



Ten Reasons why the LIFE fund should be increased significantly

1) **Investing public money in the environment now makes economic sense and avoids much higher future costs for public budgets.**

An estimate presented by the European Commission conservatively assesses the benefit flow from the EU's Natura 2000 network of being in the order of € 200 to € 300 billion/year, a 1.7% to 2.5% equivalent of the EU GDP delivered for free to the society and economy - compared to annual costs of only € 6 billion Euro/year.¹ Carbon stored in the Natura 2000 network is valued at € 600-€ 1100 billion. Several studies assess the cost-benefit ratio of Natura 2000 being at least 1:7. Water retention in forests, natural flood-plains and soil layers as well as the renewal and self purification of rivers, lakes and groundwater are among the most important natural functions of the water cycle. These and other ecosystem services are of high economic value.

2) **Member States need financial support from the EU to implement Community environmental policy and law.**

With environmental challenges mounting and EU policies requiring increasing efforts of Member States (e.g. on climate action, resource efficiency, biodiversity, water and marine policy) the EU budget has to support Member States more than before, in particular in the light of severe constraints to public budgets in many Member States. A healthy environment across the EU is essential for economic development and well-being of citizens in *all* Member States.

According to the European Court of Auditors "... [LIFE] is the most important European funding that is specially dedicated to the environment and is managed directly by the Commission, being an essential tool with regard to the objectives of the environmental policy of the EU."²

3) **The implementation of legal obligations under Natura 2000 needs specific support from the EU budget.**

Member States have to protect and manage the Natura 2000 network on one fifth of the EU's territory according to the EU's Birds and Habitats Directives. Of the network's estimated annual costs of € 5.8 billion only a share of 10-20% is currently met by EU funding. In line with Art.8 of the Habitats Directive and in the light of increasing budgetary constraints in Member States it is widely agreed that a major part of costs (about 75%) should be covered through the EU budget.

4) **An estimated 15-20% of Natura 2000 costs should be funded through LIFE.**

While there is wide agreement that the major share of Natura 2000 costs (about 50%) should be financed through the Common Agriculture Policy and Cohesion Policy, there is a strong need, and potential, to fill the remaining gap largely with LIFE funding. This instrument is able to support targeted measures that are not in the focus of other funds and can play an important role in catalysing and coordinating other financing programmes.

¹ European Commission (12.12.2011, SEC(2011) 1573 final): FINANCING NATURA 2000 - Investing in Natura 2000: Delivering benefits for nature and people

² European Court of Auditors Special Report No 11; 2009

5) **LIFE delivers measurable results for the environment.**

So far 37% of EU protected bird species and 50% of protected animal species have been targeted by LIFE projects with half of them achieving "favourable conservation status" - the objective of the EU's Habitats Directive - for one or more of the targeted species.³

The LIFE project "European Business and Biodiversity Campaign" reaches about 20.000 companies so far and represents a big step forward towards the consideration and valuation of biodiversity and ecosystem services in the economic sector.

6) **LIFE is cost-efficient.**

Through direct involvement of local stakeholders, small and medium sized enterprises, scientific institutions and local authorities and the relatively small size of very targeted projects LIFE has proven to have an exception high effect with small amounts of EU funds invested. Between 1992 and 2006 with only € 70 million a year LIFE was able to support targeted measures covering about 6-9% of all Natura 2000 network which in turn covers almost 20% of EU territory.

In Finland thanks to limited LIFE funding the trend of declining bird populations could be reversed, while in other areas, no significant change could be identified.

7) **LIFE creates employment.**

Apart from contributing to the maintenance and enhancement of valuable ecosystem services, which are essential for long-term economic development, LIFE provides jobs in particular in less-developed areas. A recent study estimates that a fully financed Natura 2000 network would lead to the short-term creation of 130,000 jobs, corresponding to a potential direct employment effect through respective LIFE projects of 26,000 jobs.⁴⁵

The European Commission estimates that tourism generated by Natura 2000 directly and indirectly supports 4.5 to 8 million full time equivalent jobs in the EU.⁶ LIFE is essential for financing the Natura 2000 network.

