



EUROPEAN UNION

THE EUROPEAN PARLIAMENT

THE COUNCIL

Brussels, 7 May 2007
(OR. en)

2004/0218 (COD)
C6-0105/2007

PE-CONS 3611/07

ENV 176
CADREFIN 20
FORETS 25
CODEC 296

LEGISLATIVE ACTS AND OTHER INSTRUMENTS

Subject: REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE
COUNCIL concerning the Financial Instrument for the Environment
(LIFE+)

Joint Text

approved by the Conciliation Committee
provided for in Article 251(4) of the EC Treaty

**REGULATION (EC) No .../2007 OF THE EUROPEAN PARLIAMENT
AND OF THE COUNCIL**

of

concerning the Financial Instrument for the Environment (LIFE+)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 175(1) thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Economic and Social Committee¹,

Having regard to the Opinion of the Committee of the Regions²,

Acting in accordance with the procedure laid down in Article 251 of the Treaty³, in the light of the joint text approved by the Conciliation Committee on 27 March 2007,

¹ OJ C 255, 14.10.2005, p. 52.

² OJ C 231, 20.9.2005, p. 72.

³ Opinion of the European Parliament of 7 July 2005 (OJ C 157E, 6.7.2006, p. 451), Council common position of 27 June 2006 (OJ C 238E, 3.10.2006, p. 1) and position of the European Parliament of 24 October 2006 (not yet published in the Official Journal).
Legislative resolution of the European Parliament of ... (not yet published in the Official Journal) and Council decision of ...

Whereas:

- (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 Development, the Competitiveness and Innovation Framework Programme, the European Fisheries Fund and the Seventh Framework Programme for research, technological development and demonstration activities.
- (2) These Community financial instruments do not cover all environmental priorities. There is therefore a need for a Financial Instrument for the Environment (LIFE+) to provide specific support for developing and implementing Community environmental policy and legislation, in particular the objectives of the Sixth Community Environment Action Programme (6th EAP) laid down by Decision No 1600/2002/EC of the European Parliament and of the Council of 22 July 2002¹.
- (3) Support should be provided through grant agreements and public procurement contracts in accordance with Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities².

¹ OJ L 242, 10.9.2002, p. 1.

² OJ L 248, 16.9.2002, p. 1. Regulation as amended by Regulation (EC, Euratom) No 1995/2006 (OJ L 390, 30.12.2006, p. 1).

- (4) Projects financed under LIFE+ should meet eligibility criteria to secure the best possible use of Community funds, to ensure European added value and to avoid financing recurring activities, such as day-to-day operations. This should not prevent the financing of innovative or demonstration projects.
- (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 projects, including those relating to the management and designation of Natura 2000 sites in accordance with Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora¹ and Council Directive 79/409/EEC of 2 April 1979 on the conservation of wild birds², should be eligible for Community financing under LIFE+, except where they are eligible for funding under other Community financial instruments.
- (6) Arrangements should be established to ensure adequate financing for the Natura 2000 network, including Community co-financing. Since the aim of this Regulation is to finance only best-practice or demonstration projects related to the management of Natura 2000 sites, the Commission and Member States should ensure that sufficient funds are made available through other instruments for the management of the network, the annual cost of which was estimated in 2004 to be around EUR 6 100 million.

¹ OJ L 206, 22.7.1992, p. 7. Directive as last amended by Directive 2006/105/EC (OJ L 363, 20.12.2006, p. 368).

² OJ L 103, 25.4.1979, p. 1. Directive as last amended by Directive 2006/105/EC.

- (7) Innovative or demonstration projects relating to Community environmental objectives, including the development or dissemination of best practice techniques, know-how or technologies, as well as projects for awareness-raising campaigns and special training for agents involved in forest fire prevention initiatives should be eligible for Community financing under LIFE+, except where they are eligible for funding under other Community financial instruments.
- (8) Projects for the development and implementation of Community objectives relating to the broad-based, harmonised, comprehensive and long-term monitoring of forests and environmental interactions should be eligible for Community financing under LIFE+, except where they are eligible for funding under other Community financial instruments.
- (9) The challenge of effective policy development and implementation under the 6th EAP can be met only through support for best-practice or demonstration projects for the development or implementation of Community environmental policy; demonstration of innovative policy approaches, technologies, methods and instruments; consolidating the knowledge base; building implementation capacity; fostering good governance, promoting networking, mutual learning and the exchange of best practice; and improved dissemination of information, awareness-raising and communication. Financial support under this Regulation should therefore contribute to the development, implementation, monitoring and evaluation of environmental policy and legislation, as well as its communication and dissemination throughout the Community.

- (10) LIFE+ should have three components: LIFE+ Nature and Biodiversity, LIFE+ Environment Policy and Governance, and LIFE+ Information and Communication. It should be possible for projects financed by LIFE+ to contribute to the achievement of the specific objectives of more than one of these three components and to involve the participation of more than one Member State, as well as to contribute to the development of strategic approaches to meeting environmental objectives.
- (11) In order to carry out its role in the initiation of environmental policy development and implementation, the Commission should use resources from LIFE+ to complete studies and evaluations, to undertake services with a view to the implementation and integration of environmental policy and legislation, to hold meetings, seminars and workshops with experts and stakeholders, to develop and maintain networks and to develop and maintain computer systems. In addition, the Commission should use part of the LIFE+ budget to undertake information, publication and dissemination activities, including events, exhibitions and similar awareness-raising measures, for the preparation and production costs of audio-visual materials, and to obtain technical and/or administrative assistance relating to the identification, preparation, management, monitoring, audit and supervision of programmes and projects.

