

Procedure file

Basic information	
COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	2003/0260(COD) Procedure completed
LIFE III, financial instrument for the environment: extension until 31 December 2006	
Amending Regulation (EC) No 1655/2000	1998/0336(COD)
Subject 3.70 Environmental policy	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	ENVI Environment, Public Health, Consumer Policy		27/11/2003
		PPE-DE JACKSON Caroline	
	Committee for opinion	Rapporteur for opinion	Appointed
	BUDG Budgets		26/11/2003
		PSE HAUG Jutta	
Council of the European Union	Council configuration	Meeting	Date
	General Affairs	2602	26/07/2004
	Environment	2556	22/12/2003
European Commission	Commission DG Environment	Commissioner	

Key events			
05/11/2003	Legislative proposal published	COM(2003)0667	Summary
17/11/2003	Committee referral announced in Parliament, 1st reading		
22/12/2003	Debate in Council	2556	
08/03/2004	Vote in committee, 1st reading		Summary
08/03/2004	Committee report tabled for plenary, 1st reading	A5-0137/2004	
21/04/2004	Decision by Parliament, 1st reading	T5-0334/2004	Summary
26/07/2004	Act adopted by Council after Parliament's 1st reading		
15/09/2004	Final act signed		

15/09/2004	End of procedure in Parliament		
05/10/2004	Final act published in Official Journal		

Technical information	
Procedure reference	2003/0260(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
	Amending Regulation (EC) No 1655/2000 1998/0336(COD)
Legal basis	EC Treaty (after Amsterdam) EC 175-p1
Stage reached in procedure	Procedure completed
Committee dossier	ENVI/5/20308

Documentation gateway					
Legislative proposal		COM(2003)0667	05/11/2003	EC	Summary
Economic and Social Committee: opinion, report		CES1603/2003 OJ C 080 30.03.2004, p. 0057-0058	10/11/2003	ESC	
Committee report tabled for plenary, 1st reading/single reading		A5-0137/2004	08/03/2004	EP	
Text adopted by Parliament, 1st reading/single reading		T5-0334/2004 OJ C 104 30.04.2004, p. 0422-0622 E	21/04/2004	EP	Summary

Additional information	
European Commission	EUR-Lex

Final act
Regulation 2004/1682 OJ L 308 05.10.2004, p. 0001-0005 Summary

LIFE III, financial instrument for the environment: extension until 31 December 2006

PURPOSE : to amend Regulation 1655/2000/EC concerning the Financial Instrument for the Environment (LIFE). PROPOSED ACT : Proposal for a Regulation of the European Parliament and of the Council. CONTENT : in view of the mid-term evaluation results and recommendations (COD/1998/0336) and in line with the new policy context there is a need to extend the existing instrument. This will ensure continuity until a new approach is developed in view of the new post-2006 financial perspectives. An extension of the existing Regulation should avoid a legal gap between the end of the LIFE III phase on 31 December 2004 and the introduction of the new financial perspectives. The extension should therefore cover 2 years until 31 December 2006. In addition the extension should include the following modifications to the existing Regulation: - the Regulation should be fully aligned to the provisions of the new Financial Regulation; - considering that the 6th Environment Action Program has been adopted in 2002, the guidelines that define the priority areas for Life-Environment demonstration projects will be revised to clearly link them with the priorities set in the Program and the actions to be proposed in the EU Environmental Technology Action Plan. ETAP which is currently under preparation; - the complementarity of Life with Research, Structural Fund and Rural Development Programmes needs to be properly reflected in the regulation; - the committee procedure to which the implementation measures of the Life Regulation are subject is modified to take account of the judgement issued by the Court of Justice in January 2003; - the proposed amount for a two year extension of Life amounts to 317.2 million Euro; this is coherent with the present financial perspectives and takes into consideration the effect of enlargement; - a limited increase is proposed for accompanying measures from 5 to 6% of the budget to allow for a further improvement in the dissemination and monitoring activities; - an ex-post evaluation of the LIFE programme is proposed in 2006; - a special scheme is introduced to allow for the continuation of monitoring activities of projects still active after 2006. The geographical scope of LIFE is not modified in the proposal for a two years extension of LIFE III. However, the participation of Ukraine, Moldova and Belarus should be considered afterwards.

FINANCIAL IMPLICATIONS: - Budget line : B4-3200A : LIFE (Financial Instrument for the Environment - 2005 to 2010) - Projects on Community territory - Part I (nature protection) - Expenditure on administrative management; B4-3201A : LIFE (Financial Instrument for the Environment - 2005 to 2010) - Projects on Community territory - Part II (Environmental protection) - Expenditure on administrative Management; B7-810A LIFE (European Financial Instrument for the Environment - 2005 to 2010) - Operations outside Community territory - Expenditure on administrative management; B7-810 LIFE (European Financial Instrument for the Environment - 2005 to 2006) - Operations outside Community territory; B4-3200 LIFE (Financial Instrument for the Environment- 2005 to 2006) - Projects on Community territory - Part I (nature protection); B4-3201 LIFE III (Financial Instrument for the Environment - 2005 to 2006) - Projects on Community territory - Part II (environmental protection). - Total allocation for action : EUR 317, 165 million (financial intervention EUR 284, 882 million for commitment; technical and administrative assistance EUR 32, 283 million). - Period of allocation : 2005-2006.?

