



**COUNCIL OF  
THE EUROPEAN UNION**

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**NOTE**

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from:            General Secretariat  
to:                Delegations

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Subject:        Proposal for a Regulation of the European Parliament and of the Council on the  
                    establishment of a Programme for the Environment and Climate Action (LIFE)  
                    - Information note from the Presidency

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Delegations will find in the Annex an information note from the Presidency on the above topic,  
which will be dealt with under "other business" at the Council (Environment) meeting on  
17 December 2012.

**Proposal for a Regulation of the European Parliament and of the Council on the establishment of a Programme for the Environment and Climate Action (LIFE)**

**- Information note from the Presidency -**

1. On 12 December 2011, the European Commission transmitted to the Council and the European Parliament a proposal for a Regulation on the establishment of a Programme for the Environment and Climate Action (LIFE). The European Commission presented this proposal to the Environment Council on 19 December 2011.
2. The Commission Communication for the Multiannual Financial Framework (MFF) for 2014-2020 <sup>1</sup> sets out the budgetary framework and main orientations for delivering the Europe 2020 Strategy <sup>2</sup>. In its proposal, the Commission decided to address environment and climate action as an integral part of all the main instruments and interventions (referred to as the 'mainstreaming' approach). The LIFE proposal is dependant on the MFF in that the final budget to be allocated to the LIFE Programme depends on the outcome of the discussions on MFF.
3. Discussions by the Working Party on the Environment (WPE) started on 18 January 2012 under the Danish Presidency. Environment Ministers held an orientation debate on 9 March 2012 on the issue of distribution, including geographical balance, of projects and on the issue of co-financing rates and eligible costs. The Danish Presidency presented the progress made on this point to the Council on 11 June 2012 (10788/12).

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<sup>1</sup> Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions *A budget for Europe 2020*, COM(2011)500 final, 29.6.2011.

<sup>2</sup> Europe 2020: A strategy for smart, sustainable and inclusive growth COM(2010) 2020 final, Brussels, 3.3.2010, adopted by the European Council on 17 June 2010.

4. Discussions under the Cyprus Presidency (hereinafter referred to as the 'Presidency') started in July on the basis of the work done by the Danish Presidency. On 21 September 2012, the WPE examined the amendments voted by the ENVI Committee on 19 September 2012. On this basis, and in spite of the ongoing negotiations on the MFF, the Council and the EP informally agreed to enter into discussions with a view to explore the possibility of reaching an agreement at first reading (leaving the budget-related provisions for after the MFF is concluded).
5. On 25 September and 1 October 2012, the WPE prepared a draft mandate, on the basis of which the Presidency could enter discussions with the EP. The draft mandate was then referred to the Committee of the Permanent Representatives (Part 1) (COREPER) for examination.
6. On 9 October, COREPER confirmed that the Council enters into discussions with the European Parliament with a view to explore the possibility of a first reading agreement (pending the budget-related provisions) on the basis of a mandate as agreed by COREPER on the same day.
7. In total, three informal trilogue meetings were held (15 October, 12 November and 4 December 2012). The key issues discussed include:
  - Integrated Projects / Mainstreaming;
  - Geographical balance / Indicative national allocations / Capacity building projects;
  - Co-financing rates;
  - VAT and staff costs;
  - Inclusion of Overseas Countries and Territories; and
  - Multiannual work programmes and Delegated and Implementing Acts.
8. In addition, three tripartite technical meetings amongst the three institutions were held during which all the remaining provisions were discussed.
9. During the informal trilogue meetings, a provisional agreement has been reached on Integrated Projects / Mainstreaming and VAT and staff costs. In addition, all three institutions confirmed agreement on the outcome of the three tripartite meetings.

10. Geographical balance / Indicative national allocations / Capacity building projects, Co-financing rates, and Inclusion of Overseas Countries and Territories were discussed at length. Despite considerable progress, a provisional agreement on these intertwined issues was not secured. This was mainly due to their direct relationship with the final budget which is still subject to an agreement on the MFF, as well as a difference in positions between the institutions principally on indicative national allocations.
  
11. Furthermore, Multiannual work programme and Delegated and Implementing acts were also discussed at length. A provisional agreement on these issues was also not possible at this stage, mainly due to the horizontal positions of the three institutions on inter-institutional matters.

