

**COMMISSION IMPLEMENTING DECISION (EU) 2018/210**  
**of 12 February 2018**  
**on the adoption of the LIFE multiannual work programme for 2018-2020**  
**(Text with EEA relevance)**

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 1293/2013 of the European Parliament and of the Council of 11 December 2013 on the establishment of a Programme for the Environment and Climate Action (LIFE) and repealing Regulation (EC) No 614/2007 <sup>(1)</sup>, and in particular Article 24(1) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 <sup>(2)</sup>, and in particular Article 84(2) thereof,

After consulting the LIFE Committee for Environment and Climate Action,

Whereas:

- (1) In order to ensure implementation of the LIFE programme, it is necessary to adopt a multiannual work programme for 2018-2020.
- (2) In order to set a framework for the implementation of the two LIFE sub-programmes, the multiannual work programme for 2018-2020 should specify the indicative allocation of funds between priority areas and types of funding, the project topics implementing the thematic priorities set out in Annex III to Regulation (EU) No 1293/2013, the technical selection methodology, the criteria for the attribution of grants and indicative timetables for the calls for proposals.
- (3) The multiannual work programme for 2018-2020 should also contain qualitative and quantitative outcomes, indicators and targets for each priority area and type of projects, in accordance with the performance indicators and specific objectives for each priority area, with a view to facilitate the evaluation of the results and impact of the programme.
- (4) The two innovative financial instruments identified as appropriate tools for funding projects, in accordance with Article 17(4) of Regulation (EU) No 1293/2013 and trialled throughout the LIFE multiannual work programme for 2014-2017 demonstrated their potential to leverage funding from investors in the field of biodiversity and climate change mitigation and adaptation, thus addressing current financial barriers to the uptake of projects in those areas. These pilots should therefore be continued.
- (5) In view of the experience gained by the European Investment Bank (EIB), as well as the geographical coverage of the EIB which enables it to reach potential beneficiaries across the Union, the implementation of the Natural Capital Financing Facility and of the Private Financing for Energy Efficiency Instrument, funded through contributions from the LIFE programme, should be remain entrusted to that institution.
- (6) In order to ensure a seamless implementation of Regulation (EU) No 1293/2013, this Decision should apply as of the day following that of the end of the applicability of the LIFE multiannual work programme for 2014-2017,

HAS ADOPTED THIS DECISION:

*Article 1*

**The multiannual work programme**

The LIFE multiannual work programme for 2018-2020, as set out in the Annex, is adopted.

<sup>(1)</sup> OJ L 347, 20.12.2013, p. 185.

<sup>(2)</sup> OJ L 298, 26.10.2012, p. 1.

*Article 2***Union contribution to the multiannual work programme**

The maximum contribution to the LIFE multiannual work programme for 2018-2020 is set at EUR 1 657 063 000 and shall be used to finance the relevant sub-programmes and priority areas as follows:

- (1) An overall amount of EUR 1 243 817 750 for the sub-programme for Environment which shall be divided as follows:
  - (a) EUR 444 808 200 for the priority area 'Environment and Resource Efficiency';
  - (b) EUR 632 556 250 for the priority area 'Nature and Biodiversity';
  - (c) EUR 143 377 300 for the priority area 'Environmental Governance and Information';
  - (d) EUR 3 000 000 for the European Solidarity Corps — Contribution from the LIFE sub-programme for Environment;
  - (e) EUR 20 076 000 for related support expenditure (including the amount of EUR 2 332 160 of the contribution to the Executive Agency budget from the sub-programme for Climate Action).
- (2) An overall amount of EUR 413 245 250 for the sub-programme for Climate Action which shall be divided as follows:
  - (a) EUR 230 500 000 for the priority area 'Climate Change Mitigation';
  - (b) EUR 123 850 000 for the priority area 'Climate Change Adaptation';
  - (c) EUR 47 549 250 for the priority area 'Climate Governance and Information';
  - (d) EUR 1 500 000 for the European Solidarity Corps — Contribution from the LIFE sub-programme for Climate Action;
  - (e) EUR 9 846 000 for related support expenditure.

*Article 3***Financial instruments**

1. The following financial instrument, as described in the Annex, shall receive contributions pursuant to Article 17(1) of Regulation (EU) No 1293/2013:
  - the Private Financing for Energy Efficiency Instrument.
2. The implementation of the contribution to the Private Financing for Energy Efficiency Instrument and the Natural Capital Financing Facility shall be entrusted to the European Investment Bank.

*Article 4*

This Decision shall apply from 1 January 2018.

This Decision shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

Done at Brussels, 12 February 2018.

*For the Commission*  
*The President*  
Jean-Claude JUNCKER

## ANNEX

## 1. INTRODUCTION

According to Article 3 of Regulation (EU) No 1293/2013 (hereinafter 'LIFE Regulation'), the LIFE programme pursues the following general objectives:

- to contribute to the shift towards a resource-efficient, low-carbon and climate-resilient economy, to the protection and improvement of the quality of the environment and to halting and reversing biodiversity loss, including the support of the Natura 2000 network and tackling the degradation of ecosystems,
- to improve the development, implementation and enforcement of Union environmental and climate policy and legislation, and to act as a catalyst for, and promote, the integration and mainstreaming of environmental and climate objectives into other Union policies and public and private sector practice, including by increasing the public and private sector's capacity,
- to support better environmental and climate governance at all levels, including better involvement of civil society, NGOs and local actors, and
- to support the implementation of the 7th Environment Action Programme.

The present, second LIFE multiannual work programme (MAWP) takes into account the experience gained in the period 2014 to 2017 and, in particular, the recommendations made in the mid-term evaluation <sup>(1)</sup>, which are mainly related to

1. the simplification of the application and reporting processes;
2. the replication of project results;
3. the improvement of the communication strategy.

The simplification measures related to the application process are an integral part of the contents of the present LIFE MAWP (see Section 5.1.1.1 below). The need for continuation, replication and/or transfer of project results is given more emphasis in the Award phase (see Section 5.1.1.2 below) and will receive more support through procurement. The simplification of reporting will be targeted through project management procedures and by giving beneficiaries access to an on-line data base facilitating the collection of the data related to the key project indicators. The improvement of the communication strategy is achieved through procurement. These measures are thus not addressed in detail in the present LIFE MAWP.

The present LIFE MAWP also takes up recent developments, in EU policy, such as the circular economy action plan <sup>(2)</sup> and the Action plan on nature, people and the economy <sup>(3)</sup>, and shall serve as a bridge to future funding for 'sustainability' as outlined in the Reflection paper on the future of EU finances <sup>(4)</sup>. The following changes have been included:

As regards the sub-programme for Environment:

- reduction of the number of project topics (from 87 to 42) and more pronounced focus to increase the steer of applicants to EU policy priorities while increasing the chances for projects in certain sub-areas like biodiversity and circular economy, but also projects with a strong and direct impact on the health of the majority of European citizens,
- reorientation of the governance and information project topics to focus more on specific awareness raising and governance-related issues.

<sup>(1)</sup> See 'Report from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions accompanying the mid-term evaluation of the LIFE Programme', COM(2017) 642, <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM:2017:642:FIN>

<sup>(2)</sup> Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions 'Closing the loop — An EU action plan for the Circular Economy', <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52015DC0614>

<sup>(3)</sup> Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions 'An Action Plan for nature, people and the economy', [http://ec.europa.eu/environment/nature/legislation/fitness\\_check/action\\_plan/index\\_en.htm](http://ec.europa.eu/environment/nature/legislation/fitness_check/action_plan/index_en.htm)

<sup>(4)</sup> [https://ec.europa.eu/commission/sites/beta-political/files/reflection-paper-eu-finances\\_en.pdf](https://ec.europa.eu/commission/sites/beta-political/files/reflection-paper-eu-finances_en.pdf)

As regards both sub-programmes:

- further enhancement of the results-orientation by introducing the requirement to produce measurable effects on the environment or climate change under all priority areas,
- encouragement of further engagement of private entities by highlighting the advantages of close-to-market approaches as a tool for ensuring sustainability of the project results. Support actions that help to develop investment-ready economically and environmentally viable projects that mobilise additional private and public financial resources for scale-up and replication of results,
- simplification of the grant management procedures, in particular by testing a two-stage application procedure for pilot, demonstration, best practice and information, awareness and dissemination projects, as suggested in the mid-term evaluation of the LIFE programme.

The mid-term evaluation of the LIFE programme, and the European Parliament (with regard to EU spending) <sup>(1)</sup> confirmed the need and importance of measurable effects of projects on the ground. The LIFE programme contains performance indicators and the multiannual work programmes contain quantitative (i.e. output) and qualitative outcome indicators in line with these. To be able to report on these indicators on programme level, beneficiaries need to forecast and measure the environmental, climate, and governance and information, i.e. societal, effects at project level in relation to specific output and outcome indicators <sup>(2)</sup>. To ensure that these effects are lasting, i.e. sustainable in time, they also need to establish robust mechanisms to ensure that projects have effects beyond the original project area by extension and replication. The clear and coherent explanation of how the continuation, replication and/or transfer of projects' activities and effects will be ensured, therefore becomes an even more decisive award criterion in the evaluation of project proposals. By their nature, successfully demonstrated close-to market solutions to environmental and climate change challenges have a particularly high chance to be continued, replicated and/or transferred. Proposals credibly and coherently presenting a strategy to reach marketability by the end of the project, will therefore score high under this criterion.

The mid-term evaluation analysed in line with Article 25 of the LIFE Regulation and confirmed the ability of the LIFE programme to promote synergies within the programme. The reflection papers on the future of EU Finances <sup>(3)</sup> emphasise the importance of the social dimension in European policies. For the LIFE programme this should provide an impetus to seek even more synergies among the environmental, economic and social dimensions of sustainable development. Therefore, well-conceived multi-purpose approaches, pursuing, besides their primary environmental or climate action objectives, e.g. social integration or economic growth, will receive a bonus <sup>(4)</sup>. For instance, nature and biodiversity protection activities and activities aimed at enhancing the circular economy, hold a potential to contribute to community building and social integration. The circular economy can face challenges to demonstrate economic viability, and in many cases it is important that the social dimension (for example for job market integration of disadvantaged individuals) is taken into account.

The LIFE programme allows for 'other projects' and 'other activities'. This flexibility can be used to experiment with new approaches, new project types and support services for existing projects, and/or stakeholders not attracted by the traditional project formats. For example, the gap between the successful application of environment or climate action solutions in LIFE projects and their actual access to the market could often be bridged, if the most promising LIFE projects were to receive specific support to access markets and potential investors. This could consist in a complementary project concentrating on market access support, project-specific business management and fund acquisition coaching, support for building up and/or collaborating within circular economy clusters or annual prizes for projects with a particularly high EU added value. Should the new Financial Regulation allow for more flexibility regarding the attribution of lump sums for specific outcomes, this might also be used for capacity building towards 'bankability' of investment projects and market access.

<sup>(1)</sup> European Parliament decision of 27 April 2017 on discharge in respect of the implementation of the general budget of the European Union for the financial year 2015, Section III — Commission (2016/2151(DEC)), paragraph 8, <http://www.europarl.europa.eu/sides/getDoc.do?type=TA&language=EN&reference=P8-TA-2017-0143>

<sup>(2)</sup> These are the so called LIFE Key Project Indicators, see also Section 7 below.

<sup>(3)</sup> [https://ec.europa.eu/commission/publications/reflection-paper-future-eu-finances\\_en](https://ec.europa.eu/commission/publications/reflection-paper-future-eu-finances_en)

<sup>(4)</sup> Recent studies confirm that sustainable investments require smart policies and incentives to create more engagement within broader society and across all sectors, in particular on the level of local communities and in collaboration with the citizens and SMEs as these become more and more involved through community initiatives enabled by the spread of digital technologies, or as 'prosumers' (whereby they can, e.g. produce, store and even sell their electricity rather than simply buying it), cf. European Political Strategy Centre, EPSC Strategic Notes, Issue 25, 8 June 2017, p. 14.

The LIFE programme is managed by the Commission services themselves and by the Executive Agency (EA) to which this task has been delegated in direct management. The EA acts within the limits of the delegation according to the Commission Decision C(2013) 9414 or any Commission Decision replacing it and under the supervision of the Commission services. The overall responsibility for the programme remains with the Commission. External experts may be contracted to support the Commission services and/or the EA in their work.

In application of the principle of complementarity with other European funding programmes set out in recitals 5, 11 and 13 and Article 8 of the LIFE Regulation, the implementation of the MAWP will ensure consistency and synergies, and avoid overlap with other Union policies and financial instruments as far as possible, seeking complementarity to Horizon 2020 <sup>(1)</sup>, the Union's research and innovation programme for 2014-2020, and with its work programmes <sup>(2)</sup>. This will mainly be achieved through the eligibility criteria for the different project types and orientations in the application guidelines accompanying the calls <sup>(3)</sup>, seeking complementarity to Horizon 2020. Double funding will be avoided through cross-checking during the selection phase and through *ex post* verifications. Projects focused on research or the construction of large infrastructure, which are covered by other EU programmes, are excluded from funding through the LIFE programme.

The structure of the MAWP follows the structure set out in Article 24(2) of the LIFE Regulation and only addresses the sub-programmes Environment and Climate Action separately, where necessary.

It covers the period from 1 January 2018 to 31 December 2020.

### 1.1. The sub-programme for Environment

The sub-programme for Environment covers the **priority areas** Environment and Resource Efficiency, Nature and Biodiversity and Environmental Governance and Information (Articles 9 to 12 of the LIFE Regulation). Each of the priority areas covers several **thematic priorities**, listed in Annex III to the LIFE Regulation.

The present MAWP 2018-2020 defines **project topics** implementing the thematic priorities.

### 1.2. The sub-programme for Climate Action

The sub-programme for Climate Action covers climate change mitigation, adaptation and governance and communication **priority areas** (Articles 13-16 of the LIFE Regulation). Each priority area contains a number of **policy areas** set out in Section 4 below, which are considered of particular interest throughout the period covered by the present multiannual work programme.

## 2. ALLOCATION OF FUNDS BETWEEN PRIORITY AREAS AND BETWEEN DIFFERENT TYPES OF FUNDING — ARTICLE 24(2)(a)

According to Article 4 of the LIFE Regulation, the **overall budgetary envelope for the LIFE programme for the period 2014-2020** is EUR 3 456 655 000, 75 % of which is attributed to the sub-programme Environment (EUR 2 592 491 250), and 25 % of which is attributed to the sub-programme Climate Action (EUR 864 163 750).

In the years 2014-2017, 1 349 million EUR was allocated to the Environment Sub-programme and 446 million EUR to the Climate Action sub-programme. 1 657 million EUR remains available for the years 2018-2020.

<sup>(1)</sup> Regulation (EU) No 1290/2013 of the European Parliament and of the Council of 11 December 2013 laying down the rules for participation and dissemination in 'Horizon 2020 — the Framework Programme for Research and Innovation (2014-2020)' and repealing Regulation (EC) No 1906/2006 (OJ L 347, 20.12.2013, p. 81).

<sup>(2)</sup> The last Work Programme of Horizon 2020 covers the years 2018-2020. Horizon 2020 focuses on three priorities, namely generating excellent science in order to strengthen the Union's world-class excellence in science, fostering industrial leadership to support business, including micro, small and medium-sized enterprises (SMEs) and innovation, and tackling societal challenges, in order to respond directly to the challenges identified in the Europe 2020 strategy by supporting activities covering the entire spectrum from research to market. In Horizon 2020, Environmental and Climate Action research and innovation is tackled by a series of actions and opportunities for collaboration, in particular in the Societal Challenge 'Climate action, environment, resource efficiency and raw materials' and the Societal Challenge 'Food Security, Sustainable Agriculture and Forestry, Marine, Maritime and Inland Water Research and the Bioeconomy'. In this context, environmental research and innovation aims to achieve a resource, water efficient and climate change resilient economy and society.

<sup>(3)</sup> The application guidelines for each call for proposals can be found on the LIFE website: <http://ec.europa.eu/environment/life/funding/life.htm>

The LIFE Regulation also fixes the minimum percentage of the total budget to be reserved for **projects** (81 %, Article 17(4) of the LIFE Regulation) and the maximum percentage of the budgetary resources allocated to projects supported by way of action grants that may be allocated to **integrated projects** (30 %, Article 17(5) of the LIFE Regulation).

Article 4 of the LIFE Regulation is under revision to include a contribution of EUR 4 500 000 to the European Solidarity Corps for projects engaging young volunteers across the EU in environmental protection and climate action <sup>(1)</sup>.

LIFE projects shall be funded by **action grants** or, where appropriate, by **financial instruments** (Article 17(4) of the LIFE Regulation).

According to Article 24(2)(a) of the LIFE Regulation, this **MAWP specifies** the amounts to be allocated **per priority area and funding type**.

#### Overall allocation by type of funding for both sub-programmes

Budget 2018-2020	in million EUR
Projects and operating grants	
Action grants	1 263,44
Operating grants	36,00
Financial instruments	75,00
Public procurement	252,70
Support expenditure	29,92
<b>Overall total</b>	<b>1 657,06</b>

#### Overall allocation by priority area 2018-2020

Priority areas	Environment and Resource efficiency	Nature and Biodiversity	Environmental Governance and Information	European Solidarity Corps	Climate Change Mitigation	Climate Change Adaptation	Climate Governance and Information
Total per area (in million EUR)	444,81	632,55	143,38	4,50	230,50	123,85	47,55
Sub-total	1 627,14						
Support expenditure (ATA)	29,92						
<b>Overall total</b>	<b>1 657,06</b>						

The allocations per priority area and funding type are of indicative nature. For action grants, the final allocation will depend on the actual number of fundable project proposals under each priority area. Budgetary allocations for and between financial instruments may be adapted during the course of the LIFE programme in response to actual uptake. In line with the Financial Regulation <sup>(2)</sup>, within the thresholds established by the LIFE Regulation, reallocations between priority areas may not exceed 5 % of the total allocation for the priority areas concerned.

<sup>(1)</sup> For more information about the text of the European Solidarity Corps Regulation Proposal and the state-of-play of the related legislative procedure see: <http://eur-lex.europa.eu/legal-content/EN/HIS/?uri=COM%3A2017%3A262%3AFIN>

<sup>(2)</sup> Regulation (EU, Euratom) No 966/2012.

## 2.1. The sub-programme for Environment

For the duration of the present MAWP, a budget of 1 243,81 million <sup>(1)</sup> is allocated to the sub-programme for Environment.

A specific percentage of the budgetary resources allocated to projects supported by way of action grants under the sub-programme for Environment are allocated to projects supporting the conservation of nature and biodiversity, including related information and governance, technical assistance and preparatory projects (Article 9(3) of the LIFE Regulation) <sup>(2)</sup>. The rest of the budget allocated to projects will be allocated to projects under the priority areas environment and resource efficiency and environmental governance and information.

### Indicative allocation by type of funding under the sub-programme for Environment

Budget 2018-2020		in million EUR
Action grants (*)		
— Capacity-building projects		7,75
— Technical assistance projects		2,95
— Other action grants		992,37
Financial instrument (**)		
Natural Capital Financing Facility (NCFE)		p.m.
Operating grants		27,00
Public procurement		193,67
Support expenditure (***)		20,07
<b>Overall total</b>		<b>1 243,81</b>

(\*) According to Article 17(5) of the LIFE regulation, 30 % of the budgetary resources allocated to projects supported by way of action grants are allocated to integrated projects. Depending on the actual number of proposals for integrated projects, unused resources will be used for other projects funded by action grants.

(\*\*) The maximum level of management cost related to the implementation of the financial instruments (FIs) shall not exceed 7 % of the total envelope for FIs.

(\*\*\*) Including the total contribution from the LIFE programme to the Executive Agency budget of EUR 14,58 million, with the amount of EUR 2,33 million of the contribution from the sub-programme for Climate Action.

The allocations per priority area and funding type are of indicative nature.

Budgetary allocations for and between financial instruments may be adapted during the course of the LIFE programme in response to actual uptake. Within the thresholds established by the LIFE Regulation, reallocations between priority areas may not exceed 5 % of the total allocation for the priority areas concerned.

<sup>(1)</sup> For budgetary reasons, this amount includes EUR 2,33 million as contribution to the Executive Agency budget from the sub-programme for Climate Action.

<sup>(2)</sup> Commission Delegated Regulation (EU) 2018/93 of 16 November 2017 on the increase of the percentage of the budgetary resources allocated to projects supported by way of action grants under the sub-programme for Environment dedicated to projects supporting the conservation of nature and biodiversity according to Article 9 paragraph 4 of the Regulation (EU) No 1293/2013 of the European Parliament and of the Council on the establishment of a Programme for the Environment and Climate Action (LIFE) and repealing Regulation (EC) No 614/2007 (OJ L 17, 23.1.2018, p. 5) (hereinafter: the Delegated Regulation on the increase of the percentage for nature and biodiversity).

## 2.2. The sub-programme for Climate Action

For this multiannual work programme the budget for the sub-programme for Climate Action is EUR 413,25 million. The allocation to priority areas is indicative and subject to the actual number of proposals for action grants under each priority area, as well as the related market uptake under the Private Financing for Energy Efficiency (unique to this sub-programme) and Natural Capital Financing Facility financial instruments.

### Indicative allocation by type of funding under the sub-programme for Climate Action

Budget 2018-2020		in million EUR
Action grants (*)		
Capacity-building projects		3,00
Technical assistance projects		0,78
Other action grants		256,59
Financial instruments (**)		
Private Financing for Energy Efficiency (PF4EE)		75,0
Natural Capital Financing Facility (NCFE)		p.m.
Operating grants		9,00
Public procurement		59,03
Support expenditure (***)		9,85
<b>Overall total</b>		<b>413,25</b>

(\*) According to Article 17(5) of the LIFE Regulation, 30 % of the budgetary resources allocated to projects supported by way of action grants are allocated to integrated projects. Depending on the actual number of proposals for integrated projects, unused resources will be used for other projects funded by action grants.

(\*\*) The maximum level of management cost related to the implementation of the FIs shall not exceed 7 % of the total envelope for FIs.

(\*\*\*) The amount of EUR 2,33 million of the contribution to the Executive Agency budget from the sub-programme for Climate Action is included in the total contribution from the LIFE programme.

## 3. PROJECT TOPICS IMPLEMENTING THE THEMATIC PRIORITIES SET OUT IN ANNEX III FOR THE SUB-PROGRAMME FOR ENVIRONMENT (ARTICLE 24(2)(b) OF THE LIFE REGULATION)

In line with recital 36 and Article 24 of the LIFE Regulation, the MAWP contains a non-exhaustive list of project topics implementing the thematic priorities, focussing efforts on concrete environmental and related governance and information policy priorities and areas for action under the sub-programme Environment. In line with recital 22 of the LIFE Regulation, when evaluating Union added value of projects under the sub-programme Environment, the Commission should pay particular attention to their contribution to the thematic priorities implemented through the project topics. Thus the project topics are a tool for giving a bonus to projects addressing strategically important policy areas, while remaining open to sound proposals in other areas and the incorporation of new ideas to react to new challenges.



A specific percentage of the resources allocated to projects supported by action grants will be earmarked for projects supporting the conservation of nature and biodiversity <sup>(1)</sup>. The increased earmarking compared to the LIFE+ Regulation limits the budget available for projects in other thematic priorities under the sub-programme Environment and it is thus a further reason to better focus the use of the funds in these areas.

It should be noted that funding of projects on topics not included in this list is not excluded. High quality projects that fulfil the applicable eligibility and selection criteria may still be awarded funding. Thus, laying down this list for the duration of the MAWP ensures both the necessary flexibility to achieve the LIFE programme objectives and the necessary stability for potential applicants to plan, prepare and submit proposals.

