Basic information

1995/0093(SYN) SYN - Cooperation procedure (historic)	Procedure completed
LIFE II: financial instrument for the environment (amend. regul. 1973/92 /EEC) See also 1998/0074(CNS) **Subject** 3.70 Environmental policy	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
ENVI Environment, Public Health and Consumer Protection	MARINUCCI Elena (PSE)	31/05/1995

Former committee responsible	Former rapporteur	Appointed
ENVI Environment, Public Health and Consumer Protection	MARINUCCI Elena (PSE)	31/05/1995

Former committee for opinion	Former rapporteur for opinion	Appointed
BUDG Budgets	GREDLER Martina (ELDR)	23/06/1995
RELA External Economic Relations	DIMITRAKOPOULOS Giorgos (PPE)	21/06/1995
CONT Budgetary Control	DE LUCA Stefano (FE)	21/06/1995

Council of the European Union

Council configuration	Meetings	Date
General Affairs	1943	1996-07-15
Environment	1861	1995-06-22
Environment	1873	1995-10-06
Environment	1895	1995-12-18

Key events

Date	Event	Reference	Summary
30/01/1995	Additional information		Summary
12/04/1995	Legislative proposal published	COM(1995)0135	Summary
22/06/1995	Debate in Council		Summary
10/07/1995	Committee referral announced in Parliament		
06/10/1995	Debate in Council		Summary
18/10/1995	Vote in committee		Summary
18/10/1995	Committee report tabled for plenary, 1st reading/single reading	A4-0265/1995	
16/11/1995	Debate in Parliament		Summary
18/12/1995	Council position published	12566/2/1995	Summary
26/01/1996	Modified legislative proposal published	COM(1996)0025 	Summary
18/04/1996	Committee referral announced in Parliament, 2nd reading		
20/05/1996	Vote in committee, 2nd reading		Summary
20/05/1996	Committee recommendation tabled for plenary, 2nd reading	A4-0166/1996	
05/06/1996	Debate in Parliament		
13/06/1996	Modified legislative proposal published	COM(1996)0295 	
15/07/1996	Act adopted by Council after consultation of Parliament		Summary
15/07/1996	End of procedure in Parliament		
20/07/1996	Final act published in Official Journal		

Technical information

Procedure reference	1995/0093(SYN)
Procedure type	SYN - Cooperation procedure (historic)
Procedure subtype	Legislation
Amendments and repeals	See also 1998/0074(CNS)
Legal basis	EC Treaty (before Amsterdam) E 130S-p1
Stage reached in procedure	Procedure completed
Committee dossier	ENVI/4/07416

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, 1st reading/single reading		A4-0265/1995 OJ C 323 04.12.1995, p. 0005	18/10/1995	
		T4-0569/1995		

Text adopted by Parliament, 1st reading/single reading		OJ C 323 04.12.1995, p. 0142-0149	17/11/1995	Summary
Committee recommendation tabled for plenary, 2nd reading		A4-0166/1996 OJ C 181 24.06.1996, p. 0003	20/05/1996	
Text adopted by Parliament, 2nd reading		T4-0313/1996 OJ C 181 24.06.1996, p. 0011-0018	06/06/1996	Summary

Council of the EU

Document type	Reference	Date	Summary
Council position	12566/2/1995 OJ C 134 06.05.1996, p. 0001	18/12/1995	Summary

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(1995)0135 OJ C 184 18.07.1995, p. 0012	12/04/1995	Summary
Modified legislative proposal	COM(1996)0025 OJ C 092 28.03.1996, p. 0007	26/01/1996	Summary
Commission communication on Council's position	SEC(1996)0244	15/04/1996	Summary
Modified legislative proposal	COM(1996)0295	13/06/1996	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofR	Committee of the Regions: opinion	CDR0301/1995 OJ C 100 02.04.1996, p. 0115	20/09/1995	Summary
EESC	Economic and Social Committee: opinion, report	CES1154/1995 OJ C 018 22.01.1996, p. 0015	25/10/1995	Summary
CofA	Court of Auditors: opinion, report	RCC0011/2003 OJ C 292 02.12.2003, p. 0001-0021	11/09/2003	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Regulation 1996/1404
OJ L 181 20.07.1996, p. 0001 Summary

