

EUROPEAN COMMISSION

> Brussels, 30.8.2021 COM(2021) 494 final

# REPORT FROM THE COMMISSION TO THE COUNCIL AND THE EUROPEAN PARLIAMENT

Summary of the annual implementation reports for the operational programmes cofinanced by the Fund for European Aid to the Most Deprived in 2019

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# 1. INTRODUCTION

The Fund for European Aid to the Most Deprived (FEAD) helps address the worst forms of poverty in the EU, such as food deprivation, child poverty and homelessness. A total of EUR 3.8 billion (current prices) is available from the FEAD<sup>1</sup> for 2014-2020. The EU provides up to 85% of funding, which is complemented by the Member States' own resources. This brings the total value of the fund to around EUR 4.5 billion.

Member States can use the fund in two ways:

- for a food and/or basic material assistance operational programme (OP I); and/or
- for a social inclusion operational programme (OP II).

Food and/or basic material assistance must be complemented by accompanying measures, such as educational activities to promote healthy nutrition and advice on food preparation and storage, psychological and therapeutic support, skills programmes, advice on managing a household budget, social and leisure activities and provision of legal services.

In accordance with its legal basis<sup>2</sup>, this summary is based on the 2019 national implementation reports, which the Commission received from Member States<sup>3</sup>. Consequently, this report does not take into account the new provisions adopted by the co-legislators in 2020 in response to the COVID-19 pandemic.

Still, as in previous years, the report includes developments and financial information beyond 2019 – where available – notably on the Commission initiatives following the outbreak of the pandemic and other initiatives as well as on the next multiannual financial framework (MFF) 2021-2027.

In the reporting year, i.e. before the COVID-19 pandemic, the proportion of people at risk of poverty or social exclusion fell for a seventh consecutive year, dropping to 21.4% in 2019 from 21.9% in 2018. The proportion facing severe material deprivation fell from 5.9% in 2018 to 5.4% in 2019. In terms of population, this represents 27.3 million people, a drop of 2.4 million from the previous year.

**However, 107 million people remain at risk of poverty and social exclusion.** The EU has fallen short of its 2020 target to reduce the number of people at risk of poverty or social exclusion by at least 20 million; by the end of 2019, it had only reduced the number by 10 million. Children – particularly those with low skilled parents – and people with disabilities face a substantially higher risk of poverty or social exclusion. Overall, 23.1% of children (16 years or younger) were at risk of poverty or social exclusion in 2019. Those

<sup>&</sup>lt;sup>1</sup> Regulation (EU) No 223/2014 of the European Parliament and of the Council of 11 March 2014 on the Fund for European Aid to the Most Deprived (OJ L 72, 12.3.2014, p. 1). The Regulation was amended in August 2018, through a revision of the Financial Regulation: <u>https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1537946431022&uri=CELEX:02014R0223-</u>20180802

<sup>&</sup>lt;sup>2</sup> Article 13(9) of Regulation (EU) No 223/2014.

<sup>&</sup>lt;sup>3</sup> All 27 Member States submitted an implementation report. The time lag in overall aggregated reporting was because all of the implementation reports being submitted from the Member States were only submitted by the end of September 2020 rather than end of June 2020, due to the exceptional circumstances caused by the pandemic.

experiencing severe housing deprivation<sup>4</sup>, one of the starkest manifestations of poverty, stood at 3.8% in 2019, down only 0.2% since 2018. Put together, these statistics show that, overall, the situation with poverty in the EU improved up to 2019.

However, there is growing concern of a large increase in poverty, as the COVID-19 pandemic is very likely to exacerbate the situation, going against the trend observed until 2019. The pandemic is likely to have increased the number of families at risk of poverty or social exclusion as well as more broadly societal inequalities in the areas of education and mental health<sup>5</sup>. Therefore, there is a continued need to provide support to society's most disadvantaged groups.

#### 2. FUTURE EU DEVELOPMENTS

In response to the COVID-19 pandemic, two Coronavirus Response Investment Initiatives (CRIIs) were adopted. The second of these investment initiative (CRII+)<sup>6</sup>, adopted in April 2020, provides for extraordinary flexibility in using the European Structural and Investment Funds. Moreover, it introduces specific support measures to help the most deprived by changing the rules for operating the FEAD programme, enabling managing authorities, partner organisations and other stakeholders to react quickly to the emerging challenges. For example, it is now possible to deliver food aid and basic material assistance through vouchers and to provide personal protective equipment, thus reducing the risk of contamination for those providing aid and assistance. It also introduced a co-financing of 100% for the accounting year 2020-2021. By the end of April 2021, the uptake of CRII and CRII+ resulted in 12 FEAD programme amendment proposals in 9 Member States (AT, ES, FR, HR, HU, LU, IT, PT and RO): 8 amendments to benefit from the 100% co-financing rate and 4 amendments to introduce emergency measures to respond to the COVID-19 pandemic.

In addition, the Recovery Assistance for Cohesion and the Territories of Europe (REACT-EU)<sup>7</sup> came into force in December 2020 as part of the 'Next Generation EU' recovery scheme. REACT-EU provides additional resources to current cohesion policy programmes, while also allowing Member States to inject further resources into the FEAD programme. To ensure quick delivery, Member States will receive a substantial pre-financing payment (11%) so they can immediately deploy the additional resources and will again not be required to contribute national co-financing.

For the 2021-2027 MFF, FEAD is integrated into the European Social Fund Plus (ESF+) to improve synergies between the funds. In order to boost support for social inclusion, the ESF+ regulation<sup>8</sup> requires that at least 25% of the ESF+ shared management strand be allocated to fostering social inclusion (compared to 20% under the 2014-2020 ESF), and with a further minimum allocation of 3% per Member State to address material deprivation, the current key objective of FEAD.