- (12) Non-governmental organisations (NGOs) contribute to the development and implementation of Community environmental policy and legislation. It is therefore appropriate for part of the LIFE+ budget to support the operations of a number of appropriately qualified environmental NGOs through the competitive and transparent awarding of annual operating grants. Such NGOs would need to be independent and non-profit-making and to pursue activities in at least three European countries, either alone or in the form of an association.
- (13) The experience of current and past instruments has highlighted the need to plan and programme on a multi-annual basis and to concentrate efforts to promote environmental protection by prioritising and targeting the areas of activity able to benefit from Community co-financing.
- (14) Member States should be able to submit national annual priorities, different both from plans and programmes which are prepared for a number of sectors and which set a framework for future development consent and from plans and programmes which have been determined to require assessment pursuant to Directive 92/43/EEC, and those priorities should not be considered plans or programmes subject to Directive 2001/42/EC of the European Parliament and of the Council of 27 June 2001 on the assessment of the effects of certain plans and programmes on the environment¹.

¹ OJ L 197, 21.7.2001, p. 30.

- (15) Environmental protection requirements should be integrated into the definition and implementation of Community policies and activities, including financial instruments. LIFE+ should therefore be complementary to other Community financial instruments and the Commission and Member States should ensure such complementarity at Community, national, regional and local level.
- (16) In line with the conclusions of the Luxembourg European Council (December 1997) and of the Thessaloniki European Council (June 2003), candidate countries and the Western Balkan countries in the Stabilisation and Association Process should be eligible to participate in Community programmes, in accordance with the conditions established in the relevant bilateral agreements concluded with these countries.
- (17) It is necessary to consolidate a number of existing environmental instruments and to simplify programming and management by creating a single, streamlined financial instrument for the environment.
- (18) It is also necessary to ensure a smooth transition and to continue to monitor, audit and qualitatively assess the activities financed under current programmes following their expiry.

- (19) This Regulation lays down, for the entire duration of the programme, a financial envelope constituting the prime reference, within the meaning of point 37 of the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management¹, for the budgetary authority during the annual budgetary procedure.
- (20) The general objective of LIFE+ is to contribute to the implementation, updating and development of Community environmental policy and legislation and, in particular, to support the implementation of the 6th EAP. By working together through Community instruments to improve delivery at national or local levels, to achieve Community goals or to provide for Community-wide exchanges of information, Member States can achieve European added value. Since this objective of LIFE+ cannot be sufficiently achieved by the Member States and can therefore be better achieved at Community level, the Community may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve its objective.

¹ OJ C 139, 14.6.2006, p. 1.

- (21) The measures necessary for the implementation of this Regulation should be adopted in accordance with Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission¹.
- (22) In particular, the Commission should be empowered to add measures to Annex I and to amend Annex II to this Regulation. Since those measures are of general scope and are designed to amend non-essential elements of this Regulation, or to supplement it by the addition of new non-essential elements, they must be adopted in accordance with the regulatory procedure with scrutiny provided for in Article 5a of Decision 1999/468/EC,

HAVE ADOPTED THIS REGULATION:

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

Article 1

Purpose

1. This Regulation establishes a financial instrument for the environment ("LIFE+").
2. The general objective of LIFE+ shall be to contribute to the implementation, updating and development of Community environmental policy and legislation, including the integration of the environment into other policies, thereby contributing to sustainable development.

In particular, LIFE+ shall support the implementation of the 6th EAP, including the thematic strategies, and finance measures and projects with European added value in Member States.

Article 2

Definitions

For the purpose of this Regulation:

- 1) "6th EAP" means the Sixth Community Environment Action Programme laid down by Decision No 1600/2002/EC;
- 2) "Financial Regulation" means Regulation (EC, Euratom) No 1605/2002.

Article 3
Eligibility criteria

1. Projects financed by LIFE+ shall satisfy the following criteria:
 - (a) being of Community interest by making a significant contribution to the achievement of the general objective of LIFE+ set out in Article 1(2);
 - (b) being technically and financially coherent and feasible and providing value for money.

Where possible, projects financed by LIFE+ shall promote synergies between different priorities under the 6th EAP, and integration.

2. In addition, to ensure European added value and avoid financing recurring activities, projects shall satisfy at least one of the following criteria:
- (a) being best-practice or demonstration projects, for the implementation of Directive 79/409/EEC or Directive 92/43/EEC;
 - (b) being innovative or demonstration projects, relating to Community environmental objectives, including the development or dissemination of best practice techniques, know-how or technologies;
 - (c) being awareness-raising campaigns and special training for agents involved in forest fire prevention;
 - (d) being projects for the development and implementation of Community objectives relating to the broad-based, harmonised, comprehensive and long-term monitoring of forests and environmental interactions.