### 3.1. Priority area Environment and Resource Efficiency

Pursuant to Article 10(a) of the LIFE Regulation, the project topics corresponding to this priority area and the related thematic priorities listed in Annex III to the LIFE Regulation, shall pursue, in particular, the specific objective **'to develop, test and demonstrate policy or management approaches, best practices and solutions'**, including development and demonstration of innovative technologies, to environmental challenges, suitable for being replicated, transferred or mainstreamed, including with respect to the link between the environment and health, and in support of resource efficiency-related policy and legislation, including the Roadmap to a Resource Efficient Europe'. Innovative management approaches include, in particular, joint experimentation of public, private and civil society actors along value chains expected to achieve direct and measurable positive environmental impacts. All projects under this priority area shall therefore be either pilot or demonstrative projects within the meaning of Article 18(a) and (b) of the LIFE Regulation, but shall not focus on research. Limited applied research is permitted as part of the preparatory and/or monitoring actions. With regard to demonstrative projects under this priority area and covered by one of the project topics listed below, priority shall be given to projects that put into practice, test, evaluate and disseminate actions, methodologies or approaches that are **new or unknown Union-wide**.

The performance of the LIFE programme as regards its objectives under this priority area related to pilot and demonstration projects, and in particular its contribution to the shift towards a resource-efficient economy and to the protection and improvement of the quality of the environment, is measured against the environmental improvements attributable to LIFE projects. Therefore, all LIFE projects under this priority area shall include actions that result in **direct and measurable effects on the environment during the project duration**.

#### LIFE Regulation Annex III

- (a) **Thematic priorities for Water, including the marine environment:** activities for the implementation of the specific objectives for water set out in the Roadmap for a Resource-Efficient Europe and the 7th Environment Action Programme, in particular:
- (i) *integrated approaches for the implementation of Directive 2000/60/EC of the European Parliament and of the Council <sup>(2)</sup>;*
  - (ii) *activities for the implementation of the Directive 2007/60/EC of the European Parliament and of the Council <sup>(3)</sup>;*
  - (iii) *activities for the implementation of the programme of measures of the Directive 2008/56/EC of the European Parliament and of the Council <sup>(4)</sup> with a view to achieving good environmental status of marine waters;*
  - (iv) *activities to ensure safe and efficient use of water resources, improving quantitative water management, preserving a high level of water quality and avoiding misuse and deterioration of water resources.*

<sup>(1)</sup> As amended by the Delegated Regulation on the increase of the percentage for nature and biodiversity.

<sup>(2)</sup> Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy (OJ L 327, 22.12.2000, p. 1).

<sup>(3)</sup> Directive 2007/60/EC of the European Parliament and of the Council of 23 October 2007 on the assessment and management of flood risks (OJ L 288, 6.11.2007, p. 27).

<sup>(4)</sup> Directive 2008/56/EC of the European Parliament and of the Council of 17 June 2008 establishing a framework for community action in the field of marine environmental policy (Marine Strategy Framework Directive) (OJ L 164, 25.6.2008, p. 19).

Addressing water quality, floods and drought management in a cost efficient way is a serious challenge within the EU. Responding to the challenges and opportunities in the water sector requires a holistic approach across a number of actors. In line with the implementation of the Water Framework Directive, the Flood Directive and the priorities of the European Innovation Partnership on Water, projects should focus on developing and particularly implementing actions which can help Member States move to genuinely integrated water resource management, promoting ecosystem-based approaches where relevant. In the context of actions targeted at the implementation of the Marine Strategy Framework Directive, particular emphasis should be placed on emerging pressures and impacts, as well as fostering better integrated coastal management and maritime spatial planning. With respect to the water industry, the technologies and processes used to ensure the provision of water services (production of drinking water or waste water treatment) are reaching maturity. In line with the priority areas of the European Innovation Partnership on Water, the current challenge is two-fold: (i) ensuring proper implementation in a way which yields cost-effective, resource efficient and legally compliant results; and (ii) ensuring an ability to deal with emerging issues in this field.

Priority will therefore be given to the following project topics:

*Water, floods and drought — Annex III, section A, points (a)(i)-(ii)*

1. Implementation of **flood and/or drought risk management** actions by applying at least one of the following:
  - nature-based solutions consisting in natural water retention measures that increase infiltration and storage of water and remove pollutants through natural or 'natural-like' processes including re-naturalisation of river, lake, estuary and coastal morphology and/or re-creation of associated habitats including flood and marsh plains,
  - prevention and protection tools and techniques for support of policy, land use planning, risk reduction, post-event resilience and emergency management, and/or
  - integrated risk assessment and management approaches taking into account social vulnerability and aiming at improved resilience while ensuring social acceptance.
2. Projects addressing **hydro morphological pressures** identified in River Basin Management Plans and originating from land or water uses in order to achieve good water status or potential as required by the Water Framework Directive objectives.
3. **Integrated management of nutrients and organic pollution** of human and/or agricultural origin by directly removing pollution. The actions foreseen should be identified as a result of a comprehensive gap analysis <sup>(1)</sup> defining the measures needed on a river basin scale or catchment scale to allow for the achievement of the Water Framework Directive and Marine Strategy Framework Directive requirements, taking into account what has been delivered via the Urban Waste Water Treatment Directive <sup>(2)</sup>, Nitrates Directive <sup>(3)</sup>, Bathing Waters Directive <sup>(4)</sup> and Groundwater Directive <sup>(5)</sup> requirements.
4. Reduction of pressures from **chemical pollutants** in the water environment by reducing emissions of priority substances and other chemicals identified as river basin specific pollutants at source, through the use of appropriate substitutes <sup>(6)</sup> or alternative technologies.
5. Implementation of **water saving measures** in order to reduce the quantitative and qualitative pressures on water bodies in water-stressed basins as identified in the relevant River Basin Management Plan.

<sup>(1)</sup> An analysis of the gap between the current status of water bodies and the reduction in pressures necessary to reach the good status objective as derived from derives from Article 11(1) of the Water Framework Directive, according to which Member States have to establish programmes of measures 'taking account of the results of the analyses required under Article 5' (analysis of pressures and impacts), 'in order to achieve the objectives established under Article 4' (good status). Article 11(8) also specifies that the programmes of measures have to be reviewed every six years. For more see the WFD Reporting Guidance 2016, [http://cdr.eionet.europa.eu/help/WFD/WFD\\_521\\_2016/Guidance/WFD\\_ReportingGuidance.pdf](http://cdr.eionet.europa.eu/help/WFD/WFD_521_2016/Guidance/WFD_ReportingGuidance.pdf) in particular Chapter 10.1.8.2, p. 245 (description of what Member States have to report in terms of gap indicators for each significant pressure type or chemical substance) and Sections 10.1.4 and 10.1.5.

<sup>(2)</sup> Council Directive 91/271/EEC of 21 May 1991 on urban waste-water treatment (OJ L 135, 30.5.1991, p. 40).

<sup>(3)</sup> Council Directive 91/676/EEC of 12 December 1991 on the protection of waters against pollution caused by nitrates from agricultural sources (OJ L 375, 31.12.1991, p. 1).

<sup>(4)</sup> Directive 2006/7/EC of the European Parliament and of the Council of 15 February 2006 on the management of bathing water quality and repealing Directive 76/160/EEC (OJ L 64, 4.3.2006, p. 37).

<sup>(5)</sup> Directive 2006/118/EC of the European Parliament and of the Council of 12 December 2006 on the protection of groundwater against pollution and deterioration (OJ L 372, 27.12.2006, p. 19).

<sup>(6)</sup> 'Appropriate substitutes' are other chemical substances which produce the same desired effects with a reduced environmental impact.

*Marine and coastal management — Annex III, section A, point (a)(iii)*

1. Application of tools, technologies or practices to **ensure the sustainability of human activities related to the marine environment**, including by reducing the pressure of human activities on the marine environment, and addressing at least one of the following topics of high concern:
  - underwater noise,
  - disturbance of the sea floor,
  - deep sea mining,
  - fishing,
  - agriculture, and/or
  - navigation.
2. Projects aiming at **preventing and reducing marine litter or contaminants**, addressing them at the source at land and/or in the seas.

*Water Industry — Annex III, section A, point (a)(iv)*

1. Application of technologies for drinking water and urban waste water treatment systems, through the use of **resource efficient processes** for the provision of water services <sup>(1)</sup>, onsite procedures and/or control processes, to **diminish or eliminate discharges of emerging pollutants and/or pathogens** as part of wastewater treatment effluents.
2. Application of tools ensuring the **resource efficient provision of water services** compliant with the Drinking Water Directive and the Urban Waste Water Directive to population living in **rural areas** <sup>(2)</sup>.
3. **Improvement of the efficiency and effectiveness** of solutions and/or treatment options regarding **recycled/reclaimed water**, implementing one or more of the following:
  - concepts for (alternative) water supply, wastewater treatment, reuse, recovery and recycling of resources <sup>(3)</sup>,
  - source control methods and cost-effective on-site technologies for discharges of emerging pollutants and pathogens into the wastewater treatment system,
  - water treatment innovation hubs, in regions that currently lack of appropriate sewer systems and treatment and sanitation facilities, applying smart technologies and decentralised systems with a focus on alternative water sources,
  - systematic approaches to avoid loss of water, energy and resources in industrial production and/or water and wastewater infrastructure.

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- (b) **Thematic priorities for Waste:** activities for the implementation of the specific objectives for waste set out in the Roadmap for a Resource-Efficient Europe and the 7th Environment Action Programme, in particular:
- (i) *integrated approaches for the implementation of waste plans and programmes;*
  - (ii) *activities for the implementation and development of Union waste legislation, with particular emphasis on the first steps of the Union waste hierarchy (prevention, re-use and recycling);*
  - (iii) *activities for resource efficiency and lifecycle impact of products, consumption patterns and dematerialisation of the economy.*

With respect to waste, the Roadmap for a Resource-Efficient Europe and the 7th Environmental Action Programme aim at reaching the following overall goals by 2020:

- to reduce waste generated,
- to maximise recycling and re-use,

<sup>(1)</sup> E.g. aiming to reduce energy consumption for the treatment and management of water and water losses.

<sup>(2)</sup> Population living in rural areas is the population living outside urban areas. Urban areas are identified through the following method: (1) a population density threshold (300 inhabitants per km<sup>2</sup>) applied to grid cells of 1 km<sup>2</sup>; (2) a minimum size threshold (5 000 inhabitants) applied to grouped grid cells above the density threshold. For more information see: [http://ec.europa.eu/eurostat/statistics-explained/index.php/Urban-rural\\_typology](http://ec.europa.eu/eurostat/statistics-explained/index.php/Urban-rural_typology)

<sup>(3)</sup> E.g. land nutrients (P, K, N) and organic compounds.

- to limit incineration to non-recyclable materials, and
- to limit landfilling to non-recyclable and non-recoverable waste.

Priority will therefore be given to the following project topics:

*Implementation of waste legislation — Annex III, section A, points (b)(i)-(ii)*

1. Implementation of methods for **management** (separate collection, sorting and recycling) **of waste** in Outermost Regions of the EU <sup>(1)</sup> or on islands <sup>(2)</sup> with a resident population of less than 250 000 inhabitants <sup>(3)</sup>.
2. Implementation of **innovative solutions** targeting one of the following:
  - separate collection and recycling of **waste electric and electronic equipment** (WEEE) **and/or batteries and accumulators** or recycling of WEEE and/or batteries and accumulators,
  - dismantling and recycling of **end-of-life vehicles** (ELVs),
  - **selective deconstruction** of construction works or buildings resulting in value-added recycled <sup>(4)</sup> materials or products,
  - sorting and value-added recycling of **plastics** <sup>(5)</sup>,
  - separate collection and recycling of **bio-waste**, and/or
  - recycling of **composite materials to recover critical raw materials**.

Explanatory note:

Complementary to these innovative solutions and the LIFE project, the other relevant waste management operations in line with the waste hierarchy should also be pursued during and beyond the project period.

3. **Identification** <sup>(6)</sup> and **separation of hazardous substances contained in wastes**, to enable value-added recycling <sup>(7)</sup> of the treated waste and safe disposal of the hazardous substances within the framework of the project.

*Waste and Resource efficiency — Annex III, section A, point (b)(iii)*

1. Implementation of **new business and/or consumption models and/or approaches to support resource efficiency**, in the priority industrial sectors as set out in the Roadmap for a Resource Efficient Europe <sup>(8)</sup> and the EU Action Plan for the Circular Economy <sup>(9)</sup>, focusing on product durability, reuse, repair and recycling and alternative processes to the sale of products. Already during the project duration, the implementation of the new business models and approaches should
  - result in a reduction in resource use (i.e. material use, energy and/or water use, depending on the main effects), and

<sup>(1)</sup> Guadeloupe, La Réunion, Mayotte, French Guiana and Martinique, Saint-Martin (France); Madeira, Azores (Portugal); Canary Islands (Spain), see: [http://ec.europa.eu/regional\\_policy/en/policy/themes/outermost-regions/](http://ec.europa.eu/regional_policy/en/policy/themes/outermost-regions/)

<sup>(2)</sup> Islands are defined as territories having a minimum surface of 1 km<sup>2</sup>; a minimum distance between the island and the mainland of 1 km; a resident population of more than 50 inhabitants; no fixed link (bridge, tunnel, dyke) between the island and the mainland. For the definition see Regional focus No 01/2011 'Regional typologies: a compilation'; European Union Regional Policy; [http://ec.europa.eu/regional\\_policy/sources/docgener/focus/2011\\_01\\_typologies.pdf](http://ec.europa.eu/regional_policy/sources/docgener/focus/2011_01_typologies.pdf)

<sup>(3)</sup> According to the latest publically available data of the relevant competent authorities.

<sup>(4)</sup> Value added means recycling into high quality products, i.e. not recycling into aggregates. For the concept see: Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of Regions 'Towards a circular economy: A zero waste programme for Europe', COM(2014) 398 final of 2 July 2014, <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A52014DC0398>

<sup>(5)</sup> This includes plastics packaging.

<sup>(6)</sup> Including characterisation.

<sup>(7)</sup> Value-added means recycling into high quality products, i.e. not recycling into aggregates. For the concept see: Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of Regions 'Towards a circular economy: A zero waste programme for Europe', COM(2014) 398 final of 2 July 2014, <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A52014DC0398>

<sup>(8)</sup> Communication COM(2011) 571 final of 20 September 2011 from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, 'Roadmap to a Resource Efficient Europe', <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM:2011:0571:FIN>

<sup>(9)</sup> Communication COM(2015) 614 final of 2 December 2015 from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, 'Closing the loop — An EU action plan for the Circular Economy', <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52015DC0614>

- support transformation in small and medium-sized enterprises (SMEs) <sup>(1)</sup>, and/or
- integrate the social dimension in the business model.

Explanatory note:

Alternative processes include but are not limited to sharing or leasing, remanufacturing, industrial symbiosis, optimising food chains, transport and mobility, sustainable buildings and construction/demolition.

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- (c) **Thematic priorities for Resource Efficiency, including soil and forests, and green and circular economy:** activities for the implementation of the Roadmap for a Resource-Efficient Europe and of the 7th Environment Action Programme that are not covered by other thematic priorities referred to in this Annex, in particular:
- (i) activities for industrial symbiosis and knowledge transfer, and development of new models for the shift towards a circular and green economy;
  - (ii) activities for the Soil Thematic Strategy (Commission Communication of 22 September 2006 entitled 'Thematic Strategy for Soil Protection') with special emphasis on mitigation and compensation of soil sealing, and improved land use;
  - (iii) activities for forest monitoring and information systems, and to prevent forest fires.

Projects under the thematic priorities for Resource Efficiency, including soil and forests, and green and circular economy will focus on the implementation of the Roadmap to a Resource Efficient Europe, the EU action plan for the Circular Economy <sup>(2)</sup>, the Thematic Strategy for Soil Protection <sup>(3)</sup> and the 2013 EU Forest Strategy <sup>(4)</sup>.

With respect to industrial symbiosis, knowledge transfer and the shift towards a circular and green economy, particular attention should be given to circular/resource efficient, environmentally sound performance of businesses, consumer policy, new business and consumption models, and value chains. Public support to circular economy has been so far biased toward 'recycling', while projects for reuse, repair and remanufacturing are underrepresented <sup>(5)</sup>. If implemented along (local) value chains the circular economy has a big potential to create positive social effects for example with respect to job market integration of underprivileged individuals and formalising activities in the shadow economy. Projects addressing the circular economy are invited to consider these aspects alongside the direct measurable environmental impact. These value chains will address the priority sectors, and thus also promote the implementation of the upcoming 'Strategy on Plastics in the Circular Economy' <sup>(6)</sup>.

With regard to soil protection, there is a need to improve soil management and, in particular, to limit and mitigate soil sealing. Soil-related data collected in the project should be provided to the relevant regional, national and/or EU databases.

Projects targeting forests are expected to contribute to forest monitoring by providing any relevant data they may generate to current or future European forest information systems. On the other hand, there is a need to find cost-efficient close-to-nature or similar alternative silvicultural approaches to planted even-aged and single-species stands in order to further boost biodiversity and resilience. Particular efforts should be made to prevent the outbreak of forest fires, to minimise the conditions for their progression, and to increase overall forest resilience, especially in protected areas such as the Natura 2000 sites which hold a large proportion of forests and represent the backbone of the EU nature protection action.

<sup>(1)</sup> For the definition of SME see: <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=URISERV%3An26026>

<sup>(2)</sup> Communication COM(2015) 614 final of 2 December 2015 from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, 'Closing the loop — An EU action plan for the Circular Economy', <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52015DC0614>

<sup>(3)</sup> Communication COM(2006) 231 final from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions — Thematic Strategy for Soil Protection, <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A52006DC0231>

<sup>(4)</sup> [https://ec.europa.eu/agriculture/forest/strategy\\_en](https://ec.europa.eu/agriculture/forest/strategy_en)

<sup>(5)</sup> See EEA report No 6/2017. 'Circular by design — products in the circular economy', p. 23: 5 % of all EU R & D projects in product design deal with eco-design; 1 % with remanufacturing, 2 % with repair, but 8 % focus on recycling.

<sup>(6)</sup> <http://www.europarl.europa.eu/legislative-train/theme-new-boost-for-jobs-growth-and-investment/file-strategy-on-plastics-in-the-circular-economy>

Priority will therefore be given to the following project topics:

*Resource Efficiency, green and circular economy — Annex III, section A, point (c)(i)*

**Implementation of the circular economy concept** targeting at least one of the priority sectors of the EU Action Plan for the Circular Economy <sup>(1)</sup> and ensuring the use of high quality secondary resources, scrap materials and/or wastes within a value chain or different value chains. Already during the project duration, the implementation of the circular economy should:

- support transformation in small and medium-sized enterprises (SMEs), and/or
- integrate the social dimension in the value chain(s).

*Soil — Annex III, section A, point (c)(ii)*

1. Implementation of actions in line with the Soil Sealing Guidelines <sup>(2)</sup> with improved efficiency compared to market solutions with a view to achieving **region- or nationwide spatial development without further land take or soil sealing**. Such actions shall consist in at least one of the following:
  - limitation and/or other remediation actions focused on contaminated sites,
  - mitigation of soil sealing, and/or
  - compensation for soil sealing.
2. Implementation of **integrated sustainable soil management practices** in line with the Voluntary Guidelines for Soil Sustainable Management <sup>(3)</sup> through regional, national or transnational networks or organisations.

*Forests — Annex III, section A, point (c)(iii)*

Besides the indicator data related to the forest habitats and ecosystems and their services, LIFE projects targeting forests should also provide data on the relevant indicators under criteria 1, 2, 4 and 5 of the Updated Pan-European Indicators for Sustainable Forest Management <sup>(4)</sup>.

1. Effective and efficient application of tools, methodologies, techniques, technologies and equipment to implement **close-to-nature forest management approaches and similar silvicultural alternatives <sup>(5)</sup> to more intensive <sup>(6)</sup> forest management** and/or management approaches based on **planted even-aged and single-species stands**, with a **cost-effectiveness** comparable to that of medium- or large-scale operations used in an equivalent more intensive and/or even-aged and single-species forest management context <sup>(7)</sup>.

<sup>(1)</sup> Communication COM(2015) 614 final of 2 December 2015 from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, 'Closing the loop — An EU action plan for the Circular Economy', <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52015DC0614> The priority sectors are: Plastics, Critical Raw Materials, Food Waste, Biomass & bio-based products and Construction and Demolition Waste (CDW).

<sup>(2)</sup> Commission Staff Working Document Brussels SWD(2012) 101 final of 12 April 2012 'Guidelines on best practice to limit, mitigate or compensate soil sealing', [http://ec.europa.eu/environment/soil/pdf/soil\\_sealing\\_guidelines\\_en.pdf](http://ec.europa.eu/environment/soil/pdf/soil_sealing_guidelines_en.pdf)

<sup>(3)</sup> Adopted by the FAO Council on 5 December 2016 and endorsed by the EU and the Member States, <http://www.fao.org/3/a-bl813e.pdf>

<sup>(4)</sup> Madrid Ministerial Declaration of 22 October 2015, as adopted by the Forest Europe Expert Level Meeting, 30 June-2 July 2015, Madrid, Spain, [http://foresteurope.org/wp-content/uploads/2016/11/III-ELM\\_7MC\\_2\\_2015\\_MinisterialDeclaration\\_adopted-2.pdf#page=5](http://foresteurope.org/wp-content/uploads/2016/11/III-ELM_7MC_2_2015_MinisterialDeclaration_adopted-2.pdf#page=5)

<sup>(5)</sup> E.g. small-scale forestry operations.

<sup>(6)</sup> Philipp S. Duncker, Susana M. Barreiro, Geerten M. Hengeveld, Torgny Lind, William L. Mason, Slawomir Ambrozy and Heinrich Spiecker, Classification of Forest Management Approaches: A New Conceptual Framework and Its Applicability to European Forestry, Ecology and Society 17(4): 51. <http://dx.doi.org/10.5751/ES-05262-170451> p. 50: 'Different forest management approaches or silvicultural systems can be arranged along a gradient of management intensity, depending on the specific silvicultural methods and practices used (species selection, site preparation, planting, tending, thinning, final harvesting, use of chemical agents, etc.). The choices of these methods and practices will have consequential impact on forest ecosystem structures and functions, including their biodiversity and other sustainability criteria. "Intensive" forest management usually prioritises economic considerations and notably biomass production objectives, whereas ecological concerns and other ecosystem functions and services play a comparatively minor role. Typical methods and operations under this approach include short rotation lengths, even-aged stands, the possibility to use non-autochthonous tree species, the application of chemical agents, clearcutting as final harvesting regime, intensive machine operations and soil cultivation, or fertilising and liming'.

<sup>(7)</sup> E.g. new machinery suitable for partial tree removals that address small-scale variability in stand structure; prevention of soil damage; new inventory models and IT systems for stand planning and management; remote surveillance technologies to prevent illegal logging; specialised sawmill technology, etc.

Explanatory note:

'Close-to-nature forest management' (sometimes also referred to as 'ecologically sound forestry' or 'continuous cover forestry') is characterised by practices which try to emulate natural processes and which aim to combine the economic use of forests with nature conservation. The results are actively managed but multi-storied and rich mixed forests which are relatively close to natural forests. The concept includes active forest management with timber harvest and thus should not be mistaken for approaches explicitly intending to preserve natural processes e.g. in wilderness areas. The practices typically used may vary slightly from one country to another but would be expected to include the following elements use of native or site-adapted tree species, natural regeneration, limited machine operation, inclusion of nature conservation measures, exclusion of fertilisation or pesticide use, long rotation length, and single stem or group harvesting <sup>(1)</sup>.

2. Testing and implementing methods <sup>(2)</sup> for **converting existing highly fire-prone forests** to more resilient stands with a lower fuel build-up and fire progression risk, relying on silvicultural and land management practices that favour semi-natural mixed or broad-leaved forests, exclude overexploitation of related water bodies, and/or ensure sustainable land use reducing the fire risk and/or fire intensity.

