



Procedure file

Basic information		
INI - Own-initiative procedure	2004/2164(INI)	Procedure completed
Financing Natura 2000		
Subject 3.70.01 Protection of natural resources: fauna, flora, nature, wildlife, countryside; biodiversity		

Key players			
European Parliament	Committee responsible		Rapporteur
	ENVI Environment, Public Health and Food Safety		Appointed 27/09/2004
			Verts/ALE AUKEN Margrete
	Committee for opinion		Rapporteur for opinion
	BUDG Budgets		Appointed The committee decided not to give an opinion.
	REGI Regional Development		19/01/2005
			Verts/ALE EVANS Jill
	AGRI Agriculture and Rural Development		23/11/2004
		ALDE VIRRANKOSKI Kyösti	

Key events			
15/07/2004	Non-legislative basic document published	COM(2004)0431	Summary
28/10/2004	Committee referral announced in Parliament		
07/03/2005	Vote in committee		
08/03/2005	Committee report tabled for plenary	A6-0049/2005	
09/03/2005	Debate in Parliament		
10/03/2005	Results of vote in Parliament		
10/03/2005	Decision by Parliament	T6-0078/2005	Summary
10/03/2005	End of procedure in Parliament		

Technical information	
Procedure reference	2004/2164(INI)

Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
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Stage reached in procedure	Procedure completed
Committee dossier	ENVI/6/23614

Documentation gateway

Non-legislative basic document		COM(2004)0431	15/07/2004	EC	Summary
Document attached to the procedure		SEC(2004)0770	15/07/2004	EC	Summary
Economic and Social Committee: opinion, report		CES0136/2005 OJ C 221 08.09.2005, p. 0108-0112	10/02/2005	ESC	
Committee opinion	AGRI	PE353.327	23/02/2005	EP	
Committee opinion	REGI	PE353.420	07/03/2005	EP	
Committee report tabled for plenary, single reading		A6-0049/2005	08/03/2005	EP	
Text adopted by Parliament, single reading		T6-0078/2005 OJ C 320 15.12.2005, p. 0174-0267 E	10/03/2005	EP	Summary
Commission response to text adopted in plenary		SP(2005)1475	06/04/2005	EC	
Commission response to text adopted in plenary		SP(2005)1714/2	07/06/2005	EC	

Financing Natura 2000

PURPOSE : to assess future financing options for Natura 2000.

CONTENT : Europe's commitment to biodiversity and the preservation thereof has been outlined on numerous occasions, not least of which was at the 2001 Gothenburg summit of EU Heads of State. Following the summit the Head's of State made a commitment to reverse the decline of biodiversity in the European Union by 2010. The Natura 2000 network of protected areas made up of sites designated under the Community Bird and Habitats Directives is a key pillar of Community Action for the conservation of biodiversity. The question of financing Natura 2000 has been the matter of considerable debate amongst the EU institutions. Before preparing a response to this matter, the Commission consulted a wider variety of interested parties on the most appropriate way in which to finance Natura. In this task the Commission was assisted by an Expert Group made up of representatives of Member States and a variety of stakeholder groups. The report of the group, delivered in 2002 quantified the financial needs of the Natura 2000 network and reviewed experience of Community financing to date, as well as identifying options for future Community co-financing of the network.

Based on the findings of the report the Commission asserts that choices must now be made regarding future financing - either the integration of Natura financing into other relevant Community policies or a stand-alone fund. Most of the Member States' favour the integration option, while stakeholders have shown a preference for a dedicated Natura 2000 fund. In the end the Commission has opted for an integrationist approach to the matter of financing. It does so for the following reasons:

- It will ensure that the management of Natura 2000 sites is part of the wider land management policies of the EU. Farming, for example, will be part of the CAP financial support and, structural interventions, being part of rural and regional development policies. This complementary approach will enable the network of Natura 2000 sites to play its role in protecting Europe's biodiversity ? more so than if Natura sites are seen to be isolated or different from the wider policy context.
- It will allow Member States to set priorities and to develop policies and measures which reflect their national and regional specificities.
- It will avoid duplication and overlap of different Community funding instruments and the administrative complication and transaction costs, which would be associated with such duplication.

Based on the reasons outlined above, the Commission has decided that it will propose, as part of its forthcoming package of legislative proposals on the future financial perspectives, measures allowing Member States to draw co-financing for certain activities in Natura 2000 sites from a range of existing instruments.

Moreover, in a recent policy document the Commission stated that future rural development policy after 2006 should be structured, inter alia, around:

- Enhancing the environment and countryside through support for land management, including the co-financing of rural development actions related to Natura 2000 nature protection sites and

- The development and implementation of the Natura 2000 network of sites to protect European bio-diversity as well as implementation of the biodiversity actions plans.

To conclude, therefore, the Commission foresees a substantial part of future Natura 2000 funding coming from the Structural and Rural Development Funds, albeit that it will not be possible to fix a target for the level of this funding since the final expenditure will depend on the priority given to Natura 2000 within individual Member State programmes.

Financing Natura 2000

COMMISSION'S IMPACT ASSESSMENT

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

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

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

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

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

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

IMPACT

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

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

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

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

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

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

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

Financing Natura 2000

The European Parliament voted in favour of setting up a fund dedicated to co-finance the Natura 2000 network. An own-initiative report by Margrete AUKEN (Greens/EFA, DK), adopted by 460 in favour, 28 against and 13 abstentions, emphasises that the Natura 2000 network of protected areas across the EU is one of the main pillars of EU action on biodiversity.

Parliament welcomes the Commission statement that the EU rural development and structural funds should make a substantial contribution towards co-financing the Natura 2000 network. It equally welcomes the enabling of financing for Natura 2000 from rural development and structural funds. Nevertheless, having examined the relevant proposals (structural, rural and Life+), considers them insufficient for the adequate co-funding of the Natura 2000 network and therefore also insists that a dedicated fund be set up for this purpose.

The Commission is called upon to adjust its proposal for the Financial Instrument for the Environment, LIFE+, to include a dedicated biodiversity objective within that fund to provide funding for the management of Natura 2000 sites complementary to the rural development, structural and the fisheries funds, and complementary to funds made available by the Member States, including for special nature conservation investments, projects and emergencies; for nature conservation research, education and awareness-raising; and for cross-border cooperation with third countries on nature conservation projects.

Lastly, it is stressed that the Commission's calculation of the annual cost of the Natura 2000 network of EUR 6.1 billion is likely to be a significant under-estimate of the full cost of managing the network, and therefore should only be considered as the minimum necessary; further stresses that the calculation does not take into account the accession of the new Member States (Romania, Bulgaria and Croatia), and that the financial needs must be recalculated in order to cover the Natura 2000 network in the whole EU. Parliament has also stressed the importance of involving the national parliaments, the social partners, civil society and regional and local authorities in implementing these objectives, by promoting proper public consultation.