LIFE II: financial instrument for the environment (amend. regul. 1973/92 /EEC)

1995/0093(SYN) - 11/09/2003 - Court of Auditors: opinion, report

Special Report No 11/2003 on the Financial Instrument for the Environment (LIFE). This audit focused in particular on the second phase (1996 to 1999, LIFE II). EUR 435 million was used during the period for which it was allocated. The Court observes that LIFE's overall objective is very broad and inadequately defined. Of the individual strands, however, the objective of LIFE Nature is more precise because it is linked to the application of the Directive on the conservation of natural habitats and of wild fauna and flora. The Commission's criteria for assessing proposals are different for each programme strand. It only calls on independent experts for the "Environment" and "Third Country" strands. The complementarity between environmental projects financed under LIFE and those financed from other Community sources (e.g. the Structural Funds or research) is still poor, and the interdepartmental consultation procedure does not wholly eliminate the risk of double funding. The Court identified many difficulties affecting the implementation of LIFE II, in particular staff expenditure that was not backed up by reliable records and which included the salaries of officials usually already met from public funds, as well as serious delays in the execution of payments and deficiences in the financial arrangements for projects and in the accounting systems. There was considerable outlay to purchase land for actions under LIFE Nature, insufficiently matched, however, by guarantees that this land would continue to be used for nature conservation once the implementation period for these actions was over. As regards the monitoring and control of projects, the Commission has increased the number of on-the-spot visits, the findings of which reveal several types of error at beneficiary level. The tasks of the Technical Assistance Offices, which act as the external project monitoring teams, have not been clearly defined, and the monitoring of actions has suffered as a result. Since 2001, as part of the departmental reorganisation of the Directorate-General for the Environment, the Commission has made considerable efforts to tackle the shortcomings in the management of the LIFE programme. These efforts must be kept up. To this end, the Court recommends that: - LIFE's role should be clarified in the context of the multiannual environmental action programmes, and its objectives better defined and, if possible, quantified; - the Commission should examine whether it would be expedient to separate the management of the "Nature" and "Environment" strands; - the evaluation of project proposals should be carried out by outside experts for all the strands of the programme and these experts must be selected by a public call-for-proposals procedure; - the administrative provisions concerning the implementation of actions should be reviewed in order to achieve a better definition of eligible costs, especially as regards project accounting, staff expenditure, depreciation and land purchases for LIFE Nature projects; - the Commission's on-the-spot checks should be stepped up, if need be by employing outside auditors; - the results of the projects should be disseminated. The Commission underlines the fact that the efforts made have been effective, as the results obtained since 2001 show. However, the Commission recognises that there is room for improvement where LIFE-Environment is concerned.

LIFE II: financial instrument for the environment (amend. regul. 1973/92 /EEC)