<sup>&</sup>lt;sup>4</sup> The severe housing deprivation rate is defined as the percentage of the population living in a dwelling which is considered as overcrowded, while also exhibiting at least one of the following features of housing deprivation: a leaking roof, no bath/shower and no indoor toilet, or a dwelling considered too dark.

<sup>&</sup>lt;sup>5</sup> Growing up in lockdown: Europe's children in the age of COVID-19. <u>https://www.eurochild.org/resource/growing-up-in-lockdown-europes-children-in-the-age-of-covid-19/</u>

<sup>&</sup>lt;sup>6</sup> https://ec.europa.eu/commission/presscorner/detail/en/qanda 20 574

<sup>&</sup>lt;sup>7</sup> https://ec.europa.eu/commission/presscorner/detail/en/QANDA\_20\_948

<sup>&</sup>lt;sup>8</sup> Regulation (EU) 2021/1057 of the European Parliament and of the Council of 24 June 2021 establishing the European Social Fund Plus (ESF+) and repealing Regulation (EU) No 1296/2013

On the basis of a proposal by the Commission, the Council has adopted a recommendation on creating a 'European Child Guarantee'<sup>9</sup>. This initiative is a concrete deliverable of the European Pillar of Social Rights action plan and it implements principle 11 under the Pillar stipulating that children have the right to affordable early childhood education and care of good quality and to protection from poverty. The recommendation calls upon Member States to guarantee that children in need (i.e. people under 18 living in households at risk of poverty or social exclusion) have free and effective access to a number of key services, including at least one healthy meal each school day, as well as effective access to healthy nutrition in general. The recommendation encourages the Member States to:

- support access to healthy meals also outside of school days, including through inkind or financial support;
- ensure that nutrition standards in early childhood education and care and education establishments address specific dietary needs;
- limit advertisement and restrict the availability of foods high in fat, salt and sugar in early childhood education and care and education establishments; and
- provide adequate information to children and families on healthy nutrition for children.

# **3. COORDINATION OF THE FEAD AT EU LEVEL**

**The FEAD expert group remains the main forum for managing authorities to exchange information on the fund's implementation.** The expert group met twice in 2019 and four times in 2020 to discuss aspects of the FEAD programme's implementation, notably accompanying measures, food donations, audits, coordination with other EU funds, simplified cost options and e-vouchers. In 2020, the agenda of the meetings also included the response to the crisis linked to the COVID-19 pandemic, including the relevant FEAD Regulation amendments. In October and December 2020, the FEAD expert group met jointly with the ESF technical working group.

**On stakeholder relations, the Commission hosted 18 FEAD network meetings between 2016 and the end of 2019.** In each meeting, participants had the opportunity to present case studies and share challenges and solutions on specific aspects of FEAD implementation, for example targeted outreach to the most deprived – such as children, the homeless and older people. A 2019 meeting focused on the fund's monitoring and evaluation, highlighting substantial efforts by managing authorities and partner organisations. The FEAD networking activities continued in 2020 and 2021 with the First Annual Conference of the FEAD Community (October 2020), which provided an opportunity to take stock of FEAD's achievements and discuss future challenges. In February 2021, there was a thematic seminar which discussed new beneficiaries of FEAD-funded measures and new practices implemented during the COVID-19 crisis. In line with the Regulation, the Commission also hosted annual EU-level meetings in 2018 and 2019, steered by representatives of the partner organisations. These focused on the transition to a new phase of capacity building.

<sup>&</sup>lt;sup>9</sup> Council Recommendation (EU) 2021/1004 of 14 June 2021 establishing a European Child Guarantee

#### 4. PROGRESS IN IMPLEMENTING THE OPERATIONAL PROGRAMMES<sup>10</sup>

#### 4.1. Financial implementation

**The financial implementation of FEAD programmes in 2019 is in line with the expected trend**. Total eligible public expenditure committed under the FEAD programme, having steadily increase from EUR 569.5 million in 2016, to EUR 633.3 million in 2017 and EUR 762.2 million in 2018, dropped to EUR 608 million in 2019. This decrease is consistent with the significant proportion of the FEAD budget already committed in the previous years.

At the end of 2019, the cumulative funds committed (for 2014-2019) amounted to nearly EUR 3 340 million, or 74% of the total resources of the programmes (which include EU funds and national co-financing). Payments to beneficiaries decreased slightly in 2019 (EUR 478.5 million) against 2018 (EUR 501.2 million) but remained well above those in previous years (EUR 412.8 million in 2017 and EUR 435.2 million in 2016). See Table I in the Annex<sup>11</sup> for a detailed financial breakdown by indicator and by Member State.

The payment applications submitted by Member States to the Commission in 2019 amounted to EUR 663.9 million in eligible public spending. This was a substantial increase compared to previous years (EUR 346.4 million in 2018, EUR 478.2 million in 2017 and EUR 353.4 million in 2016), due in part to the flexibility Member States have in submitting their payment requests. In total, the payment applications submitted to the Commission for 2014-2019 amounted to EUR 1 888.3 million.

By 31 December 2019, the Commission had reimbursed a total of EUR 1.5 billion in interim payments (EUR 2.0 billion by the end of 2020 – representing 52% of the total 2014-2020 allocation). The FEAD financial implementation is generally on track and matches the programme's progress on the ground (see following section). Moreover, very few automatic de-commitments have been made to date<sup>12</sup>.

# 4.2 Implementation on the ground

#### **Reach-out of the FEAD and profile of end recipients**

**FEAD support continued in 2019 in 26 Member States, building on the progress made in previous years**<sup>13</sup>. Most Member States (22 out of 26) distributed food and/or basic material assistance and provided accompanying measures (OP I - see Table 1), with IT reporting, for the first time, figures in the monitoring system about basic material assistance <sup>14</sup>. Four Member States continued to run social inclusion programmes (OP II - see Table 1).

