



# Briefing paper on LIFE in the next Multiannual Financial Framework (MFF)

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## Introduction

LIFE is the EU's only funding programme exclusively dedicated to the environment and climate. For over thirty years, it has played a pivotal role in supporting the implementation of EU environmental and climate legislation, while delivering measurable benefits for biodiversity and local communities across Member States.<sup>1</sup>

**The absence of a standalone LIFE Regulation with a ringfenced budget in the proposed Multiannual Financial Framework (MFF) package effectively discontinues the programme.** Without a specifically dedicated instrument, it is unclear how the EU will in the future deliver on its climate and environmental commitments and address the escalating climate and biodiversity crises.<sup>2</sup>

## What will be left of LIFE in the next MFF?

While LIFE activities will not disappear entirely, significant changes are put forward in the MFF package. The European Commission proposes to split and merge different elements and objectives of the current LIFE programme across two broader funding instruments: One part is to be absorbed into the new **European Competitiveness Fund**, which is primarily geared towards industrial policy and aims to boost competitiveness across sectors such as defence, space, health, digital, biotech and industrial decarbonisation. Other elements of LIFE are partially integrated into the newly proposed **EU Facility, embedded within the National and Regional Partnership Plans**. This Facility is Commission-managed and designed to address crosscutting, transnational priorities and to provide flexible funding in crisis and emergency situations.

**In both cases, LIFE actions are merged with a wide array of other sectoral EU programmes and instruments, without a ring-fenced budget. This dilutes the programme's original focus and risks sidelining and defunding targeted nature and climate action.** While the EU Facility references environmental and climate policies, it also

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<sup>1</sup> WWF EU. 2025. LIFE matters – Advancing biodiversity and climate resilience in the next EU budget. <https://wwfeu.awsassets.panda.org/downloads/wwf-position-paper-life-in-the-next-mff.pdf>

<sup>2</sup> European Environment Agency (EEA). 2024. European Climate Risk Assessment (EUCRA). <https://www.eea.europa.eu/en/analysis/publications/european-climate-risk-assessment>

encompasses a broad range of other priorities, such as migration, the European Pillar of Social Rights, and the Common Fisheries Policy. This extensive scope risks pitting these areas against each other for funding, putting environmental and climate initiatives at risk of being deprioritised. Meanwhile, the European Competitiveness Fund is primarily focused on industrial priorities, leaving limited space for nature-based projects currently supported by LIFE.

**This fragmentation of funding risks widening the gap for nature projects and undermining the EU's ability to meet key legislative commitments**, such as the Nature Restoration Law, the Birds and Habitats and the Water Framework Directives. This is compounded by the proposed removal of the dedicated biodiversity spending target, a key safeguard for nature funding.<sup>3</sup>

**To ensure that meaningful and coherent action on nature and climate via LIFE can continue in the next MFF, shortcomings in both the EU Facility and the European Competitiveness Fund must be addressed.**

**This briefing highlights recommendations for co-legislators to consider across both proposals, in particular:**

1. Establishing a **dedicated budget line for LIFE actions within the EU Facility** to ensure stable funding and effectively support the achievement of the EU's environmental and climate goals through LIFE projects.
2. Ensuring consistency and **long-term planning in the implementation of LIFE actions by delivering them through multi-annual work programmes** under both the EU Facility and the European Competitiveness Fund.

## EU Facility

### Recommendations for the legislative process

- Introduce a **dedicated budget line for LIFE actions**, to ensure predictable funding for the delivery of EU environmental and climate objectives through LIFE projects and to meaningfully contribute to filling the biodiversity financing gap.
- Ensure implementation of LIFE actions via **multiannual work programmes** in Article 31, to maintain accessibility and transparency for beneficiaries.
- Keep LIFE actions under **direct management** by the European Commission.
- Maintain the reference to **strategic nature projects and strategic integrated projects** in Annex XV, paragraph (1), point (n) and ensure that **LIFE standard action projects as bottom-up projects can continue** under the EU Facility.
- Remove the reference to “**cross-border or transnational dimension**” to ensure **it does not become a limiting factor** for LIFE projects to receive funding (Annex XV, paragraph (1), point (n)).