Article 4
Specific objectives

1. LIFE+ shall consist of three components:
 - LIFE+ Nature and Biodiversity,
 - LIFE+ Environment Policy and Governance,
 - LIFE+ Information and Communication.

2. The specific objectives of LIFE+ Nature and Biodiversity shall be:
 - (a) to contribute to the implementation of Community policy and legislation on nature and biodiversity, in particular Directives 79/409/EEC and 92/43/EEC, including at local and regional level, and to support the further development and implementation of the Natura 2000 network, including coastal and marine habitats and species;
 - (b) to contribute to the consolidation of the knowledge base for the development, assessment, monitoring and evaluation of Community nature and biodiversity policy and legislation;

- (c) to support the design and implementation of policy approaches and instruments for the monitoring and assessment of nature and biodiversity and the factors, pressures and responses that impact on them, in particular in relation to the achievement of the target of halting biodiversity loss within the Community by 2010 and the threat to nature and biodiversity posed by climate change;
 - (d) to provide support for better environmental governance by broadening stakeholder involvement, including that of NGOs, in consultations on, and the implementation of, nature and biodiversity policy and legislation.
3. The specific objectives of LIFE+ Environment Policy and Governance shall be, in relation to the objectives of the 6th EAP, including for the priority areas of climate change, environment and health and quality of life, and natural resources and wastes:
- (a) to contribute to the development and demonstration of innovative policy approaches, technologies, methods and instruments;
 - (b) to contribute to consolidating the knowledge base for the development, assessment, monitoring and evaluation of environmental policy and legislation;
 - (c) to support the design and implementation of approaches to monitoring and assessment of the state of the environment and the factors, pressures and responses that impact on it;
 - (d) to facilitate the implementation of Community environmental policy, with particular emphasis on implementation at local and regional level;

- (e) to provide support for better environmental governance by broadening stakeholder involvement, including that of NGOs, in policy consultation and implementation.
4. The specific objectives of LIFE+ Information and Communication shall be:
- (a) to disseminate information and raise awareness on environmental issues, including forest fire prevention;
 - (b) to provide support for accompanying measures, such as information, communication actions and campaigns, conferences and training, including training on forest fire prevention.
5. Annex I contains the list of eligible measures.

Article 5

Types of intervention

1. Community funding may take the following legal forms:
- (a) grant agreements;
 - (b) public procurement contracts.

2. Community grants may be provided in specific forms, such as framework partnership agreements, participation in financial mechanisms and funds, or co-funding of operating or action grants. Operating grants to bodies pursuing objectives of general European interest shall not be subject to the degressivity provisions of the Financial Regulation.
3. For action grants, the maximum rate of co-financing shall be 50 % of eligible costs. However, by way of exception, the maximum co-financing rate for LIFE+ Nature and Biodiversity may be up to 75 % of eligible costs in the case of projects concerning priority habitats or species for the implementation of Directive 92/43/EEC or the species of birds considered as a priority for funding by the committee set up pursuant to Article 16 of Directive 79/409/EEC when this is necessary to achieve the conservation objective.
4. In the case of public procurement contracts, Community funds may cover the costs of purchase of services and goods. These costs may include expenditure on information and communication, preparation, implementation, monitoring, checking and evaluation of projects, policies, programmes and legislation.

5. 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.
6. The Commission shall implement this Regulation in accordance with the Financial Regulation.

Article 6

Programming and project selection

1. At least 78 % of the budgetary resources for LIFE+ shall be used for action grants for projects.
2. The Commission shall ensure a proportionate distribution of projects by establishing indicative annual national allocations for the periods 2007-2010 and 2011-2013, based 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 additional allocations to land-locked Member States. The total amount of such allocations shall not exceed 3 % of the total budgetary resources dedicated to action grants for projects.

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.

3. The multi-annual strategic programme set out in Annex II specifies the priority areas of action for Community funding in relation to the objectives and criteria set out in Articles 1, 3 and 4.

Member States may, for the part of the budget to be used for action grants for projects, submit to the Commission national annual priorities selected from Annex II that, as appropriate:

- (a) identify priority areas and types of projects, taking account of identified long-term needs; and
- (b) outline specific national objectives.

If a Member State decides to submit national annual priorities to the Commission, it may include transnational priorities.

4. If a Member State decides to submit national annual priorities to the Commission, it shall do so as soon as possible, and no later than the date specified in accordance with Article 14(2)(a). No such priorities shall be submitted with respect to the annual call for proposals for the 2007 budget.
5. The Commission shall make an annual call for proposals for the components listed in Article 4(1), having regard, in particular, to the multi-annual strategic programme set out in Annex II and any national annual priorities submitted in accordance with paragraph 4 of this Article.

6. Member States shall forward all proposals for projects to be financed to the Commission. In the case of transnational projects, the Member State in which the beneficiary is registered shall forward the proposal. The project shall count proportionately towards the indicative national allocations of the Member States involved.

Member States may provide written comments on individual project proposals. They may comment, in particular, on whether a proposal corresponds to the national annual priorities selected from Annex II.

7. The Commission shall select projects on the basis of the objectives and criteria set out in Articles 1, 3 and 4 and in Annexes I and II.

