the Integrated Projects for the programming period. The Commission shall take into account those thematic distributional targets in the award process for the Integrated Projects as part of the evaluation of the eligibility criterion referred to in point (a) of paragraph 1.

Or. en

Justification

Given the novelty and the specific planning approach required for Integrated Projects it is crucial that all Member States gain experience with this type of project during the next LIFE programming period. It is therefore suggested that each Member State be entitled to funding for at least three integrated projects, provided that these cover different areas.

Amendment 47

Proposal for a regulation

Article 19 - paragraph 4 a (new)

Text proposed by the Commission

Amendment

4a. The Commission shall establish a separate, fast-track application and selection procedure for capacity building projects which shall not last longer than three months from the submission of the application.

Or. en

Amendment 48

Proposal for a regulation

Article 19 - paragraph 4 b (new)

Text proposed by the Commission

Amendment

4b. The Commission shall regularly publish lists of projects financed through LIFE, including a short description of objectives and results achieved and a summary of funds expended, using appropriate media and technologies. The Commission shall also facilitate the matching of completed or ongoing projects with new project beneficiaries, applicants or interested stakeholders in the same field.

Or. en

Amendment 49

Proposal for a regulation Article 20 - paragraph 1

Text proposed by the Commission

1. The maximum co-financing rate for the projects referred to in Article 18 shall be **70%** of eligible costs. By way of exception, the maximum co-financing rate for projects referred to in Article 18 points (d) and (f) shall be **80%** of eligible costs.

Amendment

1. The maximum co-financing rate for the projects referred to in Article 18 shall be **50 %** of eligible costs. By way of exception, the maximum co-financing rate for projects referred to in Article 18 points (d) and (f) shall be **60 %** of eligible costs. ***Less developed regions, as defined in Regulation (EU) No .../... [Common Provisions Regulation], shall be entitled to an increased rate of up to 75 % of eligible costs.***

Or. en

Justification

The Commission proposes an increased co-financing rate to compensate for the proposed limitation of eligibility of VAT and permanent staff costs. This report reintroduces this eligibility for many cases. A significant increase in the co-financing rate would obviously only be possible at the expense of the total number of projects and the leverage effect of the LIFE instrument. However, given that the lack of matching funds has been identified as an important bottleneck for the limited uptake of LIFE funding in some Member States, less developed regions should be entitled to a higher co-funding rate.

Amendment 50

Proposal for a regulation Article 20 - paragraph 2 - subparagraph 1

Text proposed by the Commission

2. VAT shall not be considered an eligible cost for projects referred to in Article 18.

Amendment

2. VAT shall, ***in principle***, not be considered an eligible cost for projects referred to in Article 18. ***VAT amounts shall be eligible where they are not recoverable under national VAT legislation and are paid by a beneficiary other than a non-taxable person within the meaning of the first subparagraph of***

Justification

As LIFE is a very small instrument, funding of VAT costs from the LIFE budget should be reduced as far as possible. The VAT reimbursed to LIFE projects flows back into Member States' budgets, leading to a significant reduction of funds available for LIFE projects. It is reasonable that non-taxable persons ("States, regional and local government authorities and other bodies governed by public law") cannot be reimbursed for VAT expenses through LIFE.

Amendment 51

Proposal for a regulation

Article 20 - paragraph 2 - subparagraph 1 a (new)

Text proposed by the Commission

Amendment

Staff costs shall be considered an eligible cost for projects referred to in Article 18 to the extent that they relate to the cost of activities which the beneficiary would not have carried out if the project concerned had not been undertaken. The respective staff shall be specifically seconded to the project concerned. Salary costs of public officials not specifically recruited for the project concerned shall not be considered eligible costs, except for the case of capacity building projects.

Justification

LIFE is a very small instrument and should lead, as directly as possible, to European Added Value. Funding of permanent staff from the LIFE budget should therefore be reduced as far as possible. It is one of the core tasks of public administrations to manage public goods such as nature and environment - only costs for public officials specifically recruited for the LIFE project should therefore be eligible. Current simplification efforts on monitoring staff working time should be further pursued.

Amendment 52

Proposal for a regulation Article 22 - point e a (new)

Text proposed by the Commission

Amendment

(ea) communication on the implementation, including transposition, where applicable, of all major Union environmental legislation;

Or. en

Amendment 53

Proposal for a regulation Article 24 - paragraph 1

Text proposed by the Commission

Amendment

1. The Commission shall adopt multiannual work programmes for the LIFE Programme. ***Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 29(2).***

1. The Commission shall ***be empowered to adopt delegated acts in accordance with Article 30 concerning the adoption of*** multiannual work programmes for the LIFE Programme.