### LIFE Regulation Annex III

- (d) **Thematic priorities for Environment and Health, including chemicals and noise:** support activities for the implementation of the specific objectives for environment and health set out in the 7th Environment Action Programme, in particular:
- (i) support activities for the implementation of Regulation (EC) No 1907/2006 of the European Parliament and of the Council <sup>(3)</sup> (REACH) and Regulation (EU) No 528/2012 of the European Parliament and of the Council <sup>(4)</sup> (Biocidal Products Regulation) to ensure a safer, more sustainable or economical use of chemicals (including nanomaterials);
  - (ii) support activities to facilitate the implementation of Directive 2002/49/EC of the European Parliament and of the Council <sup>(5)</sup> (Noise Directive) in order to achieve noise levels that do not give rise to significant negative impacts on and risks to human health;
  - (iii) support activities for avoiding major accidents in particular facilitating the implementation of Directive 2012/18/EU of the European Parliament and of the Council <sup>(6)</sup> (Seveso III Directive).

With regard to environment and health, new methods to reduce the impact of chemicals, noise and industrial accidents on the environment and human health should be explored.

Priority will therefore be given to the following project topics:

*Chemicals — Annex III, section A, point (d)(i)*

**Reduction of the impact on the environment or human health**, of at least one of the following:

- **substances identified as hazardous to human health or to the environment under the Regulation on classification, labelling and packaging of substances and mixtures (CLP) <sup>(7)</sup>,**

<sup>(1)</sup> From Duncker, P. S., S. M. Barreiro, G. M. Hengeveld, T. Lind, W. L. Mason, S. Ambrozy, and H. Spiecker. 2012. Classification of forest management approaches: a new conceptual framework and its applicability to European forestry. *Ecology and Society* 17(4): 51.

<sup>(2)</sup> Methods and approaches will vary depending e.g. on size of forest holding, type of ownership, forest type and biogeographic region, etc.  
<sup>(3)</sup> Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), establishing a European Chemicals Agency, amending Directive 1999/45/EC and repealing Council Regulation (EEC) No 793/93 and Commission Regulation (EC) No 1488/94 as well as Council Directive 76/769/EEC and Commission Directives 91/155/EEC, 93/67/EEC, 93/105/EC and 2000/21/EC (OJ L 396, 30.12.2006, p. 1).

<sup>(4)</sup> Regulation (EU) No 528/2012 of the European Parliament and of the Council of 22 May 2012 concerning the making available on the market and use of biocidal products (OJ L 167, 27.6.2012, p. 1).

<sup>(5)</sup> Directive 2002/49/EC of the European Parliament and of the Council of 25 June 2002 relating to the assessment and management of environmental noise (OJ L 189, 18.7.2002, p. 12).

<sup>(6)</sup> Directive 2012/18/EU of the European Parliament and of the Council of 4 July 2012 on the control of major-accident hazards involving dangerous substances, amending and subsequently repealing Council Directive 96/82/EC (OJ L 197, 24.7.2012, p. 1).

<sup>(7)</sup> Regulation (EC) No 1272/2008 of the European Parliament and the Council of 16 December 2008 on classification, labelling and packaging of substances and mixtures, amending and repealing Directives 67/548/EEC and 1999/45/EC, and amending Regulation (EC) No 1907/2006 (OJ L 353, 31.12.2008, p. 1), as last amended to technical and scientific progress: <https://echa.europa.eu/regulations/clp/legislation>

- **combination effects of chemicals**, including **endocrine disruptors**,
- **nanomaterials**,
- **biocidal products and/or pesticides**.

This shall be reached through one or more of the following:

- safer or more sustainable use,
- minimisation of exposure to toxic chemicals in products or in the environment, and/or
- substitution with safer substances or with non-chemical solutions.

Noise — Annex III, section A, point (d)(ii)

Under this heading, priority will be given to projects in urban areas in order to improve the situation for a maximum number of persons.

Reduction of **noise from roads inside densely populated urban areas** by means of using low-noise surfaces and/or tyres having life cycle costs comparable to those of standard surfaces and/or tyres while achieving a substantial noise reduction.

Industrial accidents — Annex III, section A, point (e)(iii)

Facilitation of the implementation of the **Seveso III Directive** (Directive 2012/18/EU) on the control of major-accident hazards involving dangerous substances through deployment of particularly cost-effective methodological tools for carrying out **human health and environmental risk mapping**, and for addressing **domino effects**. Projects shall foresee the demonstrative application of these tools by different duty holders and implement risk preventing or reducing measures on their basis.

#### LIFE Regulation Annex III

- (e) **Thematic priorities for Air quality and emissions, including urban environment**: support activities for the implementation of the specific objectives for air and emissions in the Roadmap for a Resource-Efficient Europe and the 7th Environment Action Programme, in particular:
- (i) *integrated approaches to the implementation of air quality legislation;*
  - (ii) *support activities to facilitate compliance with Union air quality and related air emissions standards including Directive 2001/81/EC of the European Parliament and the Council <sup>(1)</sup> (National Emissions Ceilings Directive);*
  - (iii) *support activities for the enhanced implementation of Directive 2010/75/EU of the European Parliament and of the Council <sup>(2)</sup> (Industrial Emissions Directive) with a special emphasis on improving BAT definition and implementation process, ensuring easy public access to information and enhancing the contribution of the IED to innovation.*

The thematic priority 'air quality and emissions including urban environment' focusses on the implementation of air quality legislation and a comprehensive approach to urban environmental problems. Air pollution remains the most serious environmental health problem in Europe, with a mortality rate more than 10 times that from traffic accidents, and also having a significant impact on ecosystems (e.g. 70 % of the EU's Natura 2000 sites suffer from eutrophication as a result of air pollution). It should be addressed in line with the forthcoming EU Air Quality Strategy for the period up to 2030. Projects should refer to PM and/or NO<sub>2</sub>, not to CO<sub>2</sub>. If reducing emissions of CO<sub>2</sub> is the primary objective, the project should be submitted under the sub-programme for Climate Action.

The Industrial Emissions Directive (IED) is a key instrument for pollution prevention and control from large point sources. Experience with implementation of the IED (and its predecessor, the Directive on integrated pollution prevention and control IPPC) has allowed for identifying additional needs in terms of public information and the introduction of emerging techniques

<sup>(1)</sup> Directive 2001/81/EC of the European Parliament and of the Council of 23 October 2001 on national emission ceilings for certain atmospheric pollutants (OJ L 309, 27.11.2001, p. 22).

<sup>(2)</sup> Directive 2010/75/EU of the European Parliament and of the Council of 24 November 2010 on industrial emissions (integrated pollution prevention and control) (OJ L 334, 17.12.2010, p. 17).



Priority will therefore be given to the following project topics:

*Air quality legislation and the NEC Directive — Annex III, section A, points (e)(i)-(ii)*

Where not explicitly stated otherwise, air quality projects should generally focus on urban areas in order to cover as many people as possible.

1. **Air quality improvement and emission reduction of particulate matter (PM)** in areas with high use of solid fuel like biomass, coal, and peat for domestic heating. Such projects shall implement one or more of the following:
  - technical <sup>(1)</sup>,
  - management,
  - regulatory, and/or
  - incentive-based solutions <sup>(2)</sup>.
2. **Sustainable road transport mobility** aiming at emissions of air pollutants, the reduction of which is essential for helping meet air quality standards, focussing on one or more of the following:
  - cleaner real world driving,
  - cleaner or electric two- or three-wheelers and/or analysis for and implementation on a test scale of related infrastructure needs,
  - the use of electric or super low emission vehicles <sup>(3)</sup>,
  - the use of alternative fuels,
  - innovative retrofit programmes for vehicles <sup>(4)</sup>,
  - alternative drive train technology <sup>(5)</sup>,
  - high-impact traffic access systems (such as Low Emission Zones and road pricing schemes) through advanced access criteria and/or labels, and/or
  - the use of innovative logistic platforms <sup>(6)</sup>.
3. **Sustainable aviation and non-road mobile machinery (NRMM) mobility** aiming at reducing emissions, notably from existing NRMM not covered (yet) by Regulation (EU) 2016/1628 of the European Parliament and of the Council <sup>(7)</sup>.
4. **Reduction of ammonia, methane and PM emissions from agriculture** in support of the implementation of the upgraded UNECE Code of Good Practice for reducing emissions from agriculture <sup>(8)</sup>.

<sup>(1)</sup> E.g. fuel pre-treatment, ultra-low dust technologies, high efficiency and clean combustion and control technologies, combinations with no-emission renewable energy, heat storage.

<sup>(2)</sup> Please note that direct payment of incentives to third parties are not eligible under LIFE pursuant to Article II.11 of the LIFE Model Grant Agreement.

<sup>(3)</sup> Super low emission vehicles within the meaning of the Horizon 2020 work programme, [http://ec.europa.eu/research/participants/data/ref/h2020/wp/2016\\_2017/main/h2020-wp1617-transport\\_en.pdf](http://ec.europa.eu/research/participants/data/ref/h2020/wp/2016_2017/main/h2020-wp1617-transport_en.pdf) This may include public service vehicles.

<sup>(4)</sup> Products envisaged could be cars as well as motorised two-wheelers and three-wheelers.

<sup>(5)</sup> As, for example, electro-mobility and hydrogen-based mobility.

<sup>(6)</sup> e.g. for last mile delivery of goods.

<sup>(7)</sup> Regulation (EU) 2016/1628 of the European Parliament and of the Council of 14 September 2016 on requirements relating to gaseous and particulate pollutant emission limits and type-approval for internal combustion engines for non-road mobile machinery, amending Regulations (EU) No 1024/2012 and (EU) No 167/2013, and amending and repealing Directive 97/68/EC (OJ L 252, 16.9.2016, p. 53) e.g. from Waterway Transport, port infrastructure and construction sites. This may include fuel switching (including electricity), low emission fuel (e.g. aviation fuel resulting in low Particle Number emissions) and retrofitting with emission reduction technologies. Actions can be complemented by the implementation of related urban policies, regulatory approaches and planning. The actions should result in measurable emission reduction of air pollutants such as PM and NO<sub>2</sub>.

<sup>(8)</sup> <http://www.unece.org/index.php?id=41358>

*Industrial Emissions Directive — Annex III, section A, points (e)(iii)*

Application of **pollution prevention and abatement techniques** referred to in the Industrial Emissions Directive as emerging techniques.

*Urban environment — Annex III, section A, point (e)*

Implementation of **integrated urban policies and regulatory approaches for sustainable planning and design and/or for supporting innovative technical solutions** to improve at least one of the following aspects:

- urban public transport and mobility,
- energy or resource efficiency or no-/low-emission <sup>(1)</sup> renewable energy or materials solutions <sup>(2)</sup>,
- local food production, and/or
- the condition of urban ecosystems and their services <sup>(3)</sup>.

### 3.2. Priority area Nature and Biodiversity

Pursuant to Article 11(a) of the LIFE Regulation, the project topics corresponding to this priority area and the related thematic priorities listed in Annex III to the LIFE Regulation, shall pursue the specific objective 'to contribute to the development and implementation of Union policy and legislation in the area of nature and biodiversity, including the Union Biodiversity Strategy to 2020, and Council Directive 92/43/EEC <sup>(4)</sup> and Directive 2009/147/EC of the European Parliament and of the Council <sup>(5)</sup>, by applying, developing, testing and demonstrating approaches, best practices and solutions'.

LIFE has been a key tool supporting the implementation of the Birds and Habitats Directives during the past 25 years and has been instrumental and in some cases crucial to ensure the establishment of the Natura 2000 network. The Nature Directives' fitness check <sup>(6)</sup> and the Action plan for nature, people, and the economy <sup>(7)</sup> underline the need to increase funding for this priority area, which is catered for by the Delegated Regulation amending Article 9 paragraph 4 of the LIFE Regulation. LIFE Nature and Biodiversity will continue to focus its financial resources on Natura 2000 to ensure full delivery of the commitments concerning target 1 of the Biodiversity strategy, and, at the same time, promote projects addressing targets 2, 3, 4, and 5 of the Biodiversity Strategy to 2020.

LIFE Nature and LIFE Biodiversity projects are intended to complement each other and, where relevant, other nature- and biodiversity-related thematic priorities, e.g. when a project targets Natura 2000, where relevant, it should also address invasive alien species. Thus, in order to avoid inconsistencies, principles applying under one of the thematic priorities also apply under the complementary one. If projects implementing Targets 2, 3, 4 and/or 5 of the Biodiversity Strategy to 2020 take place (even partly) in Natura 2000 sites, the measures proposed must be in line with the site's conservation objectives, the site's management plan or equivalent instruments and/or the Special Areas of Conservation (SAC) designation act. In addition, LIFE projects targeting forests should also provide data on the relevant indicators under criteria 1, 2, 4 and 5 of the Updated Pan-European Indicators for Sustainable Forest Management <sup>(8)</sup>.

<sup>(1)</sup> No-/low-emission renewable energy. The project should refer to PM and/or NO<sub>2</sub>, not to CO<sub>2</sub>. If reducing emissions of CO<sub>2</sub> is the primary objective, it should be submitted under the sub-programme for Climate Action.

<sup>(2)</sup> Including solutions complementary to activities under the Covenant of Mayors.

<sup>(3)</sup> [http://ec.europa.eu/environment/nature/knowledge/ecosystem\\_assessment/pdf/102.pdf](http://ec.europa.eu/environment/nature/knowledge/ecosystem_assessment/pdf/102.pdf)

<sup>(4)</sup> Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora (OJ L 206, 22.7.1992, p. 7).

<sup>(5)</sup> Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds (OJ L 20, 26.1.2010, p. 7).

<sup>(6)</sup> Commission Staff Working Document SWD(2016) 472 final of 16 December 2016 'Fitness-check of the EU Nature Legislation (Birds and Habitats Directives) Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds and Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora' (hereinafter referred to as 'the Fitness-check of the Birds and Habitats Directives').

<sup>(7)</sup> Communication COM(2017) 198 final of 27 April 2017 from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions 'An Action Plan for nature, people and the economy'.

<sup>(8)</sup> Madrid Ministerial Declaration of 22 October 2015, as adopted by the Forest Europe Expert Level Meeting, 30 June-2 July 2015, Madrid, Spain, [http://foresteurope.org/wp-content/uploads/2016/11/III-ELM\\_7MC\\_2\\_2015\\_MinisterialDeclaration\\_adopted-2.pdf#page=5](http://foresteurope.org/wp-content/uploads/2016/11/III-ELM_7MC_2_2015_MinisterialDeclaration_adopted-2.pdf#page=5)

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- (a) **Thematic priorities for Nature:** activities for the implementation of Directives 92/43/EEC and 2009/147/EC, in particular:
- (i) activities aimed at improving the conservation status of habitats and species, including marine habitats and species, and bird species, of Union interest;
  - (ii) activities in support of the Natura 2000 network bio-geographical seminars;
  - (iii) integrated approaches for the implementation of prioritised action frameworks.

The following project topics contributing to Target 1 of the Biodiversity Strategy to 2020 to fully implement the Birds and Habitats Directives are given priority:

1. Improvement of the conservation status of habitat types or species of Community Interest <sup>(1)</sup> under the EU Birds and Habitats directives, targeting **Natura 2000 sites proposed or designated for these habitat types or species** <sup>(2)</sup>.
2. Projects aimed at improving the conservation status of habitat types or species of Community Interest, provided, their **status is not 'favourable/secure and not declining'** or **'unknown'** according to the most recent overall assessments that Member States have provided at the relevant geographic level according to Article 17 of the Habitats Directive or to the most recent assessments according to Article 12 Birds Directive and EU-level bird assessments.
3. Implementing the **marine component** of the Habitats and Birds Directives and related provisions under the Marine Strategy Framework Directive descriptor 1, where such projects focus on one or several of the following actions:
  - completing and finalising national inventories for setting up the offshore marine Natura 2000 network of sites,
  - restoration and management of marine Natura 2000 sites, including the preparation and implementation of site management plans,
  - actions addressing species-, habitat- or site-related conflicts between marine conservation and fishermen or other 'marine users', as well as actions which combine conservation measures with a sustainable use of Natura 2000 sites, and/or
  - demonstrative or innovative approaches to assess or monitor the impact of human activities on critical marine habitats and species and their application as a tool to guide concrete conservation measures.

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- (b) **Thematic priorities for Biodiversity:** activities for the implementation of the Union Biodiversity Strategy to 2020, in particular:
- (i) activities aimed at contributing to the achievement of Target 2;
  - (ii) activities aimed at contributing to the achievement of Targets 3, 4 and 5.

The following project topics focus on the implementation of Targets 2, 3, 4 and 5 of the Biodiversity Strategy to 2020, in as far as they primarily target the general and specific objectives pursuant to Articles 3 and 11 of the LIFE Regulation and thus can be funded under the LIFE programme.

<sup>(1)</sup> The reference to the term 'Community interest' used in this context is to be understood as 'Union interest'.

<sup>(2)</sup> The relevant Priority Action Framework, habitat and/or species action plans are implementation tools for this project topic.

Priority will be given to the project topics listed below:

1. Development and implementation of **Green Infrastructure** <sup>(1)</sup> **plans** and actions **improving the condition of ecosystems and the services they provide** <sup>(2)</sup> and/or the **connectivity** between Natura 2000 sites and/or other protected areas.

Development and application of **Green Infrastructure-related widely replicable methods and/or techniques** that effectively mitigate the negative impacts of **energy or transport infrastructure** on biodiversity by enhancing connectivity. These techniques and/or methods should be **more cost-effective than qualitatively equivalent solutions** already offered on the market, and, where relevant, lead to free shared solutions or the development of technical standards.

2. Development and application of tools aimed at **integrating biodiversity into financial and business decisions** so as to ensure, through the conservation and restoration of biodiversity carried out during the project, **no net loss of biodiversity and/or enhanced income delivering ecosystem services** <sup>(3)</sup>.
3. Targeting **threatened species or habitats** that are **not included in the annexes of the Habitats Directive** but have a status of **'endangered' or worse** in the European species <sup>(4)</sup> or habitats <sup>(5)</sup> Red Lists or, for those species not covered by the European Red Lists, in the IUCN Red List <sup>(6)</sup>.
4. Addressing **Invasive Alien Species** <sup>(7)</sup> by testing and implementing the following three steps on an appropriate spatial scale within a comprehensive framework:

- preventing the introduction of invasive alien species, in particular by tackling the priority pathways of their introduction,
- establishing an early detection and rapid eradication system, and
- eradicating, controlling or containing established invasive alien species.

The projects should be set up to improve existing — or introduce new — technical, administrative and/or legal frameworks on the relevant level, in particular in relation to, but not limited to, the species included on the list of invasive alien species of Union concern pursuant to Article 4(1) of the Regulation (EU) No 1143/2014 of the European Parliament and of the Council <sup>(8)</sup>.

*Explanatory note:* Where a step has already been addressed independently of the project or it is not possible to address it in the project context, the project actions shall at least be clearly situated in a broader framework that links all three steps.

### 3.3. Priority area Environmental Governance and Information

Pursuant to Article 12(a) of the LIFE Regulation, the project topics corresponding to this priority area and the related thematic priorities listed in Annex III to the LIFE Regulation, shall pursue the specific objective 'to promote awareness raising on environmental matters, including generating public and stakeholder support of Union policymaking in the field of the environment, and to promote knowledge on sustainable development and new patterns for sustainable consumption.'

<sup>(1)</sup> Green Infrastructure (GI) is a strategically planned network of natural and semi-natural areas with other environmental features designed and managed to deliver a wide range of ecosystem services. It incorporates green spaces (or blue if aquatic ecosystems are concerned) and other physical features in terrestrial (including coastal) and marine areas. On land, GI is present in rural and urban settings. See <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52013DC0249>

<sup>(2)</sup> [http://ec.europa.eu/environment/nature/knowledge/ecosystem\\_assessment/pdf/MAESWorkingPaper2013.pdf](http://ec.europa.eu/environment/nature/knowledge/ecosystem_assessment/pdf/MAESWorkingPaper2013.pdf)

<sup>(3)</sup> For examples see, e.g. the Business and Biodiversity Platform [http://ec.europa.eu/environment/biodiversity/business/resources/index\\_en.htm](http://ec.europa.eu/environment/biodiversity/business/resources/index_en.htm)

<sup>(4)</sup> [http://ec.europa.eu/environment/nature/conservation/species/redlist/index\\_en.htm](http://ec.europa.eu/environment/nature/conservation/species/redlist/index_en.htm)

<sup>(5)</sup> [http://ec.europa.eu/environment/nature/knowledge/redlist\\_en.htm](http://ec.europa.eu/environment/nature/knowledge/redlist_en.htm)

<sup>(6)</sup> <http://www.iucnredlist.org/>

<sup>(7)</sup> Regulation (EU) No 1143/2014 of the European Parliament and of the Council of 22 October 2014 on the prevention and management of the introduction and spread of invasive alien species (OJ L 317, 4.11.2014, p. 35), and under Target 5 of the Biodiversity Strategy or in view of contributing to reaching the level of protection set out in descriptor 2 — Non-indigenous species, Annex I(2) Directive 2008/56/EC.

<sup>(8)</sup> The list is regularly updated, e.g. Commission Implementing Regulation (EU) 2016/1141 of 13 July 2016 adopting a list of invasive alien species of Union concern pursuant to Regulation (EU) No 1143/2014 of the European Parliament and of the Council (OJ L 189, 14.7.2016, p. 4).

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#### Priority area Environmental Governance and Information:

- (a) information, communication and awareness-raising campaigns in line with the priorities of the 7th Environment Action Programme;
- (b) activities in support of effective control process as well as measures to promote compliance in relation to Union environmental legislation, and in support of information systems and information tools on implementation of Union environmental legislation.

Information, communication and awareness-raising campaigns — Annex III, section C, point (a)

The geographical scope of awareness information, communication and awareness-raising campaigns will be taken into account in the assessment of the European added value of proposed projects.

**Raising awareness on environmental problems, EU environmental policies, tools and/or legislation among the relevant target audiences**, aiming to change their perceptions and fostering the adoption of environmentally friendly behaviours and practices and/or direct citizen's engagement. Applicants need to provide substantial evidence that a change of awareness levels <sup>(1)</sup> in the field(s) addressed by the project is a crucial factor supporting correct implementation and/or future development of EU environmental policies tools and/or legislation. The awareness-raising activities should have the widest coverage relevant for the specific issue targeted <sup>(2)</sup>. The environmental problems, EU environmental policies, tools and/or legislation targeted should be directly linked to one or more of the themes listed below the following three priorities <sup>(3)</sup>:

Green growth:

- sustainable consumption with a focus on waste prevention, in particular plastic waste, food waste and marine litter,
- transition to circular economy, in particular implementation of sustainable business models, sustainable production, products and services <sup>(4)</sup>.

Connecting with citizens:

- Natura 2000 and the benefits of the implementation of the European nature legislation, in line with the action plan on nature, people and the economy <sup>(5)</sup>,
- invasive alien species,
- safe use of chemicals,
- benefits of nature including green infrastructure and related ecosystem services.

Making it happen:

- air quality in urban areas and its health effects, and/or
- benefits of the implementation of water legislation.

<sup>(1)</sup> Awareness level is defined here as the proportion of target audience who knows of the idea/term/product/concept/environmental challenge/etc. that is the subject of the proposed LIFE project's work. See also the differentiation made in the framework of the LIFE Key Project Indicators ([http://ec.europa.eu/environment/life/toolkit/pmtools/life2014\\_2020/documents/160215\\_LIFEproject\\_level\\_outcome\\_indicators.pdf](http://ec.europa.eu/environment/life/toolkit/pmtools/life2014_2020/documents/160215_LIFEproject_level_outcome_indicators.pdf)) between 'reaching' (Reaching is defined as successfully providing project specific information to the target audience (general public or stakeholder groups) represented by their individual members. It can be inferred from certain behavioural patterns that individuals have been reached) and 'raising awareness' (Awareness raising is defined as successfully increasing the understanding and knowledge of the focus area of the project among the target audience (general public or stakeholder groups) represented by their individual members) as the basis for behavioural change.

<sup>(2)</sup> As a general principle, these proposals should therefore, e.g. fully target a Member State, several Member States or the entire EU, a whole market sector, a major metropolitan area, a species in its entire range, a bio-geographic region or all regions facing a similar issue.

