

Basic information

2012/0295(COD)

COD - Ordinary legislative procedure (ex-codecision procedure)
Regulation

Procedure completed

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

Amended by [2016/0282A\(COD\)](#)

Amended by [2020/0058\(COD\)](#)

Amended by [2020/0105\(COD\)](#)

Amended by [2022/0096\(COD\)](#)

Amended by [2023/0199\(COD\)](#)

Subject

4.10.15 European Social Fund (ESF), Fund for European Aid to the Most Deprived (FEAD)

Key players

European
Parliament

Committee responsible

EMPL Employment and Social Affairs

Rapporteur

[COSTELLO Emer \(S&D\)](#)

Appointed

21/11/2012

Shadow rapporteur

[RY Csaba \(PPE\)](#)

[HARKIN Marian \(ALDE\)](#)

[CORNELISSEN Marije \(Verts/ALE\)](#)

[CABRNOCH Milan \(ECR\)](#)

Committee for opinion

BUDG Budgets

Rapporteur for opinion

[VAUGHAN Derek \(S&D\)](#)

Appointed

18/12/2012

CONT Budgetary Control

[SKYLAKAKIS Theodoros \(ALDE\)](#)

03/12/2012

REGI Regional Development

[OMARJEE Younous \(GUE/NGL\)](#)

27/11/2012

AGRI Agriculture and Rural Development

[TARABELLA Marc \(S&D\)](#)

03/12/2012

CULT Culture and Education



The committee decided not to give an opinion.

FEMM Women's Rights and Gender Equality

[CORNELISSEN Marije \(Verts/ALE\)](#)




03/12/2012


Council of the European Union	Council configuration	Meetings	Date
	Employment, Social Policy, Health and Consumer Affairs	3206	2012-12-06
	Employment, Social Policy, Health and Consumer Affairs	3301	2014-03-10
	Employment, Social Policy, Health and Consumer Affairs	3247	2013-06-20
European Commission	Commission DG	Commissioner	
	Employment, Social Affairs and Inclusion	ANDOR László	
European Economic and Social Committee			
European Committee of the Regions			

Key events			
Date	Event	Reference	Summary
24/10/2012	Legislative proposal published	COM(2012)0617 	Summary
19/11/2012	Committee referral announced in Parliament, 1st reading		
06/12/2012	Debate in Council		
20/05/2013	Vote in committee, 1st reading		
30/05/2013	Committee report tabled for plenary, 1st reading	A7-0183/2013	Summary
11/06/2013	Debate in Parliament	CRE link	
12/06/2013	Decision by Parliament, 1st reading	T7-0257/2013	Summary
12/06/2013	Results of vote in Parliament		
20/06/2013	Debate in Council		
25/02/2014	Decision by Parliament, 1st reading	T7-0124/2014	Summary
10/03/2014	Act adopted by Council after Parliament's 1st reading		
11/03/2014	Final act signed		
11/03/2014	End of procedure in Parliament		
12/03/2014	Final act published in Official Journal		

Technical information	
Procedure reference	2012/0295(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Nature of procedure	Legislation
Legislative instrument	Regulation
	Amended by 2016/0282A(COD) Amended by 2020/0058(COD) Amended by 2020/0105(COD) Amended by 2022/0096(COD) Amended by 2023/0199(COD)
Legal basis	Treaty on the Functioning of the EU TFEU 175-p3

Other legal basis	Rules of Procedure EP 165
Mandatory consultation of other institutions	European Economic and Social Committee European Committee of the Regions
Stage reached in procedure	Procedure completed
Committee dossier	EMPL/7/11054

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary
Committee draft report		PE504.202	01/02/2013	
Amendments tabled in committee		PE506.037	26/02/2013	
Amendments tabled in committee		PE506.089	01/03/2013	
Amendments tabled in committee		PE506.141	01/03/2013	
Amendments tabled in committee		PE506.148	01/03/2013	
Amendments tabled in committee		PE506.108	01/03/2013	
Amendments tabled in committee		PE506.091	05/03/2013	
Amendments tabled in committee		PE508.013	26/03/2013	
Committee opinion	BUDG	PE504.305	27/03/2013	
Committee opinion	REGI	PE505.979	27/03/2013	
Committee opinion	AGRI	PE504.229	28/03/2013	
Committee opinion	FEMM	PE504.192	08/04/2013	
Committee opinion	CONT	PE505.992	24/04/2013	
Committee report tabled for plenary, 1st reading/single reading		A7-0183/2013	30/05/2013	Summary
Text adopted by Parliament, partial vote at 1st reading /single reading		T7-0257/2013	12/06/2013	Summary
Text adopted by Parliament, 1st reading/single reading		T7-0124/2014	25/02/2014	Summary
Council of the EU				
Document type		Reference	Date	Summary
Draft final act		00132/2013/LEX	11/03/2014	
European Commission				
Document type		Reference	Date	Summary
Document attached to the procedure		SWD(2012)0351	24/10/2012	
Document attached to the procedure		SWD(2012)0350	24/10/2012	
Legislative proposal		COM(2012)0617	24/10/2012	Summary
Commission response to text adopted in plenary		SP(2014)446	20/05/2014	

Follow-up document	COM(2016)0435 	30/06/2016	Summary
Follow-up document	COM(2017)0404 	28/07/2017	Summary
Follow-up document	COM(2018)0742 	14/11/2018	Summary
Follow-up document	SWD(2019)0148 	27/03/2019	Summary
Follow-up document	SWD(2019)0149 	27/03/2019	Summary
Follow-up document	COM(2019)0259 	07/06/2019	Summary
Follow-up document	COM(2020)0226 	08/06/2020	
Follow-up document	COM(2021)0494 	30/08/2021	
Follow-up document	COM(2022)0340 	19/07/2022	
Follow-up document	COM(2024)0069 	20/02/2024	
Follow-up document	COM(2024)0457 	16/10/2024	

National parliaments

Document type	Parliament/Chamber	Reference	Date	Summary
Contribution	DE_BUNDESRAT	COM(2012)0617	19/12/2012	
Contribution	PT_PARLIAMENT	COM(2012)0617	20/12/2012	
Contribution	IT_SENATE	COM(2012)0617	21/12/2012	
Contribution	CZ_SENATE	COM(2012)0617	13/02/2013	
Contribution	IE_HOUSES-OF-OIREACHTAS	COM(2012)0617	20/03/2013	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
ESC	Economic and Social Committee: opinion, report	CES2450/2012	13/02/2013	
CofR	Committee of the Regions: opinion	CDR0026/2013	11/04/2013	

Additional information

Source	Document	Date
National parliaments	IPEX	
European Commission	EUR-Lex	

Final act

Regulation 2014/0223
OJ L 072 12.03.2014, p. 0001

[Summary](#)

Delegated acts

Reference	Subject
2014/2676(DEA)	Examination of delegated act
2015/2776(DEA)	Examination of delegated act
2014/2764(DEA)	Examination of delegated act
2016/2817(DEA)	Examination of delegated act
2020/2859(DEA)	Examination of delegated act

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

2012/0295(COD) - 28/07/2017 - Follow-up document

The Commission presents a summary of the annual implementation reports for the operational programmes cofinanced by the Fund for European aid to the most deprived (FEAD) in 2015.

