

# Fund for European Aid to the Most Deprived (FEAD) 2014-2020

2012/0295(COD) - 30/05/2013 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Employment and Social Affairs adopted the report by Emer COSTELLO (S&D, IE) on the proposal for a regulation of the European Parliament and of the Council on the Fund for European Aid to the Most Deprived.

The committee recommends that the European Parliament's position adopted at first reading, following the ordinary legislative procedure, should amend the Commission proposal as follows:

**Definitions:** Members amend the definitions of the following terms: 'most deprived persons' and 'partner organisations'. They have also added a definition of '**accompanying measures**' which covers measures beyond the distribution of food and basic material assistance, taken with the aim of **overcoming social exclusion and of tackling social emergencies** in a more empowering and sustainable way.

**Objectives:** Members consider that the Fund shall promote social cohesion, **enhance social inclusion and combat poverty in the Union** whilst complementing the European Social Fund. It shall contribute to the sustainable eradication of food poverty, offering most deprived persons the prospect of a decent life. This objective and the structural impact of the fund shall be qualitatively and quantitatively assessed. The Fund shall complement and shall not replace or reduce sustainable national poverty eradication and social inclusion programmes, which remain the responsibility of Member States.

**Support schemes:** the text sets out the different types of support. The Fund shall: (i) support national schemes whereby **food products and/or basic material assistance**, including starter packs, for the personal use of the end recipients are distributed to the most deprived persons; (ii) support accompanying measures, complementing the provision of food and basic material assistance, contributing to social inclusion and a healthy diet and reducing dependencies of the most deprived persons; (iii) provide beneficiaries with assistance to make more efficient use of local food supply chains, thereby augmenting and diversifying the supply of food for the most deprived, as well as reducing and **preventing food wastage**.

**Implementation:** with a view to ensuring the effective and efficient implementation of the measures financed from the Fund, cooperation should be fostered between **regional and local authorities and bodies representing civil society**. These authorities could, if necessary, be responsible for the implementation of the operational programmes on the same level as the implementing bodies designated by the Member States.

**Prevent double funding and ensure aid efficiency:** Members call on the Commission and the Member States to ensure coordination with the European Social Fund, and with other Union policies and instruments, in particular Union actions in the field of health. An operation supported by the Fund shall **not receive support from another Union instrument in order to avoid double funding**. Beneficiaries should be able to make **efficient and optimum use of Union funds** addressing poverty relief such as the ESF.

**Taking account of gender issues and the nutritional quality of aid:** Members call for importance to be given to **gender equality** as well appropriate steps to be taken to prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation in obtaining access to the Fund, and related programmes and operations.

Aid granted in the framework of this Fund respects the dignity of the **most deprived persons**.

Members call for the choice of food products shall be based on principles of balanced nutrition and quality food, including fresh produce, and should contribute to a healthy diet of the end recipients. Priority should be given to **local and regional products**, taking climatic and environmental considerations into account as well as encompassing the spirit of corporate social responsibility.

Members also state that:

- the partner organisations may, in addition, distribute food supplies coming from other sources including intervention stock made available under the CMO Regulation;
- the food and/or the items for basic material assistance shall be distributed **free** of charge to the most deprived persons **without any exception**.

**Budget:** Members consider that the global resources available for budgetary commitment from the Fund for the period 2014-2020 **shall be not less in real terms than the 2007-2013 allocation for the European food aid programme for deprived persons**. The financial envelope specified in the legislative proposal constitutes only an indication and will be finalised once agreement is reached on the regulation on the Multiannual Financial Framework. With increasing poverty levels in the EU, the annual amount allocated to the FEAD for the 2014-2020 period should be **increased to assure that the extended scope of the Fund**.

In a recital, Members state that the Fund **should not replace public policies** undertaken by Member State governments with the aim of limiting the need for emergency food aid and developing sustainable targets and policies for the full eradication of hunger, poverty and social exclusion.

**Financing rate:** Members stress that the co-financing rate at the level of the operational programme amounts to 85% of the public eligible expenditure. **It may be increased** in the cases described in the proposal. Member States shall be free to support the Fund's initiatives with additional national resources.

**Operational programmes:** Members consider that each Member State shall submit to the Commission one operational programme containing the following items: a specification of the amount of its allocated share to be used; a description of the mechanism used to ensure complementarity with the European Social Fund showing a **clear demarcation line** between activities covered by those two funds.

Operational programmes shall be drawn up by Member States or any authority designated by them **in cooperation with the competent regional, local and other public authorities as well as all relevant stakeholders**.

**Exchange of best practice:** Members call on the Commission to facilitate the exchange of experience, capacity building, networking and **social innovation at Union level, thereby linking partner organisations and other relevant stakeholders from all Member States**.

In addition, the Commission shall consult, at least once a year, the organisations which represent the partner organisations at Union level on the implementation of support from the Fund and shall thereafter **report back to the European Parliament** and to the Council in due course. It shall facilitate the online dissemination of relevant outcomes, reports and information in relation to the Fund.

**Indicators:** in the framework of common indicators of resources and outcomes set by the Commission in view of the submission of implementation reports drafted by Member States, Members call for the

development of a deprivation **index** which allows for a more refined assessment of material deprivation of households, **indicators** such as income level, income inequality, the ability of making ends meet, over-indebtedness and satisfaction with living standards should be taken into account.

The Commission shall present a summary of the annual implementation reports and the final implementation reports to the European Parliament and Council in due time.

**Evaluation:** Members specify the scope of the evaluations to be carried out: they should cover in particular the contribution to the reduction of food waste; the contribution of the expected outputs to the objectives of the Fund; the effective engagement of relevant stakeholders in the design and implementation of the operational programme. The Commission shall present a midterm assessment of the Fund to the European Parliament and to the Council by March 2018 at the latest.

**Union support:** the text states that during the implementation of an operation, the beneficiaries and partner organisations shall inform the public about the support obtained from the Fund by placing either at least one poster with information about the operation, including about the financial support from Union or a **Union flag of reasonable size**, at a location readily visible to the public.

**Audits:** amendments have been made as regards audits. In particular, Members call on the managing authority to ensure that all supporting documents on operations are made available to the Commission and the European Court of Auditors upon request for a period of **five** years (as opposed to three years as proposed by the Commission). This five year period shall run from the date of payment of the final balance.

**Transitional provisions:** the Commission and the Member States shall ensure via transitional provisions that activities eligible for support can start as of 1 January 2014, even if operational programmes have not yet been submitted.