HEADING 1B: Economic, social and territorial cohesion

Fund for European Aid to the Most Deprived

Lead DG: EMPL

I. Overview

What the programme is about?

The Fund for European Aid to the Most Deprived (FEAD) supports EU countries’ actions to provide assistance to the most deprived. This includes food, clothing and other essential items for personal use, e.g. shoes, soap and shampoo. Material assistance needs to go hand in hand with social inclusion measures, such as guidance and support to help people out of poverty. National authorities may also support stand-alone social inclusion measures that help the most deprived people integrate better into society.

The FEAD complements existing cohesion instruments, in particular the ESF, by providing assistance to those who too far from the labour market to benefit from the activation measures of the ESF.

EU added value of the programme

The Europe 2020 strategy for smart, sustainable and inclusive growth is based on a balanced vision of economic growth and social progress based on ambitious targets for employment, education and for poverty reduction. Poverty and social exclusion are major obstacles to the achievement of the Europe 2020 objectives.

By addressing basic needs, the instrument helps moderate the effects of poverty and social exclusion of people who find themselves in situations of severe deprivation. By enabling the most deprived members of the society to maintain their dignity and human capital it should contribute to strengthening social capital and social cohesion within their communities.

The mid-term evaluation shows that FEAD has a notable volume effect in nearly every Member State. The scope effect of FEAD can be clearly observed in terms of new target groups and activities, and greater territorial coverage. There is also evidence of considerable process effects in terms of mutual learning.

Implementation mode

Directorate-General for Employment, Social Affairs & Inclusion (DG EMPL) is the lead DG for the programme implementation. The programme is implemented through shared management with the Member States.

II. Programme Implementation Update

Implementation Status (2017-2019)

In June 2019, Member States submitted their 2018 Annual Implementation Reports (1). According to these, the fund contributed substantially to alleviate the worst forms of poverty in the EU and to promote social inclusion for those at the margin of society. Despite its limited budget, FEAD has shown that it successfully complements national efforts to address material deprivation and combat poverty and social exclusion. It notably addressed food deprivation, child poverty and homelessness.

In 2018, FEAD successfully delivered assistance in 26 Member States, making good progress to achieve its objectives.

FEAD support was provided to the most disadvantaged groups through meals, food packages or basic consumer items such as school supplies and toiletries (FEAD OP I). The total amount of eligible expenditure relating to provision of food support in 2018 was EUR 460 million and cumulatively EUR 1.7 billion. The monetary value of material support distributed in 2018 reached EUR 13 million, with a total of more than EUR 32 million over the whole period. Compared to 2017, the monetary value of basic material assistance increased by 29 %.

This support is complemented by accompanying measures promoting the social inclusion of end recipients, e.g. referring them to appropriate services, offering guidance on a balanced diet or providing advice on managing a household budget. Furthermore, four Member States (Germany, Denmark, Netherlands and Sweden) pursued dedicated social inclusion support (FEAD OP II) to specific target groups such as homeless or marginalised communities.

The programme outputs and results mirror the refinements made through applying lessons learnt from monitoring, evaluations or from the FEAD Network via specific programme amendments. Moreover, for programmes delivering food or basic material assistance, the inclusion and reporting of accompanying measures has become well established and more diverse.

The overall profile of target groups remains stable. In 2018, about 50 % of the end recipients were women (according to estimations of partner organisations), 29 % children aged 15 or below, about 10 % migrants, participants with a foreign background or minorities, and 7 % homeless people.

The FEAD is well on track to reach its objectives. However, a few obstacles to implementation persisted, such as capacity issues of partner organisations or logistical challenges. These were tackled e.g. through the flexibility of the fund design and strong

(1) Latest available data
cooperation between Managing Authorities and partner organisations. In Romania, implementation is lagging behind notably due to issues relating to public procurement. These issues are described in the Annual Implementation Report, and bilateral corrective action is underway.

**Key achievements**

Based on the 2018 Annual Implementation Reports (1) around 13 million people were supported in 2018 by FEAD which is above the average outcome for 2014-2017 period (12.7 million people supported). More specifically, food assistance is estimated to have reached 12.6 million people and basic material assistance is estimated to have reached 1 million people (2). More than 1.6 million tonnes of food were distributed between 2014 and 2018, from which 350 000 tonnes in 2018. In terms of social inclusion support to specific target groups such as homeless or marginalised communities (Germany, Denmark, Netherlands and Sweden), this reached more than 38 000 persons in 2018.