<sup>(3)</sup> Taken from the DG Environment Strategic Plan 2016-2020: [https://ec.europa.eu/info/publications/strategic-plan-2016-2020-environment\\_en](https://ec.europa.eu/info/publications/strategic-plan-2016-2020-environment_en)

<sup>(4)</sup> Including sustainable building.

<sup>(5)</sup> Communication COM(2017) 198 final of 27 April 2017 from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions 'An Action Plan for nature, people and the economy', [http://ec.europa.eu/environment/nature/legislation/fitness\\_check/action\\_plan/index\\_en.htm](http://ec.europa.eu/environment/nature/legislation/fitness_check/action_plan/index_en.htm)

Activities in support of effective control process as well as measures to promote compliance — Annex III, section C, point (b)

Information systems, quality of public administration and voluntary approaches

1. **Improving environmental information systems** operated by public authorities for **electronically collecting, processing, storing and sharing environmental information**, by developing and providing new or, where available, enhancing existing systems. Projects should improve the implementation of EU environmental policy and be in line with EU reporting obligations.

Explanatory note:

Improvements can take the form of reduced administrative burden, improved information-sharing within and between authorities, enhanced end-uses of environmental information, including reporting, and better service to end-users, including the public.

As regards chemical monitoring data, projects should improve data availability and accessibility of chemical monitoring data for the regulatory processes via the use of the Information Platform for Chemical Monitoring (IPCHEM), by linking and correlating the chemical monitoring data with human and environmental health data.

2. **Improving the capacity and quality of public administration in relation to plans, programmes, analyses, reviews and assessments and/or to permits, derogations, and other decisions on specific activities**, where appropriate also in partnership with private entities, with a view to reducing administrative burden while optimising environmental outcomes and integrating, where appropriate, nature conservation.

One or more of the following shall be targeted:

Plans, programmes, analyses, reviews and assessments

- **air quality plans** <sup>(1)</sup>,
- **national air pollution control programmes** <sup>(2)</sup>,
- **river basin management plans** <sup>(3)</sup> and associated programmes of measures, analyses and reviews,
- **marine spatial plans**, and associated programmes of measures, and marine strategies with a view to ensuring synergies with Natura 2000 and river basin management plans,
- **flood risk management plans** <sup>(4)</sup>,
- **nitrate action plans** <sup>(5)</sup>,
- **waste management plans** <sup>(6)</sup>,
- **Natura 2000 management plans** <sup>(7)</sup>,
- **forest management plans required under the Rural Development Regulation**, in order to secure more biodiverse forests,

<sup>(1)</sup> e.g. as foreseen under Directive 2008/50/EC of the European Parliament and of the Council of 21 May 2008 on ambient air quality and cleaner air for Europe (OJ L 152, 11.6.2008, p. 1).

<sup>(2)</sup> Directive (EU) 2016/2284 of the European Parliament and of the Council of 14 December 2016 on the reduction of national emissions of certain atmospheric pollutants, amending Directive 2003/35/EC and repealing Directive 2001/81/EC (OJ L 344, 17.12.2016, p. 1).

<sup>(3)</sup> Directive 2000/60/EC, see Articles 5, 11 and 13.

<sup>(4)</sup> Directive 2007/60/EC.

<sup>(5)</sup> Directive 91/676/EEC.

<sup>(6)</sup> Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008 on waste, and repealing certain Directives (OJ L 312, 22.11.2008, p. 3).

<sup>(7)</sup> Directives 92/43/EEC and 2009/147/EC.

- **land use plans and other plans requiring strategic environmental assessment** <sup>(1)</sup> with a view to improving the account taken of ecosystems <sup>(2)</sup> and their services <sup>(3)</sup>,
- **assessments of ecosystem services and related work** <sup>(4)</sup>, and/or

decisions related to:

- **industrial emissions**,
- **waste management**,
- **water pollution and water abstraction** <sup>(5)</sup>,
- **nature protection** <sup>(6)</sup>.

Explanatory note:

For the plans or programmes or other measures targeted, improving the capacity and quality of public administration could relate to one or more of the following: engaging and supporting stakeholders; consulting the public; optimising the content of documents; monitoring implementation of and compliance with the targeted measure; sharing best practices; employing effective methods for the preparation, revision, and environmental assessment of the targeted measures. Increased monitoring capacity through e.g. highly dispersed and real-time monitoring techniques established coherently in multiple localities, increases the opportunities and information-base not only for the assessment of plans but also for creating new, dynamic plans.

As regards Natura 2000 management plans and nature protection related decisions, the recommendations from the Natura 2000 biogeographic seminars should be taken into account. As regards decisions related to nature protection, this regards permitting requirements pursuant to Article 6(3) and Article 6(4) of the Habitats Directive and species protection rules pursuant to Articles 12 and 16 of the Habitats Directive and Articles 5 and 9 of the Birds Directive.

Assessment includes measuring and modelling, as well as the establishment and/or improvement of emission inventories.

Decisions are decisions of the competent authorities for the purpose of respecting relevant EU environmental legislation.

**3. Development, promotion, implementation and/or harmonisation of one or more of the following voluntary approaches and their use** by entities aiming at reducing impact on the environment of their activities, products and services:

- **third-party verification** of the performance of innovative technologies when they are ready for the market such as Environmental Technology Verification (ETV) <sup>(7)</sup>,
- **environmental footprint category rules (PEFCR) and/or organisation environmental footprint sectoral rules (OEFSR)** at European level for products and sectors not yet covered by the existing PEFCRs/OEFSRs and related high-quality databases, based on the **European environmental footprint methodology** <sup>(8)</sup> and the latest available guidance <sup>(9)</sup>,
- **actions, services, networks and new business models** for fostering the use of remanufactured, repaired, refurbished and/or reused products also linked to product durability and planned obsolescence, and/or for fostering the use of officially recognised ecolabels such as the **EU Ecolabel**,

<sup>(1)</sup> Directive 2001/42/EC of the European Parliament and of the Council of 27 June 2001 on the assessment of the effects of certain plans and programmes on the environment (OJ L 197, 21.7.2001, p. 30).

<sup>(2)</sup> Including soil ecosystems.

<sup>(3)</sup> Biodiversity Mapping, assessing and/or valuation of ecosystems and their services in line with the First MAES Report: [http://ec.europa.eu/environment/nature/knowledge/ecosystem\\_assessment/pdf/MAESWorkingPaper2013.pdf](http://ec.europa.eu/environment/nature/knowledge/ecosystem_assessment/pdf/MAESWorkingPaper2013.pdf)

<sup>(4)</sup> EU Biodiversity Strategy, Action 5.

<sup>(5)</sup> Including the analysis necessary to establish effective water pricing policies.

<sup>(6)</sup> Pursuant to Directives 92/43/EEC and 2009/147/EC.

<sup>(7)</sup> [https://ec.europa.eu/environment/ecoap/etv\\_en](https://ec.europa.eu/environment/ecoap/etv_en)

<sup>(8)</sup> Commission Recommendation 2013/179/EU of 9 April 2013 on the use of common methods to measure and communicate the life cycle environmental performance of products and organizations (OJ L 124, 4.5.2013, p. 1).

<sup>(9)</sup> <https://webgate.ec.europa.eu/fpfis/wikis/display/EUENVP/Documents+of+common+interest>

- common **tender specifications and/or uptake monitoring tools** for public authorities with similar purchasing needs in order to foster the uptake of **Green and Circular Public Procurement**,
- linking regulatory, financial or reputational incentives to environmental performance by using **EMAS**,
- assessment of the **environmental performance of buildings** using the building framework with core indicators <sup>(1)</sup>.

#### Environmental compliance assurance and access to justice

1. **Supporting environmental compliance assurance** by developing and implementing or implementing existing cross-border, national or regional risk-based strategies to **promote, check and enforce compliance** through use of a mix of administrative law, criminal law and environmental liability regarding one or more of the following:
  - **waste crime and offending**,
  - **wildlife trafficking**,
  - **wildlife and nature crime and offending, including illegal logging**,
  - **diffuse and/or point-source water pollution and/or illegal water abstraction**,
  - **point and mobile sources of air pollution**.

#### Explanatory note:

'Risk-based' refers to an assessment of, first, how likely certain categories of person are to commit offences and, second, how serious the impact is expected to be on the environment and human health. The greater the likelihood of offending and the greater the expected impact, the more pressing the need to intervene. The choice of intervention should reflect the nature of the risks and be aimed at mitigating them as far as possible.

2. **Supporting environmental compliance assurance** by establishing new or, where in place, enhancing existing cross-border, national or regional **networks** of environmental compliance assurance **practitioners or experts** and/or establishing or, where in place, improving **professional qualifications and training** <sup>(2)</sup> to improve compliance with binding EU environmental instruments, through promoting, checking and enforcing compliance using a mix of administrative law, criminal law and environmental liability.

#### Explanatory note:

Environmental compliance assurance practitioners can include those working for authorities and bodies with compliance assurance responsibilities such as local, regional, police and customs authorities, environment agencies and inspectorates, supreme public audit bodies and the judiciary. They can also include non-governmental organisations and academics and researchers specialised in one or more aspects of compliance assurance. With regard to professional qualifications and training, projects should ensure academic credentials and maximise the potential of information technology through means such as webinars and massive open online courses (MOOCs) to allow distance learning to reach as many practitioners as cost-effectively as possible.

3. **Development and use of innovative tools and actions to promote, monitor and enforce compliance** through the establishment and use of new or, where in place, enhancement of existing tools and actions belonging to one or more of the following categories:
  - risk-based **compliance promotion systems and techniques**,
  - risk-based **systems and techniques for effective monitoring of compliance** with binding EU environmental instruments and obtaining evidence of and analysis of compliance problems on which follow-up action can be reliably based,

<sup>(1)</sup> [http://susproc.jrc.ec.europa.eu/Efficient\\_Buildings/](http://susproc.jrc.ec.europa.eu/Efficient_Buildings/) core indicators: [http://susproc.jrc.ec.europa.eu/Efficient\\_Buildings/documents.html](http://susproc.jrc.ec.europa.eu/Efficient_Buildings/documents.html)

<sup>(2)</sup> Projects should ensure the academic credentials of the qualifications and training and maximise the potential of information technology through means such as webinars and massive open online courses (MOOCs) to allow distance learning to reach as many practitioners as cost-effectively as possible.



- risk-based **systems and techniques for effective follow-up and enforcement** in response to non-compliance with or liabilities related to binding EU environmental instruments and covering use of administrative law, criminal law and environmental liability.

#### Explanatory note

Risk-based systems and techniques aim at understanding how well landowners, industry, SMEs, public utilities or others ('duty-holders') are to comply with their obligations under binding EU environmental instruments and what the impacts of non-compliance will be on the environmental and human health. Based on this understanding, such systems and techniques seek to encourage compliance and discourage non-compliance through promotion, monitoring and enforcement.

Promotion systems and techniques could involve the use of guidance, advisory services, awareness-raising campaigns, partnership agreements, or self-monitoring systems that assist duty-holders to comply. Monitoring systems and techniques could relate to site inspections, surveillance (including through use of satellites and drones), spot checks, intelligence-gathering, industry analysis, police investigation, data analysis and environmental audits. Follow-up and enforcement techniques can have a similarly wide coverage.

4. **Improving the handling by public authorities of environmental complaints and submissions from the public**, where appropriate also in partnership with private entities, through the development and provision of new or, where available, enhancement of existing **systems and techniques for managing complaints and submissions** from the public with a view to optimising the reliability of the information provided, facilitating inter-action between authorities and the public, minimising administrative burden, and contributing to the successful implementation of binding EU environmental instruments.

#### Explanatory note:

Systems and techniques for managing complaints and submissions can include electronic complaint-handling systems, hot lines, citizen observatories and other citizen science platforms. Citizen science platforms may, amongst other things, allow competent national, regional and local authorities to engage citizens in state-of-the-environment and other forms of monitoring, while also generating more harmonised and useable data.

5. **Promoting access to justice in environmental matters and/or mediation** amongst the public, NGOs, lawyers, the judiciary, public administrations or other stakeholders with a view to improving knowledge, understanding and application of these means of dealing with environmental disputes, with a particular focus on:
  - protecting people's **health and well-being** via the requirements of EU air, water and waste instruments covered by LIFE thematic priorities,
  - **protecting nature, biodiversity and water quality** via the nature, biodiversity and water instruments covered by LIFE thematic priorities,
  - effective application of the **Environmental Liability Directive** <sup>(1)</sup>.

Projects should draw on existing modules and know-how in the area of environmental law training developed by the Commission <sup>(2)</sup>.

#### 4. LINKING THE GENERAL OBJECTIVES TO ACTION GRANTS UNDER THE SUB-PROGRAMME FOR CLIMATE ACTION

In line with the general objectives of the LIFE Regulation, and to ensure the required EU added value, the implementation of action grants will be linked to the three Climate Action priority areas mentioned in Article 13 of the LIFE Regulation: climate change mitigation, climate change adaptation and climate governance and information, as well as the specific objectives set out in Articles 14, 15 and 16 of the LIFE Regulation. Thematic priorities and project topics are not foreseen for action grants implemented under the sub-programme for Climate Action; however, relevant Climate Action policy areas are listed below and the annual calls for proposals also contain more detailed work areas in connection with the policy areas below.

<sup>(1)</sup> Directive 2004/35/EC of the European Parliament and of the Council of 21 April 2004 on environmental liability with regard to the prevention and remedying of environmental damage (OJ L 143, 30.4.2004, p. 56).

<sup>(2)</sup> [http://ec.europa.eu/environment/legal/law/training\\_package.htm](http://ec.europa.eu/environment/legal/law/training_package.htm)

The LIFE programme will contribute to the transformation of the Union into a low carbon and climate resilient society, by supporting the implementation of the EU's climate policy and preparing the EU for the climate action challenges in the coming years and decades. In this respect the priorities are: implementing the 2030 energy and climate framework and the Roadmap 2050 targets, as well as the Paris Agreement and adaptation policy. Emerging climate mitigation technology will be facilitated through best practice, demonstration and pilot projects with a view to successive funding in appropriate cases. EU climate policy will be firmly linked to local best practices and initiatives and showcase examples of new and better approaches to implement transition to a low-carbon and climate resilient society. To succeed, existing low carbon technologies/solutions should also be examined with regards to non-technological barriers which prevent market penetration. LIFE will also support the implementation of the EU climate change adaptation strategy so as to contribute to a more climate resilient Union <sup>(1)</sup>.

On climate mitigation, projects should demonstrate at national, regional or sub-regional level the implementation of low carbon strategies or land use management plans. This would include mainstreaming emission reduction and resource efficiency measures across sectors and promoting tools to incentivise behavioural change. Support will also be provided to the deployment of new approaches (model cities and regions), where relevant through the Global Covenant of Mayors for Climate and Energy <sup>(2)</sup>, for producing, consuming and governing with transformational impact.

As regards the adaptation priority area, support for implementation of adaptation strategies should be provided, focusing on a number of key areas with EU added value, including projects at regional or cross-border level, and through ecosystem-based adaptation where relevant. Projects will have a demonstration and transferability potential and should address the promotion of innovative adaptation solutions, in particular through mobilising the private sector, and, where relevant through the Global Covenant of Mayors. Projects should also promote synergies between climate change adaptation and mitigation, as well as disaster risk reduction policies.

Current and future EU climate policy could be supported by applications in the following Climate Action policy areas:

(a) Climate Change Mitigation

- Member States' and regional/local authorities' efforts to reduce greenhouse gas emissions in the sectors not covered in the EU Emissions Trading System ('EU ETS' Directive 2003/87/EC of the European Parliament and of the Council <sup>(3)</sup>) and in the Effort Sharing Decision (Decision No 406/2009/EC of the European Parliament and of the Council <sup>(4)</sup>): transport and fuels, agriculture, construction (e.g. energy efficiency in buildings), land use, land-use change and forestry,
- the development and implementation of greenhouse gas accounting and climate change mitigation in the land use sector,
- the development of land management practices which have an impact on emissions and removals of emissions, e.g. as supplementary measures to ones supported under the European Structural and Investment Funds (ESIF); Regulation (EU) No 1303/2013 of the European Parliament and of the Council <sup>(5)</sup>,
- actions which enhance the functioning of the emissions trading system and which have an impact on energy and greenhouse gas intensive industrial production,

<sup>(1)</sup> Communication from the Commission to the European Parliament, the Council, the European Economic and Social Council and the Committee of the Regions: An EU Strategy on adaptation to climate change (COM(2013) 216 final).

<sup>(2)</sup> <http://www.covenantofmayors.eu>

<sup>(3)</sup> Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC (OJ L 275, 25.10.2003, p. 32).

<sup>(4)</sup> Decision No 406/2009/EC of the European Parliament and of the Council of 23 April 2009 on the effort of Member States to reduce their greenhouse gas emissions to meet the Community's greenhouse gas emission reduction commitments up to 2020 (OJ L 140, 5.6.2009, p. 136).

<sup>(5)</sup> Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (OJ L 347, 20.12.2013, p. 320).

- fluorinated gases and ozone-depleting substances, in particular projects helping the implementation of the Montreal Protocol and its Kigali amendment and the EU Regulation on the fluorinated greenhouse gases, and/or
- greenhouse gas monitoring and reporting by authorities.

(b) Climate Change Adaptation

- urban adaptation and land use planning which limits the impacts of climate change,
- resilience of infrastructure, including application of blue-green infrastructure and ecosystem-based approaches to adaptation,
- sustainable management of water in drought-prone areas, flood and coastal management,
- resilience of agricultural, forestry and tourism sectors, including in island and mountain areas, and/or
- support to the EU's Outermost Regions: preparedness for extreme weather events, notably in coastal areas.

(c) Climate Governance and Information

- development and implementation of national 2030 climate and energy strategies and/or mid-century strategies,
- incentivising behavioural change, mainstreaming emission reduction and resource efficiency actions in sectors,
- assessment by authorities of the functioning of the EU ETS,
- building capacities, raising awareness among end-users and the equipment distribution chain of fluorinated gases,
- climate policy monitoring, assessment and *ex post* evaluation, and/or
- best practices and awareness-raising activities addressing adaptation needs.

5. TECHNICAL METHODOLOGY FOR THE PROJECT SELECTION PROCEDURE AND SELECTION AND AWARD CRITERIA FOR GRANTS (ARTICLE 24(2)(d) OF THE LIFE REGULATION)

In the following, the technical methodology for the project selection procedure and, for grants, the main specific eligibility<sup>(1)</sup> and award criteria pursuant to Articles 2 and 19 of the LIFE Regulation are described. Since the methodology and the criteria are essentially the same for the same project types under both sub-programmes, explicit reference to one of the sub-programmes are made only where there are differences.

For all types of grants, complementarity and optimal use of EU funding, including funding for complementary activities from other financial instruments of the Union, as set out in Article 8 of the LIFE Regulation, will be evaluated and taken into account in the award criterion 'EU added value: synergies'. To avoid undesirable overlaps, applicants shall justify why they chose to apply for LIFE funding rather than for other Union funding in case those could also support similar projects or actions.

Projects financed in one priority area shall avoid undermining environmental or climate objectives in another priority area unless this impact is clearly explained and justified in the proposal and the possible alternatives and mitigation and adaptation measures have been correctly planned if appropriate.

Further details will be provided in the application and evaluation guidelines, which will be published along with the related calls for proposal. Within the framework of the present MAPW and the LIFE Regulation the project selection may be subject to adaptation and to streamlining in each yearly call for proposals.

<sup>(1)</sup> The meaning of the term 'selection' in Article 24(2)(d) of the LIFE Regulation includes the meaning of the term 'eligibility' in Article 19 LIFE Regulation and Article 131 of the Financial Regulation.

## 5.1. Action grants

Proposals from applicants who are to be excluded or do not fulfil the general eligibility criteria pursuant to Article 131 of the Financial Regulation will not be retained.

Furthermore, proposals have to fulfil the admissibility requirements (e.g. for some projects submission of the application only digitally) and eligibility criteria (e.g. conformity with Guidelines on the eligibility of Israeli entities and their activities in the territories occupied by Israel since June 1967 for grants, prizes and financial instruments funded by the EU from 2014 onwards <sup>(1)</sup>) applicable to all LIFE action grants, which will also be explicitly stated in the respective application guidelines.

The eligibility criteria applicable to the different project types are referred to under the relevant heading below. Criteria that apply in the same way to different project types are mentioned under Section 5.1.1 (Projects pursuant to Article 18(a), (b), (c) and (h) of the LIFE Regulation).

Pursuant to Article 6(2) of the LIFE Regulation, legal persons established outside the Union may participate in projects referred to in Article 18 of the LIFE Regulation, provided the beneficiary coordinating the project is based in the Union and any activity to be carried out outside the Union meets the requirements set out in Article 6(1) of the LIFE Regulation. Thus these activities have to be necessary to achieve Union environmental and climate objectives and to ensure the effectiveness of the project actions ('interventions') carried out in Member State territories to which the Treaties apply.

Pursuant to Article 7 of the LIFE Regulation cooperation with the relevant international organisations, their institutions and bodies shall be possible in the course of implementing the LIFE programme where needed for the purpose of achieving the general objectives set out in Article 3 of the LIFE Regulation.

Moreover, proposals will only be selected if, based on specific supporting documents related to their applicant's performance during previous years, they can demonstrate

- operational capacity — the applicant must have the professional competencies and qualifications required to complete the project, and
- financial capacity — the applicant must have stable and sufficient sources of funding to maintain the activity throughout the duration of the project and to participate in its funding.

Article 131 of the Financial Regulation will apply to the selection of public bodies and international organisations with respect to their financial capacity.

### 5.1.1. Projects pursuant to Article 18(a), (b), (c) and (h) of the LIFE Regulation

The selection of pilot, demonstration, best practice, and information, awareness, and dissemination projects within the meaning of Article 18(a), (b), (c) and (h) of the LIFE Regulation follow the same technical methodology for project selection and are subject to similar eligibility and award criteria, as outlined in the following.

#### 5.1.1.1. Technical methodology for the project submission and selection procedure

In view of the proposal made in the mid-term evaluation and positive experience made with two-stage approaches in some other EU programmes, the present LIFE MAWP introduces a two-stage approach for those priority areas, where up to now potential applicants with project ideas with a high EU added value and no experience with the LIFE programme, seem to have been discouraged by the level of detail needed for the evaluation of a full project proposal in view of the relatively low chances of success. In the two-stage approach, only applicants with proposals that have a high chance to be selected, will be required to submit a full proposal (see 5.1.1.2(b))

Therefore, under the present LIFE, two procedures are foreseen:

- a two-stage approach based on a concept note followed by a full proposal,
- a one-stage approach based only on a full proposal.

<sup>(1)</sup> OJ C 205, 19.7.2013, p. 9.

The choice between these two approaches will be done by the EA in agreement with the Commission (Directorates-General for Environment and Climate Action) in view of the organisational and operational constraints for each call for proposal.

For the call 2018 the two-stage approach will be used for the sub-programme for Environment. Based on the feedback from beneficiaries, the approach may be extended to the sub-programme for Climate Action in the following years

The evaluation of the full proposals in the one stage approach is described under Sections 5.1.1.2 and 5.1.1.3.

The two-stage approach will be organised as follows:

- (a) The two-stage approach

**Stage 1:**

- Call for proposals
- Submission of a concept note

The applicant submits a concept note of a maximum of 10 pages including the following:

- administrative forms regarding the beneficiaries participating in the project,
  - an outline of the project contents, including a description of the main environmental project focus, the partnership foreseen, the constraints that might arise and the contingency plan to address these, as well as the strategy chosen to ensure sustainability of the project results beyond the project duration, and
  - the project budget at the level of cost categories.
- Concept note evaluation and ranking

Concept note eligibility criteria

On the basis of the concept note, the EA identifies the proposals that comply with the eligibility criteria (see 5.1.1.2(a)).

Concept note award criteria

Proposals will be ranked by merit, i.e. the points received on the basis of the award criteria 'Overall quality of the proposal' and 'Overall EU added value'.

