

# LIFE programme – Council adopts its position at first reading

Conservation efforts by the EU are reversing wildlife decline

Today the Council adopted its position at first reading on the LIFE programme for 2021-2027 paving the way for its final adoption. The final step will be the approval of the text by the European Parliament at second reading. The adoption of the Council's position follows a provisional agreement reached with the European Parliament in December 2020. LIFE is the EU's flagship programme for nature, biodiversity protection and the fight against climate change. From 2021, LIFE will also fund actions related to energy efficiency and renewable energy.



I'm pleased that we have stepped up our ambition for the LIFE programme. With an increased budget, LIFE will have a stronger impact on the ground, across Member States. It will be an important tool to help implement environmental and climate policy and reach the EU's climate neutrality objectives for 2050.

*João Pedro Matos Fernandes, Portuguese Minister of Environment and Climate Action*

The agreement reached with the European Parliament allocates a total financial envelope of €5.432 billion for LIFE for the period 2021-2027. This increase in budget reflects the agreement found under the EU's long term-budget (MFF) to apply an overall climate target of at least 30% to the total amount of expenditure from the EU's MFF and Next Generation EU recovery instrument. The co-legislators also agreed that the duration of the LIFE programme is aligned with the duration of the MFF.

## **Background**

Launched in 1992, the LIFE programme is the only EU funding instrument entirely dedicated to environmental and climate objectives. The general objective of the LIFE programme for 2021-2027 is to contribute to the shift towards a clean, circular, energy efficient, climate neutral and climate resilient economy, including through the transition to clean energy, to protect and improve the quality of the environment and to halt and reverse biodiversity loss. To date, LIFE has co-financed more than 5 000 projects.

The European Parliament adopted its negotiation mandate on the proposal for a regulation in December 2018. The Council reached a partial general approach also in December 2018. Negotiations between the co-legislators started in

January 2019 and led to a common understanding in March 2019, that excluded budget-related and horizontal issues linked to the multiannual financial framework (MFF). Following an agreement on the MFF, negotiations on the LIFE regulation resumed and the Council and European Parliament reached a provisional agreement on 17 December 2020, finalising those points. The next step is the formal approval of the provisional agreement by the European Parliament, before the Regulation can enter into force.

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## **Media advisory – Off-the-record technical briefing on EUNAVFOR MED IRINI**



A technical **press briefing** on the EU's military CSDP operation EUNAVFOR MED IRINI will take place via video conference on **17 March 2021** at **16:00**.

The briefing will be “off the record” and will be given by an EEAS senior official and the Operation's Commander.

EU accredited journalists will be able to participate and ask questions remotely. Please use [this link](#) to do so and have the possibility to ask questions.

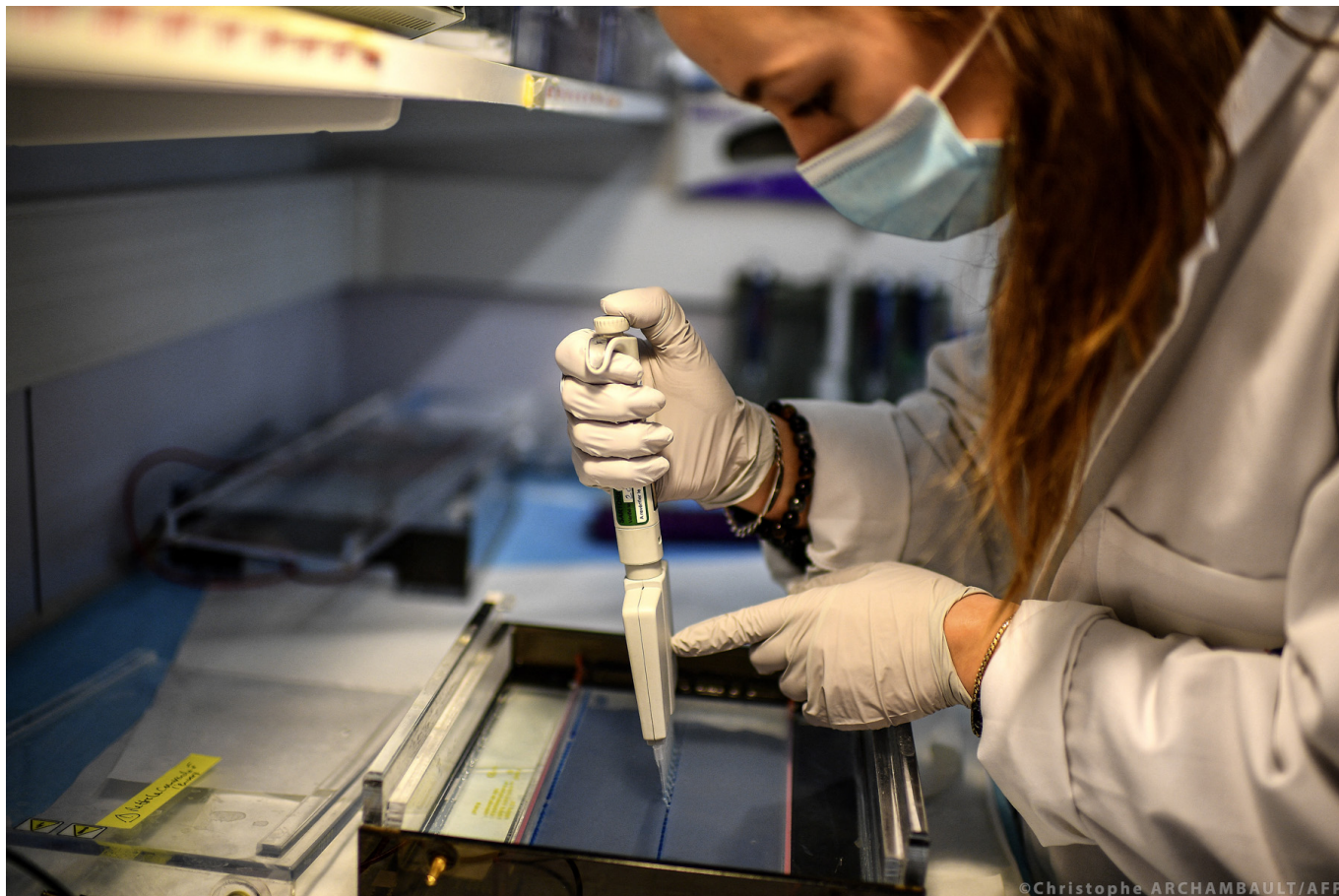
Journalists who already registered for previous Foreign Affairs Council press conferences do not need to register again.

