

Fund for European Aid to the Most Deprived (FEAD) 2014-2020: specific measures for addressing the COVID-19 crisis

2020/0105(COD) - 21/01/2021 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted 649 votes to 7, with 31 abstentions, a legislative resolution on the 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 COVID19 crisis.

Parliament adopted its position at first reading in accordance with the ordinary legislative procedure by amending the Commission proposal as follows:

Coping with the impact of COVID-19 on the poorest people

The amendment to Regulation (EU) No 223/2014 on the Fund for European Aid to the Most Deprived (FEAD) aims to address the impact of the spread of COVID-19 and its socio-economic repercussions on the most deprived persons.

The adapted regulation would allow Member States to continue to use the additional funds made available for post-COVID-19 recovery under the REACT-EU initiative in 2021 and 2022. Member States could choose to increase the resources provided for in the FEAD Regulation for food aid and other basic aid for the most deprived persons.

The amended text recalls that since its establishment in 2014, the Fund has been able to benefit 13 million people a year, including approximatively 4 million children. However, it underlines that the COVID-19 crisis has led to severe economic and social consequences and has exacerbated the situation of more than 20 % of the EU population who are at risk of poverty or social exclusion, has deepened social divides, and has increased job losses, unemployment rates and inequalities.

Co-financing rates

With a view to alleviating the burden on public budgets regarding crisis repair actions in the context of the outbreak of COVID-19 and preparing a social, resilient and sustainable recovery of the economy and society, the amended Regulation provides that it is appropriate that Member States be given the exceptional possibility to request a co-financing rate of up to 100 % to be applied to support from the additional resources.