The FEAD, set up under Regulation (EU) No 223/2014, aims to help **alleviate the worst forms of poverty in the EU**, such as homelessness, child poverty and food deprivation. Its added value is that it provides dedicated support to a group of people who may not be in a position to directly access and benefit from other EU funding instruments, such as the European Structural and Investment Funds (ESI Funds).

The total available amount of FEAD funds is **EUR 3 813 million** at current prices.

The summary is based on the information contained in the implementation reports for 2015, as accepted by the Commission. The United Kingdom has not submitted an implementation report because no activities were carried out in 2015.

Level of implementation of the operational programmes: the report notes that the financial implementation of FEAD programmes was accelerated in 2015. **EUR 419.3 million** was committed to FEAD operations in **21 Member States**, up from EUR 333.5 million in 2014. The acceleration was even more pronounced in terms of payments to beneficiaries: EUR 388 million was paid in 2015.

-Food and/or basic material assistance operational programme (OP I): a total of **408 770 tonnes of food** were distributed in 2015, with Italy accounting for the largest proportion of that, at 21.4 %. Five countries (ES, FR, IT, PL, RO) provided over 93 % of the total quantity of food support.

It is estimated that in 2015 the FEAD partially or fully contributed to the provision of **47 million meals**. Dairy products, followed by starchy foods, account for the highest proportion of the total quantity of food support provided – over half of the total quantity. At just over 10 % of the total quantity, fruit and vegetables account for the third highest proportion. Over **14 million people**, 47.2 % of whom are women, are estimated to have benefited from FEAD food assistance in 2015.

-Social inclusion of the most deprived operational programme (OP II): in 2015 social inclusion programmes were dedicated to preparatory activities, including **setting up monitoring committees and selecting partner organisations**. By December 2016 25 Member States had completed the designation procedure. The experience from 2015 shows that **asylum seekers and refugees**, as well as representatives of marginalised communities, such as the Roma, may be among the target population. Several Member States made use of the FEAD to deal with the consequences of the migration crisis. The fund also contributed to **reducing food waste**, increasing the capacity of the partner organisations and the trust of potential donors of food and material assistance.

Encouraging, but unevenly distributed results: the 2015 reports show encouraging results, which are, however, unevenly distributed. At the end of the year, **12 Member States had yet to achieve their initial results**.

Soon after the launch of the programmes Member States were confronted with different problems and took specific measures to tackle them. The **main problems** were as follows:

- uneven coverage of the territory or imbalanced allocation of assistance;
- problems identifying the end recipients;
- delays in the provision of assistance due to appeals against the results of the procurement process;
- problems with the quality of purchased food.

Conclusion: since poverty is a complex matter, requiring an integrated approach, the report concludes that **complementarity with the European Social Fund (ESF)** and other EU and national instruments and measures is crucial. Furthermore, it is vital that problems be addressed efficiently, taking into account that the FEAD has been set up as an instrument under simple management, able to deal with social emergencies.

In addition, **the simplified requirements of the legislation** should be applied at the level of individual operations. For this reason the report recommends using all available opportunities to **exchange experience and good practices** both at the level of programme authorities and of partner organisations.

For the first time, in the 2016 annual implementation reports, the Member States will present an **assessment of the contribution of programmes to the specific and global objectives of the FEAD**. This information will make it possible to carry out a more detailed assessment of any cumulative results and impacts in relation to the FEAD objectives in the next summary prepared by the Commission.

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

2012/0295(COD) - 27/03/2019 - Follow-up document

The Commission presents a staff working document on the executive summary of the mid-term evaluation of the Fund of European Aid for the Most Deprived.

The document presents the main findings and conclusions of the mid-term evaluation of the Fund for European Aid to the Most Deprived (FEAD) for the period up to the end of December 2017.

The evaluation falls within the period of preparation of the 2021-2027 EU Funds, and preliminary results of this evaluation (including the results of the structured surveys of end recipients) have informed the impact assessment for the future European Social Fund Plus that will integrate FEAD and provide support to the most deprived.

Background

As a reminder, FEAD was set up in 2014 and follows on the EU's previous food distribution programme for the most deprived people (MDP). Unlike MDP, FEAD benefits all Member States. Under FEAD, EUR 3.8 billion are available in current prices and are complemented by a minimum of 15 % in matching funding allocated by the Member States, bringing the total value of the Fund to approximately EUR 4.5 billion. Up to 2017, 27 Member States accounted for EUR 1 973 million in cumulated eligible public expenditure, representing 44 % of the total resources of the Member States' operational programmes.

FEAD is estimated to support on average 12.7 million persons per year between 2014 and 2017. Women make up about half of the total number of people receiving support. Children are a large target group representing about 30 % of all recipients. Migrants and other minorities (11 %), people aged 65 years or over (9 %), disabled persons (5 %) and homeless persons (4 %) are also key target groups.

Overall, more than 1.3 million tonnes of food were distributed between 2014 and 2017.

Main findings

The FEAD is:

- providing much needed food and basic material assistance to a large number of the most deprived;
- coherent and complementary to national poverty alleviation systems and is coherent with the Europe 2020 strategy and with the newly proclaimed European Pillar of Social Rights;
- efficient in that it the rules governing FEAD's implementation make it simpler to address 'social emergencies' than European Social Fund rules. However, due to the different types and frequency of support provided, and the nature of target groups, there are large variations in costs per food and costs per person across Member States. The administrative costs for monitoring, distribution and delivery are still considered to be high. There is consistent evidence of 'gold plating', leading to excessive requirements, such as the requirement imposed by most Member States (mostly on the partner organisation) to register end recipients. The two flat rates introduced by FEAD for administrative, transport and storage costs and accompanying measures are useful for simplifying management (compared to real costs);
- creating a notable positive effect in nearly every Member State in particular concerning new target groups, new activities, and greater territorial coverage;
- relevant given that poverty remains a persistent problem. There have been positive developments in recent years, however, FEAD cannot be expected to fill funding gaps. Member States remain responsible for their public policies to fight poverty and social exclusion.

More generally, the report concluded that a merger of FEAD and the European Social Fund that builds on FEAD delivery mechanisms would allow for synergies and open up potential pathways from basic support to social inclusion support that lead to people getting training and finding work, when the target groups are the same.

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

2012/0295(COD) - 07/06/2019 - Follow-up document

The Commission presents a summary of the annual implementation reports for the operational programmes co-financed by the Fund for European Aid to the Most Deprived (FEAD) in 2017.

FEAD addresses the worst forms of poverty in the EU, such as food deprivation, child poverty and homelessness. While the proportion of people at risk of poverty or social exclusion fell from 23.5% to 22.4% in 2017, social exclusion risks, particularly for children, the homeless, people with disabilities and people with a migrant background, remain a challenge.

A total amount of EUR 3.8 billion (current prices) is available from the fund. The EU provides up to 85% in matching funds to complement resources allocated by the Member States, bringing the total value of the fund to around EUR 4.5 billion.

The summary is based on the information contained in the 2017 implementation reports. All Member States except the UK submitted an implementation report.