Or. en

Amendment 54

Proposal for a regulation Article 24 - paragraph 3

Text proposed by the Commission

Amendment

3. The Commission shall revise, where appropriate, the multiannual work programmes. ***Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 29(2).***

3. The Commission shall ***be empowered to adopt delegated acts in accordance with Article 30 in order to*** revise, where appropriate, the multiannual work programmes.

Amendment 55**Proposal for a regulation****Article 27 - paragraph 2 - point a***Text proposed by the Commission*

(a) no later than 30 September 2017, an external mid-term evaluation report of the LIFE Programme (and its sub-programmes), including qualitative and quantitative aspects of its implementation, the amount of climate-related expenditure and biodiversity-related expenditure, and its complementarity with other relevant Union programmes, the achievement of the objectives of all the measures (at the level of results and impacts, when possible), the efficiency of the use of resources and its European added value, in view of a decision on the renewal, modification or suspension of the measures. The evaluation shall additionally address the scope for simplification, its internal and external coherence, the continued relevance of all objectives, as well as the contribution of the measures to the Union priorities of smart, sustainable and inclusive growth. It shall take into account evaluation results on the long-term impact of its predecessor. The report shall be accompanied by remarks by the Commission including the manner in which the findings of the mid-term evaluation shall be taken into account when implementing the LIFE Programme, and, in particular, when drawing up the multiannual work programmes;

Amendment

(a) no later than 30 September 2017, an external mid-term evaluation report of the LIFE Programme (and its sub-programmes), including qualitative and quantitative aspects of its implementation, the amount of climate-related expenditure and biodiversity-related expenditure, and its complementarity with other relevant Union programmes, the achievement of the objectives of all the measures (at the level of results and impacts, when possible), the efficiency of the use of resources and its European added value, in view of a decision on the renewal, modification or suspension of the measures. The evaluation shall additionally address the scope for simplification, its internal and external coherence, the continued relevance of all objectives, as well as the contribution of the measures to the Union priorities of smart, sustainable and inclusive growth. It shall take into account evaluation results on the long-term impact of its predecessor. The report shall be accompanied by remarks by the Commission including the manner in which the findings of the mid-term evaluation shall be taken into account when implementing the LIFE Programme, and, in particular, when drawing up the multiannual work programmes. ***The mid-term evaluation report shall contain or be accompanied by a thorough assessment of the extent and quality of the demand for, planning of and implementation of Integrated Projects. A special focus shall be given to their realised or expected success in leveraging other Union funds,***

particularly taking into account the benefits of increased coherence with other Union funding instruments, the extent to which stakeholders have been involved and the extent to which previous traditional LIFE projects have been or are expected to be covered by Integrated Projects. That assessment may be accompanied by appropriate proposals for adapting the overall financial share available for Integrated Projects under the LIFE programme as referred to in Article 4(2b) and the scope of Integrated Projects as referred to in Article 8a(2);

Or. en

Amendment 56

Proposal for a regulation Article 29

Text proposed by the Commission

Amendment

Committee procedure

deleted

1. The Commission shall be assisted by the Committee for the LIFE Programme for the Environment and Climate Action.

That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.

2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

Or. en

Justification

The Article on Committee procedure would not be needed should the amendments deleting or replacing the implementing acts by delegated acts be adopted.

Amendment 57

Proposal for a regulation Article 30 - paragraph 2

Text proposed by the Commission

2. The power to adopt delegated acts referred to in *Articles 3(2), 19(1) and 19(3)* shall be conferred on the Commission for an indeterminate period of time from the [date of entry into force of this Regulation].

Amendment

2. The power to adopt delegated acts referred to in *Article 3(2), Article 4(2b), Article 8a(2), Article 19(3), Article 24(1) and Article 24(3)* shall be conferred on the Commission for an indeterminate period of time from the [date of entry into force of this Regulation].

