



European
Commission

investing in **climate action** investing in **LIFE**

AN OVERVIEW OF THE NEW
LIFE CLIMATE ACTION
SUB-PROGRAMME 2014–2020

CHANGE

*Climate
Action*

What is the new LIFE Climate Action sub-programme?



The European Heads of State and Government decided in February 2013 to commit at least 20% of the EU budget for the next Multiannual Financial Framework (i.e. 2014-2020) to climate-related action. This objective will reinforce the EU's efforts to address the climate change challenge. Climate change mitigation and adaptation actions will now be integrated into all main spending areas and European programmes.

In addition to this “mainstreaming” of climate action in all EU instruments and building on the experiences of the LIFE programme, the new LIFE Regulation 2014-2020 was published in December 2013 with an increased budget of 3.46 billion Euro.

Since 1992, LIFE has successfully co-financed 4,170 projects, contributing € 3.4 billion Euro to the protection of the environment. Past editions of the LIFE Programme have included funding for projects linked to climate change, albeit at a limited scale. Within the new LIFE instrument a **dedicated sub-programme for climate action** is introduced. It will provide for 864 million Euro of co-financing to develop and implement innovative ways to respond to climate change challenges across Europe. These dedicated funds should support the implementation of the EU's climate legislation and policy objectives. Furthermore, the sub-programme will act as a platform for the exchange of best practices among Member States and a catalyst for more effective investments in climate smart solutions as well as for increased governance and awareness of the climate change challenges and solutions. Compared to the previous LIFE+ instrument, this will be associated with an important increase in the annual funding for climate action projects through LIFE.

The **main objectives** of the LIFE Climate Action sub-programme are to:

- Contribute to the shift towards a low-carbon and climate-resilient economy;
- Improve the development, implementation and enforcement of EU climate change policy and legislation;
- Support better environmental and climate change governance at all levels.



What priority areas does the Climate Action sub-programme focus on?

The Climate Action sub-programme aims to add value to EU efforts by focusing on three priority areas.

Priority area	Focus
Climate change mitigation	Reducing greenhouse gas emissions
Climate change adaptation	Increasing resilience to climate change
Climate change governance and Information	Increasing awareness, communication, cooperation and dissemination on climate mitigation and adaptation actions

Under these priority areas, the Climate Action sub-programme will in particular fund the following actions.

Climate change mitigation

The Climate Action sub-programme will contribute to the implementation and development of the EU policy and legislation on mitigation, including mainstreaming across policy areas, and to the transition to low carbon economies and societies. In particular, the sub-programme will advance the implementation of greenhouse gas accounting and climate change mitigation measures in the land use sector, supporting synergies between environmental and climate actions associated with agriculture, forests and soils, in short the “green sector”. The sub-programme will promote in particular actions which are linked to mitigation strategies, action plans or low carbon economy roadmaps at the local, regional and national level, with a view to encouraging the development and deployment of technology and service based approaches in a sustainable and innovative way. Key consideration for projects under this priority area is how they are going to achieve a lasting change towards a low carbon society. Projects will be evaluated as to how their contribution achieves an EU added value, synergizes well with existing possibilities and ensures that its results are replicated and transferred during and after its implementation.

Besides the possibility to receive action grants for projects, a dedicated financial instrument will be implemented through local banks and in close synergy with national energy efficiency action plans. The instrument is called “private financing for energy efficiency” (PF4EE) and it will incentivize local banks to provide loans to energy efficiency investments in the range of 40.000 to 5m Euro.