Financial implementation of the operational programmes

Overall, the financial implementation of FEAD programmes continued to accelerate in 2017. On the ground, the total eligible public expenditure (national and EU) approved to support FEAD operations amounted to EUR 637.3, up from EUR 569.5 million in 2016 and significantly more than in 2015 (EUR 444.2 million). The payments made to beneficiaries in 2017 were lower than the previous year (EUR 405.2 million in 2017 as opposed to EUR 434.9 million in 2016) but were slightly higher than in 2015 (EUR 395.2 million). Significant progress was made in payment applications submitted to the Commission. In 2017, a total of EUR 475 million in eligible public expenditure was declared by Member States, against EUR 353.4 million in 2016 and EUR 46.3 million in 2015.

In terms of financial execution, by 31 December 2018, the Commission had paid a total of EUR 955 million as interim payments. By then, financial implementation expressed as the level of interim payments made by the Commission had surpassed 25% of the total 2014- 2020 allocation.

OP I – Food and basic material assistance

21 Member States delivered food aid in 2017. Five Member States (ES, FR, PL, IT and BG) were responsible for 85% of the total amount of food delivered in 2017. Two-thirds of food aid consisted of dairy products and flour, bread, potatoes and other starchy products. The highest increases in tonnes of food distributed in 2017 were in IT and BG, where the food aid programme was expanded.

In 2017, Member States distributed 25% more basic material assistance than in 2016 (EUR 9.4 million).

OP II – Social inclusion

In 2017, social inclusion support was pursued by 4 Member States: DE, DK, NL and SE. After a difficult start in 2016, the project 'Elderly in the neighbourhood', in NL, performed very well in 2017. The project sought to alleviate social exclusion among disadvantaged elderly people. After intensifying contacts with the target group, NL succeeded in engaging with three times as many individuals as in 2016. Most importantly, after 1 year in the programme, around 52% of the elderly people reached were still involved, 39% said that they had improved their social network and 43% had strengthened their digital and financial skills.

Obstacles to implementation

The close monitoring of the programme, as well as the strong cooperation established between the authorities and partner organisations, helped to overcome many of the obstacles that emerged such as: (i) difficulties in engaging with and/or collecting information from end recipients on account of legal constraints, cultural differences; (ii) complicated public procurement procedures; (iii) poor quality or shortage of certain goods; (iv) problems in the planning and logistics of aid distribution.

Conclusions

The report concluded that in 2017, the FEAD programme was on track as regards implementation on the ground. Most Member States had a well-established and properly functioning programme in place that was under constant review and improvement by managing authorities. The provision of basic material assistance, which had initially lagged behind, has recently emerged as a second important component of OP I support. A few specific target groups, and in particular the homeless, have been reached in higher numbers than previously.

After 4 years of implementation, many of the most deprived people in the EU are receiving effective assistance. Despite its limited budget, FEAD complements national efforts to address material deprivation and combat poverty and social exclusion. Overall declining poverty risks in the EU show that considerable progress is being made towards reaching Europe 2020 targets. Overall, FEAD support reached 12.9 million people in 2017, according to data and estimates from partner organisations.

Several Member States made significant adjustments to the programme, seeking to make it more efficient and to ensure a greater impact on the target groups, but areas for improvement remain. Moreover, various Member States increased the funding for ongoing projects that had proved to work well. Remaining weaknesses regarding the completeness of annual reporting, ongoing delivery concerns, and related financial implementation issues should be addressed by the Member States, including through dedicated annual review meetings.

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

2012/0295(COD) - 30/06/2016 - Follow-up document

The Commission presented a summary of annual implementation reports for the operational programmes co-financed by the Fund for European Aid to the Most Deprived in 2014 (FEAD).

In brief, the Fund for European Aid to the Most Deprived (FEAD) was created by Regulation (EU) No 223/2014, with the objective of contributing to **alleviating the worst forms of poverty in the EU**, such as homelessness, child poverty and food deprivation.

Under the terms of the Regulation, the FEAD can be used to support the most disadvantaged groups in society, by providing food, basic consumer items such as clothing, footwear and toiletries, or by organising social inclusion activities.

The FEAD can also be used to **finance the collection and distribution of food donations** as a measure to combat food waste.

The total available amount of FEAD funds is **EUR 3 813 million** at current prices and the allocations to all Member States are set out in Annex III to Regulation (EU) No 223/2014.

Implementation: the FEAD is being implemented in all EU Member States during the 2014-2020 programming period. It is being implemented via **operational programmes**, approved by the Commission.

Member States can decide how to make best use of the funds by choosing to develop a food and/or basic material assistance operational programme (OP I) and/or a social inclusion of the most deprived persons operational programme (OP II). Member States also have freedom in determining the target groups, the specific types of support provided and the geographic coverage of their programmes.

While social inclusion of the most deprived is central to OP II, it is also an essential part of OP I. The provision of material assistance must be complemented by accompanying measures, designed to promote the social inclusion of the end recipients² (e.g. referring them to the appropriate

services, offering guidance on a balanced diet and providing advice on budget management). OP I thus responds to the basic material needs of the most disadvantaged and also helps them make a step towards reintegration into society.

Member States cooperate with **partner organisations** to implement the FEAD programmes. These organisations, which can be public bodies or non-profit organisations, provide the material assistance (OP I) or set up and run the social inclusion measures (OP II), as described in the programmes.

This cooperation means that the Fund is also supporting capacity building within the partner organisations in the area of **social policy**.

The monitoring arrangements for the Fund specify that Member States must send a **report on the implementation of their programmes to the Commission** each year, by 30 June of the following calendar year. The Commission assesses the implementation reports and, if necessary, asks the Member State concerned to make changes. The Commission is also required to present a summary of the reports submitted by Member States to the European Parliament and the Council in due course.

This summary reflects the information contained in the implementation reports for the year 2014. It gives a general overview of developments relating to the FEAD at EU level, and presents the information provided by Member States, following the structure of the reports.

General developments: the majority of Member States specified in their reports that 2014 was dedicated to the preparation of their programmes, consultations with the relevant parties and the negotiations with the Commission. The process of preparing programme implementation also involved designating programme authorities (managing and certifying authorities).

A total of 13 Member States (BE, CY, ES, FR, IT, LT, LU, LV, NL, PL, PT, RO and SI) committed expenditure to operations. At the end of 2014, the total amount of expenditure committed to operations totalled **EUR 330.7 million**. Eight Member States (BE, ES, FR, LT, RO, PL, PT and SI) had already begun providing assistance in 2014. A total of EUR 95.9 million was paid out in five Member States (BE, ES, FR, LT, RO) for operations relating to the provision of food. Assistance was also purchased in IT in 2014, but its distribution did not start until 2015

A total of 228707 tonnes of food were distributed in 2014 by the above-mentioned eight Member States, with RO, FR and ES accounting for respectively 42.3 %, 28.8 % and 21.3 % of the quantity distributed.

Moreover, **a total of 10 964 726 people**, of which 5 612 926 women, are estimated to have benefited from FEAD assistance in 2014. Approximately a quarter of the recipients (3 092 695 people) were estimated to be children aged 15 years or below and 1 220 615 people aged 65 years or above. Among the recipients, there were an estimated 621 979 people with disabilities, 719 708 migrants, people with a foreign background (including refugees) and minorities, **and 69 451 homeless people**.

The number of people supported by the FEAD in 2014 already significantly exceeds the initial forecast.

