EUROPEAN
COMMISSION

Brussels, 14.10.2020
COM(2020) 652 final

2020/0300 (COD)

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on a General Union Environment Action Programme to 2030

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

On 4 December 2019, the European Environment Agency (EEA) published its report entitled "The European Environment – state and outlook 2020" (SOER)[1], and its results are sobering. The current environmental, climate and sustainability challenges are of an unprecedented scale and urgency, requiring immediate and concerted action and systemic solutions. The Union's environment policies have delivered substantial benefits over the last decades without affecting EU long-term competitiveness, and in recent years the acquis has been increasingly shaped by an ambitious long-term vision, targets and strategic framework policies, effectively reducing environmental pressures. However, biodiversity loss and ecosystem services degradation, climate change and its impacts, and unsustainable use of resources, pollution and associated risks to human health and well-being, nature, ecosystems, and the economy all require decisive further action in the EU and globally.

On 11 December 2019, the European Commission responded to these challenges with the adoption of the European Green Deal[2] – an ambitious agenda for the EU to become the first climate neutral continent by 2050 and to protect, conserve and enhance the EU's natural capital, and protect the health and well-being of citizens from environmental risks and impacts. Based on a regenerative growth model that gives back to the planet more than it takes, it outlines the environmental priorities for the coming years and the Union's ambition to transform its economy for a sustainable future while leaving no one behind, to turn these objectives into reality, its designs a set of deeply transformative policies and urged the Union to enhance its leadership on the global stage on climate and environmental issues.

Following the wide debate on the Communication "A Clean Planet for All'[3], the EU submitted in March 2020 its long-term strategy under the Paris Agreement to the United Nations Framework Convention on Climate Change[4], committing to become a climate-neutral economy by 2050. The Commission proposed to enshrine this target in the European Climate Law.[5] The European Commission also adopted a number of new strategic initiatives, notably a new Circular Economy Action Plan for a clean and competitive Europe[6], a Biodiversity Strategy for 2030[7] and a Farm to Fork Strategy[8].

The EU has also adopted a comprehensive response to the coronavirus crisis, which is causing a heavy toll on life and livelihoods and has led to unprecedented challenges to policymaking, aggravated by a severe economic downturn. The Next Generation EU Recovery Plan proposed by the European Commission on 27 May 2020 and endorsed by the Extraordinary European Council of July 2020 highlights the status of the European Green Deal as Europe's new growth strategy and its role in achieving a sustainable and rapid recovery as well as ensuring long term predictability on the path to climate neutrality, and ultimately a just and

---

1 Report of the European Environment Agency: *The European environment - state and outlook 2020, Knowledge for transition to a sustainable Europe* (2019).
2 COM(2019) 640 final.
3 COM (2018)773 final.
4 Submission by Croatia and the European Commission on behalf of the European Union and its Member States, *Long-term low greenhouse gas emission development strategy of the European Union and its Member States* (2020, https://unfccc.int/sites/default/files/resource/HR-03-06-2020%20EU%20Submission%20on%20Long%20term%20strategy.pdf).
5 COM(2020) 80 final.
6 COM (2020) 98 final.
7 COM(2020) 380 final
8 COM(2020) 381 final.

fair transition, which leaves no-one behind. The 8th Environment Action Programme, with its long-term vision and environmental priority objectives it shares with the Green Deal, will support the EU's common commitment to a green recovery.

Environment action programmes have guided the development of EU environment policy since the early 1970s. The Seventh Environment Action Programme (7th EAP) will expire on 31 December 2020 and its Article 4 (3) requires the Commission, if appropriate, to present a proposal for an Eighth Environment Action Programme (8th EAP) in a timely manner with a view to avoiding a gap between the 7th and the 8th EAP. The European Green Deal announced the adoption of a new environment action programme.

The Council, the European Parliament and the Committee of the Regions have called upon the Commission to present at the latest by early 2020 a proposal for an 8th EAP.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

This proposal for a Decision of the European Parliament and of the Council on a new General Union Environment Action Programme to 2030 is based on Article 192 (3) TFEU. In order to ensure ownership of this Programme and delivery on its priority objectives by the EU and its Member States, this proposal for a Decision sets out an enabling framework supporting the achievements of the priority objectives and ensures that progress towards the objectives is measured on a regular basis.

The objectives of this proposal for a Decision cannot be sufficiently achieved by the Member States alone. Since environment and climate policy is an area of shared competence in the EU and a decentralised policy, one of the purposes of this Programme is to create common ownership of all three EU institutions and the Member States of its objectives, providing policy makers and other stakeholders - including regions and cities, businesses, social partners, civil society organisations and individual citizens - with a predictable framework and direction for action.

3. RESULTS OF EVALUATIONS AND STAKEHOLDER CONSULTATIONS

On 15 May 2019, the Commission published a report on the evaluation of the 7th EAP[9]. The report was preceded by an extensive consultation process that took place in the course of 2018 and consisted of an open public consultation, a targeted Member States' consultation, a targeted stakeholder consultation as well as two public workshops.

The evaluation revealed that the 7th EAP is generally perceived as an effective and high-level strategic tool that guides environmental policy. For many, the EAP also functions as a planning tool, providing environment policy continuity – including with its long-term vision, accountability and predictability for European Commission actions, in addition to having a positive influence on mainstreaming and streamlining environmental policy. The priority objectives of the 7th EAP were generally considered to still be valid, in particular its 2050 vision.

On 22 November 2017, the European Parliament published an implementation assessment of the 7th EAP[10], followed by a report on its implementation on 6 March 2018 and a resolution[11] on 17 April 2018.

---

9 COM (2019) 233 final.

10 European Parliament's European Impact Assessment*: Implementation of the 7th Environment Action Programme - Mid-term review* (2017).

On 31 July 2018, the European Committee of the Regions published a study on the local and regional dimension of an 8th EAP[12], followed by an Opinion[13], adopted on 7 February 2019.

On 11-12 June 2019, following up on discussions at the Informal Environment Council on 29 and 30 October 2018 in Graz (Austria), a Workshop on the Future Environment Action Programme took place in Hainburg (Austria). On 4 October 2019, the Council adopted Conclusions on the "8th Environment Action Programme - Turning the Trends Together"[14] under the Finnish Presidency of the Council.

4. BUDGETARY IMPLICATIONS

This proposal for a Decision has been developed in line with the Commission proposal for the EU Multiannual Financial Framework 2021-2027. The proposal includes a financial fiche introducing the need for additional resources in the European Environment Agency (EEA) and in the European Chemicals Agency (ECHA) in supporting the new monitoring, measuring and reporting framework of this Programme.

The involvement of the European Environment Agency (EEA) and the European Chemicals Agency (ECHA) is paramount to this work and to achieving the objectives of the 8th EAP. The new monitoring and reporting framework proposed for the 8th EAP will include, to the largest extent possible, existing monitoring tools and indicators mainly based on European statistics and data from the EEA and ECHA, thus avoiding duplication and limiting administrative burden for Member States. This means that additional tasks are entrusted to these agencies so that they can fully contribute to the achievement of the priorities and creating the enabling conditions set out in Articles 3 and 4 of this Programme.

5. OTHER ELEMENTS

Explanation of the specific provisions of the proposal:

The overarching aim of the 8th EAP is to accelerate the Union's transition to a climate-neutral, resource-efficient clean and circular economy in a just and inclusive way and achieve the environmental objectives of the United Nations' Agenda 2030 and its Sustainable Development Goals, fully endorsing the environmental and climate objectives of the European Green Deal.

Article 1

The current proposal serves to increase coherence and synergies between actions across all level of governance by measuring progress towards environmental and climate objectives in an integrated way. In line with the European Green Deal's 'do no harm' oath, it supports the reduction of pressures on the environment and the climate and strengthening the integrated approach to policy development and implementation, notably by mainstreaming sustainability in all relevant initiatives and projects at national and EU level.

Article 2

---

11 European Parliament resolution of 17 April 2018 on the implementation of the 7th Environment Action Programme (2017/2030(INI)).

