2018/0209 (COD)

COMMUNICATION FROM THE COMMISSION
TO THE EUROPEAN PARLIAMENT

pursuant to Article 294(6) of the Treaty on the Functioning of the European Union

concerning the

position of the Council on the adoption of a regulation of the European Parliament and of the Council establishing a Programme for the Environment and Climate Action (LIFE) and repealing Regulation (EU) No 1293/2013

1. Background

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| Date of transmission of the proposal to the European Parliament and to the Council(document COM(2018) 385 final – 2018/0209 COD): | 18 June 2018 |
| Date of the opinion of the European Economic and Social Committee: | 17 October 2018  |
| Date of the opinion of the Committee of the Regions: | 9 October 2018 |
| Date of the position of the European Parliament, first reading: | 17 April 2019 |
| Date of adoption of the position of the Council: | 16 March 2021 |

2. Objective of the proposal from the Commission

The overarching objective of the proposal was to support the transition to a modern, clean and more circular economy by ensuring the continuation of the LIFE Programme after 2020.

The LIFE programme is the only EU fund dedicated solely to environmental and climate objectives. With its relatively modest budget, it is targeted at a niche between EU programmes supporting research and innovation, including their demonstration activities, on the one hand and EU programmes financing large-scale deployment on the other hand. Thus the programme contributes to close the gap between the development of new knowledge and its implementation.

The proposal followed from the result of the mid-term evaluation of the LIFE programme and the related consultation activities.

It was largely based on the present regulation, with an increase in size and scope to embrace the transition to clean energy, currently funded under Horizon 2020. Unlike the current LIFE Regulation, the proposal did not contain any detailed provisions on implementation modalities but limited itself to defining the broader objectives and project types.

3. Comments on the position of the Council

The Council's position reflects the agreement found in trilogues. It incorporates the horizontal provisions that were defined in the framework of the negotiations on the Multiannual Financial Framework (MFF).

In comparison with the first reading of the European Parliament, the Council position includes the following main modifications:

* removing the unlimited duration for the programme;
* proposing a retroactive application of the Regulation as of 1 January 2021, to avoid a legal vacuum before its adoption;
* including the programme-specific climate target and the reference to the biodiversity ambition;
* reducing the budget envelope, in line with the amount foreseen in the initial Commission proposal;
* refining the Commission proposal on cumulative and alternative funding to allow for a smooth application of the seal of excellence;
* limitating the support to international agreements for the organisation of multilateral conferences;
* removing the provision for the participation of consortia in the call for proposals, in line with the current practice, and
* deleting the empowerment of the Commission for the definition of supplementary conditions for the participation of third countries to the programme.

Overall, this agreement represents a balanced outcome between the positions of the co-legislators, preserves the Commission’s initial objectives, and maintains a similar level of ambition as in the Commission proposal.

4. Statements by the Commission

The Commission has made three statements which can be found in the annex.

5. Conclusion

The Commission supports the results of the inter-institutional negotiations and can therefore accept the Council's position at first reading.

**APPENDIX**

**Statements by the Commission**

(1) Commission’s statement on the programme-specific logo

The Commission regrets that the co-legislators decided to maintain the LIFE logo. This runs counter to the horizontal approach of not having programme-specific logos under the future long-term budget. The Commission’s intention is to make sure that Europeans can relate to the Union as a whole thanks to the use of the single European emblem by its different programmes.

This emblem is common to all EU Institutions and will be an important part of the simple, coherent and binding communication and visibility requirements across programmes.

For the sake of reaching overall agreement on the programme, the Commission can accept to maintain the LIFE logo under the condition that it remains limited to the LIFE programme in the concerned programming period.

The Commission remains convinced that communication and visibility of EU action towards a broad public is more effective without programme-specific logos. The Commission remains at the co-legislators’ disposal to demonstrate this well ahead of the negotiations of the subsequent programming period.

(2) Commission’s statement on the ‘no-opinion’ clause

The Commission recalls that where the legislator departs from the criteria set out in Article 2 of the Regulation 182/2011, its choice for a different procedure should be justified. The Commission considers that the condition for having recourse to examination procedure which is that the implementing act has "substantial implications" relates to the amount of the budget involved and that this condition is not fulfilled in the case of the LIFE programme.

In addition, the Commission underlines that it is contrary to the letter and to the spirit of Regulation 182/2011 (OJ L 55 of 28.2.2011, p. 13) to invoke Article 5 § 4, subparagraph 2, point b) in a systematic manner. Recourse to this provision must respond to a specific need to depart from the rule of principle, which is that the Commission may adopt a draft implementing act when no opinion is delivered. Given that it is an exception to the general rule established by Article 5 (4) recourse to subparagraph 2, point b) cannot be simply seen as a "discretionary power" of the legislator, but must be interpreted in a restrictive manner and thus must be justified.

(3) Commission’s statement on the contribution of the LIFE programme to the biodiversity ambition

In line with the Interinstitutional Agreement between the European Parliament, the Council of the European Union and the European Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources (2018/2070(ACI)), the Commission will set out, in cooperation with the Council and the Parliament, an effective, transparent and comprehensive methodology for tracking biodiversity expenditures in view of working towards the ambition of providing 7.5% of annual spending under the MFF to biodiversity objectives in the year 2024 and 10% of annual spending under the MFF to biodiversity objectives in 2026 and 2027.

Following the definition of this methodology, the Commission will present by 31 July 2022 to the European Parliament and the Council the contributions of the LIFE Regulation to the biodiversity ambition. The spending of the LIFE Programme on biodiversity objectives will be reported annually in the programme statements of operational expenditures. Its contribution to the conservation status of habitats and species will be analysed in the context of the mid-term evaluation foreseen in 2024 and referred to in Article 19 of the LIFE Regulation”.