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19.9.2006

***II RECOMMENDATION FOR SECOND READING

on the Council common position for adopting a regulation of the European Parliament and of the Council concerning the Financial Instrument for the Environment (LIFE+)

(6284/1/2006 - C6-0226/2006 - 2004/0218(COD))

Committee on the Environment, Public Health and Food Safety

Rapporteur: Marie Anne Isler Béguin

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Symbols for procedures

- * Consultation procedure *majority of the votes cast*
- **I Cooperation procedure (first reading)

 majority of the votes cast
- **II Cooperation procedure (second reading)

 majority of the votes cast, to approve the common position

 majority of Parliament's component Members, to reject or amend
 the common position
- *** Assent procedure

 majority of Parliament's component Members except in cases

 covered by Articles 105, 107, 161 and 300 of the EC Treaty and

 Article 7 of the EU Treaty
- ***I Codecision procedure (first reading)

 majority of the votes cast
- ***II Codecision procedure (second reading)

 majority of the votes cast, to approve the common position

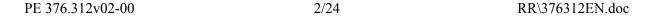
 majority of Parliament's component Members, to reject or amend
 the common position
- ***III Codecision procedure (third reading)

 majority of the votes cast, to approve the joint text

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

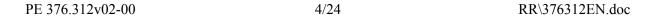
Amendments to a legislative text

In amendments by Parliament, amended text is highlighted in *bold italics*. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the legislative text for which a correction is proposed, to assist preparation of the final text (for instance, obvious errors or omissions in a given language version). These suggested corrections are subject to the agreement of the departments concerned.



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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the Council common position for adopting a regulation of the European Parliament and of the Council concerning the Financial Instrument for the Environment (LIFE+) (6284/1/2006 - C6-0226/2006 - 2004/0218(COD))

(Codecision procedure: second reading)

The European Parliament,

- having regard to the Council common position (6284/1/2006 C6-0226/2006),
- having regard to its position at first reading¹ on the Commission proposal to Parliament and the Council (COM(2004)0621)²,
- having regard to the amended Commission proposal (COM(2004)0621/2)³,
- having regard to Article 251(2) of the EC Treaty,
- having regard to Rule 62 of its Rules of Procedure,
- having regard to the recommendation for second reading of the Committee on the Environment, Public Health and Food Safety (A6-0288/2006),
- 1. Approves the common position as amended;
- 2. Instructs its President to forward its position to the Council and Commission.

Council common position

Amendments by Parliament

Amendment 1 Recital 1

(1) Environmental protection is one of the key *objectives set out in the declarations on the guiding principles for* sustainable development *that the European Council has adopted*. It is a priority for Community co-financing and should be funded primarily through the Community's horizontal financial instruments, including the European Regional Development Fund, the European Social Fund, the Cohesion

(1) Environmental protection is one of the key *dimensions of* sustainable development *of the European Union*. It is a priority for Community co-financing and should be funded primarily through the Community's horizontal financial instruments, including the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural

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¹ Texts Adopted, 7.7.2005, P6 TA(2005)0291.

² Not yet published in OJ.

³ Not yet published in OJ.

Fund, the European Agricultural Fund for Rural Development, the Competitiveness and Innovation Framework Programme, the European Fisheries Fund and the seventh Research Framework Programme. Development, the Competitiveness and Innovation Framework Programme, the European Fisheries Fund and the seventh Research Framework Programme.

Justification

Sustainable development objective is set in the Treaties, rather than in the European Council conclusions. It is, therefore, more appropriate to refer to the principle in a general way.

Amendment 2 Recital 4

- (4) Measures and projects financed under LIFE+ should meet eligibility criteria to secure the best possible use of Community funds. *In particular, for that part of the budget subject to delegated management,* measures and projects should meet additional eligibility criteria to ensure European added value and to avoid financing recurring activities, *such as day-to-day operations*.
- (4) Measures and projects financed under LIFE+ should meet eligibility criteria to secure the best possible use of Community funds. Measures and projects should meet additional eligibility criteria to ensure European added value and to avoid financing recurring activities, except where such activities have clear demonstration value or a start-up function.