When compiling the list of projects considered for financial support in accordance with the indicative national allocations established pursuant to paragraph 2, the Commission shall give priority to those projects that make the greatest contribution to the achievement of Community objectives, taking into account:

- (a) national priorities submitted in accordance with paragraph 4; and
- (b) comments from Member States on individual project proposals pursuant to paragraph 6.

The Commission shall have special regard to transnational projects when transnational cooperation is essential to guarantee environmental protection, in particular species conservation, and shall endeavour to ensure that at least 15 % of the budgetary resources dedicated to action grants for projects are allocated to transnational projects.

8. If the sum of co-financing necessary for projects on the list compiled in accordance with paragraph 7 with respect to a given Member State is less than the indicative allocation for that Member State based on the criteria set out in paragraph 2, the Commission shall use the balance to co-finance those projects submitted by other Member States that make the greatest contribution to the achievement of the Community objectives set out in Articles 1, 3 and 4 and Annexes I and II.
9. When proposing the list of projects to be co-financed to the Committee referred to in Article 13(1), the Commission shall provide a written explanation of how it had regard to the allocation criteria established in accordance with paragraph 2 of this Article and national annual priorities and comments submitted in accordance with paragraphs 4 and 6 of this Article, while respecting the objectives and criteria set out in Articles 1, 3 and 4.
10. 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.

Article 7
Beneficiaries

Public and/or private bodies, actors and institutions may receive financing through LIFE+.

Article 8
Participation of third countries

Programmes financed through LIFE+ shall be open to the participation of the following countries, provided that supplementary appropriations are received:

- (a) EFTA States which have become members of the European Environment Agency in accordance with Council Regulation (EC) No 933/1999 of 29 April 1999 amending Regulation (EEC) No 1210/90 on the establishment of the European Environment Agency and the European environment information and observation network¹;
- (b) candidate countries for accession to the European Union;
- (c) Western Balkan countries included in the Stabilisation and Association Process.

¹ OJ L 117, 5.5.1999, p. 1.

Article 9

Complementarity between financial instruments

This Regulation shall not finance measures which fall within the eligibility criteria and 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, the Competitiveness and Innovation Framework Programme, the European Fisheries Fund and the Seventh Framework Programme for research, technological development and demonstration activities. 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 and Member States shall take steps to ensure coordination and complementarity with other Community instruments. The Commission shall report on these matters in the context of the mid-term review and final evaluation provided for in Article 15.

Article 10

Duration and budgetary resources

1. This Regulation shall be implemented during the period beginning on 1 January 2007 and ending on 31 December 2013.
2. The financial envelope for the implementation of LIFE+ shall be set at EUR 2 143 409 000 for the period from 1 January 2007 to 31 December 2013.

3. The budgetary resources allocated to the actions provided for in this Regulation shall be entered in the annual appropriations of the general budget of the European Union.

The budgetary authority shall authorise the available annual appropriations within the limits of the financial framework.

4. At least 50 % of the budgetary resources for LIFE+ dedicated to action grants for projects shall be allocated to measures to support the conservation of nature and biodiversity.

Article 11

Monitoring

1. For projects financed by LIFE+, the beneficiary shall submit to the Commission technical and financial reports on the progress of work. A final report shall also be submitted within three months of the completion of each project.
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.

3. Contracts and agreements resulting from this Regulation shall provide in particular for supervision and financial control by the Commission, or any representative that the Commission may authorise, and for audits by the Court of Auditors, if necessary on-the-spot.
4. The beneficiary of financial assistance shall keep available for the Commission, for a period of five years following the last payment in respect of any project, all supporting documents regarding expenditure on that project.
5. On the basis of the results of the reports and sample checks referred to in paragraphs 1 and 2, the Commission shall, if necessary, adjust the scale or the conditions of allocation of the financial assistance originally approved as well as the timetable for payments.
6. The Commission shall take all other steps necessary to verify that projects financed are carried out properly and in compliance with the provisions of this Regulation and the Financial Regulation.

Article 12

Protection of Community financial interests

1. The Commission shall ensure that, when projects financed under this Regulation are implemented, the financial interests of the Community are protected by the application of preventive measures against fraud, corruption and any other illegal activities, by effective checks and by the recovery of the amounts unduly paid and, if irregularities are detected, by the application of effective, proportional and dissuasive penalties, in accordance with Council Regulation (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities' financial interests¹, Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities², and Regulation (EC) No 1073/1999 of the European Parliament and of the Council of 25 May 1999 concerning investigations conducted by the European Anti-Fraud Office (OLAF)³.
2. For projects financed under LIFE+, "irregularity", as referred to in Article 1(2) of Regulation (EC, Euratom) No 2988/95, shall mean any infringement of a provision of Community law or any breach of a contractual obligation resulting from an act or omission by an economic operator which has, or would have, the effect of prejudicing the general budget of the European Union or budgets managed by the Communities by an unjustified item of expenditure.

¹ OJ L 312, 23.12.1995, p. 1.

² OJ L 292, 15.11.1996, p. 2.

³ OJ L 136, 31.5.1999, p. 1.