12 Committee of the Regions: *Towards an 8th Environment Action Programme – Local and regional dimension* (2018).

13 OJ C 168, 16.5.2019, p. 27–36.

14 Council Conclusions of 4 October 2019 (12795/19).

Responsibility for achieving environment and climate-related goals and objectives is shared by the Union and its Member States and requires action by all actors, governments at EU, national, regional and local level, social partners, civil society, citizens and businesses.

Article 2 lays down the thematic priority objectives in the context of a 2050 long-term objective of "Living well, within the planetary boundaries", already established in the 7th EAP.

Article 3

The European Green Deal underlines the necessity to ensure that policies and legislation are enforced and delivered effectively.

Article 3 provides the basis for a joint understanding and commitment on the enabling conditions required to reach these thematic priority objectives, thus ensuring coherence in the implementation at the appropriate level. The Commission announced it will improve the way its better regulation guidelines and supporting tools address sustainability and innovation issues, with the objective that all EU initiatives live up to a green oath to 'do no harm'.

Article 4

While individual environmental legislative instruments require regular reporting by Member States on specific environmental policies, there is no comprehensive framework foreseen in EU law to ensure a coordinated approach to the overall achievement of the Union's environmental objectives. The European Green Deal announced that the new Environment Action Programme will include a new monitoring mechanism in order to ensure that the Union remains on track to meet its environmental objectives.

This 8th EAP monitoring framework should be without prejudice to the existing environmental and climate reporting and governance tools, including those of the Energy Union and Climate Action Governance.

– *Measuring progress towards environment and climate objectives in the wider context of sustainability, wellbeing and resilience*

Measuring the EU's and its Member States' progress towards achieving the UN 2030 Sustainable Development Goals requires an integrated framework for environmental, social and economic objectives. The Council[15] and the European Social and Economic Committee[16] have called for measuring economic performance and societal progress "beyond GDP" and shift towards using 'wellbeing' as a compass for policy, a move also supported by the Organisation of Economic Cooperation and Development[17]. Members of the European Parliament have organised the Post Growth 2018 Conference[18] together with stakeholders.

In this context, the 8th EAP monitoring framework will provide the environment and climate input to the EU's overall efforts to measure progress towards sustainability, wellbeing and resilience, including disaster resilience; it should inform policy makers and stakeholders if the Union and the Member States are on track to achieving a systemic transformation.

Setting up the 8th EAP monitoring framework should also be seen in the context of other governance and monitoring exercises, notably the European Semester, the Eurostat's SDG Monitoring Report and the Annual Strategic Foresight Report, which also build on the

15 See e.g. https://data.consilium.europa.eu/doc/document/ST-10414-2019-INIT/en/pdf.

16 https://www.eesc.europa.eu/en/our-work/opinions-information-reports/opinions/reflection-paper-towards-sustainable-europe-2030.

17 See e.g. the *OECD Well-being Framework*, the *OECD Framework for Policy Action on Inclusive Growth*, the *Better Life Initiative* and the *New Approaches to Economic Challenges Initiative.*

18 https://www.postgrowth2018.eu/

available data and use indicators that are most relevant for the respective policy objectives. While those governance and monitoring tools serve difference purposes, they should be increasingly interconnected with a view to further improving their coherence.

– *Towards an 8th EAP headline indicator set*

The monitoring of the Seventh Environment Action Programme was carried out by the European Environment Agency, which published yearly environmental indicator reports[19]. A scoreboard of nearly 30 indicators was developed to monitor the priority objectives of the 7th EAP.

The 8th EAP monitoring framework should reflect its new priority objectives. It should comprise a limited number of key indicators for high-level communication, which tell a coherent story about the state of the environment, the main pressures and the effectiveness of our response. Those indicators should also be relevant to the overall goals of increasing the wellbeing and the resilience of our economies and societies.

The selection of an 8th EAP headline indicators will take due account of ongoing work streams to improve the monitoring of biodiversity, circular economy and zero pollution, all aimed to be finalised by 2021/22, as well as of other monitoring tools covering environment and climate policy, including the Governance of the Energy Union and Climate Action. It should build on available data in the Member States and at the EU level, in particular those operated by the European Environment Agency as well as the European Statistical System.

The European Environment Agency and the European Chemicals Agency shall support the Commission in improving the availability and relevance of data. This includes closing indicator gaps, in particular monitoring of policy related to the zero pollution ambition and links between environment, social and health policies.

The setting up of the 8th EAP monitoring framework will be supported by a new database of environmental indicators – an online and easily accessible library of indicators creating a complete and structured overview of the several hundred existing environmental indicators.

– *Planetary Boundaries*

The process to develop an 8th EAP monitoring framework will provide an opportunity to explore the potential of the ongoing workstream in the Commission's Joint Research Centre, the European Environment Agency and others on the planetary boundaries (e.g. freshwater use, land use change, ocean acidification) and on the Union consumption footprint, including deforestation and forest degradation in third countries.

While climate science and in particular the work of the International Panel on Climate Change provide reliable data and information on the level of greenhouse gas emissions compatible with the objective of the Paris Agreement to hold global temperature increase to well below 2°C and pursue efforts to limit it to 1.5°C compared to pre-industrialised levels, the work for other planetary boundaries is still in progress. Advancing such work is important to inform policy makers and stakeholders on whether environmental policies are ambitious enough to keep Europe within the planet's safe operating space[20].

– *Consultation process on the 8th EAP headline indicators*

The Commission will launch a wide consultation process with other EU institutions, Member States and stakeholders to design a comprehensive 8th EAP monitoring framework, based on a consultative document outlining the proposed methodology and steps to be taken.

---

19 See e.g. https://www.eea.europa.eu/publications/environmental-indicator-report-2018

20 COM(2020) 98 final, page 18.

Based on these consultations, the Commission intends to present an 8th EAP headline indicator set by the end of 2021.

The procedure will be closely coordinated with the ongoing workstreams announced by the European Green Deal to design or review the monitoring frameworks for circular economy, biodiversity and zero pollution to ensure overall coherence and reduce administrative burden.

Article 5 - Evaluation

Article 5 foresees an evaluation of the 8th EAP in 2029, before its expiry by the end of 2030.

2020/0300 (COD)

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on a General Union Environment Action Programme to 2030

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 192(3) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the Economic and Social Committee[21],

Having regard to the opinion of the Committee of the Regions[22],

Acting in accordance with the ordinary legislative procedure,

Whereas:

(1) In line with Article 192(3) of the Treaty on the Functioning of the European Union, general environment action programmes have provided the framework for Union action in the field of the environment and climate since 1973.

(2) Decision No 1386/2013/EU of the European Parliament and of the Council[23] established the 7th Environment Action Programme (the 7th EAP), which sets out the Union's environmental agenda until 31 December 2020 as well as a long-term vision for 2050.

(3) The Commission's evaluation of the 7th EAP[24] concluded that its 2050 vision and priority objectives are still valid; that it has helped to provide more predictable, faster and better-coordinated action in environment policy; and that its structure and enabling framework have helped create synergies, thus making environment policy more effective and efficient. Moreover, the evaluation concluded that the 7th EAP anticipated the United Nation's 2030 Agenda by insisting that economic growth and social wellbeing depend on a healthy natural resource base, and facilitated delivering on the Sustainable Development Goals. It also enabled the Union to speak with one voice on the global stage on climate and environmental matters. In its evaluation of the 7th EAP, the Commission also concluded that progress related to nature protection, health and policy integration was not sufficient.

(4) According to the EEA report 'The European environment – state and outlook 2020, Knowledge for transition to a sustainable Europe' ('SOER 2020'), 2020 represents a unique window of opportunity for the Union to show leadership on sustainability and to face the urgent sustainability challenges requiring systemic solutions. As stated in

21 Insert if EESC adopts an opinion on the proposal
22 Insert if CoR adopts an opinion on the proposal
23 OJ L 354, 28.12.2013, p. 171
24 COM(2019) 233 final.