1995/0093(SYN) - 25/10/1995 - Economic and Social Committee: opinion, report

In analysing the proposal to amend the LIFE Regulation, the ESC stressed the critical importance of the following: an adequate level of funding, long-term coherence and conformity with the strategy of sustainable development. It was also important, given the participatory approach and the principle of sharing out responsibilities under the fifth Action Programme, to evaluate the stimulus given to partnership schemes involving socio-economic actors and non-governmental organisations and producing multiplier effects. Areas of activity The ESC was in agreement with the general principle of reducing the number of areas of activity and defining them more carefully, but believed that the Commission’s current choice was too restrictive and did not adequately highlight at least two areas where Community action was necessary and opportune (the prevention and reduction of atmospheric emissions and the protection of soil quality). Project selection criteria The ESC considered that these criteria were spelt out with sufficient clarity. To be effective, however, the priority actions and strategies within each area of activity - which applicants had to take into account and adhere to when preparing their projects - should be clearly defined at an early stage of the annual publication of the invitation to submit applications. Dissemination of information If the aim of the LIFE instrument was to support demonstration projects and projects setting examples for the transfer and dissemination of findings, then strong, on-going action to ensure the dissemination of know-how and information was crucial. Account should also be taken of the need to set in motion systematic procedures for monitoring and checking the progress of projects receiving financial support so that appropriate preventive action could be taken to limit the failure rate. The ESC therefore stressed that the various financial instruments needed to be closely coordinated, with uniform aims, strategies and concrete decisions, so that Community action was not contradictory and did not lead to duplication. Even though its budget was relatively modest, the LIFE programme should play a dynamic role in stimulating and guiding all other environmental funding from a variety of Community instruments.

LIFE II: financial instrument for the environment (amend. regul. 1973/92 /EEC)

1995/0093(SYN) - 22/06/1995

The Council noted the Commission’s presentation of its proposal for a Council Regulation (EC) amending Council Regulation (EEC) No 1973/92 establishing a financial instrument for the environment (LIFE). The amendments proposed stem from experience of the first three years’ implementation of the instrument. They are designed to make the instrument more effective, having regard to its specific nature, the principle of subsidiarity, greater transparency in procedures and the simplification of administrative burdens. The Council noted the resolve of the incoming Spanish Presidency to expedite examination of the proposal, so that it can be adopted rapidly.

LIFE II: financial instrument for the environment (amend. regul. 1973/92 /EEC)

1995/0093(SYN) - 06/06/1996 - Text adopted by Parliament, 2nd reading

The report by Mrs Elena MARINUCCI (PSE/I) which was adopted by Parliament made a number of amendments to the common position adopted by the Council with a view to adopting a Regulation establishing a financial instrument for the environment (Life). Parliament considered that the financial reference amount for implementation of the second phase for the period 1996-1999 should be ECU 600 m. It also considered it essential to: - reinstate the reference to rivers which flow into coastal areas and to the sustainable management of the wetlands created by such rivers; - reinstate the reference to protection of water resources and water management be provided for as part of the preparatory activities; - reinstate the reference to the conservation or restoration from the point of view of nature protection, of significant habitats of threatened species of flora and fauna; - point out that the flanking measures should cover both the activities undertaken during the second stage and the remainder of the activities coming under the first stage; - specify more clearly the assessment and selection procedure for innovative projects.

LIFE II: financial instrument for the environment (amend. regul. 1973/92 /EEC)

1995/0093(SYN) - 26/01/1996 - Modified legislative proposal

The Commission's amended proposal takes over either wholly or in part 28 of the 34 amendments adopted by the EP at first reading, including those seeking to: - list the actions financed by Life and the areas of activity eligible; - define preparatory measures, demonstration measures and technical assistance; - define the scope of the preparatory measures; - underline the need for accompanying measures to facilitate the Life mission; - place the CEECs and the Member States on the same footing and allow non-CEEC third countries to take part in some activities; - deal with the issues of water treatment or management, coastal zones, air pollution or industrial activities; - deal with the following financial issues: maximum financial support; the principle of 50-50 sharing between activities relating to nature protection and other activities; deletion of the article which proposed that the proposals made in 1995 be funded under the 1996 budget; - specify the procedures for proposal submission and reporting. However, the Commission rejected the amendments seeking to: - specify indicative amounts; - increase to above 5% the share of funds allocated to non-CEEC third countries; - insert an additional criterion concerning the use of best available technology; - amend the provisions on commitology; the Life committee must remain a regulatory committee; - oblige the Commission to submit to the Council and the EP on an annual basis either a report evaluing each action undertaken, or one evaluating the results of Life projects. The Commission does, however, agree to supply Parliament with information documents on project management.