<sup>&</sup>lt;sup>10</sup> Figures present the situation for the programming period 2014-2020 implemented up to 31 December 2019, as reported by 21 October 2020 in the annual implementation reports

<sup>&</sup>lt;sup>11</sup> Several Member States have updated certain values of FEAD common input indicators for 2015, 2016, 2017 and 2018. Therefore, values reported in this section may differ from those published in previous years.

<sup>&</sup>lt;sup>12</sup> Only the UK faced automatic de-commitments as it decided not to implement the FEAD. On 20 January 2020, it informed the Commission in writing of its withdrawal from the food and/or basic material assistance operational programme for support under the FEAD programme for the period from 1 January 2014 to 31 December 2020.

<sup>&</sup>lt;sup>13</sup> RO provided no assistance in 2019 due to delays in redesigning its operational programme following institutional changes, which were compounded by problems with public procurement.

<sup>&</sup>lt;sup>14</sup> Italy began distributing basic material assistance in 2018 under measure 4 but did not enter anything into the monitoring system

OP	Type of assistance	Member State
OP I	Food	BE, BG, EE, ES, FI, FR, MT, PL, PT, SI (10)
	Basic material	AT (1)
	Both	CY, CZ, EL, HR, HU, IE, IT, LT, LU, LV, SK (11)
OP II	Social inclusion	DE, DK, NL, SE (4)

Table 1. Type of assistance delivered in 2019

Source: SFC2014

In 2019, an estimated 12.2 million people benefited from FEAD food assistance, over 800 000 received material assistance, and around 30 000 benefited from social inclusion support. Over 12.5 million people in total benefitted from FEAD support, according to a conservative estimate<sup>15</sup>. The most significant increases in end recipients were found in FR (450 132 more than in 2018), HR (132 675 more), LV (58 904 more), IE (42 713 more), and FI (34 229 more). Conversely, 17 Member States recorded a reduced number of end recipients, especially IT (594 297 fewer than in 2018)<sup>16</sup>, EL (70 961)<sup>17</sup>, as well as CZ, BG, PL and SK. Furthermore, RO continues to face implementation issues (see below).

<sup>&</sup>lt;sup>15</sup> In operational programmes where both food support and basic material assistance is provided to the same people, the apparent overlap from annual implementation report data has been subtracted for the purpose of reporting aggregated figures.

<sup>&</sup>lt;sup>16</sup> According to its annual implementation report, the fall in the number of end-beneficiaries in Italy might be ascribed to the implementation of the reform on guaranteed minimum income ('Reddito di Cittadinanza') as well as increased quality in data transmission thanks to ICT developments.

<sup>&</sup>lt;sup>17</sup> Caution should be exercised when comparing data with previous year's figures due to changes in the FEAD monitoring system as reported in the annual implementation report.

Figure 1. Number of people receiving food support and/or basic material assistance (millions)

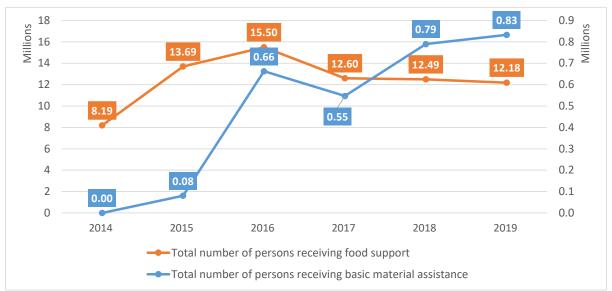
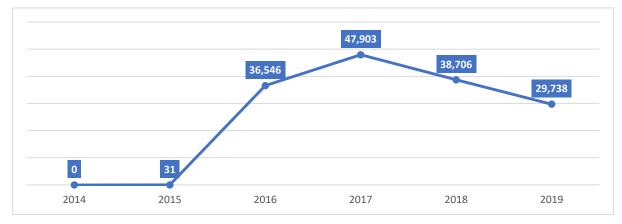


Figure 2. Total number of people receiving social inclusion support



Source: SFC2014

The overall profile of end recipients of FEAD support has remained broadly unchanged. As in previous years, just under half (49%) of all those assisted were women. Children received over 30% of the available support, followed by migrants, people with a foreign background or minorities (10%), and the homeless (7%). In 2019, 8% of FEAD end recipients were people aged 65 or above and slightly less than 5% were people with disabilities. These figures are estimated by the partner organisations and should be treated with caution.

**Children account for around 30% of those who received food, basic material or social inclusion assistance in 2019.** This share has slightly increased compared to previous years. In several Member States, children received the largest share of food support – particularly in CY, CZ, HR, HU and MT – where it ranged between 42% and 92% of the total end recipients. Similarly, CY, IE, HU and AT had a high proportion of children as end recipients of basic material assistance - ranging between 86% and 100%. Programmes in these countries feature specific support to children.

# *Box 1. National examples of reaching out to children*

In 2019, most of the Member States that targeted support towards children continued to implement activities already started in 2018.

**Czechia**: CZ provides subsidised meals to disadvantaged children in schools. High-quality school catering for children in preschool and primary school age is thought to encourage better school attendance by pupils. The number of schools participating in such schemes is growing steadily. On material assistance, goods distributed in CZ include five types of infant formula and follow-on milk for different age groups, and baby food.

**Cyprus**: Children account for the largest proportion of end recipients of both food (92%) and material assistance (100%). Free meals prepared in school canteens are provided to deprived schoolchildren. On material assistance, a 'baby dowry' package, which includes basic consumer goods for baby care, is provided to vulnerable new parents.

**Croatia**: A school programme provides assistance to children living in poverty or who are at risk of poverty. These children receive school meals, as well as school bags and other school material.

**Germany**: DE targets its support towards children of EU-migrants in pre-school age (up to 7 years old) offering them early education. DE also support their parents offering parental support.