SOER 2020, the changes in the global climate and ecosystems observed since the 1950s are unprecedented over decades to millennia. The global population has tripled since 1950, while the population living in cities has quadrupled. With the current growth model, environmental pressures are expected to increase further, causing direct and indirect harmful effects on human health and well-being. This is especially true for the sectors with the highest environmental impact – food, mobility, energy as well as infrastructure and buildings.

(5) The European Commission responded to the challenges identified in the SOER 2020 by adopting the European Green Deal[25]: a new growth strategy for the twin green and digital transition that aims to transform the Union into a fair and prosperous society, with a competitive, climate-neutral and resource-efficient economy. Regulation (EU) of the European Parliament and of the Council[26] enshrines into law the Union target to achieve climate neutrality by 2050.

(6) The European Green Deal underpins the Next Generation EU Recovery Plan which promotes the investments in key green sectors needed to build resilience, and create growth and jobs in a fair and inclusive society. The Recovery and Resilience Facility which will power the Union's economic recovery from the coronavirus crisis together with the Union budget for 2021-2027, is also based on the priority objectives set out in the European Green Deal. Furthermore, all initiatives under Next Generation EU Recovery Plan should respect the European Green Deal's "do no harm" oath.

(7) Environment action programmes have guided the development of EU environment policy since the early 1970s. The 7th EAP will expire on 31 December 2020 and its Article 4 (3) requires the Commission, if appropriate, to present a proposal for an Eighth Environment Action Programme (8th EAP) in a timely manner with a view to avoiding a gap between the 7th and the 8th EAP. The European Green Deal announced the adoption of a new environment action programme.

(8) The 8th EAP should support the environment and climate action objectives of the European Green Deal in line with the long-term objective to "live well, within the planetary boundaries" by 2050, which is already established in the 7th EAP. It should contribute to achieving the United Nations' 2030 Agenda and its Sustainable Development Goals.

(9) The 8th EAP should accelerate the transition to a regenerative economy that gives back to the planet more than it takes. A regenerative growth model recognises that the wellbeing and prosperity of our societies depend on a stable climate, a healthy environment and thriving ecosystems, which provide a safe operating space for our economies. As the global population and the demand for natural resources continues to grow, economic activity should develop in a way that does no harm but, on the contrary, reverses climate change and environmental degradation, minimises pollution and results in maintaining and enriching natural capital, therefore ensuring the abundance of renewable and non-renewable resources. Through continuous innovation, adaptation to new challenges and co-creation, the regenerative economy strengthens resilience and protects present and future generations' wellbeing.

(10) The 8th EAP should set out thematic priority objectives in areas of climate neutrality, adaption to climate change, protecting and restoring biodiversity, circular economy, the zero pollution ambition and reducing environmental pressures from production and

[25] COM(2019) 640 final.
[26] COM(2020) 80 final.

consumption. It should furthermore identify the enabling conditions to achieve the long-term and the thematic priority objectives for all actors involved.

(11) Environment policy being highly decentralised, action to achieve the priority objectives of the 8th EAP should be taken at different levels of governance, i.e. at the European, the national, the regional and the local level, with a collaborative approach to multi-level governance. The integrated approach to policy development and implementation should be strengthened with a view to maximising the synergies between economic, environmental and social objectives, while paying careful attention to potential trade-offs and to the needs of vulnerable groups. Moreover, transparent engagement with non-governmental actors is important for ensuring the success of the 8th EAP and the achievement of its priority objectives.

(12) Enhanced cooperation with partner countries, good global environmental governance as well as synergies between internal and external Union policies are key to reach the Union's environmental and climate objectives.

(13) The European Commission should assess the progress in achieving the priority objectives of the 8th EAP by the Union and the Member States in the context of the transition towards greater sustainability, wellbeing and resilience. This is in line with calls of the Council[27] and the European Economic and Social Committee[28] for measuring economic performance and societal progress "beyond GDP", and moving towards using well-being as a compass for policy, which is also supported by the OECD[29].

(14) The assessment of progress towards the priority objectives of the 8th EAP should reflect the latest developments as regards the availability and relevance of data and indicators. It should be coherent with and without prejudice to monitoring or governance tools covering more specific aspects of environment and climate policy, such as in particular Regulation 1999/2018 of the European Parliament and of the Council[30], the Environmental Implementation Review or monitoring tools relating to circular economy, zero pollution, biodiversity, air, water, soil, waste, or any other environment policies. Together with other tools used in the European Semester, the Eurostat SDG Monitoring and in the Commission's Strategic Foresight Report[31], it would be part of a coherent interconnected set of monitoring and governance tools.

(15) The Commission and the EEA and other relevant agencies should access and re-use the data and indicators provided by the Member States in accordance with applicable Union legal acts. In addition, other data sources, such as satellite data and processed information from the European Earth Monitoring Programme (Copernicus), the European Forest Fire Information System and the European Flood Awareness System, or data platforms such as European Marine Observation and Data Network or the Information Platform for Chemical Monitoring should be utilised. The application of modern digital tools and artificial intelligence allows managing and analysing the data in an effective way and thereby reducing administrative burden whilst increasing timeliness and quality.

---

27 See e.g. https://data.consilium.europa.eu/doc/document/ST-10414-2019-INIT/en/pdf

28 https://www.eesc.europa.eu/en/our-work/opinions-information-reports/opinions/reflection-paper-towards-sustainable-europe-2030.

29 See e.g. the OECD Well-being Framework, the OECD Framework for Policy Action on Inclusive Growth, the Better Life Initiative and the New Approaches to Economic Challenges Initiative.

30 Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, *OJ L 328, 21.12.2018, p. 1–77*.

31 COM/2020/493 final.

(16) Furthermore, in accordance with the requirements set out in Directives 2003/4/EC, 2007/2/EC and 2019/1024/EU from the European Parliament and the Council, Member States should ensure that the relevant data, information and indicators for monitoring the implementation of the 8th EAP are freely available, non-discriminatory, with open access, adequate, of high quality, comparable, up-to-date, user friendly and easily accessible online.

(17) To reach the priority objectives of the 8th EAP, the EEA and ECHA should be equipped with adequate capacity and sufficient resources to ensure a sound, accessible and transparent knowledge and evidence base to support the implementation of the strategic priorities of the European Green Deal and the assessment of progress under the programme.

(18) In order to take account of evolving policy objectives and the progress made, the 8th EAP should be evaluated by the Commission in 2029.

(19) Since the objective of this Decision cannot be sufficiently achieved by the Member States, but can rather by reason of the scale and effects of the proposed action programme, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on the European Union. In accordance with the principle of proportionality, as set out in that Article, this Decision does not go beyond what is necessary to achieve those objectives,

HAVE ADOPTED THIS DECISION:

Article 1 - Subject matter

1. This decisions sets out a general action programme in the field of the environment for the period up to 31 December 2030 ('8th EAP'). It lays down its priority objectives, identifies enabling conditions for their achievement and sets a framework to measure whether the Union and its Member States are on track to meet those priority objectives.

2. The 8th EAP aims at accelerating the transition to a climate-neutral, resource-efficient, clean and circular economy in a just and inclusive way, and endorses the environmental and climate objectives of the European Green Deal and its initiatives.

3. The 8th EAP forms the basis for achieving the environmental and climate objectives defined under the United Nations 2030 Agenda and its Sustainable Development Goals and its monitoring framework constitutes the environment and climate part of the EU's efforts to measure progress towards greater sustainability, including climate neutrality and resource efficiency, wellbeing and resilience.

Article 2 – Priority objectives

1. The 8th EAP has the long-term priority objective for 2050 that citizens live well, within the planetary boundaries in a regenerative economy where nothing is wasted, no net emissions of greenhouse gases are produced and economic growth is decoupled from resource use and environmental degradation. A healthy environment underpins the well-being of citizens, biodiversity thrives and natural capital is protected, restored and valued in ways that enhance resilience to climate change and other environmental risks. The Union sets the pace for ensuring the prosperity of present and future generations globally.

