## **EUROPEAN COMMISSION**



Brussels, 19.9.2013 C(2013)5791 final

Dear Lord Boswell,

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

In reply to the House of Lord's assessment that the proposal breaches the principle of subsidiarity, 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 section "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 FEAD 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 expressing solidarity with these less fortunate citizens and assisting them towards social reintegration.

Lord BOSWELL
Chairman of the European Union Select Committee
House of Lords
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The Commission would like to draw attention on the proposed obligation for the organisations that will provide support to the most deprived 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 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 FEAD 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 Reasoned Opinion of the House of Lords and looking forward to continuing our political dialogue.

Yours faithfully,

Maroš Šejčovič Vice-President