**Hungary**: Children represent a large proportion of end recipients. Children of poor families receive support in the form of food packages and basic material assistance. Food support provided to poor, pregnant women can also help prevent their new-born children from being subjected to material deprivation.

**Ireland**: Children from families using food banks also benefit from these schemes. Homestarter kits (that include baby kits) that are given to refugee families moving into new homes also benefit children. Furthermore, in 2019, children of international protection applicants living in state-provided accommodation received school kits.

Austria: Support in the form of school bags and other school materials is directly targeted to school-aged children whose families receive minimum income.

**Greece**: Children benefit from food aid distribution and also receive specific material assistance, including school bags and stationary material. Children are targeted by specific accompanying measures such as children-specific psychosocial support, empowerment and social inclusion services, social tutoring, and cultural and creative activities.

**Latvia**: Children receive specific aid. This includes i) food packages for infants and young children split into three types of packages based on age: 7-12 months, 13-18 months, and 19-24 months; ii) sets of hygiene products for infants and young children aged 0 to 24 months - four types of sets, 0-6 months, 7-12 months, 13-18 months, 19-24 months; iii) individual teaching aids for children aged 5 to 10; and iv) individual teaching aids for children aged 11 to 16. To prevent discrimination, LV specifically ensures that school materials (such as school bags) do not include colours, shapes and drawings that encourage stereotypical perceptions of girls and boys.

Around 10% of end recipients were migrants, people with a foreign background or minorities. However, this share can be underestimated as information on migrants receiving support is not always reported for data protection reasons (EL, FR and SK). Migrants in general are the largest group, followed by refugees and asylum seekers.

An estimated 7% of FEAD end recipients were homeless people, with this proportion remaining stable in 2018 and 2019. However, the number of homeless people is particularly difficult to estimate as they are not registered and are often reluctant to provide any personal information. In CZ, FR, and IE, more than 13% of end recipients who received food assistance were homeless people. In IT, the proportion of homeless people receiving assistance continued to fall compared to 2018 and 2017.

#### **OP I – Food assistance**

**In 2019, food aid remained broadly stable compared to the previous year,** although a slightly decreasing trend is visible starting from 2016. Around half of the 21 Member States implementing OP I, either increased or maintained the quantity of food delivered. Overall, slightly less food was delivered in 2019 than in 2018, with increases, particularly in ES, FR and IT, being offset by a decrease in PL and BG<sup>18</sup>.

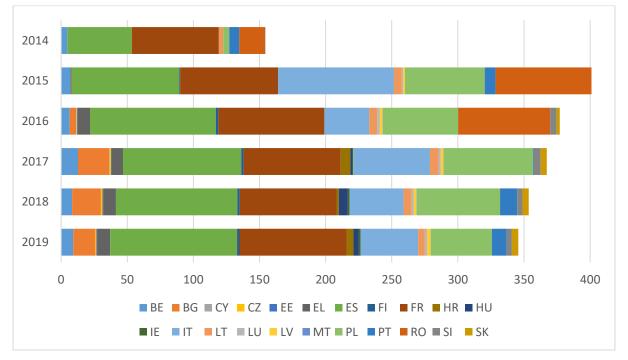


Figure 3. Food assistance provided in 2014-2019 (thousands of tonnes) by Member State

Source: SFC2014

**Over half (55%) of food aid consisted of dairy products and flour, bread, potatoes and other starchy products.** The proportion of dairy products was particularly high in FR and ES. In FI, LV, SK and IT the proportion of flour, bread, potatoes and other starchy products was high (50% and above). The amount of fruit and vegetables (Common output indicator 4 - See Annex), and meat, eggs, fish and seafood (Common output indicator 5 - See Annex) distributed continued to rise through 2017-2019, up to 17.5% and 8.5% respectively in 2019. The quantity of fats and oils varies across Member States and stands at 5% on average. The proportion of convenience food<sup>19</sup> is comparatively high in IE (25%) but otherwise reasonably low and decreasing at around 9% across the EU, especially due to the significant drop in HU (from around 36% in 2018 to around 18% in 2019). The cost of food distributed per person

<sup>&</sup>lt;sup>18</sup> Given the size of their programmes, these five Member States (ES, FR, PL, IT and BG) were responsible for 82% of the total amount of food delivered in 2019 and therefore any changes in their delivery significantly impacts the aggregated trend. However, their estimated amount of food distributed per end recipient is in line with that of the other Member States.

<sup>&</sup>lt;sup>19</sup> Convenience foods include ready-to-eat dry products, shelf-stable foods, prepared mixes, and snack foods.

varies quite significantly between Member States and from one year to another. This is mostly due to the amount and type of products distributed (e.g. a high rate of fresh produce) as well as the intensity of support.

All 21 Member States that distribute food – except CY - handed it out in the form of standardised food packages. Fourteen Member States provided meals as well: BE, BG, CY, CZ, EL, ES, FI, HR, HU, IE, IT, LV, PL and SK. Among them, some provided ready-made meals to schoolchildren (CY, CZ, EL and HR) or to homeless people (HU, IE, IT, LV, PL and SK). The EE food banks continue to work closely with local authorities and cooperated with municipalities to get as close to people's homes as possible. Thanks to good communication between partners, as in 2018, 95% of all food aid packages were distributed during the target period. As in previous years, food deliveries by partner organisations in BG, CY, HU and ES were entirely funded by FEAD, with this being the case also in EL for 2019.