Main conclusions: the FEAD programmes aim to target the groups of people who are the **most difficult to reach** and to provide them with immediate relief. The social inclusion aspect of programmes, on the other hand, helps integrate disadvantaged people into society. The FEAD output indicators demonstrate that a large number of people were already reached by FEAD support in 2014. At the same time, the modest budget of the FEAD relative to the high number of people at risk of poverty in the EU (**122.3 million people in 2014**) means that its **contribution to the overall efforts to reduce poverty in the EU is limited**. Complementarity with other instruments and measures at EU and national level is therefore key.

The 2015 reports are expected to show more of the FEAD programmes starting to be implemented, in a growing number of Member States.

The FEAD has always been envisaged as an instrument with simple management, which is able to address social emergencies. This is why the rules for using FEAD funds have been simplified in comparison with those for the ESI Funds. The success of FEAD actions will depend on Member States keeping the implementation provisions simple during the programming period.

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

2012/0295(COD) - 27/03/2019 - Follow-up document

This Commission staff working presents the main findings of the mid-term evaluation of the Fund for European Aid to the Most Deprived (FEAD).

The purpose of the evaluation is to assess the effectiveness, efficiency, coherence, relevance and EU added value of FEAD implementation in the period up to the end of December 2017 and to draw conclusions and lessons.

The evaluation covers FEAD's implementation in all Member States during the 2014-2020 programming period for food and/or basic material assistance programmes (operational programmes I) and social inclusion programmes (operational programmes II).

Conclusions and lessons learned

According to the report, FEAD has been successful overall in fulfilling its objectives. However, some areas have been identified where there is room for improvement.

- **Effectiveness:** FEAD has provided much-needed food and basic material assistance to a large number of most deprived persons (higher than forecasted by the impact assessment), and therefore has helped to alleviate the worst forms of poverty. Support has reached, in particular, families with children at risk of poverty, older people with limited income, homeless people, people with disabilities and people who are often not reached by public services, such as migrants. Furthermore, the Fund promoted the social inclusion of the most deprived, complementing the policies of those Member States which have opted for this type of support.

Given its limited scale, FEAD support could not and was not expected to lift people out of poverty.

The accompanying measures are an innovative element of FEAD design, and the rules allow guidance and social inclusion support to be provided as a complement to the food and material assistance aid provided. The introduction of accompanying measures has therefore brought a stronger social inclusion approach to FEAD.

Overall, implementing bodies see FEAD as adaptable and responsive to emerging needs for the types of food and items distributed and for identifying end recipients, while formal programme changes, such as modifying the programme set up, are considered lengthy.

All the horizontal principles (of reducing food waste and ensuring a balanced diet, promoting gender equality and equal opportunities, and ensuring respect of dignity and partnership) together contribute to the programme's success. However, scarce use has been made of the provision to fund the collection, storage and distribution of food donations in order to reduce further food waste.

- **Coherence:** overall, FEAD is coherent and complementary to national poverty alleviation systems. It has increased the number and type of end recipients reached and provides forms of support, which would not otherwise be available to the most deprived or specific population groups. FEAD is coherent with the Europe 2020 strategy and with the newly adopted European Pillar of Social Rights. By targeting different groups or providing complementary measures, it also complements other EU funds, notably the European Social Fund and the Asylum, Migration and Integration Fund, but also the Employment and Social Innovation programme.

- **Efficiency:** rules governing FEAD's implementation make it simpler to address 'social emergencies' than European Social Fund rules.

- **European added value:** the FEAD has a notable volume effect in nearly every Member State. Two thirds of Member States were able to provide support to new target groups such as homeless people and migrants from within the EU, support that otherwise would most likely not have been provided. The report stressed, however, that Member States remain responsible for their public policies to fight poverty and social exclusion.

Lessons learned

Given the Fund's limited resources, it is important that programmes continue focusing on those who are most in need and where funding gaps exist in the respective country, more prominently children and homeless people. Identifying the 'most deprived' through objective criteria set by national authorities is in line with subsidiarity.

Maintaining flexibility to implement both types of programmes is recommended, in particular when defining the 'most deprived', fine-tuning and revising eligibility criteria and modifying the design of interventions and changing the composition of food packages according to needs. As a complementary delivery mechanism, the use of electronic vouchers can be considered for the future for more flexibility while preserving the dignity of end recipients.

Further alignment of FEAD and the European Social Fund could be sought in order to create pathways from basic support to social inclusion support for active labour market integration, albeit only for the target groups that are the same.

Member States could simplify the Fund's governance, plan operations better, reduce the amount of unnecessary paperwork, use framework contracts to purchase food, use flat rates also for reimbursing administrative costs, such as rent, or better involve local NGOs to allow for more flexibility in identifying end recipients.

FEAD's efficiency could be further improved through better information and by further building the capacity of programme authorities and partners, as provided for in the proposal for a regulation on European Social Fund Plus.

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

2012/0295(COD) - 14/11/2018 - Follow-up document

The Commission presents a summary of the annual implementation reports for the operational programmes cofinanced by the Fund for European aid to the most deprived (FEAD) in 2016.

FEAD supports the most disadvantaged groups in society by providing food and basic consumer items such as school supplies and toiletries or by organising social inclusion activities. Although the situation improved in 2016, the proportion of people at risk of poverty or social exclusion (23.5 %) and those affected by severe material deprivation (7.5 %) remained high.

The total available amount of FEAD is **EUR 3.8 billion** at current prices. The EU provides a maximum of 85 % matching funding to complement resources allocated by the Member States, bringing the total value of the fund to around EUR 4.5 billion.

The summary is based on the information contained in the 2016 implementation reports. All Member States except the UK submitted an implementation report.

Financial implementation of the operational programmes: overall, the financial implementation of FEAD programmes had already **accelerated** in 2015, and the upward trend continued in 2016. EUR 508.6 million was committed to supporting FEAD operations in 27 Member States in 2016, up from EUR 470.0 million in 2015. The most significant progress was in payment applications submitted to the Commission. In 2016, 24 Member States declared a total of EUR 353.8 million of eligible public expenditure, which represented a more than seven-fold increase compared to 2015 (EUR 46.3 million).

OP I – Food and basic material assistance: **18 Member States** delivered food aid in 2016. 5 countries provided more than 90 % of the food aid in terms of weight: ES, FR, RO, PL and IT. **6 Member States** provided basic material aid such as school supplies and hygiene products. Except for AT, all did it in addition to food aid. AT and GR accounted for around

80 % of the total monetary value of goods distributed (EUR 7.6 million). The total monetary value of goods distributed in 2016 showed a strong increase compared to 2015.

OP II – Social inclusion: in 2016, **4 countries** used OP II to launch social inclusion activities: DE, DK, NL and SE. The 4 countries together reached around 23 000 people in 2016. In terms of target groups (that overlap), migrants (or people with a foreign background, minorities), women and the homeless were the most frequent users of social inclusion programmes. Overall, target groups were well reached. DE was particularly effective at reaching newly arrived adults and children from the EU (mostly Roma people), as well as homeless people.

Obstacles to implementation: several Member States were unable to distribute aid in 2016 or **started delivery late**. Most delays can still be attributed to the late designation of managing authorities. In all Member States concerned, delivery is now underway, bringing the total to 27 Member States.