<sup>3</sup> For an in-depth analysis of the environmental spending target and the proposal for the Performance Regulation, a framework for tracking budget spending and performance across the whole Multiannual Financial Framework: WWF EU. 2025. A more impactful EU budget: Performance Regulation in the next MFF. <https://www.wwf.eu/?19067441/A-more-impactful-EU-budget-Performance-Regulation-in-the-next-MFF>

## Assessment of the proposal

According to the European Commission's proposal, the **EU Facility** would be placed within the [National and Regional Partnership Plans](#) (Article 26(4) and [Annex XV](#)) and would merge several of the existing flexibility and crisis tools, in particular:

- The **European Union Solidarity Fund** to help Member States in swiftly addressing major national or regional natural disaster;
- The **Unity Safety Net**, which is the successor of the Agricultural Market Reserve;
- A **flexibility instrument for HOME funds**.

Secondly, the Facility will support “**projects of a transnational dimension, with a high Union added value**, which require additional coordination efforts at Union level, as well as evidence-based policy support and which contribute to the objectives set out in this Regulation” (Recital 39). For this purpose, **Annex XV lists twelve additional “Union actions”** (beyond the three mentioned above) that the Facility will implement, **including “LIFE actions”**.

### Lack of a dedicated budget line for LIFE actions

The Commission proposes dedicated budget lines and indicative allocations for three out of the four Union actions explicitly referenced in Article 26(4), point (a). While the European Union Solidarity Fund, the HOME Thematic facilities and the Unity Safety Net all have their own budget line (see [annex to the Communication on the MFF](#)), **LIFE actions do not have a ringfenced envelope**.

Although it is positive that LIFE actions are explicitly referenced in Article 26(4), point (a), the **absence of dedicated funding puts LIFE actions at risk of being deprioritised and sidelined, as they will compete for resources with the remaining eleven Union actions listed in Annex XV**. The indicative envelope for this amounts to EUR 11 billion, after deducting the earmarked funding for the three instruments mentioned above from the proposed EUR 63 billion allocated to Union actions overall. Given the wide range of priorities addressed by the EU Facility and considering that the current LIFE programme is based on an overall budget of EUR 5.4 billion - in 2021 prices -, EUR 11 billion is a very small amount and a de-facto reduction in available funding. This stands in stark contrast to the annual biodiversity financing gap of EUR 19 billion.<sup>4</sup>

Predictable and dedicated funding is essential to ensure that LIFE actions remain accessible to beneficiaries and can continue to contribute meaningfully to the EU's environmental and climate objectives and to closing the existing significant biodiversity financing gap. Therefore, a **dedicated budget line for LIFE actions should be introduced**.

### Uncertainty around the implementation of LIFE actions

The implementation of Union Actions under Annex XV of the proposal is detailed in Article 31. Article 31(1) empowers the European Commission to adopt financing decisions (implementing acts) that specify objectives, funding allocation, and supported actions. **However, the proposal**

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<sup>4</sup> European Commission. 2022. Biodiversity Financing and Tracking: Final Report. <https://op.europa.eu/en/publication-detail/-/publication/793eb6ec-dbd6-11ec-a534-01aa75ed71a1/language-en>

**introduces flexibility by allowing these decisions to be either annual or multiannual.** This results in uncertainty for the implementation of LIFE actions which could undermine their transparency, accessibility, and effectiveness.

Unlike the current [LIFE Regulation](#), which ensures predictability by mandating implementation through multiannual work programmes (Article 18), the flexible approach proposed under the EU Facility may hinder the development of high-quality, inclusive project proposals, especially for smaller actors with limited capacity. The absence of long-term planning and an indicative budget risk excluding beneficiaries and weakening the innovative potential of LIFE actions. **To safeguard continuity and effectiveness, LIFE actions under the EU Facility should be implemented through multiannual work programmes.**

The current proposal for the EU Facility also leaves uncertainty as to the role of the European Commission. Article 26(2) states: *“It shall be implemented under shared, direct or indirect management as set out in the financing decision adopted in accordance with Article 31(1).”* As is the case for the current LIFE programme, the **European Commission should be steering and directly managing the implementation of LIFE actions**, ensuring transparency, accessibility, and strategic alignment with EU environmental goals.

