

Financing Natura 2000

2004/2164(INI) - 15/07/2004 - Document attached to the procedure

COMMISSION'S IMPACT ASSESSMENT

For further information regarding the context of this issue, please refer to the summary of the Commission's proposal on Financing Natura 2000– COM(2004)0431.

1- POLICY OPTIONS AND IMPACT : The Commission considered 3 options :

1.1- Option 1 – using existing EU funds (notably Rural Development Funds, Structural and Cohesion Funds (including the LEADER+ and INTERREG initiatives) and LIFE-Nature instrument), but modifying these in order to ensure better delivery of Natura 2000 needs. However, there are significant gaps and limitations in **using the existing Community Funds and Instruments** for funding the management of habitats and the protection/conservation activities of species.

1.2- Option 2 – increasing the funds available to and upgrading the LIFE-Nature instrument to serve as the primary delivery mechanism. This instrument would be devoted to the management of Natura 2000 network and would have a potentially broad applicability and a remit designed specifically to meet the criteria to be established for the co-financing needs and priorities of the Natura 2000 network. The total budget for LIFE would need to be substantially increased to address the needs for EU co-financing of the protection of the Natura 2000 sites, taking also into account the 10 new Member States and the continuation of participation by the remaining candidate countries.

1.3- Option 3 – creating a new funding instrument dedicated to Natura 2000. Under the Commission's proposal on the financial perspectives post 2006, no new instruments have been put forward. Thus, Option 3 has been ruled out as an option for the next financial perspectives period (2007-2013).

CONCLUSION: The Commission concluded that given the many activities related to the management of Natura 2000 sites that need a dedicated environment fund, LIFE-Nature (Option 2) is the obvious choice to fill this role.

IMPACT

Resources would have to be allocated to the new LIFE-Nature instrument, to ensure that it could operate at a sufficient scale to be effective. The current proposal on the financial perspectives for the period 2007-2013 has not included any new Community Fund for nature conservation and the financial resources available for environment have only been upgraded marginally. This marginal increase in the resources to be allocated for the Financial Instrument for the Environment and for all environment-related spending is not sufficient in itself to support the management of Natura 2000. Thus, in the future, it is expected that the role of the successor of LIFE will be as provider of support activity rather than as the primary delivery mechanism of management of the sites.

Option 2 will ensure that the **management** of Natura 2000 sites is part of the wider land management policies of the EU. Thus, on the one hand, farming inside Natura 2000 sites will be part of the CAP financial support and, on the other hand, structural interventions, will be part of rural and regional development policies. This complementary approach will enable the network of Natura 2000 sites to play its role in protecting Europe's biodiversity better than if Natura sites are seen to be isolated or different from the wider policy context.

It will allow Member States to set **priorities and to develop policies** and measures which reflect their national and regional specificities.

Option 2 will **avoid duplication** and **overlap** of different Community funding instruments and the administrative complication and transaction costs which would be associated with such duplication.

It is planned that Community Funds (and primarily the Structural and Rural Development Funds) will make substantial co-financing available for the implementation of the Natura 2000 network. It is however, not possible to fix a target for the level of this funding since the final expenditure will depend on the priority given to Natura 2000 within individual member states programmes. The criteria for eligibility will be set out in each of these Regulations and the general rules of each fund will apply.

2- FOLLOW-UP: The monitoring and the evaluation of the results of this proposal will have to be carried out closely alongside the monitoring and evaluation of programmes corresponding to the Structural Funds and Cohesion Funds, as well as Rural Development Plans supported under the Rural Development Regulation. For these Funds, sets of monitoring indicators have been developed, whose implementation has been discussed and agreed with the Member States. However, the Natura 2000 network concerns and management implementation are not represented adequately in these sets of evaluation indicators.

Thus, there is a need to build concrete synergies for monitoring Natura 2000 progress in terms both of physical indicators (designation progress: land designated, management plans established, etc.) and qualitative indicators (conservation status; appropriate management practices followed, resources allocated, trained personnel, etc.).