To illustrate the achievements of the fund on the ground, the following examples can be referred to from both Annual Implementation Reports and the Annual FEAD Case Studies publication (3):

- In Czech Republic, FEAD contributes to an effective system of providing subsidised meals to disadvantaged pupils in schools. High quality school catering for children in preschool and primary school age can be considered a practice fostering better inclusion of pupils into classes and improve school attendance. The number of participating schools and regions has been steadily growing.
- In Italy, the FEAD programme focuses on food aid and material assistance for the most deprived, reaching overall almost 2.7 million people in 2018. Specific efforts have been made to reach the homeless. The accompanying measures developed by the municipality of Turin provide provisional services to individuals facing emergency situations. 'Transitional kits’ are distributed allowing recipients to define most urgent needs. The support is embedded in a broader social inclusion strategy of the municipality in conjunction with NGOs, local health service providers and the University of Turin.

As regards the climate dimension, the FEAD horizontal principles apply, notably that the selection of food products and goods shall also take into consideration climatic and environmental aspects. In 2018, FEAD Partner Organisations chose from the food baskets only the type of products and the quantity desired according to the needs of the end recipients. This minimised the risk of providing supplies in which there is no interest and avoided food waste. As regards basic goods, the same consideration is taken: e.g. for the school starter kits distributed in Austria, only high quality sustainable products were chosen for environmental reasons; in Czech Republic, only environmentally friendly products which encourage recycling are ordered through FEAD.

The key achievements presented above contribute to the Sustainable Development Goals (1) *End poverty in all its forms everywhere (2) End hunger, achieve food security and improved nutrition and promote sustainable agriculture* and (10) *Reduce inequality within and among countries.*

**Evaluations/studies conducted**

The key findings of the latest evaluation (SWD(2019)148) (4) have been presented in the programme statement accompanying draft budget 2020.

According to Article 18 of FEAD regulation, the Commission shall carry out an ex post evaluation to assess the effectiveness and efficiency of the fund and the sustainability of results obtained, as well as to measure the added value of the fund. This ex post evaluation shall be completed by 31 December 2024.

Moreover, the Managing Authority of an OP I shall carry out a structured survey on end recipients in 2022.

**Forthcoming implementation**

In 2020 and 2021, the fund is expected to continue to support around 13 million people per year among the target group of the most deprived.

The year 2020 will be marked by the transition to the successor fund European Social Fund+ (ESF+), in which the FEAD will be merged.

Two FEAD Expert Group meetings are expected to be held in 2020 on FEAD implementation, including on closure arrangements and on aspects relating to the preparations for the 2021-2027 programming period. The Commission is planning mutual learning events of the FEAD Community of stakeholders, which succeeded the FEAD Network at the end of 2019. Moreover, in this context, further communication/dissemination activities will take place such as study visits, elaboration of thematic dossiers on topics related to the scope of FEAD, as well as elaboration and publication of catalogues on case studies. In addition, the Commission will organise the 2020 annual meeting with the EU level organisations representing the partners at national level.

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(1) Latest available data.
(2) As in several Member States the same recipients receive both food and goods, this apparent overlap is being subtracted in the calculations to ensure a prudent reporting approach.
(3) https://ec.europa.eu/social/main.jsp?langId=en&catId=1089&furtherNews=yes&newsId=9498
(4) https://ec.europa.eu/social/BlobServlet?docId=20911&langId=en
In 2020, the FEAD Regulation was amended to enable the fund to meet the COVID-19 pandemic related challenges, allowing additional flexibility and reducing administrative burden. This includes buying protective equipment for those delivering aid. Food and basic material assistance can now also be delivered through vouchers, lowering the risk of contamination.

**Outlook for the period 2021-2027**

In the Commission’s proposal for the next Multiannual Financial Framework, the current support to the most deprived (FEAD) will be integrated into the ESF+, aiming at creating synergies between social inclusion and material assistance. There are two ESF+ specific objectives addressing the type of support currently programmed under the FEAD, namely support to promote social integration of people at risk of poverty or social exclusion including the most deprived (specific objective X) and support to address material deprivation (specific objective XI).

Once the negotiations on the parts relating to the programming provisions are concluded, Member States are expected to formally submit draft programmes for 2021-2027. Under ESF+, Member States can either programme comprehensive ESF+ programmes of which the support to the most deprived is part of or they can put forward a separate ESF+ programme with the exclusive objective of addressing material deprivation.