Justification

Consistent with other amendments deleting the principle of delegated management. While the spirit of the text is correct, the wording is too onerous. Many projects of legitimate European added value such as demonstration projects require the execution of daily activities. The proposed text reduces the risk of exclusion of legitimate activities while maintaining the requirement that governments should not use LIFE+ funds for routine activities that should be funded out of national budgets.

Amendment 3 Recital 5

- (5) In the area of nature and biodiversity, the implementation of Community policy and legislation itself provides a framework for European added value. Best practice or demonstration measures and projects, including those relating to the management and designation of Natura 2000 sites, should be eligible for Community financing under LIFE+, except where they are eligible for funding under other Community financial
- (5) In the area of nature and biodiversity, the implementation of Community policy and legislation itself provides a framework for European added value. Best practice or demonstration measures and projects, including those relating to the management and designation of Natura 2000 sites, should be eligible for Community financing under LIFE+, except where they are eligible for funding under other Community financial

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instruments.

instruments. The Commission will produce a review of the contribution of these complementary instruments to the financing of Natura 2000 in time for the 2008/9 review of the Financial Framework with a view to adapting LIFE+ to the necessary changes and ensuring a high level of Community co-financing.

Justification

The Commission has estimated that the Natura 2000 network costs €6.1 billion to fund annually. The Commission has successfully advocated delivering the co-financing needed through the 'integrated approach', mainly using other instruments such as Structural, Fisheries and Rural Development funds, with some gaps filled by LIFE+. Yet there are no guarantees that this integrated approach will work. It is therefore necessary to review this approach in time for the revision of the EU budget.

Amendment 4 Recital 5 a (new)

(5a) The Member States agreed in Malahide in 2004 that arrangements needed to be established to ensure adequate financing for the Natura 2000 network, including Community cofinancing. Since this Regulation will only finance best-practice or demonstration measures related to the management of Natura 2000 sites, the Commission and Member States will need to ensure that sufficient funds are made available through other instruments for the management of the network, the annual cost of which is estimated to be around € 6 100 million for the EU as a whole.

Justification

Amendment 3 of first reading in a modified form.

Amendment 5 Recital 20

(20) The implementing measures that this Regulation empowers the Commission to

(20) This Regulation defers many essential decisions to multi-annual strategic

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adopt are management measures relating to the implementation of a programme with substantial budgetary implications within the meaning of Article 2(a) of Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission¹. Certain implementing measures should therefore be adopted in accordance with the management procedure provided for in Article 4 of that Decision. However, this Regulation establishes a general framework and will apply for seven years. Community and national priorities are likely to evolve significantly during this period. This Regulation *also* defers many essential decisions to multi-annual strategic programmes and national annual work programmes. These issues are of critical concern to individual Member States and of crucial importance for their national environmental policy. It is therefore *more* appropriate for certain *other* measures to be adopted in accordance with the regulatory procedure provided for in Article 5 of Decision 1999/468/EC, in order to give Member States the option of bringing proposed measures before the Council for consideration. The regulatory procedure is also appropriate for the adoption of amendments to the Annexes to this Regulation, which specify essential provisions, in particular the measures eligible for funding, and for the laying down of implementing rules other than the technical measures explicitly mentioned in this Regulation,

programmes and national annual work programmes. These issues are of critical concern to individual Member States and of crucial importance for their national environmental policy. It is therefore appropriate for certain measures to be adopted in accordance with the regulatory procedure provided for in Article 5 of Decision 1999/468/EC, in order to give Member States the option of bringing proposed measures before the Council for consideration. The regulatory procedure is also appropriate for the laying down of implementing rules other than the technical measures explicitly mentioned in this Regulation. The regulatory procedure with scrutiny provided for in Article 5a of Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission¹ should apply to the adoption and the possible amendment of multi-annual strategic programmes drawn up in accordance with Article 6(1) of this Regulation and to the adoption of amendments to the Annex to this Regulation, which specify important provisions, in particular the measures eligible for funding, so as to enable the two arms of the legislative authority to scrutinise such measures before they are adopted.