**Deadline for registration: Wednesday, 17 March 2021 at 15.00**

Further instructions will be sent to all registered participants shortly after the deadline.

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## **Article – Covid-19 variants: state of play and impact on vaccination in the EU**



## **Quicker approval of vaccines**

Dr Marco Cavaleri, chair of the European Medicines Agency's Covid-19 emergency task force, said the agency is closely monitoring studies on the vaccines' effectiveness on new Covid-19 variants.

He said the approval process for vaccines adjusted for new variants would be faster: "Manufacturers don't have to re-submit an entire file from scratch, but it will be approved as a variation on the doses that led to the initial approval of the vaccine. This will save a lot of time and will make things more straightforward and flexible."

## **The need for a globally coordinated response**

Katherine O'Brien, vaccines and biologicals director at the World Health Organization, stressed the need for a globally-coordinated response to ensure the proper surveillance and evaluation of variants, measuring their potential impact on vaccines, modifications to vaccine composition and vaccine access and allocation.

She also highlighted the importance of messaging to maintain public confidence and the high risk of misinformation about the efficacy of existing vaccines.

# An EU plan to foster partnerships between all stakeholders

The European Commission has reacted to the new coronavirus variants with its [Hera incubator](#) preparedness plan, which was presented to the environment and public health committee on Monday. The aim is to coordinate researchers, industry, regulators and public authorities to ensure the fast development, approval and sufficient production of vaccines for new variants.

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## Council adopts position on €95.5 billion EU research programme for 2021-2027

The Council today adopted its first reading position on Horizon Europe, the EU's multiannual framework programme for research and innovation for the years 2021 to 2027 ( "the programme"). This follows up on a deal reached last December with the European Parliament that paves the way for the swift adoption of the proposed regulation establishing Horizon Europe at second reading.



Today's adoption of the Council's position brings us only one step away from the final adoption of the most ambitious EU research and innovation programme so far. Our researchers are given the necessary tools for their valuable contribution to our resilient economic recovery from the COVID-19 crisis and the swift transition towards a green and digital economy.

*Manuel Heitor, Portuguese Minister for Science and Technology and Higher Education*

The regulation lays down the structure and the objectives of the programme, the budget, the forms of EU funding and the rules for providing such funding. It provides that 35 % of the expenditure for actions funded under the programme will have to contribute to climate objectives.

It also regulates international cooperation between the EU and third countries in the field of research and innovation.

Compared to its predecessor, Horizon Europe introduces :

- a cluster approach to address societal challenges,
- a streamlined approach regarding European partnerships,
- a mission-oriented approach,
- the European Innovation Council (EIC),
- enhanced openness towards new partners while keeping excellence as the main selection criterion,
- simplified rules, increased legal certainty and less administrative burdens for beneficiaries and programme administrators.

## Next steps

In line with the political agreement reached last December between the co-legislators, the European Parliament is expected to approve the Council's position at first reading in April 2021. The regulation will then be deemed to have been formally adopted. It will apply retroactively from 1 January 2021.