Areas for improvement include **speeding up implementation** in a number of countries, **integrating food donations** in the delivery and improved reporting on accompanying measures. The share of donated food integrated in the programme is **still low**. The Commission has ensured that Member States will therefore be able to define flat rates, lump sums or unit costs (simplified cost options) and use them as the basis for payments to partner organisations that collect and distribute donated food.

Conclusion: despite its limited scope, the report states that FEAD has shown that it truly **complements national efforts** to address material deprivation and combat poverty and social exclusion. FEAD support reached almost 16 million people in 2016, and in many cases it was able to reach specific groups within the most deprived **who would otherwise not receive any assistance**. The main success factor in reaching the target groups and providing relevant assistance was the **strong cooperation and collaboration established with partner organisations**. FEAD has helped to leverage resources and mobilise assistance provided by partner organisations e.g. by distributing food obtained from other sources (such as dairy farmers who had unsold products), which had broader environmental benefits (fulfilling horizontal principles) and linked producers to other supply chains.

The Commission will continue to monitor progress, in particular regarding those Member States where programme implementation was under review or was delayed. It will focus on further progress being made in implementing **basic material assistance within OP I programmes**. Despite significant progress in 2016, it is still lagging behind food support implementation. Dedicated annual review meetings between each Member State and the Commission are being conducted to address these concerns.

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

2012/0295(COD) - 24/10/2012 - Legislative proposal

PURPOSE: the creation of a European Fund for the most deprived.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

BACKGROUND: in 2010, nearly one quarter of Europeans (116 million) were at risk of poverty or social exclusion. This is about 2 million more than in the previous year and the first figures available for 2011 confirm this trend. About **40 million of European citizens suffer from severe material deprivation**. The main features of material deprivation are the inability to access appropriate quantities and quality of food and homelessness (4.1 million were homeless in Europe in 2009/2010, according to estimates). There are 25.4 million children at risk of poverty or social exclusion in the Union. Children suffering from these forms of material deprivation are less likely than their better-off peers to do well at school, enjoy good health and realise their full potential as adults.

While the needs of those who are at the margins of the society keep growing, the **ability of Member States to support them has in many cases diminished**. In many Member States it is felt that policies decided at European level are in some ways responsible for these developments.

The Union's response to poverty and material deprivation: the main Union's instrument for supporting employability, fighting poverty and promoting social inclusion is and will remain the European Social Fund (ESF). Next to that, the [EU's Food Distribution programme](#) for the Most Deprived People (MDP) has for more than two decades provided food aid for those persons. It was created in 1987 to make meaningful use of agricultural surpluses, which might otherwise have been destroyed, by making them available to Member States wishing to use them. Over the years, the scheme became an **important source of provisions for organisations working in direct contact with the least fortunate members of society**, providing them with food. The expected depletion and high unpredictability of intervention stocks over the period 2011-2020, as a consequence of successive reforms of the Common Agricultural Policy, has deprived the MDP of the original rationale underpinning it and it will be **discontinued at the end of 2013**.

The potential significant cut in the support provided under the MDP scheme in 2012 was heavily criticized by civil society organisations, with regional and local authorities' representatives stressing the importance of this support and **pleading for its continuation at a time when needs are increasing**.

Discussions in the Council and the European Parliament and with civil society and local authorities on the current forms of aid for the most deprived under the MDP programme have provided meaningful insights and ideas for the future.

On the other hand, Member States' views about such an instrument are divided: **seven Member States have expressed their opposition to continuation of the MDP beyond 2013**. Other Member States have argued strongly in support of the scheme.

The European Parliament has repeatedly expressed strong support for the continuation of the food aid programme in the interest of better social cohesion in Europe. It called for a strategy to be drawn up on the subject – firstly, in a written declaration (2010) and then in a [resolution](#) (2011).

Given persistent material deprivation, **EU assistance to the most deprived in society remains necessary**. In its proposal for the next multiannual financial framework the Commission has reflected this and reserved a budget of EUR 2.5 billion for a new instrument designed to fight extreme forms of poverty and exclusion.

Against this background, the proposed Regulation establishes for the period 2014-2020 a new instrument that will complement the existing cohesion instruments and notably the European Social Fund, by addressing the worst and most socially corrosive forms of poverty, food deprivation as well as homelessness and material deprivation of children while supporting accompanying measures aiming at the social reintegration of the most deprived persons of the Union.

IMPACT ASSESSMENT: the core issue examined by the impact assessment concerned the scope of the new instrument.

The options considered were:

- *Option 0:* no funding;
- *Option 1:* a successor instrument to the current MDP limited to dispensing food aid;
- *Option 2:* an instrument which would complement the distribution of food aid with support for accompanying measures aiming at the social inclusion of the food aid recipients, and
- *Option 3:* a comprehensive instrument supporting material relief in terms of food, goods for homeless people and goods for materially deprived children, combined with accompanying measures aiming at the social reintegration of the most deprived persons.

The net impact of Option 0 depends on how the funds made available are reallocated. But it would certainly be seen as attesting to an erosion of solidarity in Europe at a time when poverty is increasing. Compared to Option 1, Option 2 and even more so Option 3 entail a reduction of the food aid distributed as some resources are allocated to other types of actions. However, the accompanying measures should also ensure greater sustainability of the results achieved. **Option 3 is preferred** because it best allows tailoring the supported interventions to local needs.

LEGAL BASIS: Article 175(3) of the Treaty on the Functioning of the European Union (TFEU).

CONTENT: this Commission proposal related to the creation of a European Fund for the most deprived for the period 2014-2020. The proposed Regulation defines the objectives and scope, sets down the available financial resources and the various eligibility criteria, and lays down the rules to ensure the Fund's effectiveness.

General and specific objectives: the general objective of the Fund for European Aid to the Most Deprived (the Fund) is to promote social cohesion in the Union by contributing to the achievement of the Europe 2020 strategy's objective of reducing by at least 20 million of the number of people in or at risk of poverty and social exclusion. This translates into the specific objective of supporting national schemes which provide non-financial assistance to the most deprived persons through partner organisations.

Scope: the Fund addresses **food deprivation, homelessness and material deprivation of children**. Each Member State may choose to address one or more of these forms of deprivation. It may also support accompanying measures, complementing material support, to contribute to the social reintegration of the most deprived persons.

Eligible population and targeting: the population eligible to receive material assistance comprises the most deprived persons of the Union. Definition of the criteria for identifying the most deprived persons to be assisted will be the **responsibility of the Member States or the partner organisations** since they are best placed to target the assistance taking local needs into account.

By defining the type of goods that will be distributed, namely food or basic consumer goods for personal use of homeless persons or of children, the Regulation also contains an **indirect targeting** mechanism.

N.B. the Fund may only be used to support distribution of food or goods that are in conformity with the Union legislation on consumer product safety.

Partner organisations: the partner organisations are the ones that deliver directly or indirectly the food or goods to the most deprived persons. In order to ensure that the Fund will contribute to sustainable reduction of poverty and to improvement of social cohesion, the partner organisations that deliver directly the food or goods will themselves have to undertake activities complementing the provision of material assistance, aiming at the social integration of the most deprived persons. The Fund itself may support such accompanying measures.

