

Emer Costello MEP

European Parliament  
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22 January 2013

**Re Amendment proposals by social NGOs for the Proposal for a Regulation of the European Parliament and the Council on the Fund for European Aid to the Most Deprived (COM(2012) 617 final)**

Dear Ms Costello,

Following your meeting on 9 January 2013 with representatives of our networks regarding the Proposal for a Regulation on the Fund for European Aid to the Most Deprived, we present to you a compilation of suggested amendments for the text of the proposal. We would appreciate if you as Rapporteur for the Most Deprived Fund proposal would take into consideration our suggestions for preparing a Parliament decision on the Commission proposal.

The following comments are the outcome of recent discussions between representatives of Caritas Europa, Eurodiaconia, European Anti Poverty Network (EAPN), European Federation of National Organisations Working with the Homeless (FEANTSA) and Red Cross EU Office. We shall point out that this document was drafted in view of opinions shared by our membership, reflecting the practical work in support and services to people living with extreme poverty and severe material deprivation. This includes activities operated with and without support from existing EU material aid schemes.

**General Remarks**

*Showing solidarity with Europe and the Europeans*

We shall reiterate that our networks welcome the proposal for a Most Deprived Fund. In times of economic and financial crisis, with a tremendous number of citizens in the EU requiring support to cope with basic needs, it is important that Europe shows solidarity with those hit hardest by the crisis. Unlike other actions and policies, the Most Deprived Fund will respond to immediate and urgent needs of people, by providing resources to alleviate human suffering and help people to find their way (back) to a decent and dignified life. An outstanding new feature of the Most Deprived Fund will be the proposed "broad scope", allowing Member States to use the Fund for responding to different types of deprivation i.e. food, homelessness and child poverty. We know from our work in the field that there is immense demand for this type of support. In some Member States the Fund will only be one of several contributors needed to meet actual demands. In other Member States, with fewer aid instruments in place, the Most Deprived Fund will be of vital

importance. We recommend taking into account that there are different opinions about the necessity and the meaningfulness in different national context. We hope you will join in convincing decision makers in Parliament and Council to take into account the relevance of a Most Deprived Fund not just for their own constituency but the Union as a whole.

#### *Paving ways towards social inclusion*

Our understanding of aid for the most deprived is not that of charity but of a meaningful and targeted instrument to build grounds for social inclusion, thereby to complement existing social protection schemes at member state level and EU financial instruments such as the European Social Fund. Complementarity with social inclusion measures is in fact the main novelty that the Most Deprived Fund can achieve, by building bridges between material aid for people living with extreme deprivation and EU instruments for social re-integration (see example of different starter packs which provide people with a combination of food and basic material goods). A clear distinction needs to be made regarding target groups and type of support. The Commission proposes a Most Deprived Fund addressing the needs of people which are beyond the reach of other EU instruments promoting social inclusion, for example retired workers with minimal pensions (who could not make use of support for re-entering the labour market), or young people living in extremely difficult social, health and housing conditions (which prevent them from attending training or work placements). Another distinction is given with the type of aid foreseen with the Most Deprived Fund. Material aka non-financial support cannot be made available in any of the existing social inclusion schemes, the Most Deprived Fund will fill a gap as an entry point for supporting deprived people on their way back into society.

#### *Calling for a separate fund with a broad scope and with a separate and adequate budget*

We are seriously concerned about the way how the proposed Fund is currently being discussed in EU and national institutions. We shall point out that we welcome the original Commission proposal, outlining a Most Deprived Fund associated with EU social cohesion policies and included in EU Structural Funds, but with a separate budget, distinct purpose and targets. Certain formulations in the Commission proposal appear to have caused confusion in this regard, placing emphasis solely on food aid and on the interplay with the European Social Fund. In our understanding, the proposal does not only concern food aid but also material deprivation. The proposal does not ask for making a choice between Most Deprived Fund and European Social Fund but establishing two distinct instruments complementing each other. A merging is proposed for the fund management; and we welcome the Commission approach to limit additional administrative burden by using structures and procedures already established for the European Social Fund. But any notion of budget cannibalization between the two instruments must be prevented. Finally, the proposal foresees material aid in a highly cost-intensive sector, demanding a constant and substantial supply of resources. If the European Union wants to be noticed as contributor, the budget for the Most Deprived Fund ought to be substantial. We consider the proposed budget of 2.5 billion Euro as absolute minimum.