Or. en

Amendment 58

Proposal for a regulation Article 30 - paragraph 3

Text proposed by the Commission

3. The delegation of power referred to in *Articles 3(2), 19(1) and 19(3)* may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the *Official Journal of the European Union* or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

Amendment

3. The delegation of power referred to in *Article 3(2), Article 4(2b), Article 8a(2), Article 19(3), Article 24(1) and Article 24(3)* may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the *Official Journal of the European Union* or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

Or. en

Amendment 59

Proposal for a regulation Article 30 - paragraph 5

Text proposed by the Commission

5. A delegated act adopted pursuant to *Articles 3(2), 19(1) or 19(3)* shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Amendment

5. A delegated act adopted pursuant to *Article 3(2), Article 4(2b), Article 8a(2), Article 19(3), Article 24(1) or Article 24(3)* shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Or. en

Amendment 60

Proposal for a regulation Article 32 - paragraph 1

Text proposed by the Commission

1. Measures started before 31 December 2013 pursuant to Regulation (EC) No 614/2007 shall, until their completion, continue to be governed by that Regulation and shall comply with the technical provisions defined therein. *The Committee referred to in Article 29(1) shall replace the committee provided for in Regulation (EC) No 614/2007 from date of entry into force of this Regulation.*

Amendment

1. Measures started before 31 December 2013 pursuant to Regulation (EC) No 614/2007 shall, until their completion, continue to be governed by that Regulation and shall comply with the technical provisions defined therein.

Or. en

EXPLANATORY STATEMENT

For the last 20 years, LIFE has achieved considerable success as a means of addressing environment and climate-related challenges faced by European citizens. It is a small, but well-targeted and effective instrument, highly appreciated by local, regional and national public administrations, NGOs, research institutions and SMEs. From the budgetary perspective, LIFE's performance has also been very satisfactory; the rate of execution has been consistently and considerably above average.

Budget and mainstreaming

That said, it is obvious that LIFE's share of the overall EU budget, amounting to 0.3% in the Commission's proposal, is disproportionately low as against the challenges and opportunities presented by the move towards a sustainable, low-carbon, resource-efficient and biodiversity-rich society. The investments supported by the Parliament (EP) in the context of the current negotiations on major EU funds under the next Multiannual Financial Framework (MFF), will influence the EU's development for the next two decades at least. Your Rapporteur therefore emphasises the need to ensure that these investments underpin the policies and strategies advocated by the EP, for example in the EU Roadmap to a resource efficient Europe, the Low-carbon economy Roadmap or the EU Biodiversity strategy.

In its resolution on the EU Biodiversity strategy, the EP expresses its disappointment in relation to the proposed allocation for the new LIFE programme and takes the view that the challenges addressed in the biodiversity and nature conservation plan call for a substantial increase in the funds allocated to the LIFE programme. It further notes that benefits generated by the Natura 2000 network alone are estimated to be worth EUR 200-300 billion, with a total of about 4.5 to 8 million jobs being supported directly.

Endowing LIFE with an adequate budget and a visible share within overall EU spending will be a strong signal that the EU takes its environment and climate commitments seriously. In line with the EP's overall approach to the MFF negotiations, your Rapporteur abstained in this report from making any precise proposals as to the amount of the LIFE budget. However, the above arguments clearly call for a substantial increase. The LIFE programme should contribute to at least 10% of the financing needs of the Natura 2000 network, without reducing expenses for any other area. The current budget should be increased by 5% at least, as requested in the Parliament's MFF resolution. This should be further raised by the amount judged necessary by the Commission to cover the newly proposed elements of LIFE, namely the sub-programme for climate change and the Integrated Projects.

Geographical balance and technical assistance

The selection of LIFE projects is primarily based on their quality and their contribution to European added value, focussing on their demonstration/transferability potential and their environment/climate impact. The experience of previous LIFE programming periods has revealed disparities among Member States in the uptake of available LIFE funds. Some

countries or regions have repeatedly been able to prepare high quality projects, to ensure matching funds, and have thus received more overall support through the LIFE programme. This has even been the case under the complex system of indicative national allocations that was introduced under LIFE+ (2007-2013).

Without doubt, striking inequalities in project allocation have to be addressed within the new LIFE regulation. But are national allocations the right instrument to ensure such distribution? Should a Union fund - in the name of European solidarity - compromise on the quality, replication potential, conservation value, and the required EU-wide results and impacts of projects, just to ensure that every Member State receives its share?

Your Rapporteur believes that European solidarity and effort sharing means something different: Member States and regions with a low selection rate of projects have to be supported in aiming to achieve higher project quality. This should take the form of targeted workshops and training, but should also include advisory services from project to project. Your Rapporteur proposes that the Commission facilitates such exchanges between successful ongoing or completed projects and project applicants. Moreover, proactive assistance provided by national and regional LIFE contact points has been identified as a key factor in successful applications. Your Rapporteur would therefore propose to allow for a time-limited capacity-building support to be provided to the LIFE contact points in areas or regions with very low project uptake.