1 OJ L 184, 17.7.1999, p. 23.

1 OJ L 184, 17.7.1999, p. 23. Decision as amended by the Council Decision of 17 July 2006 (2006/512/EC) (OJ L 200, 22.7.2006, p. 11).

Justification

Consistency with earlier amendments. This is a consequential amendment to the amendments on Article 14(2) and Article 15(1).

Amendment 6 Article 3, paragraph 2 a (new)

2a. The Commission shall ensure that inter-regional and cross-border projects will be considered in the national annual work programmes, especially where cross-border cooperation is essential to guarantee species conservation.

Justification

Partly reinstating amendment 14 from first reading. Transnational and interregional projects are a prime example of European added value and should be promoted. There is a risk that with the programming approach and the disappointing small budget for LIFE+, there is a disincentive for member states to approve transnational projects as this is 'money going to the neighbours'. The Commission should therefore ensure cross-border projects will continue to be financed.

Amendment 7 Article 4, paragraph 2, point (c a) (new)

(ca) to contribute to development and effective implementation of policies to tackle the threat to nature and biodiversity posed by climate change, to enhance the resilience of ecosystems to climate changes and facilitate their adaptation to climate changes;

Justification

Climate change is a major threat to biodiversity and should therefore be clearly stated in the objectives of the heading Nature and Biodiversity.

Amendment 8 Article 5, paragraph 5

5. If a Member State so decides, staff costs shall be eligible for Community cofinancing on condition that:
(a) in the case of national agencies, such Community funding represents no more than 2% of the Community contribution to the Member State's national

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annual work programme for the year concerned. The staff in question must be carrying out additional tasks that national administrations did not previously fulfil in connection with the implementation of Community programmes;

(b) civil servants' salary costs may be funded only to the extent that they relate to the cost of project implementation activities that the relevant public authority would not have carried out had the project concerned not been undertaken. The staff in question must be specifically seconded to a project and they must represent an additional cost with respect to existing permanent staff.

Justification

The staff seconded from the Member States who have thus far been responsible for managing the programme should continue with that task. However, it in no way follows that any more staff should be employed or paid from the Community budget for this purpose.

Amendment 9 Article 6, paragraph 1

1. The Commission shall draw up a first multi-annual strategic programme for 2007 to 2010 and a second multi-annual strategic programme for 2011 to 2013. These programmes shall define the principal objectives, priority areas of action, type of measures and expected results for Community funding in relation to the objectives and criteria set out in Articles 1, 3 and 4. They shall include allocations between Member States and indicate those parts of the budget subject to central direct management and those subject to delegated management in accordance with Article 7(2).

At least 80% of the budget shall be subject to delegated management.

1. The Commission shall draw up a first multi-annual strategic programme for 2007 to 2010, and, *after a review taking account of the objectives set,* a second multi-annual strategic programme for 2011 to 2013. These programmes shall define the principal objectives, priority areas of action, type of measures and expected results for Community funding in relation to the objectives and criteria set out in Articles 1, 3 and 4.

Justification

Horizontal amendment: the LIFE programmes have proved their worth as an effective means of management in line with the programmes' objectives. It follows that the current management approach should continue, given that both administrations and officials are already familiarised with it.

Amendment 10 Article 6, paragraph 2

- 2. Member States' allocations for the part of the budget subject to delegated management shall be without prejudice to the annual budgetary procedure provided for in Article 11(3). The Commission shall base these allocations on the following criteria:
- (a) population:
- (i) the total population of each Member State. A weighting of 50% shall be applied to this criterion; and
- (ii) the population density of each Member State, up to a limit of twice the EU's average population density. A weighting of 5% shall be applied to this criterion;
- (b) nature and biodiversity:
- (i) the total area of sites of Community importance for each Member State, expressed as a proportion of the total area of sites of Community importance. A weighting of 25% shall be applied to this criterion; and
- (ii) the proportion of a Member State's territory covered by sites of Community importance in relation to the proportion of Community territory covered by sites of Community importance. A weighting of 20% shall be applied to this criterion. As soon as relevant data are available for all Member States, the Commission shall make the calculations for nature and biodiversity on the basis of both sites of Community importance and special protection areas, while avoiding double counting.