Proposals that did not reach the minimum threshold regarding one or both criteria will be excluded.

For proposals with equal scoring for the award criterion 'Overall quality of the proposal', priority will be given to those with a higher score for 'Overall EU added value'. In case there would be proposals with equal scoring for both criteria the final ranking will be decided by the evaluation committee.

- List of projects retained

The long list of concept note proposals invited to submit a full proposal will include the best ranked proposals, for which the sum of the EU contributions requested represents 2 to 2,5 times the available budget. The EA will set the factor based on the results of the ranking, taking into account the size of the proposals and the experience acquired regarding the two-stage approach. The long list will include sub-lists for each priority area. In case the demand under one priority area is insufficient, the lists corresponding to the other priority areas may be extended.

**Stage 2:**

- Submission of the full proposal:

Applicants of eligible concept notes that are ranked as proposals that may be considered for financing are invited to submit a full proposal. A limited flexibility is allowed between the concept note and the full proposal regarding the actions, partnership and budget. However, flexibility may not lead to a change of the nature of the concept note proposal. The budget may deviate from the one in the concept note by a maximum of 10 %.

- Full proposal evaluation and ranking

Proposals will be evaluated and ranked on the basis of the eligibility and award criteria as described under 5.1.1.2.

- Preparation of the final list of projects to be funded and of the reserve list

After a review phase successful projects will be proposed for funding, within the available budget. A reserve list will be constituted with the best-ranked projects that cannot be funded in view of the available budget. The reserve list will encompass an additional 20 % of the available LIFE budget.

- Signature of the grant agreement

(b) The one-stage approach

- Call for proposals

- Submission of the full proposal

Applicants submit a full proposal.

- Full proposal evaluation and ranking

Proposals will be evaluated against the eligibility and award criteria and ranked as described under 5.1.1.2.

- Preparation of the final list of projects to be funded and of the reserve list

After a review phase successful projects will be proposed for funding, within the available budget. A reserve list will be constituted with the best-ranked projects that cannot be funded in view of the available budget. The reserve list will encompass an additional 20 % of the available LIFE budget.

- Signature of the grant agreement

5.1.1.2. Eligibility and award criteria

The eligibility criteria (a) will be applied to the concept note, in the case of the two-stage approach, and to the full proposals, in the case of the one-stage approach.

The award criteria (b) will be applied as described under 5.1.1.1 above:

(a) Eligibility criteria

Both a concept note and full proposal for a project within the meaning of Article 18(a), (b), (c), or (h) of the LIFE Regulation will not be retained for an evaluation of its merit, if the project proposal does not demonstrate that the project:

- contributes to one or several of the general objectives set out in Article 3 of the LIFE Regulation and of the applicable specific objectives in Articles 10, 11, 12 and 14, 15 and 16 of the LIFE Regulation,
- falls within the scope of the priority area of the LIFE sub-programme as set out in Articles 9 and 13 of the LIFE Regulation under which the project proposal was submitted, and
- corresponds to one of the following project types as defined in Article 2 (a), (b), (c) and (h) of the LIFE Regulation:

'Pilot projects' are projects that apply a technique or method that has not been applied or tested before, or elsewhere, that offer potential environmental or climate advantages compared to current best practice and that can subsequently be applied on a larger scale to similar situations.

'Demonstration projects' are projects that, put into practice, test, evaluate and disseminate actions, methodologies or approaches that are new or unknown in the specific context of the project, such as the geographical, ecological, socio-economic context, and that could be applied elsewhere in similar circumstances.

'Best practice projects' are projects that apply appropriate, cost-effective and state-of-the-art techniques, methods and approaches taking into account the specific context of the project.

'Information, awareness and dissemination projects' are projects aimed at supporting communication, dissemination of information and awareness raising in the fields of the sub-programme for Environment or Climate Action.

Pilot and demonstration projects under the priority area *Environment and Resource Efficiency*, and pilot, demonstration and best practice projects under the priority areas *Climate Change Mitigation and Climate Change Adaptation*, must contain actions that lead to substantial and measurable direct effects on the environmental and/or climate action issue(s) targeted.

Pilot, demonstration and best practice projects under the priority area *Nature and Biodiversity*, must dedicate at least 25 % of the eligible budget to concrete conservation actions (limited exceptions will be possible in view of the specific policy needs and will be explicitly identified in the application guidelines). Concrete conservation actions are those that have substantial and measurable direct effects on the environmental and climate issue(s) targeted, in this case leading to the improvement or the slowing/halting/reversion of the decline of the conservation status or ecological condition of the species, habitats, ecosystems or ecosystem services targeted (for more details refer to the application guidelines).

Pilot, demonstration, best practice or information, awareness and dissemination projects under the priority areas *Environmental or Climate Action Governance and Information* must contain actions that lead to substantial and measurable direct or indirect effects on the environmental and/or climate action issue(s) targeted by causing substantial and measurable direct effects on the environmental and/or climate related governance, information, and/or awareness and dissemination issue(s) targeted.

The targeted environmental, climate action and/or related governance and information effects should already be measurable and measured or modelled on the basis of measurements during the project period.

As a measure to avoid overlap with other EU programmes <sup>(1)</sup>, projects focused on **research** <sup>(2)</sup> or dedicated to the construction of **large infrastructure** do not fall within the scope of the LIFE programme and are therefore **not eligible**.

LIFE projects shall not serve to fund compensation measures deriving from obligations under national or EU law.

#### (b) Award criteria

The award criteria apply to all priority areas, unless specified otherwise. Projects only compete with each other within the same Priority Area.

#### Particular award criteria for concept notes

All concept notes in stage 1 of the two-stage approach have to obtain at least a passing score for the following award criteria, in order to be considered for ranking:

1. **Overall quality of the proposal:** this criterion will focus on the clarity of the proposals (including the description of the pre-operational context), its feasibility and the indicative value for money. **Max points 20 (with a passing minimum score of 5).**
2. **Overall EU added value:** this criterion will focus on the project contribution to the LIFE priorities, its expected impact, and the sustainability of the project results. **Max points 30 (with a passing minimum of 10).**

<sup>(1)</sup> Recital 11 of the LIFE Regulation.

<sup>(2)</sup> Proposals focused on research may be checked whether they comply with the relevant calls of Horizon 2020: <http://ec.europa.eu/research/participants/portal/desktop/en/opportunities/index.html>

## Award criteria for full proposals

For both, the two-stage and the one-stage approaches, full proposals will be evaluated and scored on their merit according to the following award criteria and scoring system:

### — Technical coherence and quality

Technical coherence means that the project actions proposed should be appropriate and feasible measures for achieving the forecast project outputs and outcomes. Neither the actions nor the foreseen outputs and outcomes should contradict any of the objectives pursued by the LIFE programme. Technical quality means the project actions should aim at maximising their effectiveness and efficiency in relation to the outputs and outcomes pursued. The project actions should be well planned and clearly described.

### — Financial coherence and quality

The financial contributions of the beneficiaries and co-funders, the proposed budget and its consistency with the actions proposed and with the applicable rules as well as the cost-effectiveness and value-for-money of the proposed approach will be evaluated under this criterion as regards the expected outcomes of the actions considered sufficiently technically coherent and of acceptable technical quality. The budget must be transparent, i.e. the cost items should be sufficiently described.

### — EU added value: extent and quality of the contribution to the specific objectives of the priority areas of the two LIFE sub-programmes

The extent to which each proposal, in as far as it is considered technically and financially sufficiently coherent and of acceptable quality, is expected to contribute to one or several of the specific objectives of the priority areas of the two LIFE sub-programmes as set out in Articles 10, 11 and 12 of the LIFE Regulation (for the LIFE Environment sub-programme) and Articles 14, 15 and 16 (for the LIFE Climate Action sub-programme) and the quality of this contribution will be evaluated. The assessment of this criterion covers, in particular, the extent and quality of the contribution to the specific objectives targeted (impact); the magnitude of the environmental and/or climate effects expected due to the project actions at the end of the project, in comparison to the state-of-play estimated or measured at the outset of the project. It will also take into account the relevance of the territorial, social and policy contexts <sup>(1)</sup>, which the project actions are expected to influence.

The expected effects should be expressed having in mind the applicable project level indicators and measuring units, which the projects will have to report on in the LIFE key project-level indicator (KPI) data base created for this purpose <sup>(2)</sup>. Thus, e.g. LIFE Nature and Biodiversity proposals will be assessed based on their expected effects on the structures and functions of the habitats and the status of the species and/or the ecological status of ecosystems and the condition of their services. This assessment only takes into account the actions considered feasible on the basis of the evaluation of the technical and financial coherence.

### — EU added value: sustainability (continuation, replication, transfer potential)

The sustainability of the project results in the medium and long term is the capacity to maintain them after its implementation, be it by continuation, by replication or by transfer.

Continuation means the continued use, after the end of the project period, of the solutions implemented in the project limited to the entities involved in the project, but may be further spread geographically. Mere continuation and maintenance of project results will be sufficient for a passing score, while further geographical spread will be judged on its expected scope, which makes it comparable to replication or transfer.

Replication means, the solutions applied in the project are used again in the same way and for the same purposes by other entities/sectors during or after the project end.

<sup>(1)</sup> The project relevant specific context defined on the basis of its overarching context (Biogeographic region; territorial extent defined through the geocode standard for referencing the subdivisions of countries for statistical purposes, NUTS; water body; ecosystem and related services; Natura 2000 site) and the project relevant specific settings defined in terms of length and/or size of the area, where actions will be carried out, and number of humans to be influenced in relation to the project's main environmental, climate action or related governance and information focus.

<sup>(2)</sup> A demo version is available on the LIFE website: <http://ec.europa.eu/environment/life/toolkit/pmtools/index.htm>



Transfer means that solutions applied in the project are used in a different way or for a different environment, climate action or related governance and information purpose by the same or other entities/sectors during or after the project end.

Applicants should demonstrate in their proposals that the solutions (i.e. techniques, methods, methodologies, approaches, and/or actions or support activities for communication, dissemination of information and awareness-raising) aiming at direct and/or indirect positive effects with regard to the related objectives of the LIFE Regulation have the potential to be continued, replicated and/or transferred.

Successful continuation, replication and/or transfer require a strategy including tasks to multiply the impacts of the projects' solutions and mobilise a wider uptake, reaching a critical mass during the project and/or in a short- and medium-term perspective after the end of the LIFE project. This goes beyond transfer of knowledge and networking, and involves putting the solutions developed and/or applied in the project into practice beyond the project period, elsewhere or for a different purpose.

Applicants have to provide a clear and credible description of the strategy and measures foreseen to ensure this, including an explanation regarding the following:

- how the solutions can be expected to be sustained on project level after the project end, including the related, long-term social and economic effects that would result,
  - in how far further public support, i.a. in the form of loans through innovative financial instruments, would be necessary or useful for scaling-up, replicating, or transferring the solutions, and
  - in particular for projects with commercial actors and actors along value chains, in how far it is expected to achieve or maintain 'financial maturity' ('investment readiness'/'bankability') for these solutions during the project period.
- EU added value: synergies and transnationality
- Synergies (including multi-purpose, integration/complementarity, green public procurement, ecolabel, and uptake of EU-funded research results):

Synergies can be reached by multi-purpose approaches and integration in and/or complementarity with other EU policies and funding mechanisms. Proposals will receive bonus points for synergies, depending on their extent and quality.

A **multipurpose delivery mechanism** means that the proposal not only plans to achieve the project's specific main environmental and/or climate action objectives, but, at the same time, aims at achieving other purposes (e.g. aiming at an improved waste management and social integration). Also strategies to achieve social and economic sustainability alongside the ecological and/or climate action dimension of sustainability are encompassed by this concept (e.g. in the circular economy, along the value chain different actors achieve the prolongation of product cycles and integrate long-term unemployed in the job market).

Project proposals that, while focussing on a specific environmental or climate action issue, improve **integration** of these specific environmental or climate action objectives in other policy areas and/or achieve **complementarity** with these, and thus create synergies with the objectives of other Union policies will be favourably assessed. Up to eight additional points can be given for multi-purpose mechanisms, integration or complementarity or a combination of any of these.

Synergies can also be reached through green public procurement and the use of eco-labelling scheme as regards the integration of green production and service provision goals, and the uptake of research results under Horizon 2020 or its predecessor programmes. Thus the commitment to apply **green public procurement** <sup>(1)</sup> and/or, the preference of products and/or services of **officially recognised eco-labelling schemes** such as the EU Ecolabel <sup>(2)</sup> through a clear delivery mechanism merit one bonus point, each.

<sup>(1)</sup> For green public procurement see [http://ec.europa.eu/environment/gpp/index\\_en.htm](http://ec.europa.eu/environment/gpp/index_en.htm), and in particular [http://ec.europa.eu/environment/gpp/buying\\_handbook\\_en.htm](http://ec.europa.eu/environment/gpp/buying_handbook_en.htm) and [http://ec.europa.eu/environment/gpp/eu\\_gpp\\_criteria\\_en.htm](http://ec.europa.eu/environment/gpp/eu_gpp_criteria_en.htm)

<sup>(2)</sup> <http://ec.europa.eu/environment/ecolabel/eu-ecolabel-products-and-services.html>

Also the **uptake** of the results of environmental and climate-related research and innovation projects financed by Horizon 2020 or by preceding Framework Programmes will lead to an additional bonus point, if there is sufficient evidence for the added value of this uptake for the project.

— Transnationality

Proposals shall be favoured, if transnational cooperation among Member States is essential to guarantee the achievement of the project's objectives. On the basis of this criterion, up to four additional points may be given to a proposal, if there is sufficient evidence for an added value of the transnational approach <sup>(1)</sup>.

— *Specific criteria and scoring system for projects under the sub-programme for Environment*

The specific criteria and scoring system under the sub-programme Environment reflect the fact that only under the sub-programme Environment thematic priorities (Annex III to the LIFE Regulation) and the thus related project topics (Heading 3 above) are defined.

— EU added value: contribution to the project topics

LIFE proposals clearly falling under the project topics implementing the thematic priorities set out in Annex III for the sub-programme Environment as defined in the multiannual work programme will receive additional points under this criterion.

Project proposals under the priority area Environment and Resource Efficiency will receive 5 points, if they fully comply with one of the project topics listed in Section 3 under this priority area. If, in addition, the solution(s) (i.e. techniques, methods, actions, methodologies, or approaches within the meaning of Article 2 of the LIFE Regulation) to the environmental issue targeted is (are) new or unknown in the European Union, the project will receive a further 5 points.

Project proposals under the priority area Nature and Biodiversity and under the priority area Environmental Governance and information will receive 10 points, if they fully comply with one of the project topics under this priority area.

	Award criteria	Minimum pass score (*)	Maximum score
Technical and Financial coherence and quality			
1	Technical coherence and quality	10	20
2	Financial coherence and quality (including value for money)	10	20
EU added value:			
3	Extent and quality of the contribution to the specific objectives of the priority areas of the LIFE sub-programme for Environment	10	20
4	Sustainability (continuation, replication, transfer)	8	15
	Overall (pass) score	50 (*)	

<sup>(1)</sup> The meaning of 'transnational' as foreseen in the LIFE Regulation only covers cooperation among Member States as well as cooperation among Member States and third countries participating in the LIFE programme under Article 5 of the LIFE Regulation. Activities outside the Union or in overseas countries and territories, while possible as foreseen under Article 6 of the LIFE Regulation, will not entail additional points under this award criterion.

	Award criteria	Minimum pass score (*)	Maximum score
	Bonus		
5	Contribution to the project topics	—	0 or 5 or 10
6	— Synergies (including multipurpose and integration/complementarity (max. 8 points), Green Public Procurement (max. 1 point), Ecolabel (max. 1 point), and uptake EU-research results (max. 1 point)) — Transnational (max. 4 points)	—	15
	<b>Maximum score</b>		<b>100</b>

(\*) A project proposal has to reach at least the minimum pass score for each award criterion and also the sum of scores for criteria for which a minimum score has been fixed has to be equivalent to 50 points or more.

— *Specific criteria and scoring system for Climate Action projects*

The specific criteria and scoring system under the sub-programme for Climate Action reflect the need to focus on the Climate Action priority areas and as well as the Climate Action policy areas contained in Section 4. In addition, annual calls for proposals will contain more detailed work areas in connection with the policy areas in order to reflect new challenges and developments in climate policies.

- EU added value: relevance of proposals to the Climate Action policy areas and detailed work areas in the annual calls for proposals

Proposals which address Climate Action policy areas and detailed work areas in the annual calls for proposals may receive additional points (as set out in Section 5 of the following table) under this criterion.

	Award criteria	Minimum pass score (*)	Maximum score
	Technical and Financial coherence and quality		
1	Technical coherence and quality	10	20
2	Financial coherence and quality (including value for money)	10	20
	EU added value		
3	Extent and degree of quality of the contribution to the LIFE sub-programme for Climate Action priority areas and related specific objectives contained in Articles 14, 15 and 16 of the LIFE Regulation	10	20
4	Sustainability (continuation, replication, transfer)	8	15
	Overall (pass) score	50 (*)	

	Award criteria	Minimum pass score (*)	Maximum score
Bonus EU added value: contribution to the implementation of the Paris Agreement			
5	Contribution to the Climate Action policy areas set out in Section 4	—	0 or 5
	Contribution to the detailed work areas contained in the LIFE Climate Action annual call for proposals	—	0 or 5
6	— Synergies (including multipurpose and integration/complementarity (max. 8 points), Green Public Procurement (max. 1 point), Ecolabel (max. 1 point), and uptake EU-research results (max. 1 point)) — Transnational (max. 4 points)	—	15
	<b>Maximum score</b>		<b>100</b>

(\*) A project proposal has to reach at least the minimum pass score for each award criterion and also the sum of scores for criteria for which a minimum score has been fixed has to be equivalent to 50 points or more.

### 5.1.2. Integrated projects pursuant to Articles 2(d) and 18(d) of the LIFE Regulation

According to Article 2 (d) of the LIFE Regulation, ‘integrated projects’ means projects implementing on a large territorial scale, in particular, regional, multi-regional, national or trans-national scale, environmental or climate plans or strategies required by specific Union environmental or climate legislation, developed pursuant to other Union acts or developed by Member States’ authorities, primarily in the areas of nature, including, inter alia, Natura 2000 network management, water, waste, air and climate change mitigation and adaptation, while ensuring involvement of stakeholders and promoting the coordination with and mobilisation of at least one other relevant Union, national or private funding source.

The submission and selection process of Integrated Projects (hereinafter ‘IP’) is based on a two-stage procedure as foreseen in the LIFE Regulation. It should facilitate the work of potential applicants and ensure that they receive the best possible guidance from the EA during the process. The workflow is structured in a way to accompany the progressive development and fine-tuning of each proposal. Within the limits allowed for by thematic allocation and geographical distribution rules of the LIFE Regulation, the principle of equal treatment of all proposals will be strictly applied throughout all phases of the evaluation process.

#### 5.1.2.1. Technical methodology for the project submission and selection procedure

##### Stage 1:

- Call for proposals
- Submission of a concept note

The applicant submits a short concept note outlining the project contents, the plan or strategy it is intended to implement and a financial plan for the overall implementation of the plan or strategy.

- Concept note evaluation and question answer phase

On the basis of the concept note, the EA identifies and lists the proposals that comply with the eligibility criteria. Applicants of proposals that comply with these criteria will be invited to participate in a written question and answer phase, during which they can submit questions related to the preparation of a full proposal. At the end of this phase the EA will render public the questions and answers in an anonymised manner to equally assist all applicants prepare their full proposal. Where appropriate, the EA will supplement the questions and answers with guidance regarding typical difficulties that applicants might have encountered and that became apparent in the concept notes.

**Stage 2:**

- Submission of the full proposal:

Applicants of eligible concept notes are invited to submit a full proposal.

- Full proposal evaluation

The EA, following an in-depth evaluation, prepares a 'preliminary long-list' of ranked proposals that may be considered for financing. The ranking is based on merit, i.e. the points received, and, under the sub-programme for Environment, also in compliance with the rule that a specific percentage of the resources allocated to action grants have to be allocated to nature conservation and biodiversity, and with the geographical distribution criteria as set in Article 19(4) of the LIFE Regulation. The Commission also verifies the financial and operational capacity of the applicants to carry out the project.

- Preparation of the final list of projects to be funded and of the reserve list

After a review phase, successful projects will be proposed for funding, within the available budget. A reserve list will be constituted with the best-ranked projects that cannot be funded in view of the available budget. The reserve list will encompass an additional 20 % of the available LIFE budget.

- Signature of the grant agreement

While the two-stage approach will be applicable throughout the duration of the multiannual work programme, the Commission may adapt the process described above in view of the experience gained.

In ranking IPs, the EA shall ensure geographical balance by indicatively allocating at least three IPs to each Member State in order to ensure that over the entire funding period from 2014 to 2020 Article 19(4) of the LIFE Regulation is observed.

#### 5.1.2.2. Eligibility and award criteria

The following eligibility criteria will be applied to both the concept note and the full proposal.

##### (a) Eligibility criteria

A proposal is rejected, if it does not comply with one or several of the following criteria:

1. Large territorial coverage: Implementation of the targeted Union plan or strategy will cover a large territorial area, in particular, regional, multi-regional, national or trans-national. A multi-city approach may also be acceptable for IP dealing with air quality management, as well as for IP in the climate sub-programme.
2. Mobilisation of other funding sources: Complementary to the IP itself and to the specific co-funding required for it under the LIFE Regulation (Article 20(1)(a) and (c)), at least one other relevant Union, national or private funding source will be mobilised for the implementation of the targeted Union plan or strategy.
3. Involvement of key stakeholders: The key stakeholders will be involved in the implementation of the targeted Union plan or strategy.

##### (i) Specific eligibility criterion for projects under the sub-programme Environment

The IP is not eligible if it does not aim at implementing one of the following environmental plans or strategies required by specific environmental Union legislation, developed pursuant to other Union acts or developed by Member States' authorities:

- (a) prioritised action frameworks pursuant to Article 8 of the Habitats Directive which may include Green Infrastructure actions that contribute to the coherence of the Natura 2000 network in a cross-border context;

- (b) waste management plans pursuant to Article 28 of the Waste Framework Directive;
- (c) river basin management plans pursuant to Annex VII to the Water Framework Directive; or
- (d) air quality plans pursuant to the Air Quality Directive or national air pollution control programmes pursuant to the National Emission Ceilings Directive.

(ii) Specific eligibility criterion for projects under the sub-programme Climate Action

The IP must aim at implementing one of the following climate plans or strategies required by specific climate Union legislation, developed pursuant to other Union acts or developed by Member States' authorities in one of the following areas:

- (a) national, regional or local specific adaptation strategy or action plan;
- (b) urban or community-based action plan pioneering the transition to a low carbon and/or climate resilient society;
- (c) national, regional or industry-/sector-specific greenhouse gas mitigation strategy or low carbon economy roadmap.

(b) Award criteria

The following award criteria will only be applied to the full proposal. All proposals that meet the eligibility (and selection) criteria are admitted to an in-depth evaluation of their quality in the award phase. A proposal admitted to this phase will be given scores on the basis of the following award criteria:

Award criteria	Minimum pass score (*)	Maximum score
1. Technical coherence and quality	10	20
2. Financial coherence and quality (including value for money)	10	20
EU added value		
Pass/fail criteria		
3. Extent and quality of the contribution to the objectives	10	20
4. Sustainability (continuation, replication and/or transfer)	8	15
Bonus:		
5. Extent and quality of mobilisation of other funds, in particular Union funds	—	10
6. Synergies (including multipurpose and integration/complementarity (max. 8 points), Green Public Procurement (max. 1 point), Ecolabel (max. 1 point), and uptake EU-research results (max. 1 point)) — Transnational (max. 4 points)	—	15
<b>Overall (pass) scores</b>	<b>50 (*)</b>	<b>100</b>

(\*) A project proposal has to reach at least the minimum pass score for each award criterion and also the sum of scores for criteria for which a minimum score has been fixed has to be equivalent to 50\* points or more.