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Climate change adaptation

The Climate Action sub-programme will contribute to the development and implementation of the EU policy on adaptation, with a view to contributing to supporting efforts leading to increased resilience to climate change. The Communication on the EU Adaptation Strategy reflects all the points on adaptation contained in the LIFE Regulation and provides some concrete indications of the characteristics of projects sought and of priority areas. LIFE funding for adaptation will give priority to projects that address key cross-sectoral, trans-regional and/or cross-border issues. Projects with demonstration and transferability potential will be encouraged, as will green infrastructure and ecosystem-based approaches to adaptation, and projects aiming to promote innovative adaptation technologies. LIFE will promote adaptation particularly in the following vulnerable areas: cross-border management of floods; trans-boundary coastal management; mountain and island areas; and sustainable management of water. In addition, LIFE will support the establishment of vulnerability assessments and adaptation strategies, including those with a cross-border nature. In a first phase, project proposals focusing on urban adaptation are actively encouraged.

Besides the possibility to receive action grants for projects, a dedicated financial instrument will be implemented to provide financing opportunities in the form of loans or equity investments for revenue-generating or cost-saving pilot projects promoting the preservation of natural capital, including ecosystem based adaptation projects. The instrument is called “Natural Capital Financing Facility” (NCF) and benefits from equal contributions from the LIFE Environment and the LIFE Climate action sub-programmes.



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Climate change governance and information

The Climate Action sub-programme will also support projects which raise the awareness and level of governance on climate matters in both areas of climate change mitigation and adaptation. The support for communication and information dissemination will facilitate the knowledge sharing on successful climate smart solutions and practices. It will also allow for broadening stakeholder involvement in consultation and implementation of climate change policy across the EU. Projects under this priority area should identify specific needs where information, awareness or better governance on climate change challenges is required and pursue concrete targets and actions in order to improve the identified needs.



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What type of funding is possible?

The legal basis for the Climate Action sub-programme provides the following opportunities:

Grant-based funding for action projects

Projects such as pilot projects, demonstration projects, best practice projects, information, awareness and dissemination projects will be supported with EU co-funding of up to 60% of the project activity. These action projects are similar to the so-called "traditional projects" funded under the previous LIFE+ programme.

Grant-based funding for large-scale integrated projects

Integrated projects are a new feature of the LIFE programme. They require an agreed action plan or strategy and typically involve a range of public and private stakeholders working across larger geographical areas with a multi-sectoral approach. EU co-funding is available up to 60% of the project activity.

Financial instruments

Funding can also be channelled through two pilot financial instruments, the Natural Capital Financing Facility (NCF) and the Private Finance for Energy Efficiency (PF4EE), to provide e.g. loans or guarantees for bank lending directly to projects.

Grant-based technical assistance projects

Aimed at providing financial support to the preparation of integrated projects.

Capacity building projects

Aimed at providing financial support to strengthening the capacity of the LIFE National Contact Points of Member States to guide project applicants.

Operating grants

Operating grants will be made available for non-governmental organisations that are working toward climate change goals at European level.

The final allocation of funds between priority areas and between different types of funding has been determined by the Multiannual Work Programme for 2014-2017 along with a non-exhaustive list of possible project areas, in particular addressing EU climate policy needs as the greenhouse gas accounting and measures addressing land use, sustainable use of solid biomass, best practice projects on forestry and agriculture, green urban planning, adaptation in vulnerable areas, including innovative and ecosystem-based approaches to adaptation.



How to apply for LIFE funding?

Eligible beneficiaries include public and/or private bodies, actors and institutions i.e. for example public authorities, NGOs, research institutes, private enterprises, as well as sector-based organisations involved in climate change activities.

In 2014 the European Commission will launch a first call for proposals for the sub-programme for climate action.

Interested organisations are encouraged to take preparatory steps as early as possible by developing their project ideas, forming partnerships with relevant stakeholders and identifying complementary financial support. They are also advised to make contact with the 'LIFE National Contact Point' in their own country, who can provide further information and support in order to prepare the highest quality application.

Where to find further information?

LIFE website

<http://ec.europa.eu/environment/life/>

Directorate General Climate Action website

http://ec.europa.eu/clima/news/index_en.htm

LIFE National Contact Points

<http://ec.europa.eu/environment/life/contact/nationalcontact/>

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