3. The Commission shall reduce, suspend or recover the amount of financial assistance granted for a project if it finds irregularities, including non-compliance with the provisions of this Regulation or the individual decision or the contract or agreement granting the financial assistance in question, or if it transpires that, without Commission approval having been sought, the project has been subjected to a change which conflicts with its nature or implementing conditions.
4. If time limits have not been observed or if only part of the allocated financial assistance is justified by the progress made with implementing a project, the Commission shall request the beneficiary to submit observations within a specified period. If the beneficiary does not give a satisfactory answer, the Commission may cancel the remaining financial assistance and demand repayment of sums already paid.
5. Any undue payment shall be repaid to the Commission. Interest shall be added to any sums not repaid in good time under the conditions laid down by the Financial Regulation.

Article 13

Committee

1. The Commission shall be assisted by a committee.
2. Where reference is made to this paragraph, Article 5a(1) to (4) and Article 7 of Decision 1999/468/EC shall apply, having regard to the provisions of Article 8 thereof.

3. Where reference is made to this paragraph, Articles 4 and 7 of Decision 1999/468/EC shall apply, having regard to the provisions of Article 8 thereof.

The period laid down in Article 4(2) of Decision 1999/468/EC shall be set at three months.

Article 14

Implementing decisions

1. The following decisions, designed to amend non-essential elements of this Regulation, shall be adopted in accordance with the regulatory procedure with scrutiny referred to in Article 13(2):
 - (a) to add measures to Annex I;
 - (b) to amend Annex II.
2. The following implementing decisions shall be taken in accordance with the procedure referred to in Article 13(3):
 - (a) to specify the format, content and submission dates for national annual priorities for the purposes of Article 6(4);
 - (b) to lay down the methodology of the project selection procedure for 2008 to 2013 in accordance with Article 6;
 - (c) to decide upon the list of projects accepted for co-financing as set out in Article 6(7) and (8);

- (d) to determine the form and content of the reports referred to in Article 11(1); and
- (e) to establish indicators to assist the monitoring of measures financed by LIFE+.

Article 15

Evaluation

1. The Commission shall ensure that regular monitoring of multi-annual programmes takes place to assess their impact.
2. No later than 30 September 2010, the Commission shall submit a mid-term review of LIFE+ to the European Parliament and to the Committee referred to in Article 13(1). The mid-term review shall evaluate the implementation of this Regulation from 2007 to 2009. The Commission shall, if appropriate, propose modifications to the implementing decisions in accordance with Article 14.
3. The Commission shall arrange for a final evaluation of the implementation of this Regulation assessing the contribution, both specifically and in general, that actions and projects financed under this Regulation have made to the implementation, updating and development of Community environmental policy and legislation and the use made of the appropriations. It shall submit this final evaluation to the European Parliament and the Council no later than 31 December 2012, together, if appropriate, with a proposal for the further development of a financial instrument exclusively in the environmental field, to apply from 2014 onwards.

Article 16
Repeal and transitional provisions

1. The following instruments shall be repealed with a view to simplification and consolidation:
 - (a) Regulation (EC) No 1655/2000 of the European Parliament and of the Council of 17 July 2000 concerning the Financial Instrument for the Environment (LIFE)¹;
 - (b) Decision No 1411/2001/EC of the European Parliament and of the Council of 27 June 2001 on a Community Framework for cooperation to promote sustainable urban development²;
 - (c) Decision No 466/2002/EC of the European Parliament and of the Council of 1 March 2002 laying down a Community action programme promoting non-governmental organisations primarily active in the field of environmental protection³;
 - (d) Regulation (EC) No 2152/2003 of the European Parliament and of the Council of 17 November 2003 concerning monitoring of forests and environmental interactions in the Community (Forest Focus)⁴.

¹ OJ L 192, 28.7.2000, p. 1. Regulation as last amended by Regulation (EC) No 1682/2004 (OJ L 308, 5.10.2004, p. 1).

² OJ L 191, 13.7.2001, p. 1. Decision as amended by Decision No 786/2004/EC (OJ L 138, 30.4.2004, p. 7).

³ OJ L 75, 16.3.2002, p. 1. Decision as amended by Decision No 786/2004/EC.

⁴ OJ L 324, 11.12.2003, p. 1. Regulation as amended by Regulation (EC) No 788/2004 (OJ L 138, 30.4.2004, p. 17).

2. Measures started before 31 December 2006 pursuant to the acts referred to in paragraph 1 shall, until their completion, continue to be governed by those acts. The Committee referred to in Article 13(1) shall replace the committees provided for in these acts. This Regulation shall be used to fund any obligatory monitoring and evaluation required under those acts following their expiry. Until their completion, measures shall comply with the technical provisions defined in the acts referred to in paragraph 1.
3. For grants awarded in 2007 under point (a) of Annex I, the period of eligibility of expenditure may start on 1 January 2007, provided that the expenditure does not precede the date on which the beneficiary's budget year starts. For such grants, on an exceptional basis, the agreements referred to in Article 112(2) of the Financial Regulation may be signed not later than 31 October 2007.
4. The amount needed within the financial envelope to provide for monitoring and auditing measures in the period following 31 December 2013 shall be deemed to be confirmed only if it is consistent with the new financial framework applicable from 2014.