The concept of geographical balance goes beyond national distribution. Combined with the principle of solidarity, it means that regions, eco-systems, sectors or otherwise defined entities that have a unique European value or a specific burden to carry should receive priority when selecting projects. This could refer to the protection of priority species or to agglomerations with severe air pollution problems. No additional mechanism within LIFE is needed to ensure this. These considerations should be and are already part of every selection process and should lead to additional award points. In order to increase clarity and to strengthen this solidarity element, your Rapporteur proposes the addition of a corresponding provision in the LIFE Regulation.

Moreover, given the novelty and the specific planning approach required for Integrated Projects, as explained below, your Rapporteur considers it crucial that all Member States gain experience with this type of project during the next LIFE programming period. Your Rapporteur therefore suggests that each Member State be entitled to funding for at least three Integrated Projects, provided that these cover different areas.

Co-financing rate

The second main bottleneck responsible for reducing the uptake of LIFE funding in several Member States is the difficulty in ensuring matching funds. Your Rapporteur therefore proposes that economically less developed regions be entitled to a co-financing rate of up to 75%. Your Rapporteur is of the view that this would provide an additional incentive to apply for LIFE funding for the regions most in need and would eventually ensure that they benefit from LIFE expertise for environment and climate-related investments.

Your Rapporteur has doubts about a more general increase in the co-funding rate since this

would, obviously, only be possible at the expense of the total number of projects and thus the EU-wide distribution of the LIFE network. Many high quality projects are currently ongoing, based on a co-financing rate of 50%. A general increase of the co-financing rate might risk the loss of this leverage effect and this critical mass of projects, which provide meaningful results and lessons learned.

Finally, Member States' efforts in establishing mechanisms to secure matching funds, combined with a strengthening of their system of LIFE contact points, have proved crucial to the success of LIFE projects. The Commission should therefore encourage Member States to exchange best practice with regards to these structures.

Eligibility and simplification

The question of eligibility of costs and simplification has to be considered independently from the co-financing rate and in the context of the revision of the financial regulation.

Despite differences in the management structure of EU funds, basic rules should be the same. It is obvious that best practice on application procedures, administration and monitoring of grants should be spread so as to relieve the burden on all sides.

When project beneficiaries, except non-taxable persons¹, cannot recover costs for Value Added Taxes (VAT) under their national VAT regimes, those VAT costs should be eligible under the LIFE programme. This will ensure fair and equal treatment of all beneficiaries. That said, your Rapporteur considers it unacceptable that parts of the small LIFE budget flow back into Member States' budgets. There should at least be clarity on how each Member State deals with VAT recovery and on the annual amount of VAT costs reimbursed to LIFE projects.

Permanent staff costs should be generally eligible under the LIFE programme to ensure continuity of expertise. At the same time, a maximum share of project grants should flow into concrete project-related expenses such as conservation actions. Managing public goods such as nature and environment is one of the core tasks of public administrations. Your Rapporteur therefore considers it reasonable not to reimburse, via the EU budget, the costs of public officials' involvement in LIFE projects. However, costs for additionally recruited staff for LIFE project activities should still be eligible for reimbursement.

Integrated Projects

"Integrated Projects" under LIFE are a concrete mainstreaming tool. They aim to support, jointly with other EU funds, the implementation of major environmental legislation such as waste or river basin management plans, climate strategies or prioritised action frameworks for the management of Natura 2000 areas - all with significant potential to create employment and growth. Such projects also have the potential to significantly contribute to an efficient use of funds.

Your Rapporteur strongly supports this new type of project suggested by the Commission. The proposed regulation, however, to some extent lacks clarity in relation to this concept. Your Rapporteur has therefore introduced a new, separate Article on Integrated Projects,

¹ As defined in the first subparagraph of Article 13(1) of Directive 2006/112/EC.

including mechanisms to assist Member States in putting this new approach into practice. Given the limited experience with Integrated Projects, they should be phased in gradually and closely examined at the mid-term evaluation of the LIFE programming period.

Integrated Projects will be beneficial for other funds by increasing their absorption capacity for environment-related expenditure and channelling it to major implementation challenges. They can also encourage the establishment of a constructive and enduring cooperation between different sectors of administrations, which will improve the coherency of EU spending. To realise these benefits in practice, activities which are potentially complementary with other EU funds have to be identified at an early stage. Your Rapporteur has tabled corresponding amendments to the Common Provisions Regulation.