Introduction of specific measures for addressing the COVID-19 crisis

2020/0058(COD) - 02/04/2020 - Legislative proposal

PURPOSE: to introduce specific measures in favour of the poorest to cope with the COVID-19 pandemic.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure on an equal footing with the Council.

BACKGROUND: the crisis caused by the COVID 19 epidemic is increasing the risks for the most vulnerable, in particular the most deprived, and may in particular disrupt the support provided by the Fund for European Aid to the Most Deprived (FEAD).

The distribution of food and basic material assistance, as well as social inclusion support, is facing increasingly logistical and human resource constraints, notably due to the confinement and urgent need to instate social distancing measures to contain the spread of the virus. Many of the volunteers, who are the backbone of the Fund, can no longer be mobilised, as they often belong to groups at a higher risk of severe illness caused by COVID-19.

The Fund's main objective is to support the development of the country's capacity to provide food and basic material assistance.

Specific measures must be taken as a matter of urgency in order to protect the most vulnerable from this disease and to ensure that they continue to receive assistance from the FEAD, in particular with regard to the provision of the necessary protective equipment against the disease.

This initiative complements the first 'Coronavirus Response Investment Initiative', a package of measures proposed by the Commission on 13 March 2020 which introduced a number of important changes to provide a more effective response to the current situation.

CONTENT: the Commission proposes to amend <u>Regulation (EU) No 223/20</u>14 of the European Parliament and of the Council on the Fund for European Aid to the Most Deprived (FEAD) in order to address the difficulties encountered by public authorities and partner organisations in implementing the FEAD during the COVID-19 outbreak.

Specific measures

The proposed measures provide for the following:

- eligibility of expenditure incurred from 1 February 2020 for FEAD operations that strengthen the capacity to respond to the coronavirus pandemic;
- the possibility to give Member States the exceptional possibility to apply for a co-financing rate of 100% for the accounting year 2020-2021;
- flexibility for Member States (i) to adjust the schemes of support to the current context, including by allowing alternative schemes of delivery through electronic vouchers (lower risk of

- contamination) and by allowing Member States (ii) to amend certain elements of the operational programme without requiring an adoption by Commission decision;
- possibility to provide the necessary protective materials and equipment to partner organisations outside the technical assistance budget;
- flexibility measures which reduce the administrative burden on the authorities in terms of compliance with certain legislative requirements, in particular as regards monitoring and control and audit;
- specific provisions regarding the eligibility of costs incurred by beneficiaries in case the delivery of food/basic material assistance or social assistance is delayed as well as for suspended and not fully implemented operations.

Budgetary implications

The proposed modification does not imply any changes in the Multiannual Financial Framework annual ceilings for commitments and payments set out in the FEAD Regulation. The total annual breakdown of commitment appropriations for the Fund for European Aid to the Most Deprived remains unchanged.

The proposal will facilitate an acceleration of programme implementation and result in a frontloading of payment appropriations.

The Commission will carefully monitor the impact of the proposed modification on payment appropriations in 2020 taking into account both the implementation of the budget and revised Member States forecasts.