2. The 8th EAP has the following six thematic priority objectives :

(a) irreversible and gradual reduction of greenhouse gas emissions and enhancement of removals by natural and other sinks in the Union to attain the 2030 greenhouse gas emission reduction target and achieve climate neutrality by 2050 as laid down in Regulation (EU) …/…[32];

(b) continuous progress in enhancing adaptive capacity, strengthening resilience and reducing vulnerability to climate change;

(c) advancing towards a regenerative growth model that gives back to the planet more than it takes, decoupling economic growth from resource use and environmental degradation, and accelerating the transition to a circular economy;

(d) pursuing a zero-pollution ambition for a toxic free-environment, including for air, water and soil, and protecting the health and well-being of citizens from environment-related risks and impacts;

(e) protecting, preserving and restoring biodiversity and enhancing natural capital, notably air, water, soil, and forest, freshwater, wetland and marine ecosystems;

(f) promoting environmental sustainability and reducing key environmental and climate pressures related to production and consumption, in particular in the areas of energy, industrial development, buildings and infrastructure, mobility and the food system.

Article 3 - Enabling conditions to achieve this programme's priority objectives

1. Achieving the priority objectives of the 8th EAP will require:

(a) ensuring effective and efficient implementation of Union legislation on environment and climate and striving for excellence in environmental performance at Union, national, regional and local levels including through providing appropriate administrative and compliance assurance capacity, as laid out in the regular Environmental Implementation Review, as well as stepping up action against environmental crime,

(b) strengthening the integrated approach to policy development and implementation, in particular by:

– mainstreaming the priority objectives set out in Article 2 in all relevant strategies, legislative and non-legislative initiatives, programmes, investments and projects at Union, national, regional and local levels so that they and their implementation do no harm to any of the priority objectives set out in Article 2;

– maximising the benefits from implementing the Directives 2014/52/EU[33] and 2001/42/EC[34] of the European Parliament and of the Council;

[32] COM/2020/80 final.

[33] Directive 2014/52/EU of the European Parliament and of the Council of 16 April 2014 amending Directive 2011/92/EU on the assessment of the effects of certain public and private projects on the environment Text with EEA relevance, OJ L 124, 25.4.2014, p. 1–18.

[34] 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 .

– paying careful attention to synergies and potential trade-offs between economic, environmental and social objectives so as to ensure that citizens' needs for nutrition, housing and mobility are met in a sustainable way that leaves no-one behind;

– regularly evaluating existing policies and preparing impact assessments for new initiatives, which are based on wide consultations following procedures that are accountable, inclusive, informed and simple to implement, and which pay due regard to projected impacts on environment and climate;

(c) effectively integrating environmental and climate sustainability in the European Semester of economic governance, including in the National Reform Programmes and National Recovery and Resilience plans;

(d) mobilising sustainable investments from public and private sources, including of funds and instruments available under the Union budget, via the European Investment Bank and at national level;

(e) phasing out environmentally harmful subsidies at Union and national level, making the best use of market-based instruments and green budgeting tools, including those required to ensure a socially fair transition, and supporting businesses and other stakeholders in developing standardised natural capital accounting practices;

(f) ensuring that environmental policies and action are based on the best available scientific knowledge and strengthening the environmental knowledge base and its uptake, including by research, innovation, fostering green skills, and further building up environmental and ecosystem accounting;

(g) harnessing the potential of digital and data technologies to support environment policy while minimising their environmental footprint;

(h) making full use of nature based solutions and social innovation;

(i) effectively applying high standards for transparency, public participation and access to justice in accordance with the Convention on access to information, public participation in decision-making and access to justice in environmental matters (Aarhus Convention)[35];

(j) making the data and evidence linked to the implementation of the 8th EAP publicly available and easily accessible, without prejudice to provisions on confidentiality in domain specific legislation;

(k) supporting the global uptake of the priority objectives laid down in Article 2, ensuring coherence between internal and external approaches and coordinated action, in particular as regards:

– engaging with partner countries on climate and environmental action, encouraging and supporting them to adopt and implement rules in these areas that are as ambitious as those of the Union, and ensuring that all products placed on the Union market fully comply with relevant Union requirements in line with the Union's international commitments;

– enhancing cooperation with governments, businesses and civil society in third countries and international organisations to form partnerships and

[35] https://www.unece.org/fileadmin/DAM/env/pp/documents/cep43e.pdf.

alliances for environment protection and promoting environmental cooperation in G7 and G20;

- strengthening the implementation of the Paris Agreement, the Convention on Biological Diversity and other multilateral environmental agreements by the Union and its partners, including by increasing transparency and accountability as regards progress on the commitments made under those agreements;
- strengthening international environmental governance by closing remaining gaps and strengthening respect for and application of recognised international environmental principles;
- ensuring that the Union and the Member States' financial assistance to third countries promotes the UN 2030 Agenda.

2. Reaching the 8th EAP's priority objectives will require mobilising broad support by involving citizens, social partners and other stakeholders, and encouraging cooperation in the development and implementation of strategies, policies or legislation related to the 8th EAP amongst national, regional and local authorities, in urban and rural areas.

Article 4 - Monitoring framework

1. The Commission, supported by the European Environment Agency and the European Chemicals Agency, shall assess and report on the progress of the Union and the Member States with regard to achieving the priority objectives laid down in Article 2 on a regular basis, taking into consideration the enabling conditions laid down in Article 3.

2. The assessment referred to in paragraph 1 shall reflect the latest developments as regards the availability and relevance of data and indicators, building on data available in the Member States and at the Union level, in particular those operated by the European Environment Agency and the European Statistical System. This assessment shall be without prejudice to existing monitoring, reporting and governance frameworks and exercises covering environment and climate policy.

3. The European Environment Agency and the European Chemicals Agency shall support the Commission in improving the availability and relevance of data and knowledge, in particular by carrying out the following:

(a) gathering, processing and reporting evidence and data with modern digital tools;

(b) working towards closing the relevant monitoring data gaps;

(c) delivering policy-relevant and systemic analyses, and contributing to implementing policy objectives at Union and national level;

(d) integrating data on environmental, social and economic impacts, and exploiting fully other available data, such as those delivered by Copernicus;

(e) further improving access to data through Union programmes;

(f) ensuring transparency and accountability;

(g) helping civil society, public authorities, citizens, social partners and the private sector identify climate and environmental risks and take action to prevent,

mitigate and adapt to them, and fostering their engagement in closing knowledge gaps.

4. The Commission shall regularly examine data and knowledge needs at Union and national level, including the capacity of the European Environment Agency and the European Chemicals Agency to carry out the tasks referred to in paragraph 3.

Article 5 - Evaluation

By 31 March 2029, the Commission shall carry out an evaluation of the 8th EAP. The Commission shall submit a report to the European Parliament and to the Council containing the main findings of that evaluation, accompanied, if the Commission deems appropriate, by a legislative proposal for the next environmental action programme.