#### **OP I – Basic material assistance**

The amount of basic material assistance increased significantly. In 2019, Member States distributed EUR 19.2 million in basic material assistance, 42% more than in 2018, which had already increased by 44% compared with 2017. Unlike 2018 though, the increase is not primarily due to additional Member States starting to provide basic material assistance<sup>20</sup>, but rather a widespread upward trend in providing material assistance. Increases were particularly marked in AT, EL, HR and LV. Seven Member States continued to distribute basic material assistance, similar to the previous year (CY, CZ, HU,IE, LT, LU and SK). IT began reporting progress on basic material assistance following the start of operations in 2018, providing homeless people with basic goods. Most goods were distributed in four Member States: AT, EL, HR and HU (see Figure 4). Homeless people were especially targeted by the housing support measures in IT, but received assistance also in CZ, EL, HR and SK and were provided with personal care products and other supplies. In CZ, HR and IT, they also received kitchen equipment (those people who were being re-housed or lived in precarious accommodation) and clothes, and in CZ, EL, HR and IT they received sleeping bags/blankets.

School supplies and personal care products for families with children continued to be the main basic material assistance items distributed through FEAD. In 2019, items delivered to families with children included stationery and school materials (AT, EL, HR, HU, IE and LV), school bags (AT, EL, HR and LV), baby-care packages (CY, EL, HR, HU and IE), sports equipment (EL and HR) and clothes (EL, HR and IT). In EL, HU, LU, LV and SK, items such as laundry detergent, cream and soap for babies and toddlers, wet wipes and diapers were also distributed.

<sup>&</sup>lt;sup>20</sup> Italy started providing basic material assistance in 2018 and began measuring that support in 2019. However, it only accounts for roughly 15% of the overall increase in material assistance.

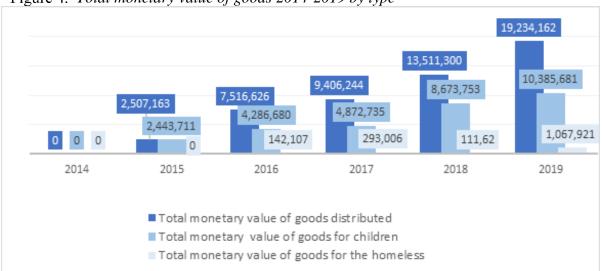
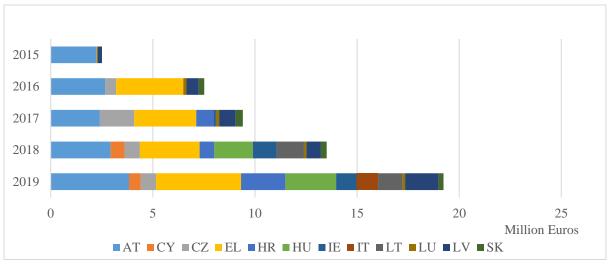


Figure 4. Total monetary value of goods 2014-2019 by type

Figure 5. Total monetary value of goods 2014-2019 by Member State



Source: SFC2014

# **OP I – Accompanying measures**

In compliance with the FEAD Regulation, Member States that implemented OP I programmes in 2019 also provided accompanying measures. Most Member States continued offering numerous accompanying measures. For example:

- AT included in each school starter pack, a brochure covering several topics, including information on other services such as financial training, food aid and clothing distribution, as well as handy tips on school for children;
- EE distributed a new issue of 'Help', the magazine containing a contact list of useful organisations and recipes using the food included in the packages; and
- PL further expanded their offer of accompanying measures, including activities such as physiotherapy and training exercises for people with obesity to help prevent spine diseases.

Other measures included:

- a large-scale socio-professional integration project based on various 'Magasins Citoyens' (citizens shops)<sup>21</sup> located in La Louvière city centre which offer numerous services (e.g. second-hand clothing store and support to job seekers), set up by the CPAS (the public social action centres) (BE);
- the Educational Psychology Service that helps integrate and support children with sensory or intellectual disabilities, or severe learning difficulties through programmes such as the 'Literacy programmes in High Schools' (CY); and
- 'Solidarity in the Drama<sup>22</sup> region', a social partnership to help older people (EL).

Most Member States carried out a combination of accompanying measures and only a few chose to focus on only one or two activities. Accompanying measures implemented in 2019 (see Figure 6) included:

- advice on food preparation and storage (BG, CZ, EE, FI, FR, HR, LT, LV, PL, PT and SK);
- educational activities to promote healthy nutrition, e.g. cooking workshops (BE, BG, CZ, EE, FI, FR, EL, HR, IE, IT, LT, LU, LV, PL and SK);
- advice on how to reduce food waste (BE, BG, HR, LU, LV, PL and PT);
- personal hygiene advice (BE, BG, CZ, HR, HU, LV, PL and SK);
- referral to relevant services (e.g. social/administrative) (AT, BE, BG, CZ, EE, ES, FI, FR, HR, IE, IT, LU, LV and SK);
- individual coaching and workshops (CZ, EL, HR, MT and SI);
- psychological and therapeutic support (CY, CZ, EL, FR, HR, HU, IT, LT, PL, SI and SK);
- advice on managing a household budget (BE, BG, CZ, EE, EL, FR, HR, IE, IT, LT, LV, PL, PT and SK);
- social and leisure activities (CZ, EE, FI, FR, EL, HR, LV, MT and SI);
- educational activities and skills training/programmes (FR, EL, HR, MT, PL and SI)
- provision of legal services (CZ, FR, HR, IE, IT, LT and PL);
- other accompanying activities (AT, BE, BG, CY, CZ, EE, ES, FI, FR, EL, IT, LU, MT, PL and SI), including personal support services, adult care, social transport, support for access to rights and school support.

<sup>&</sup>lt;sup>21</sup> <u>https://www.cpas.lalouviere.be/les-magasins-citoyens</u>

<sup>&</sup>lt;sup>22</sup> A city and municipality in north-eastern Greece

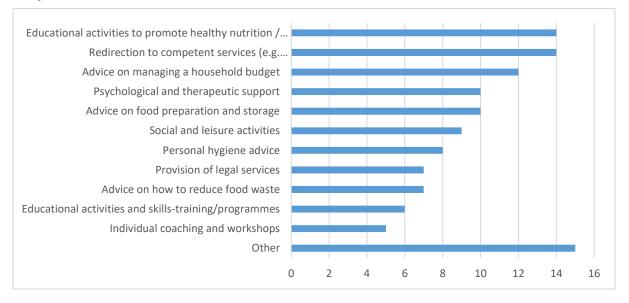


Figure 6. *Types of accompanying measures implemented in 2019 (n=22)* 

#### **OP II – Social inclusion**

As in previous years, OP II<sup>23</sup> Member States (DE, DK, NL and SE) implemented social inclusion actions.