The year 2021 is expected to see a continuation of current FEAD type of support. Since eligibility of expenditure for the new programming period is granted from 1 January 2021 or from the date of programme submission, whichever is earlier, no disruption or slowdown of support to the most deprived is foreseen. A pre-financing will be paid out of the 2021 commitment tranche at the start of the programmes to ensure that Member States have the means to kick off the preparations on the ground in a timely manner.

**III. Programme key facts and performance framework**

1. Financial programming

<table>
<thead>
<tr>
<th>Legal Basis</th>
<th>Period of application</th>
<th>Reference Amount (EUR million)</th>
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<th>Financial Programming (EUR million)</th>
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<tr>
<td>513,0</td>
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2. Implementation rates

<table>
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<th>2020</th>
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<tr>
<td>CA</td>
<td>Impl. Rate</td>
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<tr>
<td>Voted appropriations</td>
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</tr>
<tr>
<td>Authorised appropriations (*)</td>
<td>589,651</td>
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</tbody>
</table>

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2020

3. Performance information

**Programme performance**

FEAD is effectively providing much needed food and basic material assistance to a large number of most deprived and is complemented by accompanying measures providing guidance and advice aiming at their social inclusion. FEAD is also adaptable and responsive to emerging needs. The annual reach of around 13 million persons among the most deprived is stable and, given the size of the budget, substantial. FEAD is coherent with the Europe 2020 Strategy as well as with the European Pillar of Social Rights. It complements other EU funds, notably the ESF and the Asylum, Migration and Integration Fund (AMIF) by targeting different groups or providing complementary measures.

The contribution to achieving the specific and global objectives of FEAD is assessed twice during implementation, in 2017 and 2022. In 2017, the reporting concluded that FEAD helped to reduce severe material deprivation, it provided relief to the most deprived and it enhanced people’s path out of poverty. The overall outputs and results described above as well as in section on the Implementation status indicate that FEAD objectives are on track to be achieved and, with the exception of United Kingdom, there is no case of de-commitment. The contribution of FEAD to the attainment of its objectives was also acknowledged by the European Court of Auditors (ECA) in its relevant Special Report (*). According to said report, ‘the FEAD has been well embedded in the

(*) ECA Special report No 05/2019: FEAD-Fund for European Aid to the Most Deprived, available at:
social policy framework. Moreover, it contributes to Member States’ approaches in alleviating poverty. It further contains innovative social inclusion measures’.

However, due to the overall size of the fund, FEAD by itself cannot be expected to directly lift the most deprived out of poverty and, therefore, its contribution to the reduction of the number of people at risk of poverty and social exclusion cannot be measured in precise terms. This was also noted in the ECA Special Report aforementioned. The ECA report included relevant analysis and recommendations for the next programming period, comprising targeting, safeguarding social inclusion measures for recipients of basic material assistance and improving the assessment of social inclusion of FEAD end recipients. The Commission accepted the majority of recommendations noting that all the conditions for its fulfilment are ensured by the regulatory proposals for the ESF+ and the Common Provisions Regulation (CPR).

Between 2017 and 2019, and with a view to further strengthening performance, 18 FEAD Network meetings were held, dedicated to different aspects of FEAD implementation including targeted outreach to the most deprived such as children, homeless and older people. A dedicated session took place in 2019 on monitoring and evaluation of FEAD. The meetings allowed participants to present case studies, share challenges and solutions on issues of common interest in the delivery of FEAD activities. These Network meetings led to programme amendments through applying lessons learnt from monitoring and evaluations. The amendments envisaged adding and modifying operations, modifying eligibility criteria for the most deprived, and/or shifting financial resources within the operational programme. The total eligible public expenditure committed to support FEAD operations reached EUR 762 million in 2018. At the end of 2018, the cumulative committed expenditure (2014-2018) stood at nearly EUR 2.7 billion, or 61% of the total resources of the programmes (EU and national co-financing). A significant increase was also recorded in payments made to beneficiaries (EU and national co-financing) in 2018 (EUR 497.9 million) against previous years. Overall, the payments made to beneficiaries until 2018 amount to EUR 1.8 billion or 41% of total resources. The advanced implementation on the ground is also reflected in the financial execution of EU allocation: between 2014 and end 2019, the Commission had made interim payments in the amount of EUR 1.5 billion, representing 38% of the EU support (total payments including the pre-financing amount to EUR 1.9 billion or 49% of the EU allocation).