Article 6 - Entry into force

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

Done at Brussels,

For the European Parliament	*For the Council*
The President	*The President*

LEGISLATIVE FINANCIAL STATEMENT 'AGENCIES'

Contents

1. FRAMEWORK OF THE PROPOSAL/INITIATIVE 17
1.1. Title of the proposal/initiative 17
1.2. Policy area(s) concerned 17
1.3. The proposal relates to 17
1.4. Objective(s) 17
1.4.1. General objective(s) 17
1.4.2. Specific objective(s) 17
1.4.3. Expected result(s) and impact 21
1.5. Grounds for the proposal/initiative 21
1.5.1. Requirement(s) to be met in the short or long term including a detailed timeline for roll-out of the implementation of the initiative 21
1.5.2. Added value of Union involvement (it may result from different factors, e.g. coordination gains, legal certainty, greater effectiveness or complementarities). For the purposes of this point 'added value of Union involvement' is the value resulting from Union intervention which is additional to the value that would have been otherwise created by Member States alone. 21
1.5.3. Lessons learned from similar experiences in the past 22
1.5.4. Compatibility with the Multiannual Financial Framework and possible synergies with other appropriate instruments 22
1.5.5. Assessment of the different available financing options, including scope for redeployment 22
1.6. Duration and financial impact of the proposal/initiative 23
1.7. Management mode(s) planned 23
2. MANAGEMENT MEASURES 24
2.1. Monitoring and reporting rules 24
2.2. Management and control system(s) 24
2.2.1. Justification of the management mode(s), the funding implementation mechanism(s), the payment modalities and the control strategy proposed 24
2.2.2. Information concerning the risks identified and the internal control system(s) set up to mitigate them 25
2.2.3. Estimation and justification of the cost-effectiveness of the controls (ratio of "control costs ÷ value of the related funds managed"), and assessment of the expected levels of risk of error (at payment & at closure) 25
2.3. Measures to prevent fraud and irregularities 25
3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE 25

3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected 25
3.2. Estimated impact on expenditure 27
3.2.1. Summary of estimated impact on expenditure 27
3.2.2. Estimated impact on EEA and ECHA's appropriations 29
3.2.3. Estimated impact on EEA’s and ECHA's human resources 30
3.2.4. Compatibility with the current multiannual financial framework 33
3.2.5. Third-party contributions 33
3.3. Estimated impact on revenue 33

SUPPLEMENTARY LEGISLATIVE FINANCIAL STATEMENT 'AGENCIES'

1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

1.1. Title of the proposal/initiative

Decision of the European Parliament and of the Council on a General Union Environment Action Programme to 2030 to accelerate the transition to a climate-neutral, resource-efficient and regenerative economy

1.2. Policy area(s) concerned

Policy areas: 09 Environment and Climate Action

Activities:

09 02 - Programme for Environment and Climate Action (LIFE)

09 10 - European Environment Agency & European Chemicals Agency

1.3. The proposal relates to

☑ **a new action**

☐ **a new action following a pilot project/preparatory action**[36]

☑ **the extension of an existing action**

☐ **a merger of one or more actions towards another/a new action**

1.4. Objective(s)

1.4.1. General objective(s)

Accelerate the Union's transition to a climate-neutral, clean, resource-efficient and restorative economy in a just and inclusive way and achieve the environmental objectives of the United Nation's Agenda 2030 and its Sustainable Development Goals, fully endorsing the environmental objectives of the European Green Deal.

Contribute to a better integrated, coherent, multidisciplinary monitoring and reporting framework for environment and climate policies, in full response to the objectives of the Paris Agreement, the SDGs, and the European Green Deal (EGD).

1.4.2. Specific objective(s)

In 2015, landmark international agreements have been established with the adoption of the United Nations Sustainable Development Goals (SDGs) and the Paris Climate Agreement (COP21). These commitments and the growing awareness of the urgency to address climate change, environmental degradation and sustainability risks call for an effective EU 8th EAP.

The State and outlook of the European Environment 2020 (SOER 2020), presented by the EEA on 4 December 2019 reported on Europe's current environmental, climate and sustainability challenges of an unprecedented scale and urgency; these challenges require immediate and concerted action and urgent systemic solutions. While recent EU policy efforts have brought significant benefits, problems persist when it comes to biodiversity loss, resource use, the need to address climate change and its impacts and risks to human health and well-being. To close the gaps between the state of the environment and the environmental goals up

[36] As referred to in Article 58(2)(a) or (b) of the Financial Regulation.

to 2030, a focus on implementation remains relevant, requiring funding, stakeholder engagement, a collaborative approach to multi-level governance and a strong knowledge base. There is need for development of more systemic long-term policy frameworks, innovation for societal change, the reorientation of investment and financing and the management of a socially fair and just transition.

The European Green Deal, presented on December 11, 2019, announced an 8th EAP with a complementing function, that will help ensure implementation, enforcement and effective delivery of environmental and climate policies and legislation and include a new monitoring framework. This proposal presents a Decision for the 8th Environmental Action Programme to 2030 to accelerate the transition to a climate-neutral, resource-efficient and regenerative economy, which targets the support of the European Green Deal.

One of the key actions included in the 8th EAP, announced by the European Green Deal, is a new monitoring framework to measure the EU's and its Member States' progress on the implementation of the programme's priority objectives and its 2050 vision to "Live well, within the planetary boundaries". Indeed, while the EU has set up several monitoring frameworks which measure progress towards specific agreed environmental objectives, so far there is no comprehensive framework laid down in EU law to ensure a coordinated approach to the overall achievement of the Union's environmental and climate objectives and to their contribution towards sustainability, wellbeing and resilience. This is also an opportunity to link the monitoring of environmental policies with the ongoing work-streams in JRC, the EEA and others on the planetary boundaries (e.g. freshwater use, land use change, ocean acidification) and on the Union consumption footprint.

The new monitoring framework will be building on, be without prejudice and complementary to the existing environmental and climate monitoring or governance frameworks, including those of the Energy Union and Climate Action Governance and the Environmental Implementation Review. It will be in full coherence with ongoing work streams following the EGD deliverables, such as new Biodiversity and Zero Pollution monitoring, as well as updated Circular Economy monitoring. Thus the 8th EAP monitoring will be based mainly on existing data, monitoring and reporting tools, avoiding duplication and limiting administrative burden for Member States, while using this opportunity to close indicator gaps (zero pollution and link between environment and social policy). More specifically, it builds on the achievements under the actions for streamlining environmental reporting already ongoing since 2017[37], thus helping to develop coherent messages in different monitoring exercises.

The ***monitoring framework*** should ensure ownership of and delivery on commitments and clear, result-based indicators to measure progress and build on, and be consistent with, existing monitoring frameworks and reporting tools operated in particular, but not exclusively, by the European Environment Agency and its Eionet network, while avoiding duplication and additional administrative burden for Member States and other reporting bodies. The ECHA is also called to contribute to this exercise and provide information on the sustainable use of chemicals.

In order to run and support the **8th EAP *monitoring framework***, additional resources are required to be given to the European Environment Agency (EEA) and the European Chemicals Agency (ECHA). These resources are not new resources, but will be provided to the Agencies out of the LIFE programme (which also supports their core activities), in order to respect the MFF proposal, currently under negotiation with the budgetary authority. The

[37] See https://ec.europa.eu/environment/legal/reporting/fc_actions_en.htm

resources will be used to both reinforce staff in the Agencies that will be carrying out work on the European Green Deal and in particular on supporting and feeding in the monitoring and reporting work of the 8th EAP. More specifically:

• **European Environmental Agency (EEA)**: EEA's monitoring and reporting work on various environment and climate policies, and on the "State of Environment" report (SOER) will be the basis of the monitoring framework. The new strategy of the EEA and its multi-annual work programme and resources of the EEA need to be adapted and reinforced for providing a dynamic, coherent, multi-layered and cross-cutting monitoring, based on the integration of various sources of information and allowing for a reporting at various levels (national, regional, international). The monitoring framework should be tailored to the identified reporting requirements and needs of the 8th EAP, allowing for the effective communication of the challenges and responses to the citizens and for the facilitation of a High Level political discussion in the European Parliament and the Council.