In DE, the main activity was to reach out to newly-arrived adults and homeless people and improve their access to counselling and support measures. DE already exceeded various targets in this area. Nearly 90% of those newly-arrived adults and homeless people who participated in 2019 social inclusion activities went on to use social services (against a target of 70%<sup>24</sup>), in line with FEAD's role as a stepping stone towards greater social inclusion. The total number of homeless people and people at risk of homelessness that had received advice by 2019 stood at 26 830 – which is already 25% above the programmespecific target. Good progress was also made on reaching newly arrived children of kindergarten (preschool) age (16 674) and their parents (19 113)<sup>25</sup>. The goal of reaching 19 700 children and parents by 2020, as set out in the OP, should therefore be achievable.

In DK, conditions for homeless people – including those from other EU countries with permits to stay in DK – improved thanks to access to shelters and social workers. Through outreach activities, these people received temporary accommodation and storage facilities, and were able to participate in social activities and programmes to help them become more employable. A total of 2 169 individuals benefited from these activities in 2014-2019, already exceeding by 55% the target of 1 400 set for the 2014-2020 programming period.

In NL, the 'Elderly in the neighbourhood' project continued in 2019 with 581 participants. This was fewer than in 2018 and 2017. The project seeks to alleviate social exclusion among disadvantaged older people. All people reached were over 65. The total number of participants for 2014-2019 was 2 855 – 57% of the overall target (5 000).

<sup>&</sup>lt;sup>23</sup> Meaning Member States implementing 'social inclusion of the most deprived persons operational programme' (also referred to as 'OP II') 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.

<sup>&</sup>lt;sup>24</sup> This target was set in the Operational Programme and refers to the entire duration of the programme.

 $<sup>^{25}</sup>$  Between 2/3 and 6/7 years of age, although these age range might vary according to the MS context and access to preschool age

Although with the current pace the target for 2020 is still somewhat distant, a major result was that after one year in the programme, around 81% of the older people reached were still involved, 45% said that they had extended their social networks and 63% had strengthened their digital and financial skills. In 2019, roughly a third of participants had a migration background. Staff with specific language skills were recruited in order to overcome language barriers.

The social inclusion programmes in SE comprise two types of support: health promotion, and provision of basic information on Swedish society targeted at deprived people coming from other EU or EEA countries. The main target groups are homeless people (or people at risk of homelessness), migrants, people with a foreign background, minorities and women. The programme has so far reached out to 2 674 people, including 658 in 2019. The proportion of individuals reached by the OP and who claim to have better conditions for managing health and personal care has risen from 38% in 2016 to 70% in 2019. The percentage of individuals who claimed that they have received support or assistance has risen steadily – from 43% in 2016 to 93% in 2019. The target of 40% for both relevant indicators has been significantly exceeded.

# **Obstacles to implementation**

**Implementation obstacles were reported by 17 Member States.** Most of these reported challenges related to timing and delays in delivering the aid (BE, BG, CZ, DK, FR, EL, PL, PT and RO). Some of the delays resulted directly from procurement problems which occurred in the previous year (e.g. see RO below). Other challenges were related to:

- logistics, e.g. non-compliance with the principles of rational stock management 'first in, first out' (BE, EE, HR, LV, PL and PT);
- end recipients, e.g. lack of awareness, problems in reaching out to them (HR, NL, PL, SE and SK);
- monitoring and evaluation (IT, MT, RO and SE), e.g. difficulties in collecting data from end recipients, and the new monitoring system (in IT) being under construction;
- lack of capacity of partner organisations (DK, HU, IT and PL); and
- legal difficulties mainly related to the public procurement of the aid (BG, NL, PT and RO).

Only DK reported 'lack of capacities of managing authorities' as an obstacle to implementation. In 2019, RO was still not able to solve its implementation challenges and delays in procurement due to several complaints submitted by the rejected tenderers. In addition, the RO Ministry of Education did not submit any funding request for school materials. This resulted in a failure to distribute food or material aid for the third consecutive year. The Ministry of European Funds – the FEAD managing authority in Romania – is trying to help solve the problem in the next reporting period.

As in previous years, the flexibility of FEAD, and the strong cooperation between the managing authorities and partner organisations, helped countries overcome many of these obstacles. In some Member States (such as IT, IE and FR), the managing authority held regular meetings with partner organisations and relevant stakeholders to discuss and support the programme's implementation.

# **General principles**

Article 5 of the FEAD Regulation identifies principles that should be applied across the board when designing and implementing the Fund. These include complementarity of funding, gender equality, anti-discrimination, avoidance of food waste, a balanced diet, public health, and environmental and climate-related aspects. Member States should abide by these principles and report on them in their annual implementation reports.

#### Member States report on how they take these general principles into account.

They fulfil the complementarity principle by coordinating with other funding instruments to avoid double funding and increase the scope of assistance. In EE, Statistics Estonia<sup>26</sup> compiles and presents overviews of the overlap of participants in ESF measures and recipients of food aid through the FEAD programme. MT compiles a detailed list of projects under the ESF that complement the FEAD programme. MT also screens the applications received through the Asylum, Migration and Integration Fund to avoid double funding and ensure complementarity between that and the FEAD programme. In PT, the same managing authority oversees both the FEAD programme and ESF OP Social Inclusion and Employment, given that both funds complement each other. In SK, FEAD activities are used to identify the needs of the end recipients which are then fulfilled with longer-term solutions through other funds, namely social inclusion activities funded by the ESF. In IT, the measure which support homeless people is carried out through an integrated approach with the ESF with a view to providing longer-term social inclusion support in addition to material aid.