#### **Key project types of LIFE are retained, but scope remains unclear**

Annex XV, paragraph (1), point (n) defines LIFE actions as: *“**strategic nature projects, strategic integrated projects and strategic action projects** that address environmental policy priorities **with a cross-border or transnational dimension**, activities that underpin the design, implementation, monitoring, evaluation, and enforcement of environmental and climate legislation and policies, promote the development of governance at all levels, support and empower of networks and civil society organisations as well as other projects of Union interest contributing to the implementation of environmental law and policies.”*

It is **positive that several key LIFE project types like strategic nature projects and strategic integrated projects**, defined in the current LIFE Regulation (Articles 2(1) and 2(2)), are retained. These have proven instrumental in advancing the implementation of and compliance with EU environmental and climate legislation. This explicit mention should be kept.

However, the introduction of **“strategic action projects”**, a term not found in the current **LIFE Regulation**, raises questions about the scope. Currently **standard action projects** are the most common and bottom-up project types under LIFE (Article 2(4)) and should continue to be eligible under the EU Facility without substantive changes.

Moreover, the wording in point (n) **could be interpreted as limiting LIFE actions to cross-border or transnational projects**, potentially excluding impactful local, regional and national initiatives. While cross-border collaboration should be encouraged, it should not become a requirement. LIFE must remain a testing ground for a diverse range of projects, developing innovative approaches to environmental challenges with a focus on replicability and scalability through national spending plans.

Finally, it remains **unclear whether the Commission intends to continue providing LIFE operating grants to networks and civil society organisations**. Under the current LIFE programme, these grants were established to support the functioning of non-profit making entities which are involved in the development, implementation and enforcement of Union

legislation and policy in the area of the environment or climate action, including energy transition, in line with the objectives of the LIFE Programme.

Although the funding amounted to only EUR 15.6 million annually (0.006% of the EU's total annual budget), operating grants have played a vital role in enabling civil society to function independently and to contribute citizen-driven, evidence-based perspectives to EU policymaking. These organisations help bridge the gap between local concerns and EU institutions, ensuring that grassroots voices are represented in Brussels. Given their unique and essential contribution, **the next Multiannual Financial Framework (MFF) should continue to provide such operating grants to NGOs active in the areas of environment and climate.**

## European Competitiveness Fund

### Recommendations for the legislative process

- Include a **definition of the term “competitiveness”** in Article 2 that reflects the need to shift towards a sustainable and resilient economy.
- **Embed nature-based solutions and implementation of EU environmental, climate and energy legislation and targets** within the objectives of the Fund and of the Clean Transition window in article 3(1) and 3(2), point (a), to ensure a holistic approach to competitiveness rather than a narrow focus on technology and industry.
- **Retain the reference to bottom-up projects** in Article 33(1), point (a) to safeguard LIFE's inclusive and participatory approach.
- **Broaden and clarify the scope of eligible LIFE activities** in Article 33(1), point (a) to explicitly include innovative solutions supporting biodiversity, nature restoration, circular economy, and ecosystem resilience.
- Ensure **multiannual work programmes for LIFE activities** in Article 15 to provide predictability and accessibility for diverse stakeholders.
- Guarantee **direct management by the European Commission**.

### Assessment of the proposal

The new [European Competitiveness Fund](#) is structured around four thematic windows:

1. Clean Transition and Industrial Decarbonisation
2. Health, Biotech, Agriculture and Bioeconomy
3. Digital Leadership
4. Resilience and Security, Defence Industry and Space

Each window encompasses a broad range of specific activities, covering sectors, technologies, and policy objectives. **LIFE activities** are listed as one of 15 eligible areas under the **Clean Transition** window (Article 33).