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## COVID-19 recovery support drives EIB Group investments in Hungary to record high levels



- The European Investment Bank Group invested €767 million in Hungary in 2020, a record high volume in the last five years.
- The EIB, a part of the EIB Group, provided €757.5 million; total EIB investments in the country reach €22.8 billion.
- The EIF, the other arm of the EIB Group specialised in SME support, provided €9.5 million in guarantees to Hungarian financial institutions.
- EFSI is expected to mobilise some €406 million in investment in the Hungarian economy.

The European Investment Bank Group (EIB Group) provided €767 million in loans and guarantees to its clients in Hungary in 2020 or 0.57% of Hungary's GDP. The EU bank channelled the majority of the funds into faster COVID-19 recovery of Hungarian SMEs and mid-caps, as well as the recovery of the public healthcare sector from the pandemic.

The EIB also supported the Hungarian Government with loans covering Hungary's participation in projects financed by the European Union and the modernisation of power distribution in south-east Hungary.

The two parts of the EIB Group, the European Investment Bank (EIB) and the European Investment Fund (EIF), invested €757.5 million and €9.5 million respectively, making 2020 a record year for the EIB in Hungary in the past five years.

**EIB Vice-President Teresa Czerwinska, who is in charge of operations in Hungary, said:** “In the past year, the EU bank has responded to the challenges presented by the COVID-19 pandemic and increased the volume of our investments in the Hungarian economy. We have unlocked vital new sources of financing for SMEs and mid-caps to make sure they can continue to provide jobs and income for Hungarians and drive forward the national economy. We have also supported key healthcare infrastructure further strengthening Hungary’s ability to tackle the pandemic. With the challenges of post-COVID recovery and opportunities from EU-led initiatives such as the European Green Plan, I look forward to further extending the EIB’s support for the economic and social development of Hungary.”

**Deputy Prime Minister and Finance Minister in the Hungarian Government Mihály Varga said:** “The exceptionally good relations existing between the European Investment Bank and Hungary were further strengthened during the state of danger. The Bank provided very remarkable support help in health protection by refinancing budgetary expenditures, and in boosting investments—both in the public and in the private sector—with the help of increased credit lines and flexible lending practices.”

#### **EIB focuses on COVID-19 recovery, energy distribution and support for EU-financed projects**

EIB lending in Hungary totalled €757.5 million through six operations signed in 2020. The Bank provided €275 million to unlock new sources of financing for the country’s SMEs available via Eximbank Hungary, the Hungarian Development Bank (MFB), SG Eszközfinanszírozás Magyarország Zrt. and SG Eszközlizing Magyarország Kft, and €120 million for modernisation of MVM’s power distribution network in south-east Hungary including the introduction of smart e-meters and modern bird protection measures. The EU bank lent an additional €200 million to the Government of Hungary for national participation in EU-financed projects. The loan will help support improvements in services, telecoms, education and urban development, and provide additional backing to Hungarian SMEs and mid-caps.

The EU bank invested €162.5 million to support AEEK, the national hospital management agency, and scale up the Hungarian healthcare sector’s response to the COVID-19 pandemic. The loan covered the procurement of medical supplies, personal protective equipment, and mobile units.

These activities brought total EIB investments in Hungary to €22.8 billion (since the beginning of operations in the country), with €11.22 billion invested in the last decade alone.

#### **EIF provides guarantees to four Hungarian banks strengthening the innovation and competitiveness of Hungarian SMEs**

The EIF contributed to the local economy to the tune of €9.5 million by providing guarantees to local financial institutions, strengthening their ability to fuel the economic and social development of Hungary without jeopardising the stability of the national financial sector.

Over the past five years, the EIF has invested some €396 million in equity operations, guarantees and innovative financing in Hungary.

### **EIB Advisory Services help attract new funds to Hungary**

Through the activities of its advisory services, the EIB provided valuable technical assistance to faster economic and social development in Hungary. These projects included European Investment Advisory Hub support for the Hungarian Development Bank (MFB)'s deployment of local advisory services; the preparation of a bus fleet renewal action plan; and the preparation of large railway and urban transport, water and wastewater, roads, energy, and solid waste projects. EIB Advisory Services also provided grants to Hungary's public sector for project development.

One of the EIB's advisory services, the European Local Energy Assistance or ELENA facility, contributed €5 million in grants for project development services and helped mobilise investments amounting to approximately €233 million for energy efficiency improvements in Hungary. Among the ELENA-supported projects is the KaposGrid project in West Hungary, which enables modernisation of the power grid with a Smart Grid Centre along with energy efficiency measures for public buildings and street lighting, building-integrated PV, and batteries for storage.

### **About the European Investment Bank in Hungary:**

Total EIB lending commitments in Hungary since the start of the EU bank's operations in the country stand at €22.8 billion. The EIB has invested in all key sectors of the Hungarian economy, including transport, education, telecommunications, environmental protection, SME support, energy infrastructure, manufacturing and services. A key component of the EU bank's activity in the country is the promotion of small and medium-sized enterprises by increasing their access to long-term financing through local financial institutions.