Article 17
Entry into force

This Regulation shall enter into force on the third day following that of its publication in the Official Journal of the European Union.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Strasbourg,

For the European Parliament
The President

For the Council
The President

ANNEX I

MEASURES ELIGIBLE FOR FUNDING

Without prejudice to Article 9, the following measures may be financed by LIFE+ if they satisfy the eligibility criteria set out in Article 3:

- (a) operational activities of NGOs that are primarily active in protecting and enhancing the environment at European level and involved in the development and implementation of Community 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;
- (c) studies, surveys, modelling and scenario building;
- (d) monitoring, including the monitoring of forests;
- (e) capacity building assistance;
- (f) training, workshops and meetings, including the training of agents involved in forest fire prevention initiatives;

- (g) networking and best-practice platforms;
- (h) information and communication actions, including awareness-raising campaigns and, in particular, public awareness-campaigns on forest fires;
- (i) demonstration of innovative policy approaches, technologies, methods and instruments;
and
- (j) specifically for the nature and biodiversity component:
 - site and species management and site planning, including the improvement of the ecological coherence of the Natura 2000 network,
 - the monitoring of conservation status, including setting up procedures and structures for such monitoring,
 - the development and implementation of species and habitats conservation action plans,
 - the extension of the Natura 2000 network in marine areas,

- the purchase of land, provided that:
 - = the purchase would contribute to maintaining or restoring the integrity of a Natura 2000 site,
 - = land purchase is the only or most effective way of achieving the desired conservation outcome,
 - = the land purchased is reserved in the long term for uses consistent with the objectives set out in Article 4(2), and
 - = the Member State concerned shall, by way of transfer or otherwise, ensure the long-term reservation of such land for nature conservation purposes.
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ANNEX II

MULTI-ANNUAL STRATEGIC PROGRAMME

NATURE AND BIODIVERSITY

1. Principal objective

To protect, conserve, restore, monitor and facilitate the functioning of natural systems, natural habitats, and wild flora and fauna, with the aim of halting the loss of biodiversity, including diversity of genetic resources, within the EU by 2010.

1.1. Priority areas of action:

- contributing to implementing Community policy and legislation on nature and biodiversity, in particular Directives 79/409/EEC and 92/43/EEC, and promoting their integration with other policy areas,
- supporting the further development and implementation of the Natura 2000 network, including coastal and marine habitats and species,
- supporting the design and implementation of policy approaches and instruments for monitoring and assessing nature and biodiversity and the factors, pressures and responses that impact on them, in particular in relation to achieving the target of halting biodiversity loss within the Community by 2010, and
- improving knowledge of the impact of genetically modified organisms on ecosystems and biodiversity: risk assessment methodologies.

ENVIRONMENT POLICY AND GOVERNANCE

2. Principal objective "Climate change"

To stabilise greenhouse gas concentration at a level that prevents global warming above 2°C.

2.1. Priority areas of action:

- ensuring the implementation of EU commitments under the Kyoto Protocol to the United Nations Framework Convention on Climate Change and developing a post-2012 strategy and implementation programme,
- ensuring the adaptation of the EU economy and society, of nature and biodiversity, of water resources and of human health to the adverse impacts of climate change (to a potential temperature increase of 2 °C resulting from increased greenhouse gas concentrations) and mitigating such impacts,
- ensuring the implementation and use of market-based instruments, in particular greenhouse gas emission trading, in order to achieve a cost-efficient emission reduction in a post-2012 framework.

3. Principal objective "Water"

To contribute to enhanced water quality by developing cost-effective measures to achieve good ecological status in view of developing the first river basin management plan under Directive 2000/60/EC¹ by 2009.

¹ Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy (OJ L 327, 22.12.2000, p. 1). Directive as amended by Decision No 2455/2001/EC (OJ L 331, 15.12.2001, p. 1).

3.1. Priority areas of action:

- exchanging policy-relevant information and best practices,
- enhancing science-policy integration and transfer of results in support to Member States for preparing river basin management plans, including preparing the programmes of measures under Directive 2000/60/EC and integrating measures from parent directives such as Directive 91/271/EEC¹, Directive 91/414/EEC², Directive 91/676/EEC³, Directive 96/61/EC⁴, Directive 98/83/EC⁵ and Directive 2006/7/EC⁶,
- contributing to the effective implementation of the Thematic Strategy on the protection and conservation of the marine environment,
- hydromorphological features such as restoring floodplains and other measures in support of a directive on the assessment and management of flood risks.

¹ Council Directive 91/271/EEC of 21 May 1991 concerning urban waste-water treatment (OJ L 135, 30.5.1991, p. 40). Directive as last amended by Regulation (EC) No 1882/2003 of the European Parliament and of the Council (OJ L 284, 31.10.2003, p. 1).

² Council Directive 91/414/EEC of 15 July 1991 concerning the placing of plant protection products on the market (OJ L 230, 19.8.1991, p. 1). Directive as last amended by Commission Directive 2007/21/EC (OJ L 97, 12.4.2007, p. 42).

³ Council Directive 91/676/EEC of 12 December 1991 concerning the protection of waters against pollution caused by nitrates from agricultural sources (OJ L 375, 31.12.1991, p. 1). Directive as amended by Regulation (EC) No 1882/2003.