The national authorities may either purchase the food or goods or make them available to partner organisations or provide the partner organisation with funding for the purchase of the food or goods. If the purchase of food or goods is undertaken by a partner organisation, it can either distribute the items itself or entrust the distribution to other partner organisations.

Implementing provisions: the Fund will be implemented following the **model of cohesion policy**, i.e. **through shared management on the basis of one 7-year operational programme** per Member State covering the period 2014 to 2020.

Implementation arrangements: the proposal follows the approach of the structural funds in terms of implementation arrangements, allowing notably the Member States to use, if they so wish, the structures, designated authorities and procedures set up for the European Social Fund, in order to minimize the administrative burden related to the transition from the current scheme for distribution of food to the most deprived persons to the new Fund for European Aid to the Most Deprived. The provisions relating to programming, monitoring, evaluation and information and communication are, however, streamlined and simplified in order to be commensurate to the specificity of the objectives and target populations of the Fund.

Eligibility rules: the eligibility rules are also designed to take into account the nature of the Fund and of the various actors that will be involved in its implementation. In particular, the Regulation provides for simplified cost methods for the majority of categories of expenditure and opens options for the others categories.

Financial management of the Fund: the financial management and control system also derives from the structural funds logic. Also, some provisions have been adapted and simplified to be fully adequate to the types of operations that will be supported by the Fund, notably in terms of **pre-financing**, content of the payments applications to the Commission as well as proportional control. The partner organisations have a limited capacity to advance the funds necessary. Likewise, the Member States may have difficulties to mobilise the resources necessary to pre-finance the operations. In addition, the Member States facing the greatest fiscal constraints are likely to be those with the highest number of most deprived people. In order to address this situation, that could put at risk the achievement of the Fund's objective, **the level of pre-financing is set at 11% of the total allocation to a Member State**. This will allow covering up to 90% of the costs of the first year's aid campaign not counting technical assistance, transport, administrative costs and the accompanying measures.

BUDGETARY IMPLICATION: the global resources available for budgetary commitment from the Fund for the period 2014-2020 shall be EUR 2.5 billion at 2011 prices, in accordance with the annual breakdown set out in an annex to the proposal. For the purpose of programming and subsequent inclusion in the general budget of the Union, the amount of resources shall be indexed at 2% per year. Criteria will be laid down by the Commission, by means of implementing acts, setting out the annual breakdown of the global resources by Member State, taking into account the following indicators established by Eurostat:

- the population suffering from severe material deprivation;
- the population living in households with very low work intensity.

0.35% of the global resources shall be allocated to technical assistance at the initiative of the Commission.

Appropriations of around EUR 7.112 million between 2012 and 2020 are also provided for the management of the Fund (Heading 5 of the multiannual framework – human and administrative resources).

DELEGATED ACTS: the power to adopt delegated acts in accordance with Article 290 of the Treaty shall be devolved to the Commission in respect of the responsibilities of Member States concerning:

- the procedure for reporting irregularities and recovery of sums unduly paid,
- the modalities of exchange of information of operations,
- the arrangements for the adequate audit trail,
- the conditions of national audits,
- the designation criteria for managing authorities and certifying authorities,
- the identification of commonly accepted data carriers, and
- the criteria for establishing the level of financial correction to be applied.

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

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.

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

2012/0295(COD) - 12/06/2013 - Text adopted by Parliament, partial vote at 1st reading/single reading

The European Parliament **adopted** by 513 votes to 149, with 27 abstentions, **amendments** to the proposal for a Regulation of the European Parliament and of the Council on the Fund for European Aid to the Most Deprived.

The matter was referred back to the competent committee for re-examination. The vote is postponed until a later plenary session.

The main amendments adopted in plenary concern the following points:

Definitions: Parliament amends the definitions of the 'most deprived persons' and 'partner organisations'. It 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**.

Objectives of the Fund: Parliament considers 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** and should also support efforts by the Member States to alleviate the **acute material deprivation** of the homeless.

The Fund should also provide support for national schemes, although without replacing or reducing national programmes seeking to sustainably eradicate poverty and social exclusion.

Right to use the Fund: the right to use the Fund **should apply to all Member States**.

Forms of support: Parliament stipulates the possible forms of support from the Fund: (i) support for 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) accompanying measures, complementing the provision of food and basic material assistance, contributing to the social inclusion of and a healthier diet for the most deprived persons; (iii) assistance for beneficiaries to make more efficient use of local food supply chains.

Implementation: support from the Fund shall be provided in close co-operation between the Commission and the Member States in co-operation with as well as the **competent regional and local authorities and partner organisations involved**. Member States and the bodies designated by them for that purpose, or where appropriate, the competent regional authorities, shall be responsible for implementing the operational programmes.

Arrangements for the implementation and use of the Fund, and in particular the financial and administrative resources required in relation to reporting, evaluation, management and control shall take into account the limited **administrative capacity of organisations that function in the main thanks to volunteers**, and shall ensure that the administrative burden placed on them is not greater than it was under the previous programme.

The Commission and the Member States shall ensure the effectiveness of the Fund, in particular through monitoring, reporting and evaluation and through the **close and regular consultation of local and regional authorities and partner organisations** implementing the fund's measures in the impact assessments.

Avoidance of duplication: Parliament stipulates that in accordance with their respective responsibilities, and in order to **prevent double funding**, the Commission and the Member States shall ensure coordination with the European Social Fund, and with other Union policies and instruments, in particular Union actions in the field of health.

Member States shall take action to guarantee the **effectiveness** of the actions implemented.

Taking account of gender issues: Parliament calls for importance to be given to gender equality during the various stages of the preparation, the programming, management and implementation, the monitoring and the evaluation of the Fund, as well as in information and awareness-raising campaigns and exchanges of best practices, while using data broken down by gender, where available.

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

Nutritional quality of aid: Parliament also calls for the choice of food products to be based on principles of balanced nutrition and quality food, including fresh produce, and should contribute to a healthy diet of the end recipients. In this regard, it asks for **priority should be given to local and regional products**, taking climatic and environmental considerations into account, in particular with a view to the **reduction of food waste at every stage of the distribution chain**. This may include partnerships with companies throughout the food chain in a spirit of corporate social responsibility.

The choice of food products should be based on principles of balanced nutrition and quality food, including fresh produce, and should contribute to a healthy diet of the end recipients.

Moreover, Parliament underlines 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: in an amendment adopted in plenary, Parliament calls for the global resources available for budgetary commitment from the Fund for the period 2014-2020 shall not be less, in real terms, **than seven times the budgetary allocation**, adopted in the 2011 budget, for the aid for deprived persons programme.

N.B.: Parliament stipulates in a recital 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: Parliament maintains the co-financing rate foreseen by the Commission, in its proposal at 85% of the public eligible expenditure. **This rate may be increased** in the cases described in the proposal. Member States should be free to support the Fund's initiatives with additional national resources.

Operational programmes: Parliament considers that when each Member State submits to the Commission their operational programmes these should contain the following items (in addition to those already foreseen): 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 should 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: Parliament calls on the Commission to facilitate the exchange of experience, capacity building, networking but also **social innovation at Union level, thereby linking partner organisations and other relevant stakeholders from all Member States**. It calls for the organisations which represent the partner organisations at Union level on the implementation of support from the Fund to report **back at least once a year to the European Parliament** and to the Council and for the Commission to disseminate the results of these good practices.