In addition, the Commission may make

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additional allocations to land-locked Member States. The total amount of such allocations shall not exceed 3% of the total delegated budget.

However, the Commission shall ensure that no Member State's allocation is less than an appropriate minimum allocation of between EUR 1 and 3 million per year, taking into account population density, environmental expenditure, environmental need and absorption capacity.

Justification

Horizontal amendment: the LIFE programmes have proved their worth as an effective means of management in line with the programmes' objectives. It follows that the current management approach should continue, given that both administrations and officials are already familiarised with it.

Amendment 11 Article 6, paragraph 3

3. Within the framework of the multi-annual strategic programmes referred to in paragraph 1, Member States shall, for the part of the budget subject to delegation, submit draft national annual work programmes to the Commission for each year in the periods 2007 to 2010 and 2011 to 2013

These shall, as a minimum and for each year:

- (a) identify priority areas taking account of identified long term needs;
- (b) outline specific national objectives;
- (c) describe the measures to be financed and how they meet the eligibility criteria set out in Article 3;
- (d) provide cost estimates; and
- (e) describe the proposed monitoring framework.

Member States *may* include transnational measures in their draft national annual work programmes.

3. *For purposes of drawing up* the multi-annual strategic programmes referred to in paragraph 1, Member States shall submit draft national annual work programmes to the Commission for each year in the periods 2007 to 2010 and 2011 to 2013.

These shall, as a minimum and for each year:

- (a) identify priority areas taking account of identified long term needs;
- (b) outline specific national objectives;
- (c) describe the measures to be financed and how they meet the eligibility criteria set out in Article 3;
- (d) provide cost estimates; and
- (e) describe the proposed monitoring framework.

Member States *shall* include transnational measures in their draft national annual work programmes.

Justification

For the implementation of the multiannual programmes, the Commission will need to have enough information to allow it to take due account of the Member States' needs and potentialities. Once this information has been obtained, the programmes may be drawn up.

Amendment 12 Article 6, paragraph 4

- 4. The Commission shall consult Member States on the draft multi-annual strategic programmes within the Committee referred to in Article 14(1). The programmes shall be adopted in accordance with *Article* 15(1)(a). For the multi-annual strategic programme for 2007 to 2010, adoption shall take place as soon as possible, and no later than three months after the entry into force of this Regulation.
- 4. The Commission shall consult Member States on the draft multi-annual strategic programmes within the Committee referred to in Article 14(1) and within the Committee referred to in Article 20 of Directive 92/43/EEC. The programmes shall be adopted as set out in Article 15(1a). For the multi-annual strategic programme for 2007 to 2010, adoption shall take place as soon as possible, and no later than three months after the entry into force of this Regulation. The Commission shall provide for public participation on the draft multi-annual strategic programmes.

Justification

The Habitats Committee should also be consulted given the significance of the budget allocated to biodiversity and nature protection.

Amendment 13 Article 6, paragraph 5, subparagraph 1

- 5. The Commission shall consult Member States bilaterally on the draft national annual work programmes, with a view to the adoption of national annual work programmes in accordance with Article 15(1)(b). Member States shall submit draft national annual work programmes for 2007 to the Commission as soon as possible, and no later than three months after the adoption of the first multi-annual strategic programme. They shall, as necessary, submit national annual work programmes for subsequent years, and updates of drafts
- 5. The Commission shall consult Member States bilaterally on the draft national annual work programmes after consulting the Committee referred to in Article 20 of Directive 92/43/EEC, with a view to the adoption of national annual work programmes as set out in Article 15(1)(b). Member States shall submit draft national annual work programmes for 2007 to the Commission as soon as possible, and no later than 3 months after the adoption of the first multi-annual strategic programme. They shall, as necessary, submit national

already submitted, pursuant to the timetable laid down in accordance with Article 15(2)(b).

annual work programmes for subsequent years, and updates of drafts already submitted, pursuant to the timetable laid down in accordance with Article 15(2)(b). Member States shall provide for public participation on draft national annual programmes in line with the provisions of Directive 2003/35/EC.