LIFE II: financial instrument for the environment (amend. regul. 1973/92 /EEC)

1995/0093(SYN) - 15/07/1996 - Final act

OBJECTIVE: In the light of experience gained, to improve the efficiency of the financial instrument for the environment (LIFE). COMMUNITY MEASURE: Council Regulation (EC) No 96/1404 amending Regulation 92/1973/EEC establishing a financial instrument for the environment (LIFE). SUBSTANCE: The Council Regulation lays down the detailed rules for the implementation of LIFE for a second phase 1996-1999, the first phase having expired on 31 December 1995. The general objective of LIFE is to contribute to the development and, where appropriate, the implementation of Community environment policy and legislation. To this end, LIFE will focus on four key areas: 1. nature protection measures (priority implementation of the Natura 2000 network); 2. facilitating the implementation of Community environment policy in areas other than nature protection, by funding: - innovative and demonstration projects designed to promote sustainable development in industrial activities; - demonstration, promotion and technical assistance projects for local authorities with a view to incorporating environmental factors into regional planning and promoting sustainable development; - preparatory measures such as: protection of coastal areas and their rational management, of rivers which flow into coastal areas and of their wetlands; reduction of toxic and hazardous waste; management and protection of water resources; air pollution, acidification, tropospheric ozone; 3. providing technical assistance to certain third countries bordering on the Mediterranean and the Baltic other than the associated countries of Central and Eastern Europe in the establishment of the administrative structures needed in the environmental sector, in the development of environmental policy and action programmes, and in undertaking measures aimed at sustainable development; 4. funding accompanying measures needed to monitor, evaluate or promote the actions undertaken during the first stage, and dissemination of information on the experience and the results obtained from such actions. The LIFE instrument is open to the associated Central and European countries. LIFE II will receive ECU 450 m, this allocation being reviewed in 1997 in the light of the financial perspectives and on the basis of the applications for Community co-financing. ENTRY INTO FORCE: 21 July 1996.

LIFE II: financial instrument for the environment (amend. regul. 1973/92 /EEC)

1995/0093(SYN) - 15/07/1996

The Council adopted the regulation for a second phase (1996-1999), the first having expired on 31 December 1995. The five amendments tabled by Parliament and taken over by the Commission in its revised proposal had all been incorporated into the text of the regulation.

LIFE II: financial instrument for the environment (amend. regul. 1973/92 /EEC)

1995/0093(SYN) - 20/09/1995 - Committee of the Regions: opinion

The Committee of the Regions welcomed the Council proposal presented by the Commission to amend the LIFE Regulation and reiterated the need to include the environment in economic spatial development planning in the Community. Measures under LIFE should not go against the principle of concentration, which was a matter for the Structural Funds policy. LIFE should target specific areas of action following simple, transparent procedures. Priority should be given to local projects with a transnational dimension. The Committee estimated that the proposed figure of ECU 450 million fell short of the programme’s ambitions. Concerning the selection criteria, the Committee called for the LIFE information brochure to be readily accessible to applicants and invited the Commission and the Member States to involve the regions and local authorities in the dissemination of information to project partners. Concerning procedure, the Committee considered that the regions and local authorities should participate in the compilation and submission of project proposals in order to reduce effectively the number of projects submitted that were not eligible for financing under LIFE and improve the overall quality of proposals and the transparency of the procedure. Measures to accompany the implementation of the LIFE programme were required for the preparation, analysis or promotion of information in this area. The Committee stressed that representatives of the regional and local authorities should be able to participate in the decision-making process by proposing projects for financial support to the European Commission. LIFE could provide a basis for securing greater cohesion in the actions of Member States with regard to environmental problems and ensure a better balance between environmental policy and the other Community policies.