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, Parliament calls for the development of a **deprivation index which allows for a more refined assessment of material deprivation of households**, based on indicators such as income level, income inequality, the ability to make ends meet, the level of over-indebtedness and the degree of satisfaction with living standards.

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: Parliament stipulates 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 should present a mid-term assessment of the Fund to the European Parliament and to the Council by March 2018 at the latest.

Union support: Parliament wants the beneficiaries and partner organisations to inform the public about the support obtained from the Fund by placing either at least one poster with information about the operation or a **Union flag** of reasonable size, at a location readily visible to the public.

Audits: changes were introduced in regard to audits. In particular, Parliament called for all supporting documents on operations to be made available for a period of **five years** (as opposed to three years as proposed by the Commission).

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

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

2012/0295(COD) - 25/02/2014 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 592 votes to 61 with 31 abstentions, a legislative resolution 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 matter had been referred back to the competent committee for re-examination during the session of 12 June 2013.

Parliament adopted its position at first reading under the ordinary legislative procedure. The amendments adopted in plenary are the result of a compromise between Parliament and Council. They amend the Commission proposal as follows:

Definitions: certain definitions have been amended, including 'basic material assistance' and 'most deprived persons'. The text includes two new definitions regarding:

- food and/or basic material assistance operational programme' (also referred to as 'OP I') meaning an operational programme supporting the distribution of food and/or basic material assistance to the most deprived persons, combined where applicable with accompanying measures;

- social inclusion of the most deprived persons operational programme' (also referred to as 'OP II') meaning an operational programme supporting the activities outside active labour market measures, **consisting in non-financial, non-material assistance**, aimed at the social inclusion of the most deprived persons.

Objectives: the Fund shall promote social cohesion, enhance social inclusion and therefore ultimately contribute to the objective of **eradicating poverty in the Union** by contributing to achieving the poverty reduction target of at least 20 million of the number of persons at risk of poverty and social exclusion in accordance with the Europe 2020 strategy, whilst complementing the Structural Funds. The Fund shall **complement sustainable national poverty eradication** and social inclusion policies, which remain the responsibility of Member States.

Scope of support: the Fund shall support **national schemes whereby food and/or basic material assistance**, are distributed to the most deprived persons through partner organisations selected by Member States. With the view to augmenting and diversifying the supply of food for the most deprived persons, as well as reducing and preventing food wastage, the Fund may **support activities related to the collection, transport, storage and distribution of food donations**. It may also support accompanying measures, complementing the provision of food and/or basic material assistance.

Implementation: support from the Fund shall be implemented in close co-operation between the Commission and the Member States **in accordance with the principle of subsidiarity**. Member States and the bodies designated by them for that purpose shall be responsible for implementing the operational programmes and carrying out their tasks. It is clearly stated that the Fund is **not meant to replace public policies undertaken by the Member States to fight poverty and social exclusion**, in particular policies that are necessary to prevent the marginalisation of vulnerable and low-income groups.

In accordance with their respective responsibilities, and to **prevent double funding**, the Commission and the Member States shall ensure coordination with the ESF, and with other relevant Union policies, strategies and instruments, in particular Union initiatives in the field of public health and **against food waste**.

Gender perspective: the Commission and Member States shall ensure that **equality between men and women** and the integration of the gender perspective are taken into account and promoted during the various stages of the preparation, programming, management and implementation, monitoring and evaluation of the Fund, as well as in information and awareness raising campaigns and exchanges of best practices. The Commission and the Member States shall use data broken down by gender, where available.

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

Nutritional quality of aid: the choice of food and/or the basic material assistance, shall also take into consideration climatic and environmental aspects, in particular with a view to reduction of food waste. Where appropriate, the choice of the type of food products to be distributed shall be **made having considered their contribution to the balanced diet of the most deprived persons**.

Budget: the resources for the Fund available for budgetary commitment over the period 2014 - 2020 shall be **EUR 3 395 684 880** in 2011 prices, in accordance with the annual breakdown set out in Annex II. The allocation of the appropriations of the Fund between the Member States for the 2014-2020 period takes into account in equal measure the following indicators assessed on the basis of data from Eurostat on the population suffering from severe material deprivation and the population living in households with very low work intensity. Furthermore, the allocation also takes into account the different ways of assisting the most deprived persons in the Member States. However, each Member State should be allocated the **minimum amount of 3 500 000 EUR** for the 2014-2020 programming period in order to set an operational programme with a meaningful level of resources.

The Member State's allocation for the Fund should be deducted from the Member State Structural Funds allocation.

Co-financing: the co-financing rate at the level of the operational programme amounts up to 85% of the eligible public expenditure. It may be increased in certain cases and Member States shall be free to support the Fund's initiatives with additional national resources.

Operational programmes: each Member State shall submit to the Commission, within six months of the entry into force of this Regulation, an OP I and /or an OP II, covering the period from 1 January 2014 to 31 December 2020. The text sets out the precise content of operational programmes in the annex of the draft regulation.

The Commission shall assess the consistency of each operational programme with the Regulation and its contribution to the objectives of the Fund, taking into account the ex ante evaluation. It shall ensure that there is no overlap with any operational programme financed by the ESF in the Member State.

Monitoring committee for an OP II: an OP II shall set out the specific objectives of the operational programme based on an identification of **national needs**, having regard to the results of the ex ante evaluation carried out in accordance with the Regulation. It must also contain a financing plan specifying the amount of the total financial appropriation in respect of support from the operational programme, indicatively broken down by type of action. The OP II shall be overseen by a **monitoring committee to review the effective application of OP II**. Provisions are made setting out the tasks of the committee.

Exchange of good practices: the Commission shall facilitate, including by means of a website, the exchange of experience, capacity building and networking, as well as dissemination of relevant outcomes in the area of non-financial assistance to the most deprived persons.

Relevant organisations that do not make use of the Fund may also be included.

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, following such consultation, shall **report back to the European Parliament** and to the Council in due course.

Implementation reports: from 2015 to 2023, the Member States shall submit to the Commission, by 30 June of each year, an annual implementation report for the operational programme implemented in the previous financial year. Member States shall draft the annual implementation report in accordance with a delegated, including **the list of common indicators**, and for the social inclusion operational programmes, of the **programme specific indicators**. Member States shall consult the relevant stakeholders, while avoiding conflicts of interest, on the implementation reports of OP I. The Commission shall present a summary of the annual implementation reports and the final implementation reports to the European Parliament and to the Council in due course.

Evaluations: the Commission shall present a mid-term evaluation of the Fund to the European Parliament and to the Council by 31 December 2018. The test sets out the framework under which this evaluation will take place, and the latter must be based on information regarding the beneficiaries of the aid.

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

2012/0295(COD) - 11/03/2014 - Final act

PURPOSE: the creation of a European Fund for the most deprived.

LEGISLATIVE ACT: Regulation (EU) No 223/2014 of the European Parliament and of the Council on the Fund for European Aid to the Most Deprived

BACKGROUND: the number of persons suffering from material, or even severe material, deprivation in the Union is increasing and in 2011 nearly 8.8 % of Union citizens lived in conditions of severe material deprivation. Accordingly, it is necessary to create a Fund in order to strengthen social cohesion by contributing to the reduction of poverty, and ultimately the eradication of the worst forms of poverty, in the Union by supporting national schemes that provide non-financial assistance to alleviate food and severe material deprivation and/or contribute to the social inclusion of the most deprived persons.