Justification

The Habitats Committee should also be given the opportunity to express its views on the national programmes since main part of the delegated budget should concern Nature and Biodiversity component.

Amendment 14 Article 6, paragraph 6

6. Member States shall ensure that national agencies implement national annual work programmes adopted in accordance with Article 15(1)(b). National agencies shall invite project applications for the implementation of the measures set out in national annual work programmes. They shall ensure that projects meet the criteria set out in Article 3, giving priority to those projects that make the greatest contribution to the achievement of the objectives of this Regulation.

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Justification

Consistency with earlier amendments.

Amendment 15 Article 6, paragraph 7

- 7. National agencies shall report to the Commission on the implementation of national annual work programmes. They shall make the final project reports referred to in Article 12(1), or summaries of them, available to the public. The Commission shall regularly publish lists of projects financed through LIFE+, including a short description of objectives and results
- 7. 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. It shall do so using appropriate media and technologies, including the Internet.

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achieved and a summary of funds expended. It shall do so using appropriate media and technologies, including the Internet.

Justification

Consistency with earlier amendments.

Amendment 16 Article 7, paragraph 2

2. The Commission may decide to entrust part of implementation of the budget to national agencies designated in agreement with the Member State concerned on the basis of Article 54(2)(c) of the Financial Regulation and in accordance with the selection criteria set out in Annex II of this Regulation.

deleted

Justification

Consistent with earlier amendments deleting the principle of delegated management.

Amendment 17 Article 10

This Regulation shall not finance measures which fall within the *eligibility criteria* of, or receive assistance for the same purpose from, other Community financial instruments, including the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development, the Competitiveness and Innovation Framework Programme, the European Fisheries Fund *and the seventh* Research Framework Programme. The beneficiaries under this Regulation shall provide information on funding they have received from the Community budget and on their ongoing applications for funding to the Commission for centrally financed measures or to the national agency for delegated measures. Synergies and complementarity shall be sought with other

This Regulation shall not finance measures which fall within the *main scope* of, or receive assistance for the same purpose from, other Community financial instruments, including the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development, *or* the European Fisheries Fund. The beneficiaries under this Regulation shall provide information on funding they have received from the Community budget and on their ongoing applications for funding to the Commission. The Commission shall ensure coordination and complementarity with other Community instruments.

Community instruments.

Justification

The programmes under the Framework Programme for Research and the Framework Programme for Innovation and Competitiveness can operate in a fashion complementary to those undertaken under the LIFE + programme. There is thus no reason to exclude them from funding if the aim is to achieve integrated programmes.

Amendment 18 Article 11, paragraph 2

- 2. The financial envelope for the implementation of LIFE+ shall be set at *EUR 1 854 372 000* for the period from 1 January 2007 to 31 December 2013.
- 2. The financial envelope for the implementation of LIFE+ shall be set at *EUR 1 911 000 000 (in 2004 prices)* for the period from 1 January 2007 to 31 December 2013.

Justification

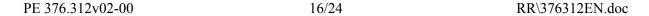
The extra \in 100 million agreed in the context of FINP for heading 2 should be assigned in full to LIFE+ to fund N2000 related demonstration and biodiversity management activities. The Commission only added 50 million to the amount that would have resulted from the European Council decision. The other \in 50 million now set aside by the Commission for the budget heading margins should therefore be added to LIFE+. Moreover the Commission indicative breakdown as shown in Fiche 94 REV1 (2004 prices) mentioned an amount of 1.861 million and not 1.854. Thus the amount should be 1.861 + 50 million = 1.911 million (2004 prices).

Amendment 19 Article 11, paragraph 4

- 4. At least **40%** of the budgetary resources for LIFE+ shall be allocated to measures to support the conservation of nature and biodiversity.
- 4. At least 55% of the budgetary resources for LIFE+ shall be allocated to measures to support the conservation of nature and biodiversity.

