



**COUNCIL OF  
THE EUROPEAN UNION**

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**ADDENDUM to the NOTE**

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from:            General Secretariat  
to:                Council

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- COM(2011) 874 final

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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)  
                  - Orientation debate  
                  = Compilation of Member States' replies

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Delegations will find in the Annex the replies received from BE and DE to the Presidency questions, contained in document 6820/12, for the orientation debate on the LIFE proposal in the Council (Environment) on 9 March 2012.

BELGIUM

Answer to question 1:

Belgium supports the general approach of the Commission, that foresees that the Life projects, the traditional projects as well as the integrated projects, will be appreciated on their merit and quality.

Belgium supports the Commission in its efforts to make concrete the integration and complementarity with other sectoral policies. This point is important, since the LIFE budget alone will not allow for the environmental policy objectives of the European Union to be met. The success of these integrated LIFE projects will depend on an adequate realization of these objectives. This will necessitate a leverage effect of the other relevant funds and also on a coherent approach between these funds.

We appreciate that the proposal appeals to a geographical balance so that it allows appreciating the integrated projects on the basis of the principles of solidarity and shared responsibility.

We accept to proceed with the discussion on this current proposal concerning the geographical balance as presented by the Commission. But before deciding to integrate the criteria of the geographical balance in the regulation, we first want to obtain clarifications of the Commission concerning the specific approach of the concept in view of its application.

Answer to question 2:

We support the Commission in its efforts in the process of simplification.

Nevertheless, we are in favor of maintaining the eligibility of costs of the permanent staff as proposed by the Presidency. It is indeed very useful that the permanent staff is involved in a permanent way in order to build up expertise, to guarantee the continuity and implementation of the projects, and to preserve the ownership.

We can accept that this eligibility goes together with a slight cutback of the proposed co-financing rate.

With a view to simplification, we would like the Commission to take into consideration a simplified approach with standardized formats for assigning the number of permanent staff working hours allocated to the project.

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## GERMANY

### Written comments by Germany on “geographical balance” and “simplification incl. co-financing/VAT, permanent staff”

- Since the last Environment Council, Germany supports continuation and further strengthening of LIFE, which is the only EU funding programme dedicated exclusively to the environment. LIFE is a well-established programme that is essential in particular to implementing Natura 2000. The new sub-programme on climate and the leverage effect of Integrated Projects will further increase its relevance. Thru further strengthening LIFE the mainstreaming of EU environmental policy in other EU financial instruments can be complemented more effectively, thereby increasing the overall efficiency of resource allocation.
- If we are to achieve this leverage effect, funding options for Integrated LIFE Projects must be provided for by the other EU financial instruments.
- LIFE funding to the amount of 10% of the resources required for financing Natura 2000 could be an effective means of fighting the ongoing loss of biodiversity.
- The total financial envelope for the LIFE Programme must be in line with Germany’s political demand to limit the EU budget to a maximum of 1% of the EU’s Gross National Income.
- However, we have to wait for the outcome of current Council negotiations on the financial envelope of the other instruments of the Multiannual Financial Framework before determining the co-financing rate and the allocation of funds for the new priority area *Biodiversity*. Despite our support for the presidency’s goal to reach a partial agreement in June, these negotiating points should be left in brackets.

#### *Simplification, co-financing/VAT, permanent staff:*

- We agree with the presidency that funding eligibility of permanent staff costs and of VAT is of utmost importance.
- Regardless of this aspect, we are convinced – like many other Member States – that it is important to increase the co-financing rate.
- With regard to VAT, we could go along with a flexible approach if – as announced by the Commission – the elimination of VAT eligibility were to be regulated in the same way for other instruments as well.
- We would have fundamental objections against eliminating the eligibility of permanent staff costs. We could therefore basically agree with the presidency on this point, but would like to propose a more flexible approach.
- It would be possible for example to take account of staff costs as part of overall costs and to determine the co-financing rate accordingly. Another option would be to give applicants a choice between different funding models.

*Geographical balance:*

- In terms of the geographical balance of Integrated Projects, we agree with the presidency that the corresponding criteria must be provided for in the LIFE Regulation and not in delegated acts. We believe their development can build on the current criteria for national allocations.
- Our greatest concern with respect to geographical balance – which we share with the majority of Member States – is that there should be corresponding provisions for traditional projects. This might involve criteria for geographical balance or provisions on national allocations.

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