The following award criteria are specific or contain elements that are specific to integrated projects:

- EU added value: extent and quality of the contribution to the objectives

The extent to which each proposal contributes to one or several of the general and specific objectives of LIFE as set out in Articles 3, 10, 11 and 12 (LIFE Environment) and in Articles 3, 14, 15 and 16 (LIFE Climate Action) of the new LIFE Regulation will be evaluated.

The following specific aspects will be checked depending on the priority areas within which the project falls:

- *Specific criteria for projects under the sub-programme Environment*

- IP dealing with the implementation of prioritised framework programmes (PAF) for Natura 2000:

The EU added value will have to be argued with regard to the project's contribution towards achieving target 1 of the EU Biodiversity Strategy and the general objectives of the Habitats and Birds Directives, and in particular with respect to the contribution towards improving the conservation status of species and habitat types of Community interest (Habitats Directive) and/or the status of bird species (Birds Directive) and a special view to integrating, where relevant, Green Infrastructure.

- IP implementing river basin management plans:

The EU added value will have to be argued with regard to their contribution towards achieving WFD objectives. Proposed actions should target significant pressures affecting the environment's capacity for water retention and the use of low impact measures (e.g. green infrastructure) for depollution. Such pressures should have been identified in the assessments carried out by MS for the preparation of implementation plans for relevant EU legislation and policies (e.g. WFD, MSFD, UWWTD, DWD, Bathing Water Directive, Flood Directive and/or drought plans).

The projects should focus on large-scale (e.g. sub-catchment or river basin) planning and establishment of measures (e.g. nature-based solutions) to increase water retention in urban and rural areas, enhance infiltration, increase water storage capacity and remove pollutants through natural or 'natural-like' processes. They should seek synergies to implement actions that will redress existing hydro morphological pressures and improve biodiversity and amenity value.

- IP dealing with implementation of waste management plans:

The IP is designed to support the implementation of the waste management plans (WMP) as required by Article 28 of the Waste Framework Directive 2008/98/EC (WFD) and/or waste prevention programmes (WPP) as requested by Article 29 of the WFD.

Their EU added value will be assessed with regard to their contribution to the implementation of the waste hierarchy (Article 4 of the WFD), the achievement of the recycling targets as foreseen in Article 11 of the WFD and additional targets included in the EU waste legislation, as well as the implementation of necessary measures to support those objectives.

- IP dealing with the implementation of air quality plans and programmes or with the implementation of national air pollution control programmes:

The IP is designed to support the implementation and monitoring of local and regional air quality plans as defined by Directive 2008/50/EC. If based on local air quality plans, projects should include coordination and cooperation between at least five cities with such plans; if based on a regional air quality plan, projects should include coordination and cooperation between local administrations and the regional administration. Large scale projects and/or projects that ensure coherence with national air pollution control programmes under Directive (EU) 2016/2284 will be favoured.

Projects can also be set up to primarily implement the national air pollution control programmes (hereinafter referred to as 'NAPCP') under Directive (EU) 2016/2284. The IP is designed to support the development, implementation and monitoring of national air pollution control programmes as defined in Article 6 of Directive (EU) 2016/2284.

The EU added value of an NAPCP-related IP will be assessed based on: (a) to what extent national emission sources are likely to have an impact on air quality in their territories and neighbouring Member States using,

where appropriate, data and methodologies developed by the European Monitoring and Evaluation Programme (EMEP) under the Protocol to the LRTAP Convention on long-term financing of the cooperative programme for monitoring and evaluation of the long-range transmission of air pollutants in Europe; (b) the NAPCP taking account of the need to reduce air pollutant emissions for the purpose of reaching compliance with air quality objectives in their territories and, where appropriate, in neighbouring Member States; (c) prioritising emission reduction measures for black carbon when taking measures to achieve their national reduction commitments for fine particulate matter; (d) ensuring coherence with other relevant plans and programmes established by virtue of the requirements set out in national or Union legislation, notably air quality plans under Directive 2008/50/EC.

— *Specific criteria for Climate Action projects*

— IP dealing with the implementation of climate change mitigation strategies, plans and roadmaps:

This IP type supports the implementation of greenhouse gas mitigation strategies, plans or low carbon economy roadmaps and concern specific municipalities or regions (e.g. as announced in the Global Covenant of Mayors), industrial or agricultural (by analysing land use on a regional scale, in a social and economic context) sectors, or other economic sectors by introducing technology and services based approaches in a sustainable and innovative way. IPs' contribution to the implementation and development of Union policy and legislation on climate change mitigation could include the EU ETS, the Effort Sharing Decision for sectors not covered by the EU ETS, the Renewable Energy Sources (RES) Directive or the Regulation on fluorinated greenhouse gases. The IP could be complemented with necessary infrastructure investments or the development and deployment of innovative technologies and services in cities, regions and/or communities supported through other relevant Union funding programmes, also specified in the strategy/plan/roadmap. Their EU added value will be assessed with regard to the contribution of the IP to the reduction of greenhouse gas emissions, the level of mainstreaming into different policies, the direct involvement of a broad range of stakeholders, and the extent to which the IP is an operative part of the strategy/plan/roadmap.

— IP dealing with the implementation of climate change adaptation strategies, plans and roadmaps:

This IP type is designed to implement climate change adaptation strategies or plans that address specific climate change vulnerabilities (e.g. coastal areas, drought or flood prone areas) or vulnerable sectors (e.g. water, agriculture/forestry, public health), using ecosystem-based approaches where relevant. Synergies with other environmental and climate policies should be a central theme of adaptation projects, e.g. between climate change adaptation, disaster risk reduction, biodiversity and water policy should be promoted, wherever relevant. EU value added will also be assessed with regard to the contribution of the IP to meeting climate resilience objectives, the level of mainstreaming into different sectors and the involvement of a broad range of stakeholders.

— IPs dealing with the implementation of urban climate action plans:

This IP type is designed to implement urban action plans for transition to a low carbon and climate resilient society, such as in the framework of the 'Global Covenant of Mayors for Climate and Energy'. Contributions to improved governance, awareness raising and capacity building and mainstreaming climate change action across different policy areas are relevant. Large-scale projects covering several cities shall be encouraged.

— EU added value: Extent and quality of the mobilisation of other funds, in particular Union funds: The quality of the coordination with other funding mechanism(s) and the level of mobilisation of other funds complementary to the LIFE foreseen (beyond the minimum necessary for eligibility) as well as the likelihood of their actual mobilisation and their functional link to the plan to be implemented will determine, whether an IP receives additional points under this criterion. IPs which are likely to mobilise Union funds with a functional link to the plan to be implemented and which foresee a satisfactory coordination mechanism will receive a higher score.

— EU added value: synergies (including multipurpose, complementarity, integration, green public procurement, ecolabel, uptake): IP proposals will have to present particularly high quality multi-purpose delivery mechanisms (e.g. aiming at environmental and climate benefits and capacity-building) that make it possible to achieve results in



other policy areas <sup>(1)</sup>. They should also enhance complementarity with these policies and integrate environmental and climate action objectives in them. As for 'traditional' projects, the commitment to apply green public procurement <sup>(2)</sup> and/or, the preference of products and/or services of recognised Eco labelling schemes such as the EU Ecolabel <sup>(3)</sup> through a clear delivery mechanism merit one bonus point, each.

Also the uptake of the results of environmental and climate-related research and innovation projects financed by Horizon 2020 or by preceding Framework Programmes will merit one bonus point, if there is sufficient evidence for the added value of this uptake for the project.

### 5.1.3. *Technical assistance projects pursuant to Article 18(e) of the LIFE Regulation*

Technical assistance projects provide, by way of action grants, financial support to help applicants prepare integrated projects. A maximum of 1 % of the yearly budget allocated to IP may be made available to technical assistance projects. The maximum EU contribution per technical assistance project is fixed at EUR 100 000.

#### 5.1.3.1. Technical methodology for the project selection procedure

The selection of technical assistance projects will follow the same technical methodology for project selection under both sub-programmes. A fast track approach will be applied.

The project selection procedure will be organised as follows:

— Evaluation of proposals

The EA will verify the compliance of each proposal with the eligibility and selection criteria and will evaluate them against the award criteria.

— Preparation of the final list of projects to be funded and of the reserve list

After a review phase, successful projects will be proposed for funding, within the available budget. A reserve list will be constituted with the best-ranked projects that cannot be funded in view of the available budget. The reserve list will encompass an additional 20 % of the available LIFE budget.

— Signature of the grant agreement

#### 5.1.3.2. Eligibility and award criteria

The following main specific eligibility and award criteria will be applied:

(a) Eligibility criteria

A proposal for a technical assistance project is only retained for evaluation against the award criteria, if:

— the project proposal aims at the preparation of a future IP proposal.

<sup>(1)</sup> In particular the marine environment in accordance with the objectives of Directive 2008/56/EC.

<sup>(2)</sup> For green public procurement see [http://ec.europa.eu/environment/gpp/index\\_en.htm](http://ec.europa.eu/environment/gpp/index_en.htm), and in particular [http://ec.europa.eu/environment/gpp/buying\\_handbook\\_en.htm](http://ec.europa.eu/environment/gpp/buying_handbook_en.htm) and [http://ec.europa.eu/environment/gpp/eu\\_gpp\\_criteria\\_en.htm](http://ec.europa.eu/environment/gpp/eu_gpp_criteria_en.htm)

<sup>(3)</sup> <http://ec.europa.eu/environment/ecolabel/eu-ecolabel-products-and-services.html>

## (b) Award criteria

The merit of all eligible proposals will be evaluated and scored according to the following award criteria and scoring system:

Award criteria	Minimum pass score (*)	Maximum score
1. Technical coherence and quality	30	60
2. Financial coherence and quality (including value for money)	20	40
<b>Overall (pass) scores</b>	<b>55</b>	<b>100</b>

(\*) A project proposal has to reach at least the minimum pass score for each award criterion and also the sum of scores for criteria for which a minimum score has been fixed has to be equivalent to 55 points or more.

— **Technical coherence and quality**

The clarity, coherence and feasibility of the proposal will be evaluated in view of the project objectives and its expected results. The nature and the scope of the future IP will be taken into account.

— **Financial coherence and quality**

The proposed budget and its consistency with the actions proposed and with the applicable rules as well as the cost-effectiveness of the proposed approach will be evaluated. The value for money of the proposal will also be assessed.

5.1.4. *Capacity-building projects pursuant to Article 18(f) of the LIFE Regulation*

Capacity-building projects provide financial support to activities required to build the capacity of Member States, including LIFE national or regional contact points, with a view to enabling Member States to participate more effectively in the LIFE programme.

Interventions may include, but shall not be limited to:

- recruitment of new personnel and training for LIFE national or regional contact points,
- facilitating exchanges of experience and best practices and promoting the dissemination and use of results of projects under the LIFE programme,
- ‘train the trainer’ approaches,
- exchange and secondment programmes between public authorities in Member States, in particular ‘best in class’ exchange activities.

The interventions covered by the capacity-building plan may include the procurement of experts to address ad hoc gaps in technical and process capability, but may not include the procurement of experts whose primary function is the drafting of proposals for submission under the annual calls for proposals.

5.1.4.1. *Technical methodology for the project selection procedure*

Applications for capacity-building projects will follow a fast-track award procedure. Considering the fact that pursuant to Article 19(8) capacity-building projects can only be allocated to a predefined number of Member States and only one project per Member State can be subsidised, there is no competition among received applications. Therefore applications may be submitted on a rolling basis from the date of publication of the 2018 call for proposals for LIFE action grants, which will include the application package for capacity-building projects. Applications must be submitted before the end of the first quarter of 2019 in order to be considered for the financing period 2018-2020.

Applications will be assessed to ensure compliance with the eligibility criteria and award thresholds below.

Grants will be signed upon successful conclusion of the evaluation and revision process.

#### 5.1.4.2. Eligibility and award criteria

The following eligibility and award criteria will be applied:

##### (a) Eligibility criteria

The application has to fulfil the following eligibility criteria:

- The applicant is a **Member State** for which
  - the GDP per capita in 2012 was not above 105 % of the Union average,
  - the Member State's average absorption level of its indicative national allocation for the years 2014, 2015 and 2016, referred to in Article 19 paragraph 5 of the LIFE Regulation, is below 70 %, and
  - the Member State's average absorption level of its indicative national allocation for the years 2014, 2015 and 2016 has increased compared to the average absorption level for the years 2010, 2011 and 2012.
- If a Member State had been granted a capacity-building project in the multiannual work programme 2014-2017, this project has to be completed before the starting date of the second capacity-building project.
- The application contains a **capacity-building plan**, in which the Member State **commits**:
  - to maintain resources dedicated to the LIFE programme, including staffing levels, at levels no lower than those in place in 2012 for the duration of the present MAWP,
  - if the Member State had been granted a capacity-building project in the multiannual work programme 2014-2017, to maintain the resources, including staffing levels, allocated to the previous capacity-building project for the duration of the multiannual work programme 2018-2020.

##### (b) Award criteria

- **Technical coherence and quality** in capacity-building projects refers to the proposed interventions in order to develop the Member State's capacity to submit successful applications for funding for projects under the sub-programmes for Environment and Climate Action.

The merit of all eligible proposals will be evaluated and scored according to the following award criteria and scoring system:

Award criteria	Minimum pass score (*)	Maximum score
Technical coherence and quality	15	30
Financial coherence and quality (including value for money)	10	20
Comprehensiveness of the approach in relation to the identified weaknesses leading to the Member State's low participation in LIFE 2014-2016 calls	15	30
Presentation of the expected improvement of the ability to promote integration, complementarity, synergies and replicability of the LIFE programme into policies, economic activities and other programmes	10	20
<b>Overall (pass) scores</b>	<b>55</b>	<b>100</b>

(\*) A project proposal has to reach at least the minimum pass score for each award criterion and also the sum of scores for criteria for which a minimum score has been fixed has to be equivalent to 55 points or more.

#### 5.1.5. Preparatory projects pursuant to Article 18(g) of the LIFE Regulation

Preparatory projects address specific needs for the development and implementation of Union environmental or climate policy and legislation.

#### 5.1.5.1. Technical methodology for the project selection procedure

Once a year the Commission makes an inventory of specific needs regarding the development and implementation of Union environmental or climate policy and legislation that need to be addressed during the following years and identifies among them the needs that could be addressed by preparatory projects.

Before launching the annual call for proposals, Member States receive a draft list of specific needs that could be addressed by preparatory projects and will be asked to comment. Based on these comments, the final list is established.

The Commission defines specific selection and award criteria for the projects thus identified, the project duration, and the indicative budget to be allocated to each project.

The project selection procedure will be organised as follows:

— Evaluation of proposals

The Commission will verify the compliance of each proposal with the eligibility and selection criteria and will evaluate them against the award criteria.

— Preparation of the final list of projects to be funded and of the reserve list

After a review phase, successful projects will be proposed for funding, within the available budget. A reserve list may be constituted, if appropriate.

— Signature of the grant agreement

#### 5.1.5.2. Eligibility and award criteria

The following eligibility and award criteria will be applied:

(a) Eligibility criteria

The specific eligibility and selection criteria will be defined in each call. They will be based on the specific needs to be addressed by preparatory projects defined by the Commission in collaboration with the Member States.

(b) Award criteria

Preparatory projects will be awarded to legal entity/ies which submit/s a proposal which surpasses the pass score and which reach/es the highest score/s regarding the following criteria:

Criteria	Minimum pass score (*)	Maximum score
Technical coherence and quality of the proposal in relation to the specific need addressed	22	45
Comprehensiveness of the approach in relation to the specific need addressed	15	30
Financial coherence and quality (including value for money)	12	25
<b>Overall (pass) scores</b>	<b>55</b>	<b>100</b>

(\*) A project proposal has to reach at least the minimum pass score for each award criterion and also the sum of scores for criteria for which a minimum score has been fixed has to be equivalent to 55 points or more.

### 5.1.6. Projects needed for the purpose of achieving the general objectives set out in Article 3 of the LIFE Regulation

Other projects (pilot, demonstrative or other) could be financed according to Article 190 of the Rules of application of the financial regulation (hereinafter 'RAF') or launching a specific call for proposals on the basis of the criteria described below. For example, grants targeting complex projects realising the circular economy along value chains or by industrial symbiosis could be financed following a specific call drawing on the budget of action grants for environment and resource efficiency <sup>(1)</sup> or to support bankable projects leading up to or complementary to NCFE funding. Support could also be provided to advance project proposals to sufficient maturity to attract public and private investment capital. The support could be provided, most notably, to innovative, first-of-kind or non-routine investment proposals in any of the priority areas under the LIFE Regulation.

#### 5.1.6.1. Technical methodology for the project selection procedure

If the Commission identifies a need for a specific ad hoc project for the purpose of achieving the general objectives set out in Article 3 of the LIFE Regulation, it may publish a call for proposal.

#### 5.1.6.2. Eligibility and award criteria

##### (a) Eligibility criteria

Other projects shall:

- **contribute to** one or several of the **general** objectives set out in Article 3 LIFE Regulation **and** of the **applicable specific objectives** in Articles 10 to 12 and 14, to 16 of the LIFE Regulation,
- **fall within the scope of the priority area** of the LIFE sub-programme as set out in Articles 9 and 13 of the LIFE Regulation under which the project proposal was submitted. This includes projects targeting complex actions realising the circular economy along value chains or by industrial symbiosis. A specific call for TA projects in preparation of the circular economy will be published drawing on the budget of action grants for environment and resource efficiency with a maximum of EUR 1,0 mio p.a.

##### (b) Award criteria

Other projects will be awarded to the legal entity/ies which submit/s a proposal which surpasses the pass score and which reach(es) the highest score(s) regarding the following criteria:

Criteria	Minimum pass score (*)	Maximum score
Technical coherence and quality of the proposal in relation to the specific need addressed	30	50
Financial coherence and quality (including value for money)	20	30
Comprehensiveness of the approach in relation to the specific need addressed	—	10
Synergies (see traditional projects)	—	10
<b>Overall (pass) scores</b>	<b>55</b>	<b>100</b>

(\*) A project proposal has to reach at least the minimum pass score for each award criterion and also the sum of scores for criteria for which a minimum score has been fixed has to be equivalent to 55 points or more.

<sup>(1)</sup> Studies show that investment capital would be readily available from different sources for 'green investment', but that there are not enough well prepared ('bankable') proposals. It is intended to fill this gap through a specific call that addresses developers of (potentially) economically viable projects which have the potential to create a significant environment or climate action impact necessary to achieve the general objectives set out in Article 3 of the LIFE Regulation.

## 5.2. Operating grants

Article 21 of the LIFE Regulation provides for support for certain operational and administrative costs for non-profit-making entities which pursue an aim of general Union interest, are primarily active in the field of environment and/or climate action and are involved in the development, implementation and enforcement of Union policy and legislation.

The system of biennial framework partnership agreements for operating grants, established under the MAWP 2014-2017, will be maintained in order to keep the balance between the need for certainty and stability of the beneficiaries and a certain level of competition among non-profit-making entities. In this framework, a restricted call for proposals will be organised in 2018. It will address only those NGOs that were selected for an FPA signature under the FPA call in 2017 (call identifier: LIFE-NGO-FPA-EASME-2017).

In 2019, a new call for proposals for FPAs will be launched, to select the NGOs for an operating grant covering their financial years 2020 and 2021. This will be followed by two restricted calls in view of signing specific grant agreements with the FPA partners.

Operating grants outside the call for proposals may be awarded in duly justified exceptional cases as defined in Article 190 Commission Delegated Regulation (EU) No 1268/2012<sup>(1)</sup>, in particular where the characteristics of the beneficiary leave no other choice or where the beneficiary is identified as such in a legal basis.

Proposals will be checked for their compliance with eligibility and selection criteria. For proposals that comply with these criteria, the overall relevance and quality will be assessed in relation to the award criteria. Points will be given according to these criteria and a minimum quality level will be required. The final award decision will be taken based on the results of the evaluation process.

### 5.2.1. Selection criteria for operating grants

The selection criteria shall assess the applicant's financial and operational capacity to complete the proposed work programme.

Applicants will only be selected if, based on specific supporting documents related to their performance during the two previous years, they can demonstrate

- **operational capacity** — the applicant must have the professional competencies and qualifications required to complete the proposed work programme, and
- **financial capacity** — the applicant must have stable and sufficient sources of funding to maintain his activity throughout the year for which the grant is awarded and to participate in its funding.

In certain exceptional circumstances, notably in the case of a new network created by experienced organisations, the EA may grant derogation from the requirement of providing supporting documents covering the two previous years.

### 5.2.2. Award criteria for operating grants

#### 5.2.2.1. Operating grants/Framework partnership agreements for non-governmental organisations (NGOs)

Articles 12(d) and 16(d) of the LIFE Regulation list as a specific objective for their respective priority areas 'Governance and Information' to promote better environmental and climate governance by broadening stakeholder involvement, including NGOs, in policy consultation and implementation.

The following award criteria will apply to the selection of beneficiaries of framework partners' agreements:

1. Policy relevance: Relevance of the NGO's strategic plan for the Union's environmental and climate action policies.

<sup>(1)</sup> Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union (RAF) (OJ L 362, 31.12.2012, p. 1).

2. EU policy shaping: Contribution of the NGO to shape, develop or update the Union's environmental and/or climate action policies.
3. EU policy implementation: Contribution of the NGO to implement and enforce the Union's environmental and/or climate action policies.
4. Sensor function: Relevance in addressing new and emerging environmental and climate-related issues.
5. Organisational development: potential to develop in order to become a more efficient stakeholder in the Union's policy process.

The organisations chosen as framework partners will be invited to submit annually their work programme, which will be analysed in view of the award of a specific annual operating grant.

For the award of specific annual operating grants under framework partnership agreements, the following criteria will apply:

1. compliance of the work programme with the objectives and nature of activities specified in the framework partnership agreement;
2. technical coherence and quality of the work programme;
3. coherence between work programme and proposed budget, including efficient use of resources.

#### 5.2.2.2. Other operating grants

The award of other operating grants, including following the signature of framework partnership agreements, to non-profit-making entities which pursue an aim of general Union interest or have an objective forming part of, and supporting, the environment and/or climate action policy, will be done on the basis of the following award criteria:

1. relevance of the work programme on the objectives of the LIFE Regulation and, if relevant, the thematic priorities and the project topics;
2. feasibility and internal coherence of the work programme
3. cost-effectiveness of the proposed activities.

### 5.3. Financial instruments

Funding, within the meaning of Article 17(4) of the LIFE Regulation, is foreseen for the following two pilot financial instruments for the purpose of achieving the general objectives set out in Article 3 of the LIFE Regulation:

- Natural Capital Financing Facility (NCF) — a financial instrument being piloted under both sub-programmes in order to test and demonstrate innovative financing approaches for projects promoting the preservation of natural capital in the priority areas Nature and Biodiversity and Climate Change Adaptation.
- Private Financing for Energy Efficiency instrument (PF4EE) — a pilot financial instrument under the sub-programme Climate Action. As demonstrated during the period 2014-2017, PF4EE delivers a new and effective approach to address the limited access to adequate and affordable commercial financing for energy efficiency investments targeted by national priorities.

The provisions on financial instruments under the Financial Regulation, in particular Articles 139 and 140 thereof, are fulfilled as outlined in the following paragraphs.

Financial instruments supporting projects may take any of the forms referred to in, and shall be implemented in accordance with Title VIII of Regulation (EU, Euratom) No 966/2012 and may be combined with each other and with grants funded under the Union budget.

According to Article 140(6) annual repayments, including capital repayments, guarantees released, and repayments of the principal of loans, shall constitute internal assigned revenue and shall be used for the same financial instrument for a period not exceeding the period for the commitment of appropriations plus two years.