All Member States report compliance with gender-equality principles and antidiscrimination policies. Most Member States have defined objective eligibility criteria – i.e. an individual's socio-economic status – to identify the target group and the end recipients, preventing discrimination from occurring at any level of the aid distribution. Some effective practices employed in 2018 continued in 2019. DE distributes gender factsheets used by partner organisations as guidelines for implementing FEAD measures and ensuring gender equality. NL collaborates with an association representing older people with a migrant background, to ensure its approach remains inclusive. PL provides food and accompanying measures to meet the needs of various groups, i.e. older people, pregnant women, homeless people or people with disabilities. Although SE targets both men and women, it focuses particularly on women's health. SK ensures that both men and women are represented in the staff of partner organisations.

**Many Member States said that they distribute varied and nutritionally-balanced food.** In most cases, nutritionists or the relevant ministries (e.g. Ministry of Health in BG, the Ministry of Labour, Family, Social Affairs and Equal Opportunities in SI) helped prepare the food packages. IT selects products taking into account the need for adequate intake of proteins and carbohydrates typical of a Mediterranean diet. In PT, the food packages aim to ensure that 50% of the energy and nutrition needs of end recipients are met, and it includes daily portions of each of the seven food groups as set out in the *Food Wheel*<sup>27</sup>.

All Member States ensure that the food distributed complies with national safety and health standards. In addition, the quality of the food is frequently checked. Many Member States further support the health of end recipients by means of accompanying measures that promote a healthy lifestyle.

<sup>&</sup>lt;sup>26</sup> Statistics Estonia is the government agency responsible for producing official statistics.

<sup>&</sup>lt;sup>27</sup> The Food Wheel is a food-based dietary guideline. Please refer to <u>http://www.fao.org/nutrition/education/food-dietary-guidelines/regions/countries/Portugal/en</u> for more information.

In order to limit food waste, products with a longer shelf life are included in the food packages. Also, the storage capacity of warehouses is taken into consideration. For instance, CY plans the distribution of breakfasts based on the estimated number of people who benefit from them in order to avoid food waste. Another way to tackle food waste is to collect and distribute food surpluses.

Most Member States report in their annual implementation reports that they carried out environment-friendly actions. For instance, in FR, bidders are asked to provide information on  $CO_2$  emissions. HU aims to reduce emissions while transporting food, packing warm meals in heatproof plastic boxes and collecting used boxes. In LU, partner organisations can qualify for the 'SuperDrecksKëscht fir Betriber' quality label, which certifies the organisation's commitment to the environment. As already mentioned in the 2018 report, CZ uses environmentally friendly products and encourages the use of recycled material (e.g. toilet rolls made with 100% recycled paper).

# Evaluations

During 2019, at least in seven Member States (BE, BG, CZ, DE, FR, PL<sup>28</sup> and PT) evaluated FEAD activities. The majority of these were focused on assessing progress the FEAD programmes have made thanks to these activities, with most providing a positive assessment. BG carried out two evaluations in 2019, highlighting that the distribution of warm meals and basic goods reached the most vulnerable groups. The increase in funding for distribution of warm meals has further increased the number of end recipients (see box 2 below)<sup>29</sup>. As in recent years, AT collected feedback on the assistance provided through a questionnaire; 99% of the respondents were very satisfied or satisfied with the school starter pack and, more generally, with the measure implemented through the FEAD OP.

Some evaluations provide useful recommendations as regards the 2021-2027 programming period. The evaluation carried out in BE recommends, among other things, standardising procedures for identifying the most disadvantaged, better coordination of ordering and delivery, and greater transparency and simplification. FR, through the General Inspectorate of Social Affairs, prepared a report on the fight against food insecurity<sup>30</sup>. The report points to the challenges that exist in implementing FEAD, especially with respect to the distribution system and the support of voluntary workers and organisations. The report also envisaged a consultation among stakeholders about the new programming period, which was put on hold due to the COVID-19 crisis.

DE carried out an evaluation on the FEAD programme covering all aspects of its implementation. As the monitoring data shows, all targets have been over-achieved and the evaluation findings are also promising. The evaluation shows that FEAD actions do clearly enable disadvantaged groups to regularly access services. Through intense outreach work, individuals who would otherwise be excluded, can access existing services. Numbers suggest that the communication between people seeking assistance or advice and organisations who provide these services is improving, and so is the number of people accessing these services. The evaluation was complemented by case studies of projects. As

Box 2. Evaluation activities in DE and BG.

<sup>&</sup>lt;sup>28</sup> <u>https://www.gov.pl/attachment/4c5afb14-e765-4181-ae72-bf19c437b29e,</u>: <u>https://www.gov.pl/web/rodzina/informacja-i-komunikacja</u>).

<sup>&</sup>lt;sup>29</sup> <u>https://asp.government.bg/bg/deynosti/operativna-programa-za-hrani/operativna-programa-za-hrani-2014-2020/dobri-praktiki-i-spodelyane-na-opit</u>

<sup>&</sup>lt;sup>30</sup> https://www.igas.gouv.fr/IMG/pdf/2019-069R-P.pdf

part of this evaluation, various stakeholders were interviewed on progress and outcomes. More detailed information on the evaluation will be released in 2020<sup>31</sup>.

The external evaluation of the FEAD programme in BG concluded that: (i) distributing food packages for individuals at high risk of poverty broadens the scope of social support programmes in the country; (ii) there is no evidence of unnecessary administrative burden, (iii) there is a shortage of funds to cover administrative, transport and storage costs; (iv) the identification of target groups, the support and accompanying measures offered are all relevant; (v) the FEAD programme is coherent and complements other national funding programmes, e.g. the Social Protection Fund, and other policies providing social benefits in the country; and (vi) the FEAD programme increases the value of the current national programme supporting public canteens.