While monitoring and reporting on the "State of Environment" fall within the current mandate of the EEA Founding Regulation, the above monitoring and reporting tasks **will include additional tasks for the EEA** and therefore require more resources. Following a careful analysis made together with the EEA to analyse possible synergies, but also to strategically plan future work in response to the European Green Deal priorities, the EEA would need the following additional new posts as of 2021 covering the new MFF period (2021-2027):

9 TA and 6 CA posts for the following new tasks and activities:

Update of the monitoring framework of the Circular Economy (support to the CE scoreboard) and support to sectorial CE initiatives (1 TA)

Reporting on CE actions implementation, sustainable investments and monitoring the impact of EU finances CE investments (1 CA)

Support to the development of the EU Biodiversity strategy and development of a Biodiversity and Ecosystems monitoring framework, with emphasis to areas to be covered by new initiatives (soil, land and forests) (1 TA, 2 CA)

Monitoring of Biodiversity and Ecosystems health (with emphasis to freshwater and marine environments) as a contribution to Zero-Pollution (reduction of marine litter) and building a non-toxic environment (1 TA)

Integrated analysis of pollution impacts on environment and health and reporting on new (e.g. drinking water, water reuse, SEVESO, mercury) and cross-cutting areas of the Zero-pollution ambition of the Green Deal, in close cooperation with ECHA and EFSA (1 TA)

Reinforced capacity for integrated analysis and assessments of the various Green Deal policy areas (e.g. linking biodiversity with the zero pollution and Farm2Fork initiatives). This concerns also integrated assessments on the Floods Directive, Urban Waste Water but also Nitrates Directive and integration of freshwater and marine ecosystem-based approach in the economic transition (Annual Sustainable Growth Strategy) and climate (1 CA)

Improving the monitoring of the 8th EAP and climate policies in the digital era – making full use of COPERNICUS data, integration of citizen science and other sources information for a dynamic environmental monitoring and implementation – improving the timeliness of delivery, visualisation and access to information (2 CAs)

Strengthening the international dimension of environmental and climate monitoring, supporting environment and climate diplomacy and negotiations (1 TA)

Monitoring and evaluating national climate change adaptation policies and measures and its links with other environmental objectives (1 TA)

Support to Member States in monitoring and evaluating climate change mitigation policies and their links with air quality and the zero-pollution ambition (1 TA)

Monitoring of Human health and impacts of and adaptation to climate change by means of a virtual observatory of climate and health in the context of the Green Deal and its zero-pollution ambition for a toxic free environment (1 TA)

Support to new monitoring methods for real-world fuel consumption and emissions of light- and heavy-duty vehicles (from 2022) (1 TA)

HR Baseline in the EEA for the 8th EAP proposal

To fulfil the EEA contributions to monitoring and reporting under the 8th EAP, it is also crucial to maintain from 2021 and throughout the next MFF period (2021 to 2027) the allocation of resources which were additionally allocated for this purpose between 2018 and 2020. The baseline for the calculation of additional needed EEA resources should therefore be the resources as adopted in the final EU budget 2020 (i.e. 130 establishment plan posts, 74 CAs and 20 ENDs). This should ensure the continuity of the new core tasks added in the 2018-2020 period in particular:

- The assisting role of the EEA in monitoring, checking, reporting and disseminating information on key dimensions of the 8th EAP climate related objectives, decarbonisation (greenhouse gas emission reduction and renewable energy) and energy efficiency is set out in Art. 42 of Regulation (EU) 2018/1999 on the Governance of the Energy Union and Climate Action. Three additional contract agent posts (CAs) were allocated and budgeted for the time frame to 2020 of the current MFF, with an indication of unlimited duration. These 3 posts should be maintained throughout the new MFF period, changed to TAs posts, to account fully and in a permanent basis for the respective additional tasks added to the EEA.

- Additional posts allocated to the Agency in the establishment of the 2020 budget (5 TAs and 2 CAs) and by Regulation (EU) 2018/956 (2 CAs), which are crucial for the implementation of current environment and climate policies. These posts cover activities that already are implemented (see below) and are part of the Agency's HR baseline:

a) Climate change mitigation, integration of LULUCF in GHG inventory platform and systemic analysis of climate and forest and agriculture sectors

b) Systemic analysis of water policy in changing climate

c) Integrated analysis of economic impact of environmental and sustainable and just transition

d) Modernisation of biodiversity monitoring tools

e) Integration of Copernicus data in environmental monitoring and reporting

f) Monitoring and reporting of CO2 emissions from and fuel consumption of new heavy-duty vehicles

• **European Chemicals Agency (ECHA):** The ECHA will play an important role in the development of the forthcoming EU Sustainable Chemicals strategy.

In order to accomplish the listed tasks, ECHA would need the following new posts as of 2020:

1 TA and 1 CA for management and consolidation of databases and provision of chemical data in order to complete the respective emerging risk reports and contribution to chemical policy indicators and other inputs to EEA's work.

1.4.3. Expected result(s) and impact

Specify the effects which the proposal/initiative should have on the beneficiaries/groups targeted.

The main objective of the actions envisaged is to provide a comprehensive monitoring framework fit for the new 8th EAP, but also to promote the interlinkages and synergies between the 8th EAP and relevant initiatives under the umbrella of the European Green Deal. The recently adopted Circular Economy Plan, the European Climate Law enshrining the 2050 climate neutrality objective, the EU Biodiversity Strategy to 2030, the Fram2Fork initiative, but also initiatives under preparation like the Zero-Pollution Ambition initiatives (ZPAP and Chemicals Strategy for sustainability), are the obvious candidates.

This new monitoring approach, integrating the state-of-the-art digital tool will provide evidence based analyses, a well-defined reporting at various levels and sectors and will further support the EU reporting obligations at EU and at international level.

The well-structured and planned reporting framework and activity aims to contribute to the meaningful assessment of the 8th EAP, inform policy makers and trigger High Level debates at the Council and the European Parliament.

Specify the indicators for monitoring progress and achievements.

The implementation of the actions envisaged in the proposal will be monitored by the Commission. Indicators could include:

- Number of reports on thematic subjects (Circular Economy, Biodiversity, Forests, Land, Water and Marine, Air, Noise, Waste, Emissions, etc.

- Number of horizontal monitoring reports on progress with the implementation of the 8th EAP, the SDGs, the EIR and the European Green Deal in response to the respective Reporting cycles (the 3rd reporting cycle will be concluded in June 2027 before the expiry of the 8th EAP).

1.5. Grounds for the proposal/initiative

1.5.1. Requirement(s) to be met in the short or long term including a detailed timeline for roll-out of the implementation of the initiative

The 8th EAP proposal responds to the Article 192(3) of the Treaty and follows the results of the recent evaluation of the 7th EAP.

The Commission shall take stock of progress in the context of three successive EIR reporting cycles in 2022, 2024 and 2027.

In the context of the second reporting cycle in 2024 - which shall be completed in time to inform on the progress on the implementation of the EDG, the 8th EAP, towards the SDGs and this programme's 2050 vision enshrined in Art 2 of the Decision by the end of this Commission's mandate - the Commission will take stock and examine the need to review the Union's environment and climate priorities as set out in the European Green Deal and the priority objectives as set out in this Programme.

The third reporting cycle shall be concluded by June 2027, well in time before the expiry of this Programme.

1.5.2. Added value of Union involvement (it may result from different factors, e.g. coordination gains, legal certainty, greater effectiveness or complementarities). For the purposes of this

point 'added value of Union involvement' is the value resulting from Union intervention which is additional to the value that would have been otherwise created by Member States alone.

Reasons for action at European level (ex-ante): The need to provide for an efficient, coherent and responsive monitoring of the 8th EAP and of all EU environment and climate policies is embedded in the Treaty of the Union. Expected generated Union added value (ex-post): The Monitoring framework will be the monitoring vehicle of the 8th EAP Programme and the European Green Deal. It will support its reporting obligations, facilitate High-Level debates and will contribute to the assessment and evaluation of the 8th EAPs achievements.

1.5.3. Lessons learned from similar experiences in the past

N/A

1.5.4. Compatibility with the Multiannual Financial Framework and possible synergies with other appropriate instruments

The objective of this proposal is consistent with a number of other EU policies and ongoing initiatives stemming from the European Green Deal. The priority objectives of the 8th Environment Action Programme are to: a) achieve that by 2050, we live well, within the planet's ecological limits. Our prosperity and healthy environment stem from an innovative, circular economy where nothing is wasted and where natural resources are managed sustainably, and biodiversity is protected, valued and restored in ways that enhance our society's resilience. Our climate neutral economy has been decoupled from resource use, setting the pace for a safe and sustainable global society; b) achieve the Union's environmental and climate objectives as set out in the European Green Deal with a view to delivering on the UN 2030 Agenda on Sustainable Development, in particular: - Climate neutrality by 2050 as outlined in the Climate Law - A climate neutral, clean and circular economy - The preservation and restoration of ecosystems and biodiversity - A Zero pollution ambition for a toxic-free environment and to protect citizen's health; c) Achieve full compliance with the existing environment and climate acquis; d) implement the measures, policies and approaches set out in Art 3 of this Programme that together constitute an enabling framework for transformative change.