⁴ Council Directive 96/61/EC of 24 September 1996 concerning integrated pollution prevention and control (OJ L 257, 10.10.1996, p. 26). Directive as last amended by Regulation (EC) No 166/2006 of the European Parliament and of the Council (OJ L 33, 4.2.2006, p. 1).

⁵ Council Directive 98/83/EC of 3 November 1998 on the quality of water intended for human consumption (OJ L 330, 5.12.1998, p. 32). Directive as amended by Regulation (EC) No 1882/2003.

⁶ Directive 2006/7/EC of the European Parliament and of the Council of 15 February 2006 concerning the management of bathing water quality (OJ L 64, 4.3.2006, p. 37).

4. Principal objective "Air"

To achieve levels of air quality that do not give rise to significant negative impacts on and risks to human health and the environment.

4.1. Priority area of action:

- implementing the Thematic Strategy on air pollution.

5. Principal objective "Soil"

To protect and to ensure the sustainable use of soil by preserving soil functions, preventing threats to soil, mitigating their effects and restoring degraded soils.

5.1. Priority areas of action:

- implementing the Thematic Strategy for soil protection,
- ensuring the protection and restoration of soil biodiversity.

6. Principal objective "Urban environment"

To contribute to improving the environmental performance of Europe's urban areas.

6.1. Priority area of action:

- contributing to improved implementation of existing Community environmental policy and legislation at local level by supporting and encouraging local authorities to adopt a more integrated approach to urban management, including the transport and energy sectors.

7. Principal objective "Noise"

To contribute to policy development and implementation on environmental noise.

7.1. Priority area of action:

- preventing and reducing the harmful effects from exposure to environmental noise.

8. Principal objective "Chemicals"

To improve the protection of the environment and health from risks posed by chemicals by 2020 by implementing chemicals legislation, in particular Regulation No 1907/2006¹ (REACH) and the Thematic Strategy on the sustainable use of pesticides.

¹ Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) and establishing a European Chemicals Agency (OJ L 396, 30.12.2006, p. 1).

8.1. Priority areas of action:

- exchanging policy-relevant information and best practices,
- enhancing science-policy integration and the transfer of results to provide a solid technical background in support of REACH,
- implementation of the Thematic Strategy on the sustainable use of pesticides.

9. Principal objective "Environment and health"

To develop the information base for policy on the environment and health (the Environment and Health Action Plan 2004–2010).

9.1. Priority areas of action:

- human biomonitoring and data linkage on the environment and health,
- protection of the ozone layer to reduce negative impacts on health and the environment.

10. Principal objective "Natural resources and waste"

- To develop and implement policies designed to ensure sustainable management and use of natural resources and waste, and to improve the environmental performance of products, sustainable production and consumption patterns, waste prevention, recovery and recycling.
- To contribute to the effective implementation of the Thematic Strategy on the prevention and recycling of waste.

10.1. Priority areas of action:

- developing and implementing sustainable consumption and production policies, including the Integrated Product Policy,
- promoting sustainable use of natural resources, with a life-cycle approach, including environmental, social and economic aspects, in order to decouple environmental impact from economic growth,
- promoting waste prevention, recovery and recycling with a focus on life-cycle thinking, eco-design and the development of recycling markets,

- contributing to the implementation of Community policy and legislation on waste, in particular Directive 75/439/EEC¹, Directive 91/689/EC², Directive 96/59/EC³, Directive 1999/31/EC⁴, Directive 2000/53/EC⁵, Directive 2002/95/EC⁶, Directive 2002/96/EC⁷, Regulation (EC) No 850/2004⁸, Directive 2006/12/EC⁹, Directive 2006/21/EC¹⁰ and Regulation (EC) No 1013/2006¹¹.

¹ Council Directive 75/439/EEC of 16 June 1975 on the disposal of waste oils (OJ L 194, 25.7.1975, p. 23). Directive as last amended by Directive 2000/76/EC of the European Parliament and of the Council (OJ L 332, 28.12.2000, p. 91).

² Council Directive 91/689/EEC of 12 December 1991 on hazardous waste (OJ L 377, 31.12.1991, p. 20). Directive as last amended by Regulation (EC) No 166/2006 of the European Parliament and of the Council (OJ L 33, 4.2.2006, p. 1).

³ Council Directive 96/59/EC of 16 September 1996 on the disposal of polychlorinated biphenyls and polychlorinated terphenyls (PCB/PCT) (OJ L 243, 24.9.1996, p. 31).

⁴ Council Directive 1999/31/EC of 26 April 1999 on the landfill of waste (OJ L 182, 16.7.1999, p. 1). Directive as amended by Regulation (EC) No 1882/2003.

⁵ Directive 2000/53/EC of the European Parliament and of the Council of 18 September 2000 on end-of life vehicles (OJ L 269, 21.10.2000, p. 34). Directive as last amended by Council Decision 2005/673/EC (OJ L 254, 30.9.2005, p. 69).

⁶ Directive 2002/95/EC of the European Parliament and of the Council of 27 January 2003 on the restriction of the use of certain hazardous substances in electrical and electronic equipment (OJ L 37, 13.2.2003, p. 19). Directive as last amended by Commission Decision 2006/692/EC (OJ L 283, 14.10.2006, p. 50).