LIFE II: financial instrument for the environment (amend. regul. 1973/92 /EEC)

1995/0093(SYN) - 15/04/1996 - Commission communication on Council's position

The Commission generally supported the common position but regretted that some of Parliament's amendments had not been incorporated. This applied in particular to the clarification that nature protection programmes could be carried out in the third countries in question, irrespective of whether or not they were candidate CEECs, and the need to lay down a reference framework as a guideline for parties interested in LIFE support.

LIFE II: financial instrument for the environment (amend. regul. 1973/92 /EEC)

1995/0093(SYN) - 12/04/1995 - Legislative proposal

The LIFE regulation is a financial instrument for developing and implementing the Community's environmental policy and legislation. Its purpose is to foster greater cohesion in the way in which Member States address environmental problems and to improve the balance between environmental policy and other Community policies. In the light of experience so far, the Commission proposes to focus action under LIFE over the next four years (1996-1999) on four key areas: 1) priority implementation of the European Natura 2000 network; 2) facilitating the implementation of Community environmental policy in areas other than nature protection, by funding preparatory, demonstration, technical assistance, support and motivation projects in relation to initiatives to: - increase the complementarity between environmental regulations and financial intervention for structural purposes, especially under Community funds and financial instruments for the environment; - help local authorities incorporate environmental factors into regional planning; - promote the sustainable development and integration of the environment into industrial activities; 3) helping certain third countries bordering the Mediterranean and Baltic Seas other than associated CEECs to establish the administrative structures needed in the environmental sector, develop environmental policies and undertake measures aimed at sustainable development; 4) disseminating the know-how and experience obtained. The Commission also proposes that: - LIFE should be open to CEECs, so that they can implement international conventions and solve common or global environmental problems as soon as additional protocols have been attached to the Europe Agreements between the EU and the countries in question; - financial support should be able to take the form of joint funding for projects or interest rate subsidies; - procedures should be simplified in order to make them more transparent; - 3% of the available budget should be earmarked for funding support measures in order to monitor projects. A financial reference amount of ECU 450 million has been set for the four years covered by the proposal.

LIFE II: financial instrument for the environment (amend. regul. 1973/92 /EEC)

1995/0093(SYN) - 18/12/1995 - Council position

The Council's common position incorporates most of the European Parliament's amendments included in the Commission's amended proposal. These amendments: - introduce a recital relating to the LIFE application procedures and public information procedures with a view to improving the transparency and efficiency of LIFE; - introduce a recital defining preparatory actions; - introduce a recital stipulating the origin of the funding to be allocated directly or as a supplement to initiatives to be implemented in CEECs which have signed association agreements with the Community; - define the scope of industrial activity actions and, as regards preparatory actions, include protection of the air (pollution, acidification, tropospheric ozone); - define the objectives of accompanying measures; - lay down the maximum rates of LIFE support (generally 50%, 30% for actions expected to generate significant income); possibility in the nature conservation sector of a maximum of 75% for certain species of birds in danger of extinction; - lay down the deadlines for submitting applications for assistance to the Commission and give an indication of the time needed to examine these applications; - introduce general and particular criteria for the various categories of actions to be carried out in the Community and detailed criteria for actions to be implemented in third countries. The Council also included certain new elements in the common position which: - allowed for the financial reference amount of ECU 450 million for the second stage to be reviewed by 31 December 97, with a view to revising it in accordance with the financial perspectives; - limited the funding to be allocated to preparatory actions (12% of 46%); - generally strengthened the criteria in order to improve the process of selecting projects; - indicated that LIFE would be opened to associated CEECs on the basis of additional credits. Finally, the common position did not incorporate amendments concerning: - definitions seeking to clarify the nature of actions jointly funded by LIFE; - a joint scope for actions to be undertaken in the Community and in the associated CEECs in connection with nature conservation; - the objective to protect water resources and water management (preparatory actions); - the inclusion of nature conservation actions for non-CEEC third countries; - the insertion of a new article providing for a reference framework for actions in favour of industry and local authorities based on an evaluation of environmental needs and intended to guide parties interested in LIFE support; - the abolition of the facility for the Commission to collect projects directly through invitations for expressions of interest; - periodic progress reports on actions jointly funded by LIFE.