CONTENT: this Regulation establishes the Fund for European Aid to the Most Deprived, taking over from the [EU's Food Distribution programme](#) for the Most Deprived.

Objective of the Fund: the Fund shall promote social cohesion, enhance social inclusion and therefore ultimately contribute to the objective of **eradicating poverty in the Union** by contributing to achieving the poverty reduction target of at least 20 million of the number of persons at risk of poverty and social exclusion in accordance with the Europe 2020 strategy, whilst complementing the Structural Funds.

The Fund shall contribute to achieving the specific objective of alleviating the worst forms of poverty, by providing non-financial assistance to the most deprived persons **by food and/or basic material assistance**, and social inclusion activities aiming at the **social integration of the most deprived persons**.

The Fund shall complement sustainable national poverty eradication and social inclusion policies, which remain the responsibility of Member States.

Scope of support: the Fund shall support national schemes whereby food and/or basic material assistance, are distributed to the most deprived persons through partner organisations selected by Member States. With the view to augmenting and diversifying the supply of food for the most deprived persons, as well as reducing and preventing food wastage, the Fund may support activities related to the **collection, transport, storage and distribution of food donations**. It may also support accompanying measures, complementing the provision of food and/or basic material assistance.

Implementation: support from the Fund shall be implemented in close co-operation between the Commission and the Member States in accordance with the principle of **subsidiarity**. Member States and the bodies designated by them for that purpose, shall be responsible for implementing the operational programmes and carrying out their tasks under the Regulation.

N.B.: the Fund is not meant to replace public policies undertaken by the Member States to fight poverty and social exclusion, in particular policies that are necessary to prevent the marginalisation of vulnerable and low-income groups.

In accordance with their respective responsibilities, and to **prevent double funding**, the Commission and the Member States shall ensure coordination with the ESF, and with other relevant Union policies, strategies and instruments, in particular Union initiatives in the field of public health and **against food waste**.

Principles to be taken into account during implementation: implementing actions within the framework of the Fund must take into account certain factors such as:

- **gender equality;**
- **respect for the dignity** of the most deprived persons;
- choosing the food and/or the basic material assistance on the basis of **objective criteria** related to the needs of the most deprived persons (taking account of climatic and environmental aspects, in particular with a view to reduction of food waste).

Financial envelope: the resources for the Fund available for budgetary commitment for the period 2014 - 2020 shall be **EUR 3 395 684880** in 2011 prices, in accordance with the annual breakdown set out in Annex II.

The allocation of the Fund for every Member State takes into account in equal measure certain indicators assessed on the basis of the population suffering from severe material deprivation and the population living in households with very low work intensity. Furthermore, the allocation also takes into account the different ways of assisting the most deprived persons in the Member States. However, each Member State should be allocated the minimum amount of EUR 3 500 000 for the 2014-2020 programming period in order to set an operational programme with a meaningful level of resources.

The Member State's allocation for the Fund should be deducted from the Member State Structural Funds allocation.

Operational programmes (OP): each Member State shall submit to the Commission, within six months of the entry into force of the Regulation, an OP I and/or an OP II, covering the period from 1 January 2014 to 31 December 2020. The contents of the POs are set out in the Regulation and in an Annex.

- **An OP I** shall set out an identification of and a justification for selecting the type of material deprivation and a financing plan containing a table specifying, for the whole programming period, the amount of the total financial appropriation in respect of support from the operational programme;
- **An OP II** shall set out a strategy for the programme contribution to the promotion of social cohesion and poverty reduction in accordance with the Europe 2020 strategy, and a financing plan for the whole programming period.

The Commission will evaluate the internal coherence of the proposed operational programme and the contribution of the expected outputs to the objectives of the Fund in an ex ante evaluation.

It must ensure that there is no overlap with any operational programme financed by the ESF in the Member State.

There are specific provisions to ensure the monitoring, evaluation and communication of information relating to OPs as well as provisions on the functions of the **monitoring committees for the OPs**.

Cofinancing rate: the co-financing rate at the level of the operational programme amounts up to 85 % of the eligible public expenditure. It may be increased by 10 percentage points in certain circumstances set out in the Regulation and Member States shall be free to support the Fund's initiatives with additional national resources. The technical assistance measures implemented at the initiative of, or on behalf of, the Commission may be financed at the rate of 100 %.

Eligibility provisions are set out in detail in the Regulation.

Partner organisations: the food and/or basic material assistance for the most deprived persons may be purchased by the partner organisations themselves. Such assistance may also be purchased by a public body and **made available free of charge** to the partner organisations. In that case, the food may be obtained from the use, processing or sale of the products disposed of in accordance with [Regulation \(EU\) No 1308/2013](#), provided that this is economically the most favourable option and does not unduly delay the delivery of the food products to the partner organisations.

Provisions on implementation: the Regulation contains provisions on the forms of support and forms of aid as well as eligibility of expenditure. A Chapter is dedicated to the management and control of aid, including designation of certifying authorities and verifications and audits.

The Regulation also sets out details on financial management including financial corrections where irregularities are discovered.

Also set out are provisions on **communication of information** regarding the Fund, including by the Commission of actions supported, regular consultation of partner organisations, timely information to Parliament and Council, visibility of Funds granted in Member States through a Union emblem.

Report on implementation: from 2015 to 2023, the Member States shall submit to the Commission an annual implementation report for the operational programme implemented in the previous financial year. Member States shall draft the annual implementation report in accordance with a delegated act of the Commission, including the list of **common indicators**, and for the social inclusion operational programmes, of the programme **specific indicators**.

Member States shall consult the relevant stakeholders, while avoiding conflicts of interest, on the implementation reports of OP I. The Commission shall present a summary of the annual implementation reports and the final implementation reports to the European Parliament and to the Council in due course.

Evaluation: the Commission shall present a mid-term evaluation of the Fund to the European Parliament and to the Council by 31 December 2018.

The Regulation sets out the modalities of the evaluations which must be based, inter alia, on the views of stakeholders.

An ex post evaluation will take place in 2024.

Transitional measures: taking into account the date by which invitations to tender have to be issued, the time limits for adoption of the Regulation and the time needed for the preparation of operational programmes, rules are put in place to permit a smooth transition so that there is no interruption in the supply of food aid. To this end, the Regulation allows eligibility of expenditure from 1 December 2013.

ENTRY INTO FORCE: 12.03.2014. The Regulation is applicable from 1 January 2014.

DELEGATED ACTS: the Commission is empowered to adopt delegated acts in respect of the content of the annual and final implementation reports, including the list of common indicators, the criteria for determining the cases of irregularity to be reported, the data to be provided and the recovery of sums unduly paid, the rules specifying the information in relation to the data to be recorded and stored in computerised form within the monitoring systems established by managing authorities, etc. as well as the criteria for determining serious deficiencies in the effective functioning of management and control systems. The European Parliament or the Council may object to a delegated act within two months from the date of notification (which may be extended by two months.) If the European Parliament or Council express objections, the delegated act will not enter into force. There are provisions for urgent measures.