While each window is assigned an indicative budget envelope (Article 4), there is no dedicated budget for individual activities within these windows. Instead, it will be up to the European

Commission to decide the funding allocated to the different activities via work programmes that will list calls and funding opportunities.

### **A critical gap: Lack of a clear definition of “competitiveness”**

The proposal for the European Competitiveness Fund **lacks a definition of the term “competitiveness.”** This creates **ambiguity in relation to the Fund’s objectives as outlined in Article 3**, and risks undermining the coherence of its implementation.

A uniform and holistic definition of competitiveness is essential to address this gap. The **definition should reflect the EU’s shift toward a sustainable, resilient, and inclusive economy** that balances industrial strength with environmental responsibility, innovation, and social well-being. Clarifying this concept is a prerequisite for aligning funding decisions with the EU’s broader policy objectives, including commitments on the environment, nature and climate.

### **A narrow industrial focus as a limiting factor**

The European Competitiveness Fund is strongly oriented toward industrial policy, companies and small and medium enterprises (SMEs) as outlined in its general objectives in Article 3(1). Also the Clean Transition and Industrial Decarbonisation window (Article 3(2), point(a)) places heavy emphasis on technological deployment and industrial applications.

While innovation is essential, **the scope in Article 3(1) and 3(2), point (a) must be broadened to reflect a more holistic approach to competitiveness, in line with a balanced definition as suggested above. This includes integrating nature-based solutions, mainstreaming of environmental, climate and energy legislation and policies**, recognizing their potential to enhance European competitiveness in a sustainable and resilient manner. Technological deployment should not be limited to industrial applications but also support infrastructure and ecosystem-based approaches. Adding resource efficiency and circularity as core objectives would contribute to reducing strategic dependencies and promote sustainable industrial transformation. Especially in the Clean Transition window, there could be a strong potential to achieve synergies in this regard.

### **Maintaining bottom-up approaches as key feature of LIFE activities**

For the implementation of the Clean Transition and Industrial Decarbonisation window, Article 33 lays down a wide array of activities that will be supported. Article 33(1), point (a) defines LIFE activities as *“providing support to bottom-up projects for the demonstration, testing and market uptake of innovative solutions and best practices in clean transition and industrial decarbonisation and awareness raising on climate and environment to relevant governance levels”*.

**It is positive that the proposal places emphasis on bottom-up projects**, thereby reflecting a key strength and distinctive feature of the current LIFE programme which consists of the collaboration among diverse stakeholders to develop innovative solutions on the ground. This reference should be retained, as it ensures both continuity with LIFE’s inclusive and participatory approach, but also accessibility for a wide range of actors, including local authorities, civil society organisations, farmers, fishers, local communities, businesses and research organisations currently benefitting from the LIFE programme.



However, the scope of eligible projects must be made more explicit and broadened beyond the limited focus on clean transition and industrial decarbonisation. To fully leverage the Fund's potential, it should support innovative solutions and best practices across the full spectrum of EU environmental and climate objectives, including biodiversity, nature restoration, circular economy, and ecosystem resilience.

### **Ensuring accessibility and predictability of LIFE activities**

The proposal specifies that the **implementation of specific actions under the European Competitiveness Fund will be detailed in work programmes** which set out eligibility and award criteria and co-financing rates (Article 15), however **without specifying whether these will be annual or multiannual**.

In contrast, the current [LIFE Regulation](#) (Article 18) is guided by multiannual work programmes. These provide predictability and enable beneficiaries to develop high-quality proposals for bottom-up projects aligned with the programme's objectives. Predictability also enhances accessibility, enabling a wide range of stakeholders, including civil society organisations, local authorities, and smaller actors, to co-develop proposals and build effective partnerships.

To preserve these strengths, the European Competitiveness Fund must **maintain multiannual work programmes when it comes to LIFE activities and ensure their direct management by the European Commission**, upholding principles of transparency and inclusiveness.

### **FOR MORE INFORMATION**

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