

European Community: LIFE ("L'Instrument Financier pour l'Environnement"/ the financing instrument for the environment)

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Fund overview:

See also <http://ec.europa.eu/environment/life/index.htm>.

The European Funding Program for the Environment (LIFE) was established in 1992. LIFE currently co-finances projects in three areas:

- LIFE Nature provides support to the conservation of natural habitats and the wild fauna and flora of European Union interest, thereby implementing the European Union's nature conservation policy (European Birds and Habitats directives), and in particular the Natura 2000 Network of sites set-up in the EU Member States.
- LIFE Environment supports the implementation of Community policy and legislation on the environment in the European Union. Priority is given to the demonstration and development of new methods and technologies for protecting and enhancing the environment.
- LIFE Third Countries supports technical assistance activities for promoting sustainable development in third countries bordering the Mediterranean and the Baltic Sea. This component of the programme aims primarily at supporting the development of environmental management capacities.

Under the LIFE program, funding for biodiversity is primarily delivered through LIFE-Nature. During the period 1992 - 2006, the European Commission has co-funded a total of 875 LIFE-Nature projects. The European Union's financial contribution to these projects was ca. 773 million €.

A revised Financial Instrument for the Environment (LIFE+), covering the period 2007-13, has been recently adopted by the European Parliament and the Council (Regulation (EC) No 614/2007). LIFE+ will address all four priority areas of the Sixth Environment Action Programme, running from 2002 to 2012 – climate change; nature and biodiversity; health and quality of life; natural resources and waste – as well as the programme's seven Thematic Strategies. Of the total LIFE+ budget of 2.143 billion €, more than 835 million € will be committed for co-funding projects relating to nature and biodiversity. This funding will be provided through 2 different strands:

- LIFE+ Nature and Biodiversity is the follow-up of the previous LIFE Nature funding. It will continue providing support to the implementation of the objectives of the European Birds and Habitats Directives, and in particular to the Natura 2000 Network (the EU network of protected areas). In addition, co-funding will also be made available for innovative or demonstration actions in favour of the general EU biodiversity policy, thereby implementing the objectives of the Commission Communication COM/2006/0216final - "Halting the Loss of Biodiversity by 2010 - and beyond";
- LIFE+ Information and Communication will provide specific support for information and awareness raising campaigns, including those targeting nature and biodiversity conservation issues within the European Union.

Project co-funding for nature and biodiversity projects under LIFE+ is open to public and private applicants (including NGOs) established in the European Union. The co-financing rate is generally limited to 50%. On an exceptional basis, projects targeting the conservation of priority species or habitats of the Birds and Habitats Directives are entitled to a co-funding rate 75%.

The first call for LIFE+ proposals was published in October 2007. Under this call, applicants from the 27 EU Member states will submit proposals to the Commission via their national authorities. The deadline for submitting proposals to the Commission for this first call is 15 January 2008. The selection proposals will take place in 2008 and the projects retained for funding can start on 1 January 2009.

The selection of project proposals is carried out by the European Commission, with the aid of a consortium of external experts. On the basis of the experts' evaluation, the Commission establishes a final list of projects to be retained for funding, which is then submitted for approval to the LIFE+ Committee representing the EU member states, and to the European Parliament.

Projects are selected on the basis of admissibility, selection and award criteria which are published on the Commission's website. Scores are awarded to each proposal on the basis of its financial and technical coherence, its contribution to the general objectives of LIFE+ and on its National and European added value.

A new aspect of the LIFE+ program is that the selection of projects will take into account indicative national budget allocations, calculated on the basis of the criteria set in Article 6 of the LIFE+ Regulation. These criteria are expected to lead to a more even spread of the LIFE+ funding amongst Member States, as compared to the previous LIFE-funding, where project were selected on the basis of their merits alone.

In addition, from 2008 onwards, the LIFE+ project selection procedure will also take into account any national priorities communicated by Member States.

The monitoring of projects retained for funding is carried out by the LIFE Unit (unit ENV.E4) of the European Commission's Environment Directorate General, with the assistance of an external monitoring team.