LIFE III, financial instrument for the environment: extension until 31 December 2006

The committee adopted the report by its chair, Caroline JACKSON (EPP-ED, UK), amending the proposal under the 1st reading of the codecision procedure: - land purchased by private entities using LIFE funds should be transferred to public bodies if those entities are unable to fulfil the objectives of the LIFE regulation; - to avoid the risk of double funding, as highlighted by the Court of Auditors in its special report on the financial management of LIFE II, the Commission should ensure that applicants' attention is drawn to the fact that they cannot cumulate subsidies from different Community funds. The Commission should also set up internal control mechanisms; - whereas the Commission was proposing funding of EUR 317.2 million for implementation of the extended phase in the period 2005/2006, the committee proposed that this sum be increased to EUR 354 million, to ensure sufficient funds for LIFE projects in accession countries; - the Commission should submit its evaluation report by 30 September 2005, rather than 30 September 2006 as proposed, together with a proposal for a possible extension of the programme where appropriate or alternative arrangements for a financial instrument in the environmental sphere, to apply from 2007 onwards. Moreover, Parliament and the Council should decide no later than 1 July 2006 on these proposals. MEPs argued that these provisions would ensure that the Commission gave a signal about its intentions in the context of the 2006 budgetary procedure and enable Parliament to be informed about a possible extension of the programme in the context of the negotiations for the new financial perspective; - lastly, the Commission should ensure that the results of all funded projects are disseminated to the general public and should publish annually a complete list of projects financed including a short description and a summary of funds expended in each case.?

LIFE III, financial instrument for the environment: extension until 31 December 2006

The European Parliament adopted a resolution drafted by Caroline JACKSON (Epp-ED, UK) and made some amendments to the proposal. These amendments take into account the concerns related to land purchase with LIFE financing and the avoidance of double funding. The amendments are part of a first reading compromise package reached between the rapporteur, the major political groups and the Council: - projects receiving aid provided for under the Structural Funds or other Community budget instruments shall not be eligible for financial assistance under the Regulation. The Commission must ensure that applicants' attention is drawn to the fact that they cannot cumulate subsidies from different Community funds. Appropriate measures shall be put in place to prevent the possibility of double funding; - a new clause states that the salary costs of a civil servant shall be considered eligible only to the extent that they relate to the cost of activities that the relevant public authority would not carry out if the project concerned were not undertaken; - the grant of assistance in respect of purchase of land must be subject to the condition that the land is reserved in the long term for uses of land consistent with the objective of LIFE. Member States must ensure the long-term reservation of such land for nature conservation purposes; - the compromise sets the budget EUR 317.2 million, which is the amount proposed by the Commission. However, the budgetary authority shall authorise annual appropriations within the limits of the applicable financial perspective; - the Commission must ensure that the results of all funded projects are disseminated to the general public and shall further demonstrate how the skills and experience gained may be reproduced elsewhere.?

LIFE III, financial instrument for the environment: extension until 31 December 2006

PURPOSE : to amend the LIFE Regulation.

LEGISLATIVE ACT : Regulation 1682/2004/EC of the European Parliament and of the Council amending Regulation 1655/2000/EC concerning the Financial Instrument for the Environment (LIFE).

CONTENT : this Regulation extends the current LIFE Regulation in order to ensure continuity until a new approach is developed in view of the new post-2006 financial perspectives. The extension avoids a legal gap between the end of the LIFE III phase on 31 December 2004 and the introduction of the new financial perspectives. The extension covers 2 years until 31 December 2006.

The main points of this Regulation are as follows:

- the committee procedure to which the implementation measures of the Life Regulation are subject is modified to take account of the judgement issued by the Court of Justice in January 2003;
- the financial framework for the implementation of the Regulation is set at EUR 317.2 million;
- there is an increase for accompanying measures from 5 to 6% of the budget to allow for a further improvement in the dissemination and monitoring activities;
- by 30 September 2005, the Commission will submit a report evaluating the implementation

of the Regulation, and, if appropriate, a proposal for the further development of LIFE or a financial instrument exclusively in the environmental field that will take account of the recommendations of the review of LIFE, to apply from 2007 onwards;

- a special scheme is introduced to allow for the continuation of monitoring activities of projects still active after 2006;
- the salary costs of a civil servant will be considered eligible only to the extent that they relate to the cost of activities that the relevant public authority would not carry out if the project concerned were not undertaken;
- a grant for the acquisition of land is subject to the condition that the land purchased is reserved in the long term for uses of land consistent

with the objective of LIFE-nature. Member States must ensure the long-term reservation of such land for nature conservation purposes;

- projects receiving aid provided for under the Structural Funds or other Community budget instruments will not be eligible for financial assistance under this Regulation. The Commission must ensure that applicants' attention is drawn to the fact that they cannot cumulate subsidies from different Community funds. Appropriate measures will be put in place to prevent the possibility of double funding.

ENTRY INTO FORCE : 08/10/04.