The EU is a global leader for environmental protection and climate action and - as confirmed in the President Juncker's 2017 *State of the Union addr*ess[[1]](#footnote-1) - wants to enhance this role[[2]](#footnote-2).

The LIFE programme is the only EU fund entirely dedicated to environmental and climate objectives. With its modest budget it targets a niche between EU programmes supporting research and innovation on the one hand and EU programmes financing large-scale deployment of measures on the other hand.

While LIFE activities tackle certain problems directly on the ground, the programme's mainimpact is indirect through its catalytic role directed to initiate, expand or accelerate sustainable production, distribution and consumption practices by supporting:

* The development and exchange of best practice and knowledge;
* The building up of the capacities and the speeding up of the implementation of environmental and climate legislation and policies;
* Stakeholders testing small-scale technologies and solutions; and
* The mobilisation of funding from other sources.

This impact assessment accompanies the Commission proposal for the future LIFE Programme for the Environment and Climate Action post 2020 and satisfies the requirements of the Financial Regulation in respect of preparing an ex-ante evaluation.

***Challenges and opportunities for the LIFE programme for the next MFF***

The recent mid-term evaluation of LIFE (MTE)[[3]](#footnote-3), confirmed that the current programme is on track to be effective[[4]](#footnote-4), efficient and relevant and it is providing a contribution to the Europe 2020 strategy. Furthermore, most stakeholders see LIFE as being a very important instrument for addressing environmental and climate priorities.

However, the MTE also identified opportunities to further enhance the programme’s overall effectiveness, which would not be realised with a continuation of the LIFE programme in its current format, and scale, in the period 2021-2027. They concern, in particular, opportunities to improve coherence between the LIFE programme and other EU funds and to enhance the catalytic role of the programme. Further opportunities for improvements were also identified in relation to the strategic focus of the programme, as well as opportunities to increase the efficiency and simplify the management of LIFE.

***The preferred options***

To address the identified challenges, several options were identified and then screened in terms of their effectiveness, efficiency and coherence. This identified a number of specific improvement options for the new programme, as described further below.

Three options were shortlisted in relation to the programme’s ***coverage and scope***:

1. Extending the scope of LIFE to include capacity building projects related to clean energy by adding a sub-programme on Clean Energy Transition would provide a more coherent approach to the funding of capacity building projects in the clean energy area, whilst also improving access to a wider range of beneficiaries.
2. Reinforcing LIFE's support for the mainstreaming of nature and biodiversity objectives. This would enhance the financing of nature, and improve coherence in the overall structuring of the EU budget by facilitating an improved mainstreaming approach. It may though require additional planning and coordination efforts from the environment authorities.
3. Extending the eligibility of LIFE to the EU's Overseas Countries and Territories (OCT), specifically for nature and biodiversity actions within the Nature and Biodiversity sub-programme, would address a potential gap in funding of the BEST scheme[[5]](#footnote-5).

If the budget is specifically increased to include Clean Energy Transition and/or to include a sub-programme for Nature, these options (option 1 and 2) should be included in the structure of the Life Programme.

Nine options were shortlisted in relation to the programme’s ***delivery mechanisms,*** and ***programme management***

To improve the performance and catalytic role of LIFE, two options were explored which concern the accessibility of LIFE for applicants from all EU Member States. The option to provide centralised support to the entire NCP network instead of the present national capacity building projects (for only certain MSs) is assessed positively. The option of increasing co-financing rates would need to be further considered once the overall shape and budget of the LIFE programme for the next MFF will be decided and based on the demand over time.

Four other complementary options were considered to improve the performance and catalytic role of the Programme. Among them, the extension of the Strategic Integrated Projects is considered to be the most powerful mechanism based on the pilot experience of integrated projects in the present LIFE programme. This would however, require additional budget compared to the present Programme.

The options to enhance replication and to increase both the flexibility of the programme and the possibility to target key and emerging issues through simplifying the Regulation and the MAWP have no serious negative implications, so should both be introduced. Concerning financial instruments, it would beneficial if approaches developed under the present LIFE pilot instruments were up-scaled under InvestEU.

***How will performance be monitored and evaluated?***

Performance will continue to be measured at programme and sub-programme level, building on the current project based approach. However, additional performance criteria have been identified to strengthen the monitoring and evaluation of LIFE’s catalytic effect and its contribution to supporting societal transformation. The burden of its application will lie mainly with the Commission so as to avoid inflating current reporting requirements and to ensure accurate and robust reporting.

Two in-depth evaluations will be completed at mid-term (by 2024) and on closing of the programming period (by 2027).

1. <https://ec.europa.eu/commission/state-union-2017_en> [↑](#footnote-ref-1)
2. An analysis of the continued need for action in the various environmental policy areas and on climate change to ensure compliance with the relevant EU legislation, the Paris Agreement and the implementation of the Energy Union is presented in Annex 4. [↑](#footnote-ref-2)
3. EC (2017) [Report on the Mid-term Evaluation of the Programme for Environment and Climate.](http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52017SC0355&from=EN) [SWD(2017) 355 final](http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52017SC0355&from=EN). Ecorys (2017) Support for an external and independent LIFE Mid Term Evaluation Report [↑](#footnote-ref-3)
4. Basing on the analysis of the Key Performance Indicators used to assess the performance of projects. [↑](#footnote-ref-4)
5. The [BEST – voluntary scheme for Biodiversity and Ecosystem Services in Territories of European overseas –](http://ec.europa.eu/environment/nature/biodiversity/best/index_en.htm) initiative aims to support the conservation of biodiversity and sustainable use of ecosystem services including ecosystem-based approaches to climate change adaptation and mitigation in the EU Outermost Regions (ORs) and Overseas Countries and Territories (OCTs). [↑](#footnote-ref-5)