⁷ Directive 2002/96/EC of the European Parliament and of the Council of 27 January 2003 on waste electrical and electronic equipment (WEEE) (OJ L 37, 13.2.2003, p. 24). Directive as amended by Directive 2003/108/EC (OJ L 345, 31.12.2003, p. 106).

⁸ Regulation (EC) No 850/2004 of the European Parliament and of the Council of 29 April 2004 on persistent organic pollutants (OJ L 158, 30.4.2004, p. 7). Regulation as last amended by Commission Regulation (EC) No 323/2007 (OJ L 85, 27.3.2007, p. 3).

⁹ Directive 2006/12/EC of the European Parliament and of the Council of 5 April 2006 on waste (OJ L 114, 27.4.2006, p. 9).

¹⁰ Directive 2006/21/EC of the European Parliament and of the Council of 15 March 2006 on the management of waste from extractive industries (OJ L 102, 11.4.2006, p. 15).

¹¹ Regulation (EC) No 1013/2006 of the European Parliament and of the Council of 14 June 2006 on shipments of waste (OJ L 190, 12.7.2006, p. 1).

11. Principal objective "Forests"

To provide, especially through an EU coordination network, a concise and comprehensive basis for policy relevant information on forests in relation to climate change (impact on forest ecosystems, mitigation, substitution effects), biodiversity (baseline information and protected forest areas), forest fires, forest conditions and the protective functions of forests (water, soil and infrastructure) as well as contributing to the protection of forests against fires.

11.1. Priority areas of action:

- promoting the collection, analysis and dissemination of policy-relevant information concerning forests and environmental interactions,
- promoting harmonisation and effectiveness of forest monitoring activities and data collection systems and making use of synergies by creating links between monitoring mechanisms established at regional, national, Community and global level,
- stimulating synergies between specific forest-related issues and environmental initiatives and legislation (e.g. Thematic Strategy for soil protection, Natura 2000, Directive 2000/60/EC),
- contributing to sustainable forest management, in particular, by collecting data related to the improved Pan-European Indicators for Sustainable Forest Management as adopted by the Ministerial Conference on the Protection of Forests in Europe (MCPFE) Expert Level Meeting 7-8 October 2002, Vienna, Austria,
- building capacities at national and Community level to allow for coordination and guidance on forest monitoring.

12. Principal objective "Innovation"

To contribute to developing and demonstrating innovative policy approaches, technologies, methods and instruments to assist in the implementation of the Environmental Technologies Action Plan (ETAP).

12.1. Priority areas of action:

- further defining and optimising the achievement of ETAP through improved planning and coordination, effective monitoring of progress, timely identification and narrowing of knowledge gaps and effective utilisation of scientific, economic and other information relevant to policy implementation,
- promoting the identification, demonstration and dissemination of innovative technologies and practices, through actions which are complementary to those of the Competitiveness and Innovation Framework Programme,
- exchanging information and good practice between EU actors in relation to the international trade of environmental technologies, responsible investments in developing countries and implementation of World Summit on Sustainable Development (WSSD) actions related to environmental technologies.

13. Principal objective "Strategic approaches"

- To promote the effective implementation and enforcement of Community environmental legislation and improve the knowledge base for environmental policy.
- To ensure more efficient and coherent policies.
- To improve the environmental performance of SMEs.
- To provide the tools to develop environmental policy and legislation.
- To ensure adequate supervision of projects by the Commission.

13.1. Priority areas of action:

- improving the assessment of new policy measures, in particular at the stage of their initial formulation or later review,
- strengthening the knowledge base for policy making and implementation by building a Shared Environmental Information System (SEIS) and supporting the implementation of the Global Monitoring for Environment and Security (GMES) initiative,

- improving the assessment of implementation and ex-post evaluation,
- identifying and gradually eliminating environmentally harmful subsidies,
- increasing the use of market-based instruments to achieve improved policy mixes,
- providing tools to underpin sustainable development policies, in particular indicators,
- implementing the Environmental Compliance Assistance Programme for SMEs,
- undertaking appropriate steps employing external assistance in order to develop and implement environmental policy,
- providing the tools to obtain technical and/or administrative assistance relating to the identification, preparation, management, monitoring, audit and supervision of projects, including both LIFE III and LIFE+ projects.

14. Principal objective "Governance"

To achieve better environmental governance, including increased awareness of environmental issues and participation in environmental decision-making amongst European citizens.

14.1 Priority area of action:

- broadening stakeholder involvement, including of consumer groups and non-governmental organisations, in the development and implementation of environmental policy and legislation.

15 Principal objective "NGOs"

To promote NGOs which are primarily active in the field of environmental protection at European level.

15.1. Priority areas of action:

- strengthening the participation of NGOs in the dialogue process in environmental policy-making and in its implementation,
- strengthening the participation of NGOs in the European standardisation process in order to ensure balanced stakeholder representation and the systematic integration of environmental aspects.

INFORMATION AND COMMUNICATION

16. Principal objective

To ensure regular and effective information flow in order to provide the basis for policy decisions on the environment, and to make information on the state and trends of the environment accessible to citizens.

16.1. Priority area of action:

- disseminating information, eco-labelling, raising awareness and developing specific skills on environmental issues, including on forest fire prevention.
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