The mid-term evaluation took place after less than two years of effective implementation of the two financial instruments and only preliminary conclusions could be drawn from them for the financial instruments, as they represent a new way of funding under the LIFE programme. These conclusions have been taken into account for the implementation of the two financial instruments in the years 2018-2020. In particular:

- for the NCF an effort is being made to improve the assistance to be provided to potential recipients for building up their business cases while considering that the funds assigned during the first MAWP are sufficient for the duration of the MAWP 2018-2020,

- for the PF4EE, it was decided to continue the pilot phase and to increase the available funds by EUR 75 million taking into account the high demand registered. The Commission will report at least on an annual basis to the LIFE Committee, while ad hoc meetings can be called if the need arises.

### 5.3.1. *Natural Capital Financing Facility (NCF)*

#### 5.3.1.1. Contribution to LIFE objectives

The financial instrument contributes to meeting LIFE objectives, in particular for the priority areas 'nature and biodiversity' under LIFE Environment and 'climate change adaptation' under LIFE Climate Action by financing upfront investment and operating costs for revenue-generating or cost-saving pilot projects which promote the conservation, restoration, management and enhancement of natural capital for biodiversity and adaptation benefits, including ecosystem-based solutions to challenges related to land, soil, forestry, agriculture, water and waste. The NCF, launched in 2015, is a policy instrument for innovative pilot projects. As described in the MAWP 2014-2017 it offers the potential to improve the cost-effectiveness of the LIFE programme through leverage and complementarity. It contributes to building longer term capacity in an innovative, sustainable commercial finance activity. The NCF complements and supports Member States' policy objectives in the field of biodiversity and climate change adaptation.

More specifically:

- Regarding nature and biodiversity, the NCF contributes to implementing Union policy and legislation in the area of biodiversity, including the Union Biodiversity Strategy to 2020, Directives 2009/147/EC and 92/43/EEC, in particular by applying, developing, and testing projects and demonstrating their viability. It also supports the further development, implementation and management of the Natura 2000 network set up in Article 3 of Directive 92/43/EEC, and increases its resilience through protecting and restoring ecosystems also outside the network. However, some types of projects may not apply in Natura 2000 areas <sup>(1)</sup>.
- Regarding climate change adaptation, the NCF contributes to implementing Union policy on adaptation, in particular by developing, testing and demonstrating ecosystem-based approaches for climate change adaptation. It also contributes to developing and demonstrating innovative adaptation technologies, systems, methods and instruments that are suitable for being replicated, transferred or mainstreamed.

#### 5.3.1.2. NCF state-of-play

The NCF is implemented by the European Investment Bank pursuant to a Delegation Agreement concluded with the Commission. During the pilot phase that started under the LIFE MAWP 2014-2017 and will continue until 2020, the NCF is expected to execute 9-12 operations. The funds committed for the NCF in 2014-2017 are estimated to suffice for the entire LIFE programme period. The Commission agreed with the EIB an extension of the implementation period until the end of 2021.

In February 2017, one operation had concluded negotiations and was signed, and another is expected to be concluded also within this year. The European Investment Bank continues developing a pipeline of eligible operations.

#### 5.3.1.3. Structure of the financial instrument

The implementation of the financial instrument is entrusted to the European Investment Bank (EIB) by means of indirect management.

The NCF combines direct and indirect financing of projects through debt, equity, and a guarantee window. A technical facility is provided in order to ensure that projects reach a sufficient stage of maturity for financing.

The European Commission provided EUR 50 million for the risk-sharing mechanism and EUR 10 million for the technical support facility. On this basis, the EIB will invest up to EUR 125 million through loans, guarantees for loans

<sup>(1)</sup> Whereas projects aimed at compensating damage to Natura 2000 sites according to Article 6.4 of the Habitats Directive are not eligible for financing under the NCF, compensatory measures for damage elsewhere may take place in Natura 2000 sites or in other ways that contribute to the coherence of the network and are eligible under NCF.



and equity investments. Loans can be provided either directly to final beneficiaries to finance investments and operating costs, or indirectly through intermediaries which then finance a portfolio of loans. Guarantees for loans can be provided to intermediaries. Equity investments can be used for investment in funds managed by intermediaries. These options can be combined with action grants under thematic priorities or support from other sources.

The facility includes a risk-sharing mechanism with the EIB because the projects supported by the NCFE will be projects that the EIB normally does not invest in, either because they are too small or because their perceived high risk is not compatible with the AAA rating of the bank. To overcome this, the facility includes a risk-sharing mechanism whereby the EU funds provide a guarantee to the EIB for first losses in case of project failure. The funds made available under the MAWP 2014-2017 will remain available for the financing period 2018-2020. The precise implementation mechanism was established in the delegation agreement between the Commission and the EIB signed on 18 December 2014, which also defines precise exclusion/selection criteria for projects, ensuring that the correct priorities are built in the selection process and that there is sufficient sectorial and geographical coverage.

The present MAWP extends the funds provided under the MAWP 2014-2017 to the MAWP 2018-2020. After the end of this operational period of the pilot phase, the facility will remain in place with a lighter structure to manage the portfolio and receive the repayments for operations.

The management of the financial instrument is carried out by the EIB. A Steering Committee reviews, on a regular basis, the progress on the implementation of the Financial Instrument. The Steering Committee comprises appointments made jointly by the Commission, including DG ENV, DG CLIMA, DG ECFIN, and the EIB, supported by a secretariat provided by EIB.

Monitoring of the financial instruments is carried out in line with the requirements laid down in the Financial Regulation (Article 140) and the Delegated Regulation (Article 225) and subsequently as interpreted in the Financial and Administrative Framework Agreement (FAFA) with EIB and the Delegation Agreement.

The EIB is responsible for monitoring the implementation of activities under the financial instrument and for producing performance and financial reports in accordance with a format, content and periodicity to be agreed, to include regular and ad hoc reports; site visits; audits. Performance Indicators for reporting from financial institutions to EIB will be used.

#### 5.3.1.4. Technical methodology for the project selection procedure

Projects fall into four broad categories:

- Payments for Ecosystem Services (PES): projects involving payments for the flows of benefits resulting from natural capital, usually a voluntary small scale bilateral transaction with a well identified buyer and seller of an ecosystem service. They are based on the beneficiary pays principle, whereby payments take place to secure critical ecosystem services.
- Green Infrastructure (GI): GI is a strategically planned network of natural and semi-natural areas with other environmental features designed and managed to deliver a wide range of ecosystem services. It incorporates green spaces (or blue if aquatic ecosystems are concerned) and other physical features in terrestrial (including coastal) and marine areas. On land, GI is present in rural and urban settings. GI projects have the potential to generate revenues or save costs based on the provision of goods and services including water management, air quality, forestry, recreation, flood/erosion/fire control, pollination, increased resilience to the consequences of climate change.
- Biodiversity offsets: these are conservation actions intended to compensate for the residual, unavoidable harm to biodiversity caused by development projects. They are based on the polluter pays principle, whereby offsets are undertaken for compliance or to mitigate reputational risks. Projects aimed at compensating damages done to Natura 2000 sites according to Article 6(4) of the Habitats Directive are not eligible for financing under the NCFE.
- Innovative pro biodiversity and adaptation investments: these are projects involving the supply of goods and services, mostly by SMEs, which aim to protect biodiversity or increase the resilience of communities and other business sectors.

The aim is to identify and finance projects with a sufficiently broad geographical and sectorial coverage, while testing various financial mechanisms, to ensure replicability across the EU during the operational phase. Eligibility rules for projects and investment policy for the Facility (setting caps on sectors and geographical coverage, as well as minimum criteria to be met and principles to be adhered to, e.g. the mitigation hierarchy <sup>(1)</sup>) have been defined in the Delegation Agreement.

Eligibility criteria will be in line with the nature and biodiversity and climate change adaptation objectives enshrined in the LIFE Regulation, while taking into account Member States' policy priorities in the field of biodiversity protection and climate change adaptation.

Eligible natural capital management projects should be justified by an economic assessment on the basis of a classic cost-benefit-analysis — i.e. that the net present cost of the project over its life is less than the net present value of the expected benefits, including externalities. In addition to the standard criteria imposed by the EIB for all operations, there will be additional criteria defining the type of projects and sectors covered.

At a minimum, final recipients of the financial instrument must be legal entities and/or natural persons investing in natural capital management projects that can:

- demonstrate that they have a positive impact on ecosystem condition and resilience and on the provision of ecosystem services through a targeted environmental impact assessment,
- pioneer new business models for natural capital management, amongst the typologies identified above, i.e. green infrastructure, payments for ecosystem services, biodiversity offsets, or innovative pro-biodiversity/adaptation businesses or corporates,
- fulfil one of the following criteria:
  - promote the conservation, restoration, management and enhancement of ecosystems, including through ecosystem-based solutions applied to the sectors of land, soil, forestry, agriculture, aquaculture, water and waste,
  - promote ecosystem-based approaches that enable businesses and communities to address identified risks associated with current and projected impacts of climate change, including through urban, rural, and coastal green infrastructure projects.

Projects need to be located in at least one of the EU Member States to be eligible.

When projects are indirectly financed via contribution to funds managed by intermediary financial institutions, the selection of such institutions would be driven by demand and in accordance with the principles of sound financial management, transparency, non-discrimination and the fulfilment, inter alia, of the following requirements:

- (i) to be a private sector or market-based financial institution;
- (ii) to commit and demonstrate operational capacity to distribute the financial instrument;
- (iii) to demonstrate capacity to reach final recipients targeted by the EU or Member State biodiversity or climate change adaptation policies;
- (iv) to undertake the obligations and requirements associated with the distribution of the financial instrument;
- (v) to comply with relevant standards and applicable legislation on the prevention of money laundering, fight against terrorism and tax fraud;
- (vi) to provide information required by the European Court of Auditors to allow the discharge of its duties; and
- (vii) to be acceptable as a borrower to the EIB in accordance with its credit policy.

<sup>(1)</sup> The mitigation hierarchy involves: (1) avoiding or preventing negative impacts on the environment in general and biodiversity in particular; (2) minimising and rehabilitating on-site effects of development if impacts cannot be avoided; and (3) offset/compensation measures that are undertaken as a last resort (on- or off-site) for the residual adverse impacts.

### 5.3.2. *Private Finance for Energy Efficiency instruments (PF4EE)*

#### 5.3.2.1. Contribution to LIFE objectives

The PF4EE contributes to meeting the general objectives of the LIFE Regulation as set out in Article 3 and further specified in the priority area 'climate change mitigation'. In particular the PF4EE:

- addresses a major climate policy issue, contributing to the achievement of the Europe 2020 and 2030 objectives to secure energy savings and the associated reduction in emissions,
- provides the necessary level of piloting and demonstration of a new policy instrument, with major potential to deliver EU added value,
- complements and supports Member States' responsibilities under the National Energy Efficiency Action Plans (NEEAPs),
- offers the potential to improve the cost-effectiveness of the LIFE programme through leverage and complementarity,
- builds longer term capacity in a sustainable commercial finance activity, thereby ensuring continuing and long-term support for sustainable development,
- supports solidarity and burden sharing, and
- offers the potential to mainstream the initiative into Member State programmes (through NEEAPs and potentially other programmes and initiatives).

#### 5.3.2.2. PF4EE state-of-play and upscale

In 2014 it was expected that the instrument would support investment of up to EUR 540 million. However, following the operations signed in 2015 and 2016 and in view of the current pipeline, the EIB now targets to achieve more than EUR 1 billion of new investments by the end of 2017 (EUR 600-650 million from EIB and at least EUR 500 million from financial intermediaries), covering 9-10 Member States.

The six deals signed by the end of 2016 are the following:

- Komerční Banka, Czech Republic: EUR 75 million worth of energy efficiency loans for corporates and lighting systems for buildings and industrial sites,
- Banco Santander, Spain: EUR 50 million worth of energy efficiency loans for hotels and other touristic buildings,
- Credit Cooperatif, France: EUR 75 million worth of energy efficiency loans for SMEs and building renovation,
- Belfius, Belgium: EUR 75 million worth of targeted energy efficiency loans for SMEs,
- Banco BPI, Portugal: EUR 50 million in targeted loans for businesses,
- BPER, Italy: EUR 50 million worth of energy efficiency loans for private sector.

In 2017, additional deals could be signed in Croatia, the UK, Greece and Cyprus.

While so far investments on the ground have been supported only in the Czech Republic and France, the strong interest by banks and the increased EIB investment target indicate the underlying market demand and thus the potential for scaling up. In fact, PF4EE is contributing to creating a new financial product in the market targeting energy efficiency and consequently directly contributing to the decarbonisation of the EU economy, in line with the COP21 goals.

At the end of 2016, EIB loans committed and disbursed were EUR 375 million and EUR 35 million respectively. As for the instrument's average leverage at the end of 2016, it was 9,8 (calculated as EIB/European Commission contribution).

During the period 2014-2017 the EU contribution committed to PF4EE was EUR 80 million. Over the 2018-2020 period another EUR 75 million are foreseen to continue the pilot phase, of which EUR 10 million are to be ring-fenced for the Expert Support Facility providing technical assistance to financial intermediaries.

### 5.3.2.3. Structure of the financial instrument

The implementation of the PF4EE instrument is entrusted to the European Investment Bank (EIB) by means of indirect management.

The PF4EE instrument has two core objectives:

- to make energy efficiency (EE) lending a more sustainable activity across European financial institutions, incentivising private commercial banks and other financial institutions (both together 'financial intermediaries') to address the energy efficiency sector as a distinct market segment, and
- to increase the availability of debt financing to projects supporting the energy efficiency priorities of Member States set in the NEEAPs.

The PF4EE instrument provides (i) a risk participation mechanism (Risk Sharing Facility); and (ii) expert support for the financial intermediaries (Expert Support Facility); combined with (iii) EIB long-term funding (EIB Loan for Energy Efficiency).

- The PF4EE provides a Risk Sharing Financial Instrument with functioning mechanics comparable to a capped guarantee to share the risk between the Commission (as funder) and financial intermediaries (as lenders).
- The Risk Sharing Facility is designed to reduce the credit risk faced by financial intermediaries when lending to the EE sector and to encourage their participation. The impact depends on the market conditions and specific characteristics of the projects. The RS Facility increases lending activity, access to finance and/or better financing conditions to the final recipients, possibly including lower pricing, longer maturities, lower collateral or others.
- To leverage the LIFE contribution, EIB loans are provided to financial intermediaries at competitive rates for on-lending. Preferential rates will be passed onto final recipients to encourage take-up;
- The recipients are also expected to make a contribution to project costs, which as a result will increase leverage calculated on investment costs;
- If a participating financial intermediary has losses in its portfolio of loans (EE loans portfolio), these losses would be partially covered by the Risk Sharing Facility.
- LIFE funding would be used to provide the financial contribution required for the risk-sharing facility and expert support facility, as well as the administration and direct costs incurred by EIB for setting up and managing the instrument;
- A maximum amount of cash (Collateral) would be allocated to each financial intermediary to offset losses in the EE Loan portfolio. This amount would be calculated based on a specific percentage of the targeted total EE loans portfolio, depending on the risk profile of the targeted final recipients. Should the financial intermediary not reach the targeted portfolio size, the percentage would be applied to the achieved portfolio size.
- The target final recipients for the PF4EE instrument comprise SMEs and mid-cap larger companies and private individuals, but could also include small municipalities or other public sector bodies undertaking small energy efficiency investments, capable of using energy savings to repay up-front borrowing
- The PF4EE goal over the 2014-2017 period was to sign 10 deals (EIB Loans for EE and Risk Sharing/Expert support Facilities). By the end of 2016, six of them had already been signed (see Section 5.3.2.2).
- Over the 2018-2020 period, up to 10 additional deals could be signed, which could bring the total of signed deals to 20 by the end of 2020.

The 2018-2020 EU contribution committed to PF4EE will be EUR 75 million, of which EUR 10 million to be ring-fenced for the Expert Support Facility. Furthermore, the EIB will be allowed to sign more than one deal per Member State.

The selection of financial intermediaries will continue to be driven by demand and in accordance with the principles of sound financial management, transparency, non-discrimination and the fulfilment, inter alia, of the following requirements:

- (i) to be private sector financial institution or to operate in the market in a comparable manner to a private sector financial institution;

- (ii) to commit and demonstrate operational capacity to distribute the PF4EE instrument;
- (iii) to demonstrate capacity to reach final recipients targeted by the relevant NEEAP priority and/or energy efficiency support scheme and/or EU Directives relating to energy efficiency within the MS concerned;
- (iv) to undertake the obligations and requirements associated with the distribution of the PF4EE instrument;
- (v) to comply with relevant standards and applicable legislation on the prevention of money laundering, fight against terrorism and tax fraud;
- (vi) to provide information required by the European Court of Auditors to allow the discharge of its duties; and
- (vii) to be acceptable as a counterparty to the EIB in accordance with its internal policies and guidelines and consistent with the geographical distribution conditions set by PF4EE.

A broad geographical distribution of the financial instrument over the lifetime of the programme will be sought by providing incentives to the EIB to encourage the participation of financial intermediaries across all Member States. However, the geographical limitations of the pilot phase will be removed and the EIB will be allowed to sign more than one deal per Member State, depending on market requirements.

Depending on interest expressed by financial intermediaries, the EIB may prioritise those financial intermediaries seeking to operate in a Member States where the investment needs (distance to target) are greatest. The Risk Sharing Facility will incentivise financial intermediaries to operate in Member States with higher risks reflecting, for example, significant under-development in the use of loan finance for EE or where the capacity to take-up loans is deemed likely to be especially low.

Experience gained over the 2014-2017 period indicates that technical assistance to financial intermediaries is crucial to maximise their ability to target EE investments. Consequently, the maximum budget of the Expert Support Facility will be increased from the EUR 3,2 million of the 2014-2017 period (i.e. 4 % of the EU PF4EE contribution committed during the first part of the pilot phase) to EUR 10 million over the 2018-2020 period.

The PF4EE needs to be operational for as long as underlying loans covered by the RS Facility remain outstanding. Maximum tenor to be allowed under the RS Facility will be 20 years. Therefore the PF4EE will be in place for up to 20 years after the end of the implementation period (2045).

The allocation of funds will be valid until the last of the transactions under the programme is fully completed.

The management of the financial instrument is carried out by the EIB. A Steering Committee reviews, on a regular basis, the progress on the implementation of the Financial Instrument. The Steering Committee comprises appointments made jointly by the Commission, including line Commission services such as DG CLIMA, DG ECFIN and DG ENER, and the EIB, supported by a secretariat provided by EIB.

A monitoring and reporting mechanism was set up and the information is shared with the LIFE Committee.

Monitoring of the financial instruments will be in line with the requirements laid down in the Financial Regulation (Article 140) and the Delegated Regulation (Article 225) and subsequently as interpreted in the Financial and Administrative Framework Agreement (FAFA) with EIB and consequent Delegation Agreement.

The EIB would be responsible for monitoring the implementation of activities under the financial instrument and for producing performance and financial reports in accordance with a format, content and periodicity to be agreed, to include regular and ad hoc reports; site visits; audits. EE Performance Indicators for reporting from financial institutions to EIB would be used.

#### 5.3.2.4. Technical methodology for the project selection procedure

The recipients include private individuals, home-owner associations, SMEs, corporates and/or public institutions/bodies, undertaking EE investments in line with the NEEAP of each Member States.

The size of the EE loans provided to the recipients range from EUR 10 000 (which can be reduced to accommodate small investments within the residential sector) up to EUR 5 m (in exceptional cases up to EUR 15 m).

Member States are in a position to influence the project pipeline and hence indirectly the selection of projects through the priorities of the NEEAP. Recipients are those legal entities and/or natural persons that:

- undertake an EE investment within the context of a Member State support scheme and/or in line with the priorities of a NEEAP and/or EU Directives relating to EE,
- borrow an EE loan granted by a participating financial intermediary;

In addition, supported energy efficiency investments should have passed an economic analysis which incorporates the costs of carbon externalities, so that the net present cost of the project over its life is less than the net present value of the energy saved.

#### 5.4. Other activities

Funding, within the meaning of Article 17(1) of the LIFE Regulation, could be used to finance any other interventions needed for the purpose of achieving the general objectives set out in Article 3.

These interventions will be managed according to the Financial Regulation and the LIFE Regulation.

The resources to be allocated to such interventions, whatever legal form they may have, will not count towards the minimum resources to be allocated to projects according to Article 17(4) of the LIFE Regulation.

These interventions could consist in the following:

- Prizes for projects selected among LIFE+ and 'traditional' LIFE projects that have received the second pre-financing payment and are considered particularly promising as regards their contribution to the specific objectives of the priority areas of the LIFE sub-programme for Environment or Climate Action and their continuation, replication and/or transfer.
- Action grants for LIFE+ and 'traditional' LIFE projects that have received the second pre-financing payment and are considered particularly promising as regards their contribution to the specific objectives of the priority areas of the LIFE sub-programme for Environment or Climate Action and the marketability and bankability of the solutions implemented in the projects. These Action grants would provide for lump sums for support actions considered necessary to reach marketability and/or bankability by the end of the LIFE(+) project on the basis of a gap analysis to be provided by the applicants.
- Business coaching for LIFE+ and 'traditional' LIFE projects that have received the second pre-financing payment and are considered particularly promising as regards their contribution to the specific objectives of the priority areas of the LIFE sub-programme for Environment or Climate Action and the marketability and bankability of the solutions implemented in the projects.
- Cluster and network coaching for small and medium-sized enterprises.

### 6. INDICATIVE TIMETABLES FOR THE CALLS FOR PROPOSALS (ARTICLE 24(2)(e) OF THE LIFE REGULATION)

#### 6.1. Indicative timetables for grants

Project types	Sub-programme	2018	2019	2020
Projects within the meaning of Article 18(a), (b), (c), and (h) of the LIFE Regulation	ENV	2 <sup>nd</sup> quarter	2 <sup>nd</sup> quarter	2 <sup>nd</sup> quarter
	CLIMA	2 <sup>nd</sup> quarter	2 <sup>nd</sup> quarter	2 <sup>nd</sup> quarter
Integrated projects (Article 18(d) of the LIFE Regulation)	ENV	2 <sup>nd</sup> quarter	2 <sup>nd</sup> quarter	2 <sup>nd</sup> quarter
	CLIMA	2 <sup>nd</sup> quarter	2 <sup>nd</sup> quarter	2 <sup>nd</sup> quarter
Technical Assistance projects (Article 18(e) of the LIFE Regulation)	ENV	2 <sup>nd</sup> quarter	2 <sup>nd</sup> quarter	2 <sup>nd</sup> quarter
	CLIMA	2 <sup>nd</sup> quarter	2 <sup>nd</sup> quarter	2 <sup>nd</sup> quarter

Project types	Sub-programme	2018	2019	2020
Capacity-building projects (Article 18(f) of the LIFE Regulation)	ENV and CLIMA jointly	1 <sup>st</sup> quarter 2018		
Preparatory projects (Article 18(g) of the LIFE Regulation)	ENV	2 <sup>nd</sup> quarter	2 <sup>nd</sup> quarter	2 <sup>nd</sup> quarter
Operating grants (OG) (Article 21 of the LIFE Regulation)	ENV and CLIMA jointly	2 <sup>nd</sup> quarter joint call for proposals for Operating Grants OG for the financial year 2019	2 <sup>nd</sup> quarter framework partnership agreements and OG for the financial year 2020	2 <sup>nd</sup> quarter OG for the financial year 2021

## 6.2. Indicative timetables for financial instruments

Financial instrument	Sub-programme	2018	2019	2020
NCCF	ENV	Continuing basis		
	CLIMA	Continuing basis		
PF4EE	CLIMA	Continuing basis		

## 7. QUALITATIVE AND QUANTITATIVE OUTCOMES, INDICATORS AND TARGETS FOR EACH PRIORITY AREA AND TYPE OF PROJECTS (ARTICLE 24(2)(c) OF THE LIFE REGULATION)

In line with the **performance indicators** (Article 3(3) of the LIFE Regulation) and the **specific objectives** of the priority area concerned, for each **priority area and type of project**, qualitative and quantitative **outcomes, indicators and targets** are established (Article 24(2)(c) of the LIFE Regulation).

