



EUROPEAN COMMISSION

Brussels, 28.5.2013
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Dear President,

The Commission would like to thank the Bundesrat for its Opinion on the Commission proposal for regulation on the Fund for European Aid to the Most Deprived (FEAD) {COM(2012) 617 final} and apologises for the delay in replying.

As regards the main concerns expressed in this Opinion, and namely those related to the subsidiarity question, the Commission would like to provide the following clarifications:

The Commission did conduct an examination of the EU Right to Act and Added Value during the impact assessment process. The main elements and results of this examination are provided under the sections "Right to Act" and "EU Added Value" of the impact assessment {SWD(2012) 350} and also in other parts, notably the analysis of the options. These findings were included, in a summarized form, in the explanatory memorandum accompanying the Proposal for a Regulation.

The Commission would like to point out that the objective of the proposed Fund is to contribute to strengthening the social cohesion of the Union, pursuant to Articles 174 and 175 of the TFEU. More concretely, as foreseen by Article 175, the new Fund proposed by the Commission would complement the range of existing EU financial instruments promoting economic, territorial and especially social cohesion.

The Commission acknowledges that promoting work and self-support is the best way to counteract social exclusion. In this regard, the European Social Fund is and will remain the main EU instrument for fighting poverty and social exclusion by supporting activation measures.

There are, however, a growing number of European citizens who are too excluded, too far from the labour market to benefit from the support that can be provided by existing Funds, in particular the European Social Fund. The FEAD is designed to promote social cohesion by assisting the most deprived persons towards social reintegration.

The Commission would like to draw the attention of the Bundesrat on the proposed obligation for the organisations that will provide support to the most deprived persons to couple the distribution of material assistance with accompanying measures, aiming at the social reintegration of the assisted persons. The distribution of food or goods is the entry point, to

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reach out for these people and help them to take the first steps on a path out of poverty, which makes the proposed Fund an instrument that goes beyond passive interventions.

In addition, the proposed Fund would be based on the national support schemes and would be implemented under shared management, leaving to the Member States the primary responsibility for identifying the most appropriate target groups and types of interventions. This would avoid duplication with existing national initiatives and allow tailoring the assistance to the national needs and conditions.

The Commission hopes that these clarifications address the main concerns raised in the Opinion of the Bundesrat and looks forward to continuing our political dialogue.

Yours faithfully,

*Maroš Šefčovič
Vice-President*