#### *Need for guidance, exchange of information and good practice*

We shall draw your attention to aspects of the Commission proposal regarding the management and implementation of the Most Deprived Fund. In the area of providing non-financial aid to deprived people, one will find institutions and organizations with extensive experience and a good knowledge regarding operational aspects as well as the combination of basic aid, accompanying measures and further actions towards social inclusion. There will be other authorities and organizations with less experience and insight essential e.g. for drafting the Operational Programmes. We therefore recommend calling for sufficient

guidance and support during the launch phase of the Most Deprived Fund and throughout the seven years of implementation. An important element will be the consistent applying of the partnership principle, as well as extensive opportunities for managing authorities and distributing organizations to exchange information and experiences at European and national level. We strongly recommend that managing authorities seek close cooperation with relevant civil society organisations with practical experience in support to most deprived persons, and consequently involve them already in the drafting of the Operational Programme. Commission, managing national authorities and partner organisations should also invest in adequate monitoring and evaluation, so as to gain evidence about the impact of aid for most deprived people and insights for improving the management of funds and distribution systems.

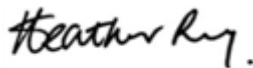
We know from our practical work in the field that the Most Deprived Fund can have much more significance and meaning than the mere handing out of aid packages. With the transition onto social cohesion, there is opportunity as well as obligation to show that basic aid provision can be an important element for promoting social inclusion, to support deprived people making their (own) way back into a meaningful, dignified and independent life. We believe that the kind of innovation that is occurring in the areas of food aid and the provision of broader material assistance is in the interests of the beneficiaries and should be supported and encouraged by the new Fund.

We would very much appreciate if you would take note of our suggestions for amendments, and include them into your report.

Yours sincerely,



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Secretary General Caritas Europa



Heather Roy  
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	<i>Commission proposal text</i>	<i>Amendment proposal</i>	<i>Explanation</i>
	<b>EXPLANATORY MEMORANDUM</b>		
[1]	<b>1.1. Poverty and material deprivation in the Union (page 2)</b>		
	In 2010, nearly one quarter of Europeans (116 million) were at risk of poverty or social exclusion. This is about 2 million more than in the previous year and the first figures available for 2011 confirm this trend.	In 2010, nearly one quarter of Europeans (119,6 million) were at risk of poverty or social exclusion. This is around 4 million more than in the previous year.	<i>Use 2011 data published by eurostat (3 Dec 2012 release)</i>
[2]	<b>4. Budgetary Implications (page 5)</b>		
	In accordance with article 84(3) of Regulation EU N° ... (CPR), the support to a Member State through the Fund shall be considered as part of the share of the Structural Funds allocated to the European Social Fund.	In accordance with article 84(3) of Regulation EU N° ... (CPR), the support to a Member State through the Fund shall be considered as part of the share of the Structural Funds, in addition to the share allocated for the European Social Fund.	<i>Initial formulation here does not reflect the essence of the Commission proposal suggesting a separate Most Deprived Fund. The text leaves the (wrong) impression ESF finances should be used for MDF.</i>
	<b>TEXT OF THE PROPOSAL FOR A REGULATION</b>		
[3]	Add new recital as (10) page 8	In order to respond in the most effective and adequate manner to the various needs and better reach out the final recipients on the ground, the partnership principle should apply at all stages of the Fund.	<i>Recall overall agreement to apply Partnership principle for Structural Funds.</i>

