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| Subject: | Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 223/2014 as regards the introduction of specific measures for addressing the COVID-19 crisis<br>- Position Paper of the European Economic and Social Committee |

Delegations will find attached a Position Paper by the European Economic and Social Committee on the Fund for European Aid to the Most Deprived (FEAD)/COVID-19 Crisis

European Economic and Social Committee

**SOC/651**
**Fund for European Aid to the Most Deprived (FEAD)/COVID-19 Crisis**

# POSITION PAPER

Section for Employment, Social Affairs and Citizenship

**Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 223/2014 as regards the introduction of specific measures for addressing the COVID-19 crisis**

[COM(2020) 141 final – 2020/0058 (COD)]

Rapporteur-general**: Petru Sorin DANDEA**

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| Referral | European Parliament, 16/04/2020<br>Council of the European Union, 08/04/2020 |
| Legal basis | Article 175(3) of the Treaty on the Functioning of the European Union |
| Section responsible | Employment, Social Affairs and Citizenship |

## 1. Conclusions and recommendations

1.1 The COVID-19 (coronavirus) outbreak constitutes a grave emergency and represents a situation unprecedented since the end of the Second World War. All measures necessary to alleviate the crisis must be addressed by the European Union without delay. Especially for the most deprived, the crisis risks disrupting the support provided by the Fund for European Aid to the Most Deprived (FEAD).

1.2 The first "Coronavirus Response Investment Initiative" (CRII), proposed by the Commission on 13 March 2020, was aimed at promoting investment by mobilising available cash reserves in the European Structural and Investments Funds (ESI Funds) to fight the crisis immediately, followed by complementary measures as proposed under the Coronavirus Response Investment Initiative Plus.

1.3 The European Economic and Social Committee (EESC) understands and supports the fact that in the current context of crisis, additional measures are necessary to complement the first Coronavirus Response Investment Initiative and the Coronavirus Response Investment Initiative Plus, in particular to help and protect the most vulnerable.

1.4 In line with the values reflected in Regulation No 223/2014, the EU must show in the current crisis that it is a community of common destiny[1]. This principle, together with the principle of promoting the well-being of the European people, is fundamental[2].

1.5 The impact of this unprecedented crisis shows that specific measures are urgently needed in order to protect the most deprived from the disease itself and also to ensure that FEAD assistance still reaches them, despite the current constraints of the crisis.

1.6 In order to enable managing authorities, partner organisations and other actors involved in implementation of the fund to react speedily to the additional needs of the target groups, and in order to properly address the challenges faced by public authorities and partner organisations in the implementation of the fund during the crisis, the Commission proposes to amend the FEAD Regulation.

1.7 The EESC supports the proposal to introduce specific provisions which allow Member States to quickly put in place the necessary measures for addressing the current crisis situation.

1.8 It welcomes the proposal that expenditure for those FEAD operations that are fostering crisis response capacities to the COVID-19 outbreak should be eligible as of 1 February 2020.

1 OJ C 181, 21.6.2012.

2 Treaty on European Union, Article 3(1).

1.9 The EESC also agrees with the proposal that the amendment of certain elements of the operational programme aimed at addressing the COVID-19 outbreak should not require approval by Commission decision.

1.10 In the context of the current health crisis, the EESC fully supports the proposed possibility for authorities to deliver food aid/basic material assistance by means of electronic vouchers aimed at reducing the risk of contamination during the delivery of food/basic material assistance.

1.11 The EESC understands that in these exceptional circumstances, flexibility is needed regarding compliance with certain legal requirements. It supports the proposal to exceptionally extend, for this year, the deadline for submitting the Annual Implementation Report, as well as to introduce specific provisions regarding the eligibility of costs incurred by beneficiaries in the event of the delivery of food/basic material assistance or social assistance being delayed, as well as for suspended or not fully implemented operations.

1.12 Being aware of the enormous challenges that Member States have to deal with in their current crisis, the EESC welcomes the proposed temporary and exceptional measure, without prejudice to the rules that should apply under regular circumstances, under which Member States should be given the exceptional possibility of requesting that a co-financing rate of 100% be applied for the 2020-2021 accounting year, in accordance with budget appropriations and subject to available funding.

1.13 In view of the emergency situation, the EESC agrees that specific measures should reduce the administrative burden for authorities and provide flexibility for compliance with certain legislative requirements, in particular on monitoring and on control and audit.

1.14 According to the European Pillar of Social Rights, "everyone has the right to access essential services of good quality, including water, sanitation, energy, transport, financial services and digital communications. Support for access to such services shall be available for those in need"[3]. The EESC emphasises that, in these times of unprecedented crisis, the EU and its Member States should show solidarity and provide help to the most deprived. The principles of solidarity and common values are fundamental to the functioning of the EU.

1.15 NGOs and social partners at EU and national level have a key role to play in the fight against the outbreak of COVID-19.

1.16 The EESC urges the Council and the European Parliament to swiftly approve the regulation so that it can be adopted as soon as possible.

3 European Pillar of Social Rights, Chapter III "Social protection and inclusion", 20: Access to essential services.

## 2. General comments

2.1 The Fund for European Aid to the Most Deprived supports EU countries' actions to provide food and/or basic material assistance to the most deprived. Material assistance goes hand in hand with social inclusion measures. The FEAD Regulation was adopted in 2014, and amended in 2018 with several simplifications[4].

2.2 The COVID-19 crisis is an immense challenge for the operations supported by the FEAD. Specific measures need to be taken urgently to prevent the most deprived from falling victim to the disease. The most deprived, as well as the workers and volunteers delivering the aid, need to receive the necessary protective equipment. Furthermore, it is crucial that FEAD assistance reaches the most vulnerable in the context of the crisis[5].

2.3 It is of utmost importance that the FEAD evolves to meet the challenge of the pandemic, amongst other things by using electronic vouchers to reduce the risk of contamination and by buying protective equipment for those delivering the aid. The proposed changes are necessary so that managing authorities, partner organisations and other actors working to implement the fund can react swiftly to the urgent needs of the target groups[6].

2.4 The EESC is impressed by the huge effort made by civil society organisations and social partners in support of the authorities in the Member States that provide support to those affected by material deprivation. Therefore, the EESC points out that organised civil society, NGOs and social partners have a vital role to play in determining the impact of the crisis.

2.5 The EESC supports the Coronavirus Response Investment Initiative of the European Commission, aimed at promoting investment in the healthcare systems of the European Member States and other sectors of their economies in response to the COVID-19 pandemic. At the same time, the EESC has called for a larger European investment plan to support the Member States in the crisis[7].

2.6 The social isolation and distancing measures that the Member States were forced to implement have caused serious problems for many businesses and economic sectors. The EESC believes that this situation may lead to a worsening of the situation of persons in severe material deprivation. That is why the EESC urges the Commission also to explore other potential options that are available to alleviate the emergency situation of the most deprived.

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4 European Commission: Fund for European Aid to the Most Deprived. See also: 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.

5 European Commission: Coronavirus: the FEAD to continue supporting people in need.

6 *Ibid*.

7 "Coronavirus response: The EESC welcomes the Coronavirus Response Investment Initiative but calls for a larger European investment plan", 26.03.2020

2.7 Solidarity has to be strengthened at all levels. Acting fast and acting together is the only effective answer to this crisis. The European Union must demonstrate solidarity, coordination and action[8].

Luca JAHIER
President of the European Economic and Social Committee

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8 EESC statement "COVID-19: Now, we are either a Union or we are nothing #Whateverittakes", 17.03.2020.