1.5.5. Assessment of the different available financing options, including scope for redeployment

N/A.

1.6. Duration and financial impact of the proposal/initiative

☐ **limited duration**

– ☐ Proposal/initiative in effect from [DD/MM]YYYY to [DD/MM]YYYY

– ☐ Financial impact from YYYY to YYYY

☑ **unlimited duration**

– Implementation with a start-up period from 2021

– followed by full-scale operation.

1.7. Management mode(s) planned[38]

☑ **Direct management** by the Commission through

– ☐ executive agencies

☐ **Shared management** with the Member States

☑ **Indirect management** by entrusting budget implementation tasks to:

☐ international organisations and their agencies (to be specified);

☐the EIB and the European Investment Fund;

☑ bodies referred to in Articles 70 and 71;

☐ public law bodies;

☐ bodies governed by private law with a public service mission to the extent that they provide adequate financial guarantees;

☐ bodies governed by the private law of a Member State that are entrusted with the implementation of a public-private partnership and that provide adequate financial guarantees;

☐ persons entrusted with the implementation of specific actions in the CFSP pursuant to Title V of the TEU, and identified in the relevant basic act.

Comments

N/A

[38] Details of management modes and references to the Financial Regulation may be found on the BudgWeb site: https://myintracomm.ec.europa.eu/budgweb/EN/man/budgmanag/Pages/budgmanag.aspx.

2. MANAGEMENT MEASURES

2.1. Monitoring and reporting rules

Specify frequency and conditions.

The proposal sets up a Decision adopting the 8th Environmental Action Programme of the Union. Within the 8th EAP proposal the need for an ambitious programme providing for regular monitoring and reporting on the state of environment and on Member States efforts to implement environmental and climate actions is presented (Article 4.1). The work will enhance the use of agreed indicators on various environment and climate policy areas and will build on the principles of INSPIRE for the use of spatial data and digital information (COPERNICUS). Coherent, multidisciplinary and updated reporting will be basis or presenting information to the public and stock taking of progress on climate and environment issues. Furthermore, based on these reports, a High Level discussion will take place, where the Council and the Parliament will debate the state of environment and climate challenges and assess the coherency of EU policies and actions addressing them and meeting the objectives of the European Green Deal. The involvement of the EEA and ECHA is paramount to this work. Equally, for the EU Biodiversity Strategy the role of monitoring and the full use of digital information is paramount for the monitoring of status of vulnerable and valuable ecosystems and their services. The interoperability of databases and data mining form different sources provide valuable information for the impacts of human activity on environment and climate. Reporting on these impacts regularly, signal not only negative impacts, but also responses to positive management measures and protection actions. This way monitoring and reporting provide indications about the performance on the ground of Community Programmes, actions and financial resources, at both EU and international level.

Standard monitoring and reporting rules for EU subsidies to traditional agencies will apply.

2.2. Management and control system(s)

2.2.1. Justification of the management mode(s), the funding implementation mechanism(s), the payment modalities and the control strategy proposed

Management will be both direct by the Commission and indirect through the European Environment Agency (EEA) and the European Chemicals Agency (ECHA).

The appropriateness of a wholly indirect management approach through two (or potentially more) decentralised Agencies (EEA, ECHA, but possibly also EFSA) will be explored with the co-legislators.

As regards the control strategy, all Decentralised Agencies work closely with the Commission's Internal Audit Service to ensure that appropriate standards are met in all areas of internal control framework. Those arrangements will also apply to the role of the Agencies in respect of the current proposal.

In addition, every financial year, the European Parliament, following a recommendation from the Council, and taking into account the findings of the European Court of Auditors, considers whether to grant discharge to the Agencies for their implementation of the budget.

2.2.2. Information concerning the risks identified and the internal control system(s) set up to mitigate them

In relation to the legal, economic, efficient and effective use of appropriations resulting from the actions to be carried out by the EEA and ECHA in the context of this proposal, this initiative does not bring about new significant risks that would not be covered by an existing internal control framework. The actions to be carried out in the context of this proposal will start in 2021 and will further continue throughout the new Multiannual Financial Framework (MFF).

2.2.3. Estimation and justification of the cost-effectiveness of the controls (ratio of "control costs ÷ value of the related funds managed"), and assessment of the expected levels of risk of error (at payment & at closure)

Management and control systems are provided in the Regulations currently governing the functioning of the EEA and the ECHA. These bodies work closely together with the Internal Audit Service of the Commission to ensure that the appropriate standards are observed in all areas of the internal control framework. Every year, the European Parliament, following a recommendation from the Council, grants discharge to both EEA and the ECHA for the implementation of their budget.

2.3. Measures to prevent fraud and irregularities

Specify existing or envisaged prevention and protection measures, e.g. from the Anti-Fraud Strategy.

For the purpose of combating fraud, corruption and any other illegal activity, the provisions of Regulation (EU, Euratom) N°883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) apply to the EEA and the ECHA without any restriction. The EEA and the ECHA have a dedicated anti-fraud strategy and resulting action plan. In addition, the Regulations establishing the EEA and the ECHA, set out the provisions on implementation and control of the EEA's and ECHA's budgets and applicable financial rules, including those aimed at preventing fraud and irregularities.

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE[39]

3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected

- Existing budget lines

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number	Diff./Non-diff.[40]	from EFTA	from candidate	from third countries	within the meaning of Article 21(2)(b)

39 The budgetary figures presented are indicative and without prejudice the budgetary procedures following the adoption of the Multiannual Financial Framework 2021-2027.

40 Diff. = Differentiated appropriations / Non-diff. = Non-differentiated appropriations.

			countries [41]	countries [42]		of the Financial Regulation
3	09.02.01 Nature and biodiversity	Diff.	NO	NO	NO	NO
3	09.02.02 Circular economy and quality of life	Diff.	NO	NO	NO	NO
3	09.02.03 Climate change mitigation and adaptation	Diff.	NO	NO	NO	NO
3	09.10.02 - European Environment Agency	Diff.	NO	NO	NO	NO
3	09.10.01 – European Chemicals Agency	Diff.	NO	NO	NO	NO

41 EFTA: European Free Trade Association.

42 Candidate countries and, where applicable, potential candidates from the Western Balkans.

3.2. Estimated impact on expenditure

3.2.1. Summary of estimated impact on expenditure[43]

EUR million (to three decimal places)

It is expected that the Heading 3 will maintain neutrality and will not be impacted by this proposals. The necessary resources for EEA and ECHA will be deducted by the LIFE budget according to a split of 2/3 of costs for DG Environment and 1/3 of costs for DG Climate Action for the EEA, while the resources needed for ECHA will be covered by DG Environment in totality.

Heading of multiannual financial framework	Number	Heading 3: Natural Resources and Environment

Constant Prices

DG ENV and DG CLIMA: <09.02.01, 09.02.02, 09.0203>			2021	2022	2023	2024	2025	2026	2027	**TOTAL**
Reduction on 09.02.01 – DG ENV	Commitments	(1a)	1.385	1.405	1.428	1.450	1.474	1.496	1.522	10.160
	Payments	(2a)	1.385	1.405	1.428	1.450	1.474	1.496	1.522	10.160
Reduction on 09.02.02 – DGENV	Commitments	(1b)	1.062	1.079	1.096	1.113	1.130	1.148	1.166	7.794
	Payments	(2b)	1.062	1.079	1.096	1.113	1.130	1.148	1.166	7.794
Reduction on 09.02.03 – DG CLIMA	Commitments	(1c)	1.062	1.079	1.096	1.113	1.130	1.148	1.166	7.794
	Payments	(2c)	1.062	1.079	1.096	1.113	1.130	1.148	1.166	7.794
TOTAL reduction in operational appropriations for DG ENV and DG CLIMA <09.02.01, 09.02.02 and 09.0203>	Commitments	=1a+1b +1c	3.509	3.563	3.620	3.676	3.734	3.792	3.854	25.748
	Payments	=2a+2b+3c	3.509	3.563	3.620	3.676	3.734	3.792	3.854	25.748

43 The budgetary figures presented are indicative and without prejudice the budgetary procedures following the adoption of the Multiannual Financial Framework 2021-2027.