Justification

LIFE+ is an extremely important financial instrument for the protection of the environment, and in particular for nature and biodiversity. The additional \in 100 million negotiated during the Financial Perspective was intended for Natura 2000. The importance of LIFE+ for nature and biodiversity has since increased due to the lack of adequate provision across much of Europe under the Structural, Fisheries and Rural Development funds, for example in draft



Amendment 20 Article 12, paragraph 1

- 1. For any measures and projects financed by LIFE+, the beneficiary shall submit, to the Commission for *centrally financed measures or to the national agency for delegated measures*, technical and financial reports on the progress of work. A final report shall also be submitted within three months of the completion of the project.
- 1. For any measures and projects financed by LIFE+, the beneficiary shall submit to the Commission, for *measures in receipt of funding*, technical and financial reports on the progress of work. A final report shall also be submitted within three months of the completion of the project.

Justification

The reports should be submitted to the body responsible for funding.

Amendment 21 Article 12, paragraph 2

- 2. Without prejudice to the audits carried out by the Court of Auditors in liaison with the competent national audit bodies or departments pursuant to Article 248 of the Treaty, or any inspection carried out pursuant to Article 279(1)(b) of the Treaty, officials and other staff of the Commission shall carry out on-the-spot checks, including sample checks, on projects financed under LIFE+, in particular to check compliance with the eligibility criteria set out in Article 3.
- 2. Without prejudice to the audits carried out by the Court of Auditors in liaison with the competent national audit bodies or departments pursuant to Article 248 of the Treaty, or any inspection carried out pursuant to Article 279(1)(b) of the Treaty, officials and other staff of the Commission shall carry out on-the-spot checks, including sample checks, on projects financed under LIFE+, in particular to check compliance with the eligibility criteria set out in Article 3, and assess their contribution to EU policy objectives.

Justification

The Commission on the spot checks should verify and assess the achievement of EU policy objectives as well as financial procedures.

Amendment 22 Article 14, paragraph 2a (new)

2a. Where reference is made to this paragraph, Articles 5a and 7 of Decision 1999/468/EC as amended by the Council Decision of 17 July 2006 (2006/512/EC) shall apply.

Justification

Following the introduction of the new comitology provisions (Council Decision of 17 July 2006), it is necessary to adapt pending legislation. This amendment introduces the new "regulatory procedure with scrutiny" to LIFE+.

Amendment 23 Article 15, paragraph 1

- 1. The following implementing decisions shall be taken in accordance with the procedure referred to in Article 14(2):
- 1. The following implementing decisions shall be taken in accordance with the procedure referred to in Article 14(2):
- (a) to adopt and, if necessary, to amend multi-annual strategic programmes drawn up in accordance with Article 6(1);
- (b) to adopt and, if necessary, to amend national annual work programmes based on drafts that Member States have submitted in accordance with Article 6(3);
- (b) to adopt and, if necessary, to amend national annual work programmes based on drafts that Member States have submitted in accordance with Article 6(3);
- (c) to add measures to Annex I or to amend Annex II; and
- (d) to lay down detailed rules necessary for the implementation of this Regulation.
- (d) to lay down detailed rules necessary for the implementation of this Regulation, other than measures of general scope designed to amend non-essential elements thereof, within the meaning of the Council Decision of 17 July 2006 (2006/512/EC).
- 1a. The following implementing decisions shall be taken in accordance with the procedure referred to in Article 14(2a):
- (a) to adopt and, if necessary, to amend multi-annual strategic programmes drawn up in accordance with Article 6(1); and
- (b) to add measures to the Annex.

Justification

Following the introduction of the new comitology provisions (Council Decision of 17 July 2006), it is necessary to adapt the pending legislation. In the case of LIFE+, the new regulatory procedure with scrutiny should apply to the adoption of the multi-annual strategic programmes and Annex 1 defining measures eligible for funding. They are 'quasi-legislative'

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measures in the meaning of Decision 2006/512/EC.