# 5. CONCLUSIONS

The picture emerging from the analysis of monitoring data and the annual implementation reports 2019 is broadly similar to what was reported in 2018.

**Financial commitments under the FEAD programme stood at EUR 608 million in 2019, remaining just below the average for 2016-2018.** The cumulative committed expenditure for 2014-2019 was nearly EUR 3,340 million, or 74% of the programmes' total resources (EU and national co-financing). Payments to beneficiaries decreased slightly in 2019. Conversely, payment applications submitted by Member States increased substantially, with Commission interim payments exceeding 38% of the total 2014-2020 allocation by 31 December 2019 (25% by end-2018). Thus, the FEAD financial implementation appears to be generally on track.

Most Member States consolidated their established track record of delivery and made good progress in reaching their objectives. In 2019, 26 Member States successfully delivered FEAD assistance. Food aid decreased slightly compared to the previous year, while the delivery of basic material assistance kept increasing, with 42% more assistance distributed in 2019 compared to 2018. IT distributed basic material assistance for the first time in 2019. Nevertheless, some implementation problems remain, notably delays, and challenges with logistics, legal aspects, target groups' outreach, monitoring and evaluation, and partner organisations' lack of capacity. Most Member States were able to overcome these difficulties thanks to their cooperation with partner organisations and other stakeholders, although programme amendments were sometimes required. Despite the Commission's close monitoring, RO did not deliver assistance in 2019 because of institutional changes and persisting procurement problems. The United Kingdom withdrew from the food and/or basic material assistance operational programme.

**In 2019, over 12.5 million people are estimated to have benefited from FEAD support.** The FEAD support has proven to be stable over the years. Food aid remains the most frequent type of assistance. Over 12.2 million individuals (93% of the total number of end recipients) received food aid, and around 832,000 (6%) received basic material assistance in 2019, while almost 30,000 participated in social inclusion programmes (FEAD OP II). As in previous years, women represent 49% of all end recipients. Children account for around 30%

<sup>&</sup>lt;sup>31</sup> The final report (on Monitoring and Evaluation) can be downloaded here:

 $<sup>\</sup>underline{https://www.bmas.de/SharedDocs/Downloads/DE/Internationales/ehap-abschlussbericht.pdf? \underline{blob=publicationFile\&v=1}$ 

of those who received support, while homeless people accounted for 7% and people with disabilities accounted for 5%. An estimated 10% of all those supported were migrants, people with a foreign background or minorities, and 8% were people aged 65 or above.

As in previous years, reports show that FEAD's flexibility has been instrumental to its effective and efficient implementation. The role of the partner organisations in terms of knowledge of the target groups and outreach has been significant. However, the FEAD also helped partner organisations become more efficient, including in terms of delivery times and institutional cooperation. Several delays experienced by the programmes were due to procurement obstacles encountered in previous years. Moreover, Member States and partner organisations have been able to redirect target groups to appropriate longer-term services, and this was key to establishing mutually trusting relationships with end recipients.

Accompanying measures have become more and more established and diverse. All OP I Member States that implemented the FEAD in 2019 provided accompanying measures, according to their annual implementation reports. Educational activities to promote healthy nutrition / cooking workshops were still the most common type of accompanying measure, followed by the redirection to relevant services and advice on managing the household budget. Many Member States also implement other activities, tailored to their own needs. Overall, a diverse set of good practices emerged.

Generally, Member States report to have complied with the general principles. All ensured that assistance was equally accessible to both men and women and most emphasised that there was no discrimination based on gender, racial or ethnic origin, religion or belief, disability, age, or sexual orientation. Some Member States made efforts to ensure that the contents of the FEAD food packages matched the requests of partner organisations and end recipients in order to avoid food waste. Member States made efforts to provide as much as possible varied and nutritionally-balanced food and paid attention to storage and timely delivery, and to using recycled materials. These aspects help promote public health, and meet climate and environmental protection objectives.

In 2020, after the period covered by the present report, the outbreak of the COVID-19 pandemic substantially changed the landscape in which the FEAD programme operates. The economic and social crisis that followed has disproportionately hit certain disadvantaged groups and individuals, including the most deprived. New groups of individuals that were previously in vulnerable situations found themselves in a situation of poverty and social exclusion. The social restrictions that have been put in place to address the health emergency have changed the way organisations delivering food and material assistance operate.

In response to the current crisis, the FEAD regulation was amended twice in 2020 and 2021 under the CRII, CRII+ and REACT-EU initiatives, in order to ensure stronger support in the lead-up to the new programming period and facilitate programme implementation.

As the FEAD 2014-2020 draws to a close, the future set-up and governance of the new fund are taking shape. In 2021-2027, the FEAD will become an integral part of the ESF+, thus further integrating the attention paid to tackling the worst forms of poverty within broader social inclusion strategies and funding. The ESF+ programmes will be key to supporting economic and social recovery after the coronavirus pandemic, and to fostering a just transition to a climate-neutral economy in line with the ambitions of the European Green

Deal<sup>32</sup>, and in combination with the Just Transition Fund<sup>33</sup>. It will also be a key programme for delivering on the European Pillar of Social Rights<sup>34</sup>.

 <sup>&</sup>lt;sup>32</sup> <u>https://ec.europa.eu/info/sites/info/files/european-green-deal-communication\_en.pdf</u>
<sup>33</sup> <u>https://ec.europa.eu/regional\_policy/en/newsroom/news/2020/01/14-01-2020-financing-the-green-transition-the-european-green-deal-investment-plan-and-just-transition-mechanism</u>
<sup>34</sup> <u>https://ec.europa.eu/social/main.jsp?langId=en&catId=1226&furtherNews=yes&newsId=9524</u>