EEA: <09.10.02>			2021	2022	2023	2024	2025	2026	2027	**TOTAL**
Title 1:	Commitments	(1)	2.462	2.511	2.562	2.613	2.665	2.718	2.773	**18.304**
	Payments	(2)	2.462	2.511	2.562	2.613	2.665	2.718	2.773	**18.304**
Title 2:	Commitments	(1a)	0.225	0.225	0.225	0.225	0.225	0.225	0.225	**1.575**
	Payments	(2a)	0.225	0.225	0.225	0.225	0.225	0.225	0.225	**1.575**
Title 3:	Commitments	(3a)	500	500	500	500	500	500	500	**3.500**
	Payments	(3b)	500	500	500	500	500	500	500	**3.500**
TOTAL appropriations for EEA <09.10.02>	Commitments	=1+1a +3a	3.187	3.236	3.287	3.338	3.390	3.443	3.498	**23.379**
	Payments	=2+2a +3b	3.187	3.236	3.287	3.338	3.390	3.443	3.498	**23.379**
ECHA: <09.10.01>			2021	2022	2023	2024	2025	2026	2027	**TOTAL**
Title 1:	Commitments	(1)	0.272	0.277	0.283	0.288	0.294	0.300	0.306	**2.019**
	Payments	(2)	0.272	0.277	0.283	0.288	0.294	0.300	0.306	**2.019**
Title 2:	Commitments	(1a)	0.050	0.050	0.050	0.050	0.050	0.050	0.050	**0.350**
	Payments	(2a)	0.050	0.050	0.050	0.050	0.050	0.050	0.050	**0.350**
Title 3:	Commitments	(3a)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	**0.000**
	Payments	(3b)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	**0.000**
TOTAL appropriations for ECHA <09.10.01>	Commitments	=1+1a +3a	0.322	0.327	0.333	0.338	0.344	0.350	0.356	**2.369**
	Payments	=2+2a +3b	0.322	0.327	0.333	0.338	0.344	0.350	0.356	**2.369**

3.2.2. Estimated impact on EEA and ECHA's appropriations

– ☑ The proposal/initiative does not require the use of operational appropriations

– ☐ The proposal/initiative requires the use of operational appropriations, as explained below:

Commitment appropriations in EUR million (to three decimal places) in constant prices

Indicate objectives and outputs ⇩			2021		2022		2023		2024		2025		2026		2027		**TOTAL**	
	OUTPUTS																	
	Type[44]	Average cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	Total No	Total cost
SPECIFIC OBJECTIVE No 1[45]…																		
- Output																		
Subtotal for specific objective No 1																		
SPECIFIC OBJECTIVE No 2 ...																		
- Output																		
Subtotal for specific objective No 2																		
TOTAL COST																		

44 Outputs are products and services to be supplied (e.g.: number of student exchanges financed, number of km of roads built, etc.).

45 As described in point 1.4.2. 'Specific objective(s)…'

3.2.3. Estimated impact on EEA's and ECHA's human resources

3.2.3.1. Summary

– ☐ The proposal/initiative does not require the use of appropriations of an administrative nature

– ☑ The proposal/initiative requires the use of appropriations of an administrative nature, as explained below:

EUR million (to three decimal places) in constant prices

EEA & ECHA	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**TOTAL**
Temporary agents (AD Grades)	1.993	2.033	2.074	2.115	2.158	2.201	2.245	14.820
Temporary agents (AST grades)								
Contract staff	740	755	770	786	801	817	834	5.503
Seconded National Experts								
TOTAL	2.734	2.778	2.844	2.901	2.959	2.018	3.087	**20.323**

Note: *Prices assume a 31.9% adjustment for the EEA posts (in Copenhagen) and a 2% salary indexation for the whole period of the MMF (both EEA and ECHA posts).*

Staff requirements (FTE):

EEA & ECHA	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**TOTAL**
Temporary agents (AD Grades) EEA=9, ECHA=1	10	10	10	10	10	10	10	
Temporary agents (AST grades)								
Contract staff EEA=6, ECHA=1	7	7	7	7	7	7	7	
Seconded National Experts								
TOTAL	**17**	**17**	**17**	**17**	**17**	**17**	**17**	

3.2.3.2. Estimated requirements of human resources for the (parent) DGs

– ☑ The proposal/initiative does not require the use of **additional** human resources.

– ☐ The proposal/initiative requires the use of human resources, as explained below:

Estimate to be expressed in full amounts (or at most to one decimal place)

		2020	2021	2022	2023	2024	2025	2026	2027
• **Establishment plan posts (officials and temporary staff)**									
• **External staff (in Full Time Equivalent unit: FTE)**[46]									
XX 01 02 01 (AC, END, INT from the 'global envelope')									
XX 01 02 02 (AC, AL, END, INT and JPD in the Delegations)									
XX 01 04 ***yy***[47]	- at Headquarters[48]								
	- in Delegations								
XX 01 05 02 (AC, END, INT – Indirect research)									
10 01 05 02 (AC, END, INT – Direct research)									
Other budget lines (specify)									
TOTAL									

XX is the policy area or budget title concerned.

The human resources required for this activity and n particular the enhanced monitoring framework that will be set in place, will be met by staff from the DGs who are already assigned to management of the action and/or have been redeployed within the DG. ***If necessary, needs will be matched with any additional allocation, which may be granted to the managing DGs under the annual allocation procedure and in the light of budgetary constraints.***

Description of tasks to be carried out:

Officials and temporary staff	
External staff	

[46] AC = Contract Staff; AL = Local Staff; END = Seconded National Expert; INT = agency staff; JPD = Junior Professionals in Delegations.

[47] Sub-ceiling for external staff covered by operational appropriations (former 'BA' lines).

[48] Mainly for the Structural Funds, the European Agricultural Fund for Rural Development (EAFRD) and the European Fisheries Fund (EFF).

Description of the calculation of cost for FTE units should be included in the Annex V, section 3.

3.2.4. Compatibility with the current multiannual financial framework

– ☐ The proposal/initiative is compatible the current multiannual financial framework.

– ☑ The proposal/initiative will entail reprogramming of the relevant heading in the multiannual financial framework.

– ☐ The proposal/initiative requires application of the flexibility instrument or revision of the multiannual financial framework[49].

Explain what is required, specifying the headings and budget lines concerned and the corresponding amounts.

3.2.5. Third-party contributions

– ☑ The proposal/initiative does not provide for co-financing by third parties.

– ☐ The proposal/initiative provides for the co-financing estimated below:

EUR million (to three decimal places)

	2021	2022	2023	2024	2025	2026	2027	Total
Xxxxx								
TOTAL appropriations co-financed								

3.3. Estimated impact on revenue

– ☑ The proposal/initiative has no financial impact on revenue.

– ☐ The proposal/initiative has the following financial impact:

- ☐ on own resources
- ☐ on other revenue
- ☐ please indicate, if the revenue is assigned to expenditure lines

EUR million (to three decimal places)

Budget revenue line:	Appropriations available for the current financial year	Impact of the proposal/initiative[50]						
		Year **N**	Year **N+1**	Year **N+2**	Year **N+3**	Enter as many years as necessary to show the duration of the impact (see point 1.6)		
Article …….								

For miscellaneous 'assigned' revenue, specify the budget expenditure line(s) affected.

Specify the method for calculating the impact on revenue.

---

49 See Articles 11 and 17 of Council Regulation (EU, Euratom) No 1311/2013 laying down the multiannual financial framework for the years 2014-2020.

50 As regards traditional own resources (customs duties, sugar levies), the amounts indicated must be net amounts, i.e. gross amounts after deduction of 20 % for collection costs.