Amendment 24 Article 15, paragraph 2

- 2. The following implementing decisions shall be taken in accordance with the procedure referred to in Article 14(3):
- (a) to decide to delegate implementation of the budget to a national agency or agencies in accordance with Article 7(2) and to confirm the agency's or agencies' compliance with the selection criteria set out in Annex II;
- 2. The following implementing decisions shall be taken in accordance with the procedure referred to in Article 14(3):

- (b) to specify the format, content and submission dates for draft national annual work programmes for the purposes of Article 6(3) *and of the reports referred to in Article 6(7)*;
- (c) to determine the form, content *and recipients* of the reports referred to in Article 12(1); and
- (d) to establish indicators to assist the monitoring of measures financed by LIFE+.
- (b) to specify the format, content and submission dates for draft national annual work programmes for the purposes of Article 6(3);
- (c) to determine the form *and* content of the reports referred to in Article 12(1); and
- (d) to establish indicators to assist the monitoring of measures financed by LIFE+.

Justification

Consistency with earlier amendments.

Amendment 25 Annex I, point 1, introductory phrase

1. as regards the budget subject to central direct management:

deleted

Justification

Consistency with earlier amendments.

Amendment 26 Annex I, point 1 (a)

- (a) *certain* operational activities of NGOs that are primarily active in protecting and
- (a) operational activities of nongovernmental organisations that are

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enhancing the environment at European level,

primarily active in protecting and enhancing the environment at European level and involved in the development and implementation of EU policy and legislation,

Justification

EP amendment 36.

Amendment 27 Annex I, point 1 (b)

- (b) developing and maintaining networks and computer systems directly linked to the implementation of Community environmental policy and legislation;
- (b) developing and maintaining networks, databases and computer systems directly linked to the implementation of Community environmental policy and legislation, in particular when improving public access to environmental information;

Justification

EP amendments 12 and 42 to Article 2.

Amendment 28 Annex I, point 2, introductory phrase

2. as regards the budget subject to either central direct or delegated management:

deleted

Justification

Consistency with earlier amendments.

Amendment 29 Annex I, point 2 (c)

(c) capacity building assistance;

(c) capacity building *and improvement* assistance;

Justification

It is necessary not only to create knowledge but to improve it where it already exists.

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Amendment 30 Annex I, point 2 (h)

(h) national agencies' staff costs;

deleted

Justification

Consistency with earlier amendments.

Amendment 31 Annex II

This annex is deleted

Justification

Consistency with earlier amendments.

EXPLANATORY STATEMENT

The work done by Parliament during the first reading of the proposal for a regulation on LIFE+ has resulted in a significant number of improvements.

Parliament recognised unanimously that the LIFE+ financial instrument is not equal to meeting the environmental challenges faced. Its limited financial resources are insufficient for the purpose of implementing all of the environmental policies initiated by the European Union

The main issue addressed during Parliament's first reading was seeing to it that Natura 2000 has the necessary funding to ensure that this exemplary network for conserving, protecting and managing European biodiversity in situ is able to operate effectively.

A third component, such as formed part of the previous LIFE instrument, has now been reintroduced in the Council's common position and the Commission communication on the common position. Among other things, this *Nature and Biodiversity* component is to support and enable the further development and implementation of the Natura 2000 network, including in relation to coastal and marine habitats and species.

However, the victory which we won on the amount to be included for the funding of Natura 2000 (one third of the European contribution to the €21 billion of funding estimated by the Commission) has not been reflected in the 2007-2013 budget. Despite the persistent pressure exerted during the negotiations on the financial perspective, only €100 million was allocated to LIFE+ *Natura 2000*. And whilst the whole of this sum should be entered under the LIFE+ instrument, there is a shortfall of €50 million. In order to rectify this, an amendment is being tabled calling for the sum of €100 million agreed during the negotiations on the financial perspective to be reinstated.

Moreover, even though the guarantee that co-financing for Natura 2000 is to be provided through the structural funds (such as the ERDF and the EAFRD) is not entirely satisfactory, commitments on environmental projects have been entered into and must be respected in the granting of European funding. In order to ensure that this is the case, amendment 3 from the first reading is also being retabled.

If the funding of Natura 2000 was the main focus of the report at first reading on LIFE+, particularly in the light of the negotiations taking place on the financial perspective and adjustment of the budget, your rapporteur wishes to focus during the second reading on aspects relating to the allocation of budgetary resources.