8) **LIFE involves and empowers local stakeholders, and facilitates EU-wide best practice exchange and innovation.**

A study requested by the European Commission concluded that the "*success of LIFE ... enhances the integration of environment with other sectors and attracts public and private stakeholders and funding from non-environmental fields. LIFE is known to be close to local and regional realities allowing for flexibility to develop ideas and approaches adapted to the particular context.*"⁷

Through initiating long-lasting co-operation of stakeholders even across borders, LIFE projects can be considered as long-term investments that contribute to nature conservation and environmental issues in the most efficient way.

9) **LIFE gives a positive face to the EU.**

LIFE projects have made a significant contribution to increase information and awareness on environmental and climate related matters as, on average, between 5-10% of resources are dedicated to these aspects. In combination with visible improvements for environment, economy and society LIFE gives citizens a much needed positive example of effective EU action.

³ LIFE 2014-2020 Impact Assessment p.9

⁴ GHK 2011 "Evaluating the potential for Green Jobs in the next Multi-annual Financial Framework"

www.birdlife.org/eu/pdfs/Green_Jobs.pdf

⁵ Assumption of LIFE covering 20% of Natura 2000 costs (including funds leveraged through co-financing)

⁶ European Commission (12.12.2011, SEC(2011) 1573 final): FINANCING NATURA 2000 - Investing in Natura 2000: Delivering benefits for nature and people

⁷ LIFE 2014-2020 Impact assessment, p. 11

10) **The demand for LIFE support increases and exceeds the available budget.**

In 2010 748 proposals were submitted requesting € 884 million co-financing while only € 244 million were available. Total investment would have implied around € 1.8 billion, however due to limited funds available under LIFE, only 148 projects could be funded. This data provides evidence of the capacity of LIFE+ to mobilise funds even during this time of crisis. No risk of crowding out is foreseen, especially since the increase in LIFE funding is inferior to current and expected demand.⁸

The “EU added value” of LIFE⁹

- LIFE helps Member States and stakeholders to **accelerate and improve the implementation of EU legislation** by creating synergies across EU funds and national funds while leveraging additional public and private sector sources;
- By assisting Member States that host the most valuable EU natural capital or are confronted with transboundary or transnational environmental and climate problems, LIFE allows for a **better distribution of responsibility and solidarity** in preserving the EU environmental common good;
- **Increased coherence of the EU intervention:** A dedicated Environmental and Climate Action instrument allows to better shape EU priorities and ensure that resources are effectively used for environmental and climate protection, selecting the best projects across the EU. More homogenous implementation of EU legislation is achieved thanks to the dissemination of best practices (e.g., methodologies that have been developed and now are widely applied, management plans etc);
- By being the **EU platform for exchange of practice and knowledge-sharing** for implementing EU legislation and policy, LIFE allows actors across the EU to learn from each other's experience in addressing specific environmental and climate problems **more effectively and efficiently**. LIFE attracts partnerships that would otherwise be difficult to set-up ensuring a more effective intervention than Member States' individual action by an increased **pooling of resources and expertise**;
- LIFE acts as a **catalyst** to start-up action, providing one-off investment needed in a specific area, **eliminating initial barriers** to the implementation of EU environmental and climate policy and testing new approaches for future scaling-up;
- **Gap filler and more effective central intervention:** A specific instrument is more flexible and finances projects that could not be otherwise financed by other funds (e.g., projects managed by beneficiaries that are non eligible under other funds);
- LIFE provides **high visibility to EU environmental and climate action** bringing the EU closer to its citizens, showing the EU's commitment to environmental and climate objectives and thus making those objectives more relevant;
- **Bringing solutions to upcoming environmental and climate challenges of EU interest:** Stakeholders are often confronted with environmental problems for which no solutions have been found yet, and which, if not addressed at an early stage, will lead to higher costs.

⁸ LIFE 2014-2020 Impact Assessment, p. 12

⁹ LIFE 2014-2020 Impact Assessment, p. 21-22