LIFE II: financial instrument for the environment (amend. regul. 1973/92 /EEC)

1995/0093(SYN) - 06/10/1995

Pending delivery of Parliament’s opinion the Council carried out a detailed examination of the proposal for a regulation defining the mode of operation of the LIFE financial instrument for a second phase (1996 to 1999) as the first phase ends on 31 December 1995. On the basis of the experience gained since mid--1992 and in view of the development of the financial instruments, in particular the structural instruments, that has since occurred to the benefit of the environment, the proposal seeks to amend Regulation (EEC) No 1973/92. The Council’s discussion made it possible to define a favourable approach to all the provisions included in the proposal. As regards the financial package for the programme, the amount proposed by the Commission (ECU 450 million) was adopted but it will have to be reviewed in 1997 in the light of the financial prospects and on the basis of the applications made. It should be recalled that LIFE is the only specific Community financial instrument relating to the environment. The Community’s financial support may be granted, through LIFE, to pilot projects or demonstration projects or take the form of technical assistance to non--member Mediterranean or Baltic countries.

LIFE II: financial instrument for the environment (amend. regul. 1973/92 /EEC)

1995/0093(SYN) - 17/11/1995 - Text adopted by Parliament, 1st reading/single reading

Adopting the report by Mrs Elena MARINUCCI (PSE, I), the European Parliament approved the proposal for a regulation with the following amendments: - it redefined the objective of the LIFE programme, i.e. to implement Community environmental policy by financing nature protection actions, preparatory actions, demonstration actions and technical assistance. Eligible actions were defined as joint actions to promote cooperation and the transfer of environmental know-how between public authorities (including regional or local authorities) and NGOs working in priority intervention sectors: . preparatory measures: guiding measures to integrate the environment into structural interventions relating to regional management and socio-economic projects; . demonstration measures: the introduction of innovative procedures and the implementation of guiding experiences so as to promote sustainable development; . technical assistance: the promotion by local authorities or NGOs of actions to promote rational management of the environment through increased cooperation (especially cross-border cooperation); - the programme was opened to associated CEECs, using the PHARE fund to finance actions in these countries. Actions in CEECs must meet specific criteria (they must have a certain interest for the Community, seek to achieve sustainable development, increase cross-border cooperation, be feasible and deal with problems of major importance); - technical modifications were made to eligible actions: mainly by including certain actions such as the protection of rivers, the prevention and harmless recycling of toxic waste, the protection of water resources, the protection of the air (in urban zones), the fight against atmospheric pollution and conservation of natural habitats and threatened species; - appropriations for LIFE were increased to ECU 800 million, subject to annual revision on the basis of changes in expenditure. The European Parliament proposed a new distribution ratio: . 45% for nature protection (instead of 46%), . 45% for other actions (instead of 46%), . 7% for regions bordering the Mediterranean and Baltic Seas (instead of 5%), . 3% for management and evaluation. It also made provision for actions not financed in 1995 to be taken into account in 1996; - actions proposed by NGOs, for which up to 75% of the cost may be financed by the Community, should be publicized; - the European Parliament called for the Commission to establish a reference framework of

requirements for certain actions by June 1996. This could be used to guide parties interested in LIFE support to areas of particular interest to the Union; - the European Parliament divided eligibility criteria into general and particular criteria and called for regular reports (every 6 months) from the beneficiary on the state of progress of each project, as well as a final report. The European Parliament also asked to be informed of the projects implemented every year; - as far as committees were concerned, the European Parliament included representatives of NGOs working in the environmental sector in the LIFE committees. The comitology procedure was also revised; - finally, it asked to be fully associated with the third stage of LIFE under the codecision procedure.