The Commission is proposing that 80% of funding be allocated to the Member States. This would mean that all of the European added value would be lost, and above all it would give a blank cheque to Member States to pursue national objectives. The example of the funding of personnel costs is very revealing. In your rapporteur's view, European funding for the environment must not be used to make up for the financial deficits experienced by Member States in order to fund personnel costs in the field of the environment, but must be used to implement European projects.



With regard to the implementation of the programme, your rapporteur takes the view that it should be organised on the basis of objective criteria and not on the basis of automatic redistribution of Community funds to the Member States.

The other aspect which should be reemphasised is the importance of involving civil society, in particular through NGOs and habitat committees, in the process of drawing up multiannual programmes and national annual programmes.

Parliament must also, upon submission of Commission communications, be informed about the various phases of programming. Parliament must be able to exercise its power of scrutiny.

Of course, LIFE+ could have benefited from an ambitious budget. In this context, the strategy being developed by the Commission of integrating environmental aspects into other policy instruments is not yet tried and tested. Apart from the financial instrument, Parliament will need to pay particular attention to the way in which the Gothenburg sustainable development strategy is taken into account in funding, particularly with regard to transport, fisheries and development policy and pre-accession measures.

We have a major responsibility. Biodiversity is a continuous, dynamic process, which must be supported. Given that areas of Europe form a tapestry of complex biological relationships, helping ensure the sustainability of our societies, areas with a great diversity of species must be accorded central importance within Europe. And because European policy first and foremost serves the interests of the peoples of Europe, it is imperative to ensure that an essential and irreplaceable resource is conserved for them.

Climate change is the other challenge to which we must rise. Underpinning the fight against rises in temperature, LIFE+ provides financial support for new technologies, in particular those designed to achieve energy efficiency. In this area, LIFE+ should support the innovative measures which European citizens wish to see.

Conclusion

Your rapporteur invites the members of the European Parliament to support her proposals for second reading amendments. With the help of the LIFE+ instrument, we must remain focused on the importance of the environment to the European project. The environment is the only reference point which citizens have in the face of a lack of direction in Europe and the calling into question of Community institutions.

PROCEDURE

Title	Council common position for adopting a regulation of the European Parliament and of the Council on concerning the Financial Instrument for the Environment (LIFE+)	
References	6284/1/2006 - C6-0226/2006 - 2004/0218(COD)	
Date of Parliament's first reading – P number	7.7 2005 A6-0131/2005 P6_TA(2005)0291	
Commission proposal	COM(2004)621 – C6-0127/2004	
Amended Commission proposal		
Date receipt of common position announced in plenary	4.7.2600	
Committee responsible	ENVI	
Date announced in plenary	4.10.2004	
Rapporteur(s) Date appointed	Marie Anne Isler Béguin 20.1.2005	
Previous rapporteur(s)	Marie Anne Isler Béguin	
Discussed in committee	12.7.2006 14.9.2006	
Date adopted	14.9.2006	
Result of final vote	+: 36 -: 2 0: 1	
Members present for the final vote	Adamos Adamou, Georgs Andrejevs, Irena Belohorská, John Bowis, Frieda Brepoels, Hiltrud Breyer, Dorette Corbey, Avril Doyle, Anne Ferreira, Matthias Groote, Françoise Grossetête, Cristina Gutiérrez-Cortines, Marie Anne Isler Béguin, Caroline Jackson, Christa Klaß, Eija-Riitta Korhola, Holger Krahmer, Urszula Krupa, Jules Maaten, Linda McAvan, Marios Matsakis, Roberto Musacchio, Riitta Myller, Péter Olajos, Vittorio Prodi, Dagmar Roth-Behrendt, Guido Sacconi, Karin Scheele, Richard Seeber, Bogusław Sonik, Thomas Ulmer, Anja Weisgerber	
Substitute(s) present for the final vote	Philippe Busquin, Milan Gal'a, Jutta D. Haug, Caroline Lucas, Ria Oomen-Ruijten, Thomas Wise	
Substitute(s) under Rule 178(2) present for the final vote	Eva Lichtenberger	
Date tabled	19.9.2006	
Comments (available in one language only)		