By limiting the scope of application of integrated projects to the implementation of specific strategies, plans and roadmaps under EU legislation in the areas nature, water, waste, and air, climate change mitigation and climate change adaptation, the expected outcomes and the targets to be reached by these projects can be focussed.

Under the sub-programme for Environment, the thematic priorities pursuant to Annex III to the LIFE Regulation and the project topics under point 3 of the present MAWP also increase the focus of the projects financed leading to a more tangible impact on the state of the environment. Based on the evaluation of the estimated impact of the LIFE programme some overall expected outcomes and targets have been defined, taking into account the catalytic function of the programme and hence, where linked to development and implementation, the importance of the replicability of successful projects (Article 3(3)(b) of the LIFE Regulation).

However, the number and scope of successful projects within a priority area mainly depends on the number of eligible applications submitted that comply with the selection and award criteria, and on technical and socioeconomic factors outside the influence of the Commission.

In view of the above, and in order to increase the measurability of the contribution of the LIFE programme to the objectives of the 7th EU Environment Action Programme (Article 3(1)(d) of the LIFE Regulation), where possible, expected outcomes have also been defined as outcomes foreseen at project level. Project beneficiaries will have to define the baseline at the outset of their project and the final result in relation to the objectives aimed for. To this end, the LIFE key project indicator (KPI) database has been established and will be made accessible to the beneficiaries by the end of 2017 (the indicators were successfully tried out in the prototype database in 2015 in the context of the LIFE midterm evaluation <sup>(1)</sup>). The environmental/climate objectives to be reached by each project should implement or go beyond the targets, emission limits or objectives set by the relevant Union policies and legislation.

<sup>(1)</sup> [http://ec.europa.eu/environment/life/toolkit/pmtools/life2014\\_2020/monitoring.htm](http://ec.europa.eu/environment/life/toolkit/pmtools/life2014_2020/monitoring.htm)

LIFE is a catalyst and continuation, replication, and/or transfer of the project actions and results is therefore key to ensuring the programme's effectiveness in bringing about positive results for the environment and climate. While all project proposals aim for continuation, replication, and/or transfer in the respective environmental or climate change area, on the basis of the experience gained under predecessor programmes, only 80 % of pilot and demonstration projects can be expected to be replicable, since there is a risk that the techniques and methodologies to be tested and demonstrated will not bring about the expected results. In addition, in view of possible economic and administrative difficulties, independent of such technical impossibilities, not all projects can be expected to be finalised successfully.

It should be noted that few projects under the LIFE programme 2014-2020 will have finished by 2020, as the average duration of LIFE projects is 3 to 6 years, depending on the priority area. Therefore, where the targets refer to ongoing projects, they are actually rather milestones. These milestones consist in having set up the projects in such a way that they can reach the targets by the end of the project period, which mostly will be beyond 2020.

In order to avoid duplication, under each priority area the project types within the meaning of Articles 2 and 18 of the LIFE Regulation foreseen to pursue the related objectives are grouped together, where possible. Project types independent of priority areas, like capacity-building projects, are listed separately.

The indicators are included in the description of the outcomes and targets and are therefore not mentioned separately in the tables below.



## 7.1. Sub-Programme for Environment

For the sub-programme for environment, the general objectives defined in Article 3(1), the specific objectives set out for each priority area in Articles 10, 11, and 12 as well as the performance indicators set out in Article 3(3) of the LIFE Regulation are taken into account.

Environment and Resource Efficiency			
Projects according to Article 18(a) and (b) of the LIFE Regulation			
Thematic priorities	Quantitative outcomes <sup>(1)</sup>	Qualitative outcomes	Targets/Milestones 2020
WATER (including the marine environment)	No of ongoing or finalised projects addressing (inland/transitional/coastal) water bodies with bad ecological status	Percentage of ongoing or finalised projects implementing replicable or transferable actions and progressing towards good ecological status at project level	80 %
	No of water bodies with poor ecological status targeted by ongoing or finalised projects	Water bodies (inland/transitional/coastal) covered by ongoing or finalised projects implementing replicable or transferable actions set up to improve their ecological status	100 <sup>(2)</sup>
WASTE	No of ongoing or finalised projects aiming at the achievement of EU legal waste targets and the implementation of the waste hierarchy (adequate waste management).	Percentage of ongoing or finalised projects implementing replicable or transferable actions and progressing towards adequate waste management	80 %
	No of additional municipalities or regions Union-wide with inadequate waste management targeted by ongoing or finalised projects	Municipalities or regions covered by ongoing or finalised projects implementing replicable or transferable actions set up to reach adequate management of waste	20
RESOURCE EFFICIENCY (including soil, forests, and green and circular economy)	No of ongoing or finalised projects implementing the targets of Union policy and legislation in the area of <b>resource efficiency</b> (not including soil and forests).	Percentage of ongoing or finalised projects implementing replicable or transferable actions and progressing towards implementing aspects of green circular economy	80 %
	No of additional companies Europe-wide targeted by ongoing or finalised projects	Additional companies covered by ongoing or finalised projects implementing replicable or transferable actions set up to implement green or circular economy	10

**Environment and Resource Efficiency**

**Projects according to Article 18(a) and (b) of the LIFE Regulation**

Thematic priorities	Quantitative outcomes (!)	Qualitative outcomes	Targets/Milestones 2020
	No of ongoing or finalised projects implementing the objectives of the Union's policy in the area of <b>soil</b> protection.	Percentage of ongoing or finalised projects implementing replicable or transferable actions and progressing towards maintaining or improving soil functions	80 %
	Ha of land Union-wide targeted by ongoing or finalised projects	Land covered by ongoing or finalised projects implementing replicable or transferable actions set up to maintain and improve soil functions.	2 000
	No of ongoing or finalised projects promoting the implementation of the European <b>Forest</b> Strategy.	Percentage of ongoing or finalised projects implementing replicable or transferable actions and progressing towards implementation of the European Forest Strategy	80 %
		Percentage of ongoing or finalised projects implementing replicable or transferable actions set up to provide indicator data that may serve for the European Forest Data Centre (EFDAC)	80 %
ENVIRONMENT and HEALTH (including chemicals and noise)	No of ongoing or finalised projects implementing Union policy on <b>chemicals</b> including projects promoting the substitution of substances and exposure minimisation	Percentage of ongoing or finalised projects implementing replicable or transferable actions and progressing towards reaching or surpassing the relevant Union chemical substance target on project level	80 %
	No of persons Union-wide targeted by ongoing or finalised projects aiming at reducing chemicals	Persons covered by ongoing or finalised projects implementing replicable or transferable actions set up to reduce adverse effects of chemicals on health and environment, including estimates over the long term effects	50 000

**Environment and Resource Efficiency**
**Projects according to Article 18(a) and (b) of the LIFE Regulation**

Thematic priorities	Quantitative outcomes <sup>(1)</sup>	Qualitative outcomes	Targets/Milestones 2020
	No of ongoing or finalised projects funded targeting <b>noise reduction</b>	Percentage of ongoing or finalised projects implementing replicable or transferable actions and progressing towards reaching or surpassing the relevant Union noise reduction target on project level	80 %
		Percentage of ongoing or finalised projects implementing replicable or transferable actions targeting noise reduction progressing towards reducing noise exposure by at least 3 dB	80 %
	No of persons Union-wide targeted by ongoing or finalised noise projects	Persons benefitting from ongoing or finalised projects implementing replicable or transferable actions set up to reduce noise levels by at least 3 dB	10 000
AIR quality and emissions (including urban environment)	No of ongoing or finalised IPs targeting the implementation of air quality plans and programmes (AQPP) and national air pollution control programmes (NAPCP)	Percentage of IPs set up to implement compliant and efficient AQPP in regions covered, in conformity with Article 23 of Directive 2008/50/EC on ambient air quality and cleaner air for Europe, or to set up compliant and efficient NAPCPs in Member States, in conformity with Article 6 of Directive (EU) 2016/2284 on National Emission Ceilings.	80 %
	No of persons targeted by ongoing or finalised air quality projects	Persons covered by ongoing or finalised projects implementing replicable or transferable actions progressing towards reaching or surpassing the relevant Union air quality target.	1 million.

<sup>(1)</sup> Due to the bottom-up approach and the great variety of environmental and climate change challenges addressed by the LIFE programme and the limited funds available to address them, despite the introduction of thematic priorities and project topics, the uptake of projects in specific areas is uncertain and quantitative targets therefore cannot be defined ex ante for most of the priority areas covered and objectives pursued, with the exception of the thematic priorities for nature.

<sup>(2)</sup> It is expected that between 2015 and 2017, 6 900 water bodies throughout the Union improve their ecological status, 1,4 % of them (100) due to a LIFE contribution.

**Nature and Biodiversity**
**Projects according to Article 18 (a), (b) and (c) of the LIFE Regulation**

Thematic priorities	Quantitative outcomes	Qualitative outcomes	Targets/Milestones 2020
NATURE	No of ongoing or finalised projects targeting habitats or species in less than favourable/not secure conservation status	Percentage of ongoing or finalised projects set up to improve the conservation status within the meaning of Directives 92/43/EEC and Directive 2009/147/EC	100 %
	No of habitats targeted by ongoing or finalised projects in less than favourable/secure conservation status	Percentage of habitats or species or Natura 2000 sites targeted by ongoing or finalised projects that are progressing towards an improved conservation status	10 % of the habitats targeted
	No of species targeted by ongoing or finalised projects in less than favourable/secure conservation status		10 % of the species targeted
	No of the Natura 2000 sites/ha of Natura 2000 sites targeted by ongoing or finalised projects		10 % of the Natura 2000 sites/ha of Natura 2000 sites targeted
BIODIVERSITY	No of ongoing or finalised projects targeting the implementation of targets 2, 3, 4 and 5 of the Biodiversity Strategy to 2020	Percentage of ongoing or finalised projects implementing replicable or transferable actions to improve or restore the targeted ecosystems	80 %
	No of ecosystem types and ha of ecosystem surfaces targeted by ongoing or finalised projects	Percentage of ecosystem types or surfaces targeted by ongoing or finalised projects implementing replicable or transferable actions and progressing towards improvement or restoration	10 % of the ecosystem types targeted
	10 % of the ecosystem surfaces targeted		

**Integrated Projects (IPs) — according to Article 18(d) of the LIFE Regulation**

Thematic priorities	Quantitative outcomes	Qualitative outcomes	Targets/Milestones 2020
WATER (including the marine environment)	No of all river basin districts (RBD) Union-wide targeted by ongoing or finalised water IPs	Percentage of RBD covered by water IPs	3 %

<b>Integrated Projects (IPs) — according to Article 18(d) of the LIFE Regulation</b>			
Thematic priorities	Quantitative outcomes	Qualitative outcomes	Targets/Milestones 2020
	No of ongoing or finalised IPs targeting the implementation of river basin management plans (RBMP)	Percentage of IPs set up to implement compliant and efficient RBMP in the covered RBD, in conformity with the Water Framework Directive	100 %
	No of ongoing or finalised IPs targeting the implementation of RBMP	Percentage of IPs, where complementary funding mobilised through the IPs is greater than the total value of the budgets of these IPs	100 %
WASTE	No of regions Union-wide covered by ongoing or finalised waste IPs	Percentage of regions covered by waste IPs	2 %
	No of ongoing or finalised IPs targeting the implementation of waste management plans (WMP) and/or waste prevention programmes (WPP)	Percentage of IPs set up to provide compliant and efficient WMP and/or WPP in the covered Region, in conformity with Articles 28 and 29 of the Waste Framework Directive 2008/98/EC.	100 %
	No of ongoing or finalised IPs targeting the implementation of WMP and/or WPP	Percentage of IPs, where complementary funding mobilised through the IPs is greater than the total value of the budgets of these IP	100 %
AIR quality and emissions (including urban environment)	No of persons from regions Union-wide targeted by ongoing or finalised Air IPs	Percentage of total Union population from regions covered by air quality IPs	3 %
	No of ongoing or finalised IPs targeting the implementation of air quality plans and programmes (AQPP)	Percentage of IPs set up to implement compliant and efficient AQPP in regions covered, in conformity with Article 23 of Directive 2008/50/EC.	100 %
	No of ongoing or finalised IPs targeting the implementation of AQPP	Percentage of IPs, where complementary funding mobilised through the IPs is greater than the total value of the budgets of these IPs	100 %

**Integrated Projects (IPs) — according to Article 18(d) of the LIFE Regulation**

Thematic priorities	Quantitative outcomes	Qualitative outcomes	Targets/Milestones 2020
NATURE	No of Natura 2000 sites targeted by ongoing or finalised nature IPs	Percentage of Natura 2000 sites covered by nature IPs	4 %
	No of ongoing or finalised IPs targeting the implementation of prioritised action frameworks (PAFs)	Percentage of IPs set up to implement PAFs to ensure adequate management of Natura 2000 sites	100 %
	No of ongoing or finalised IP targeting the implementation of PAFs	Percentage of IPs, where complementary funding mobilised through the IPs is greater than the total value of the budgets of these IP	100 %

**Information and governance****Projects according to Article 18(h) of the LIFE Regulation**

Thematic priorities	Quantitative outcomes	Qualitative outcomes	Targets/Milestones 2020
INFORMATION AND AWARENESS	No of ongoing or finalised projects aimed at raising the awareness of citizens, enterprises, local authorities, registered non-governmental (NGO) and other civil society organisations (stakeholders and citizens)	Percentage of ongoing or finalised projects implementing replicable or transferable actions progressing towards covering more than two other areas beyond the project area and more than one language	80 %
	No of stakeholders and citizens targeted by ongoing or finalised projects, unaware of the environmental objectives regarding which awareness is to be raised	Percentage of increase of stakeholders and citizens targeted by awareness-raising projects implementing replicable or transferable actions becoming aware of the environmental policy objectives pursued by these projects as measured in <i>ex ante</i> and <i>ex post</i> surveys (carried out by LIFE projects or other entities)	25 %

**Information and governance****Projects according to Article 18(h) of the LIFE Regulation**

Thematic priorities	Quantitative outcomes	Qualitative outcomes	Targets/Milestones 2020
	No of stakeholders and citizens targeted by ongoing or finalised projects	Active participation of stakeholders and citizens in awareness-raising activities offered by projects implementing replicable or transferable actions (e.g. participation in surveys, volunteering, participation in guided tours, downloading of information, submission of questions)	> 500 000
ENFORCEMENT	No of projects targeting improved compliance and enforcement of EU environmental law	Percentage of ongoing or finalised projects implementing replicable or transferable actions progressing towards an improved compliance or enforcement	10 %
NGO	No of interventions by NGOs receiving operating grants in consultations on EU environmental policy	Percentage of increase of interventions supporting EU policy	12 %

**Other projects****Projects according to Article 18(e) and (f) of the LIFE Regulation**

	Quantitative outcomes	Qualitative outcomes	Targets/Milestones 2020
Technical assistance projects	No of ongoing or finalised technical assistance projects	Ongoing or finalised technical assistance projects preparing IPs.	10 preparing Nature IPs, 5 preparing Waste, Water or Air IPs
	No of ongoing or finalised technical assistance projects	Percentage of ongoing or finalised technical assistance projects leading to EU LIFE integrated projects of improved quality	90 %

Other projects			
Projects according to Article 18(e) and (f) of the LIFE Regulation			
	Quantitative outcomes	Qualitative outcomes	Targets/Milestones 2020
Capacity-building projects	No of projects dedicated to capacity building	Percentage of ongoing or finalised capacity-building projects progressing towards an increase in uptake in the Member States concerned	90 %
	No of successful action grant applications originating from Member States with ongoing capacity building projects	Increased relative share of successful applications originating from Member States with ongoing or finalised capacity-building projects compared to uptake between 2010 and 2012 (in percent)	5 %

## 7.2. Sub-Programme for Climate Action

Mitigation			
	Quantitative outcomes	Qualitative outcomes	Targets/Milestones 2020
Integrated Projects	No of projects No and area coverage and citizens reached under climate change mitigation strategies or action plans implemented. No and volume of complementary projects funded by other Union or other funds.	Increased No of Member States/regions applying integrated approaches, with support from an IP or replicating the results from an IP. Increased No of complementary measures in Integrated Projects financed by other Union Funds. Tons of greenhouse gasses reduced by new technologies, systems, instruments and/or other best practice approaches developed and taken up following LIFE examples.	Seven Member States applying integrated approaches with support from an IP or replicating the results from an IP. Complementary finance mobilised through IPs is greater than the total value of the budgets of these IPs.
Technical assistance projects	No of projects Percentage of technical assistance projects leading to a LIFE IP	Increased No and improved quality of IP linked to technical assistance projects.	100 % of projects have led to a LIFE IP.



Mitigation			
	Quantitative outcomes	Qualitative outcomes	Targets/Milestones 2020
Capacity-building projects	No of projects.	Increased relative share of successful applications from Member States eligible for capacity building.	Seven Member States have at least one mitigation project funded through LIFE climate sub-programme.
Other projects	No of projects. No of funded projects promoting innovative technologies, systems and instruments and/or other best practice solutions for greenhouse gas emissions reduction.	Increased No innovative technologies, systems and instruments and/or other best practice solutions for the reduction of greenhouse gas emissions. Increased percentage of updated or new approaches developed through LIFE that have been systematically used or improved by the private and public sectors. Tons of greenhouse gasses reduced by new technologies, systems, instruments and/or other best practice approaches developed and taken up following LIFE examples.	80 % of all projects started set up lasting innovative technologies, systems and instruments and/or best practice solutions for the reduction of greenhouse gas emissions.
Adaptation			
	Quantitative outcomes	Qualitative outcomes	Targets/Milestones 2020
Integrated Projects	No of projects No and area coverage and citizens reached under adaptation strategies or action plans, or other adaptation plans with large territorial scope implemented through LIFE. No of trans-regional or cross-border adaptation projects. Number and volume of complementary projects funded by other Union or other funds.	Positive impact on climate resilience in a region and economic sectors through actions funded under LIFE and other complementary projects. Increased No of MS/regions applying integrated approaches with support from an Integrated Project or replicating the results from an IP. Increased No of complementary measures financed by other Union Funds. Positive impact of LIFE projects on climate resilience of particularly vulnerable areas identified in the EU Adaptation Strategy.	Seven Member States applying integrated approaches with support from an IP or replicating the results from an IP. Complementary finance mobilised through IPs is greater than the total value of the budgets of these IPs

Adaptation			
	Quantitative outcomes	Qualitative outcomes	Targets/Milestones 2020
Technical assistance projects	No of projects. Percentage of technical assistance projects leading to a LIFE IP.	Increased No and improved quality of integrated projects linked to technical assistance projects.	100 % of projects have led to a LIFE integrated project.
Capacity-building projects	No of projects.	Increased relative share of successful applications from MS eligible for capacity building.	Seven Member States have at least one adaptation project funded through LIFE.
Other projects	No of projects. No of funded projects promoting innovative technologies, systems and instruments and/or other best practice solutions for climate resilience. No of vulnerability assessments, climate change adaptation strategies or action plan developed through LIFE. No of trans-regional or cross-border adaptation projects.	Attributable increase in climate resilience, broken down by sector, due to the demonstrated new technologies, systems, instruments and/or other best practice approaches developed and taken up following LIFE examples. Positive impact of LIFE projects on climate resilience of particularly vulnerable areas identified for LIFE funding in the EU Adaptation Strategy.	80 % of the projects started set up innovative technologies, systems and instruments and/or best practice solutions increasing climate resilience.
Governance			
	Quantitative outcomes	Qualitative outcomes	Targets/Milestones 2020
Information, awareness and dissemination projects	No of projects. No of citizens, enterprises, local authorities, registered non-governmental (NGO) and other civil society organisations reached. Geographic spread and area covered.	Increased awareness regarding human-caused climate change and solutions, as measured by Eurobarometer surveys. Increased participation in stakeholder consultations or policy discussions related to climate policy and legislative acts.	A 25 % increase in participation of stakeholders and citizens in awareness-raising activities. 10 % increase of citizens targeted by LIFE projects considering human-caused climate change a very serious problem.

Governance			
	Quantitative outcomes	Qualitative outcomes	Targets/Milestones 2020
Best practice projects and other projects	<p>No of projects.</p> <p>No of attributable consolidated practices which use indicators or tools developed and tested following LIFE examples.</p> <p>No of policy approaches or legislation proposals based on project results.</p>	<p>Increased No of best practices taken up by households, enterprises, authorities or incorporated into national/regional programmes or action plans.</p> <p>Reduced number of infringement cases of EU legislation attributable to LIFE interventions.</p>	<p>25 % of project practices or approaches are incorporated into national/regional programmes or action plans.</p> <p>80 % of LIFE projects targeting climate governance have resulted in improved climate governance.</p>

## Specific outcomes, indicators and targets for financial instruments

### *Indicators common for all the financial instruments*

Outcomes, indicators and targets for the financial instruments will be agreed with the delivery entity. At a minimum, they should cover:

- number of agreements (loans, guarantees, etc.) with intermediary financial intermediaries (n),
- volume of financing made available by the financial instruments (EUR m),
- volume of private finance leveraged by the financial instruments (EUR m),
- number of final recipients (n),
- number of Member States in which projects were financed by the financial instruments (n).

### *Specific indicators for NCFE*

- Financing made available by intermediate financial institutions under the financial instrument as a result of the funded projects (EUR m).
- Financing made available to Natura 2000 areas as a result of the funded projects (EUR m).
- Impacts on climate resilience (exposure to climate change and sensitivity to its impacts) of regions and economic sectors, in particular in vulnerable areas identified as priority for LIFE funding in the EU Adaptation Strategy as a result of the funded projects.
- Impacts on ecosystem condition as a result of the funded projects.
- Employment creation: number of jobs created as a result of the funded projects (number of full-time equivalent jobs).

### *Specific indicators for PF4EE*

- Private financing leveraged (EUR m) as a result of the PF4EE loans.
- Energy savings generated (GWh) as a result of the PF4EE loans.
- Reduction of CO<sub>2</sub> emissions (tons of CO<sub>2</sub>) as a result of the PF4EE loans.
- Employment creation: number of jobs created as a result of the PF4EE loans (number of full-time equivalent jobs).

### *Expected outcomes specific to NCFE*

During the pilot phase, the NCFE is expected to execute 9-12 operations (including indirect operations). Individual investments would remain below EUR 10-15 million.

The estimated leverage of the value of the facility to the LIFE provision is between 2,2- and 3,2-fold. Taking into account the possible contribution of final recipients to project costs in the order of 25 %, the leverage of total of investment to the LIFE provision could be between 2,8- and 4,2-fold. The total investment in natural capital management projects over the pilot phase alone could be up to EUR 420 m.

During the operational phase to follow, the expected leverage could go up to six, especially if other investors join the facility and if more investments are being made through intermediaries and funds.

### *Expected outcomes specific to PF4EE*

Under PF4EE, up to 10 financing agreements (EIB Loans for EE and Risk Sharing/Expert support Facilities) should be signed with financial intermediaries in the period 2014-2017 (i.e. during the pilot phase) and an extra 10 in 2018-2020. A financing agreement may cover the implementation of the financial instrument in more than one MS and a financial intermediary may sign more than one financing agreement.

At the outset of the PF4EE, support of total investment up to about EUR 540 m was expected. However, after the six deals signed in 2015 and 2016 and in view of the current pipeline, the EIB now aims to achieve EUR 1 bn of new investments in energy efficiency during the 2014-2017 phase. As for the 2018-2020 period, an additional EUR 1 bn of new investments in energy efficiency shall be delivered, thanks to the signature of the 10 extra PF4EE deals after 2017. This would bring the total investments generated by PF4EE to EUR 2 bn over the 2014-2020 period.

When PF4EE was designed, the estimated leverage of the value of the loan portfolio to the LIFE provision was six-fold for the pilot phase. Taking into account the possible contribution of final recipients to project costs in the order of 25 %, the leverage of total investment to the LIFE provision was expected to be at up to eight-fold by end of 2017. Such minimum leverage target will apply also to the 2018-2020 period.

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