**General objectives**

**General Objective 1:** To promote social cohesion, enhance social inclusion and therefore ultimately contribute to the objective of eradicating poverty in the Union in accordance with the Europe 2020 Strategy

| Indicator 1: People at risk of poverty or social exclusion |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 122.9 | | | | | | | 96.2 | 2020 |
| Actual results | | | | | | | 96.2 |
| 122.0 | 119.1 | 118.1 | 112.9 | 110.2 |

Comment: FEAD addresses the worst forms of poverty but due to the small size of the fund and its complementarity to other national and EU poverty reduction efforts, cannot be expected to lift people out of poverty on its own. Moreover, the economic conditions in the period after 2008 were not conducive to reach this target. EU 2020 poverty target was set as at least 20 million fewer than in 2008 (116.2 million people).

Source: Eurostat – [2020_50] – People at risk of poverty or social exclusion

Unit of measure: in million people. The target is cumulative.

**Specific objectives**

**Specific Objective 1:** Alleviating the worst forms of poverty in the Union by providing non-financial assistance to the most deprived persons

**Indicator 1:** Number of persons receiving assistance from the Fund

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<td>2020</td>
</tr>
<tr>
<td>Actual results</td>
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<td>13.76</td>
<td>15.92</td>
<td>12.92</td>
<td>12.85</td>
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Methodology: FEAD is a new fund, hence with a baseline at 0. The figures used in the framework of the food assistance programme are established through a methodology which does not yield figures that could be comparable to the one of the new FEAD, thus they cannot be used as a baseline.

In 2014, the Commission and the Member States agreed on a common set of output and result indicators on which the Member States report.

annually (in the Annual Implementation Reports) from 2015 to 2024 for both OP I type of programmes (food aid and/or basic material assistance) and OP II type of programmes (social inclusion support). The reporting is performed at programme level.

In terms of target and milestones, there is no requirement in the FEAD performance framework for Member States. The Commission made an adjusted forecast of 12.7 million annually based on the actual performance between 2014-2017, as stated also in FEAD Mid-Term Evaluation.

Unit of measure: Number of persons receiving assistance from the Fund reported annually (in millions).

**Expenditure related outputs**

<table>
<thead>
<tr>
<th>Outputs</th>
<th>Number of outputs foreseen (F) and produced (P)</th>
</tr>
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<tbody>
<tr>
<td>Number of deprived persons receiving assistance from the Fund</td>
<td>F</td>
</tr>
<tr>
<td></td>
<td>P</td>
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4. Contribution to Europe 2020 Strategy and mainstreaming of policies

**Contribution to Europe 2020 headline targets**

**Table Contribution to Europe 2020 headline targets**

| 20 million less people should be at risk of poverty |

**Gender mainstreaming**

Article 5(11) of the FEAD Regulation obliges Member States to ensure that equality between men and women and the integration of the gender perspective are taken into account during the various stages of programme implementation. Based on the information provided in the 2018 Annual Implementation Reports, about half of all persons who benefited from FEAD in 2018 were women. In the majority of cases, the most deprived individuals are identified on the basis of economic criteria, which prevent discrimination in access to aid based on gender, origin, religion or belief, disability or sexual orientation. This is, however, a general principle applied across the implementation of the programme and it is not relevant to produce estimates of budget contributions.

5. Programme contribution to the Sustainable Development Goals (†)

**SDG 1 End poverty in all its forms everywhere**

The FEAD promotes social cohesion, enhances social inclusion and ultimately contributes to achieving the EU2020 poverty reduction target. The FEAD contributes to the specific objective of alleviating the worst forms of poverty by providing non-financial assistance to the most deprived persons. In all programmes, FEAD strives to offer pathways out of poverty to the most deprived, according to the target groups of the programme.

**SDG 2 End hunger, achieve food security and improved nutrition and promote sustainable agriculture**

The vast majority of the fund is being allocated to food support, together with accompanying measures towards social inclusion. FEAD programmes take into account sustainability aspects, minimising food losses, avoiding food waste and promoting a balanced diet. For example, in France, the carbon footprint is taken into account in the tenders of selecting suppliers; in Slovakia and Estonia the composition of food baskets was reviewed by the national public health authorities.

**SDG 10 Reduce inequality within and among countries**

The FEAD finances specific actions to promote the social inclusion of the end recipients through dedicated outreach to specific target groups. For example, it targets the homeless or migrants in Germany, Sweden or Denmark, thereby aiming to reduce inequalities and unequal access to social services, while in Slovenia the programme specifically reaches out persons in remote areas and those not being mobile, therefore reducing inequalities in accessibility.

(†) This section should be read in conjunction with the ‘Key achievements’ section.