Most LIFE-Nature projects last between 2.5 and 5 years. During the project's lifetime, beneficiaries have to report annually to the Commission on the technical and financial progress of their projects. In addition, the external monitoring team makes annual visits to the projects to inspect the project progress on site, either alone or with a desk officer of the LIFE Unit. On average, each project will be visited once during its lifetime by a Commission desk officer.

The evaluation of the outcomes and impacts of the project is primarily aimed at controlling the compliance with the project objectives as stated in the project proposal, and in order to assess the technical and financial eligibility of the costs declared.

The final financial statement of income and expenditures submitted by the beneficiary must be accompanied by an audit statement of an independent certified auditor. The auditor shall not only verify compliance with national legislation and accounting rules but also certify that all costs incurred comply with the common provisions for the LIFE Programme.

Results and impacts:

Over the last year, The European Commission has made several publications about the outcomes and impacts of the LIFE-Nature (notably "Life for Natura 2000", "LIFE for Birds", all available at <http://ec.europa.eu/environment/life/index.htm>). These publications show that LIFE-Nature has indeed been an effective catalyst for achieving the objectives of the European Birds and Habitats directives and for setting up and protecting the Natura 2000 Network of protected areas.

Success and Challenges:

Compared to the previous LIFE program, where projects were selected on the sole basis of their scores in the selection process, the new system of indicative national allocations established through the LIFE+ Regulation will presumably ensure a more even geographical spread of projects within the European Union territory. It remains to be seen how this will affect, either positively or negatively, the overall quality of the program implementation.

In addition, it remains to be seen how the recent enlargement of the funding scope of LIFE+ towards biodiversity projects outside protected areas and towards general

information and communication-oriented activities will impact on the effectiveness of the program and on the sustainability of the investments made.

Lessons learned:

In terms of project management and selection: the provisions and rules applicable are regularly updated on the basis of lessons learned.

In terms of disseminating the project results: projects are required to include dissemination and networking activities, to help in the development of best practices in biodiversity management including nature conservation.

Outlook:

There will be annual calls for project proposals until 2013. The amounts reserved for the co-financing of projects in the field of nature and biodiversity is foreseen to rise progressively from 93 million € in 2007 to 144 million € in 2013.

Basic fund information:

Operational since: 1992

Major revenue sources:

The LIFE and LIFE+ programs are entirely financed through the European Union Budget

Total expenditure (for LIFE-Nature projects only, in million €):

2002: 71.7 million €

2003: 70.9 million €

2004: 75.9 million €

2005: 69.0 million €

2006: 70.1 million €

Total biodiversity expenditure in 2006:

In 2006, LIFE-Nature funding has been granted to 61 nature conservation projects in 20 EU Member States. These projects represent a total investment of **141.6 million €**, of which LIFE-Nature will cover **70.1 million €**.

Major areas of biodiversity expenditure in 2006:

Most projects aim at restoring Natura 2000 sites or networks of sites, designing and implementing management plans and laying the foundation for long-term site management through purchasing land, restoring habitats and eliminating invasive species. Moreover, a number of projects are specifically aimed at improving the conservation status of particularly threatened wildlife species.

Examples of species and habitats targeted through 2006 LIFE-Nature projects include blanket bogs in Wales, brackish marshes in the Netherlands, Military training areas in Latvia and Slovakia, Danube Islands in Romania, Alpine rivers in Austria, Iberian Lynx in Spain, Baltic Dunlin in Denmark, Giant Lizard on a Canary Island, Saker falcon in Hungary, Orsini's viper in SW France, European Bison in E Poland, Yelkouan Shearwater in Malta, Bonelli's Eagle in S Portugal, Bugio's petrel on Madeira, Allis shad in the Rhine, etc.

Primary disbursement mechanisms:

The LIFE financial contribution is paid to the project beneficiary in three instalments:

- The first pre-financing payment, equivalent to 40% of the maximum Community financial contribution, will be paid within 45 days of receipt of the signed grant agreement;
- The second pre-financing payment, equivalent to 30% of the maximum Community financial contribution, will be paid within 45 days after the approval of a technical and financial mid-term report, and on condition that at least 150% of the first pre-financing payment has been used.
- The balance (final payment) shall be paid within 45 days of approval, by the Commission, of the final report.

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