	<i>Commission proposal text</i>	<i>Amendment proposal</i>	<i>Explanation</i>
[4]	<p>Add in (18) page 9</p> <p>(18) It is necessary to specify the types of actions that can be undertaken at the initiative of the Commission and of the Member States as technical assistance supported by the Fund.</p>	<p>(18) It is necessary to specify the types of actions that can be undertaken at the initiative of the Commission and of the Member States as technical assistance supported by the Fund. This should be decided in conjunction with all key stakeholders.</p>	<p><i>Technical assistance will be an important tool for further developing and improving the management and implementation of the Fund. Ideally, Commission, managing authorities and partner organisations.</i></p>
[5]	<p>Add in (41) page 12</p> <p>(41) This Regulation respects fundamental rights and observes the principles recognised in particular by the Charter of Fundamental Rights of the European Union, including respect for human dignity and for private and family life, the right to the protection of personal data, the rights of the child, the rights of the elderly, equality between men and women, and the prohibition of discrimination. This Regulation must be applied according to these rights and principles.</p>	<p>(41) This Regulation respects fundamental rights and observes the principles recognised in particular by the Charter of Fundamental Rights of the European Union, including respect for human dignity and for private and family life, the right to the protection of personal data, the rights of the child, the right to social and housing assistance, the rights of the elderly, equality between men and women, and the prohibition of discrimination. This Regulation must be applied according to these rights and principles.</p>	<p><i>Paragraph 41 refers to many of the fundamental rights in the EU Charter, but omits to mention the right to social and housing assistance (article 34) which seems particularly relevant given the content of the regulation (food assistance, social assistance, homelessness).</i></p>
[6]	<b>Article 4 Scope of support (page 14)</b>		
	<p>1. The Fund shall support national schemes whereby food products and basic consumer goods for the personal use of homeless persons or of children are distributed to the most deprived persons through partner organisations selected by Member States.</p>	<p>1. The Fund shall support national schemes whereby food products for the most deprived persons and basic consumer goods for the personal use of homeless persons or of children at risk of or experiencing poverty and social exclusion are distributed to the most deprived persons through partner organisations selected by Member States.</p>	<p><i>This article ought to reflect the initial idea of the “broad scope” approach, specifying food aid to be made available for most deprived people (in general) and basic consumer goods are connected to homelessness and child poverty (expecially).</i></p>

	<i>Commission proposal text</i>	<i>Amendment proposal</i>	<i>Explanation</i>
[7]	3. The Fund shall promote mutual learning, networking and dissemination of good practices in the area of non-financial assistance to the most deprived persons.	3. The Fund shall promote mutual learning, networking and dissemination of good practices in the area of non-financial assistance to the most deprived persons, by building an EU framework for policy guidance on the key areas of the fund.	<i>On the basis of research and expertise gathered over the last decade on adequate solutions to poverty (see social open method of coordination), the European Commission is in a position to build an EU framework for policy guidance on the key areas of the fund.</i>
	<b>Article 5 Principles (page 15)</b>		
[8]	Add new as (16)	Member States shall involve from the preparation of the Operational Programmes the competent regional, local and other public authorities as well as bodies representing civil society including anti-poverty and partner organisations concerned with representing the interests of most deprived people and organisations involved in the distribution of material aid to deprived people.	<i>Operational programmes to be drafted in cooperation with practitioners and interest representatives in public and civil society organisations.</i>
[9]	(23) Member States and beneficiaries shall choose the food products and the goods on the basis of objective criteria. The selection criteria for the food products, and where appropriate for goods, shall also take into consideration climatic and environmental aspects, in particular with a view to reduction of food waste.	(23) Member States and beneficiaries shall choose the food products and the goods on the basis of objective criteria. The choice of food products should be based on principles of balanced nutrition and contribute to the health and well-being of end recipients. The selection criteria for the food products, and where appropriate for goods, shall also take into consideration climatic and environmental aspects, in particular with a view to reduction of food waste.	<i>Bearing in mind that aid from the most deprived fund would often be delivered together with or in addition to other forms of material aid, goods from this fund could also contribute to promotion of healthy diets and balanced nutrition.</i>

	<i>Commission proposal text</i>	<i>Amendment proposal</i>	<i>Explanation</i>
	<b>Article 10 Platform (page 19)</b>	<b>Article 10 EU level cooperation and exchange of good practices</b>	
[10]	<p>The Commission shall set up a Union level platform to facilitate the exchange of experience, capacity building and networking, as well as dissemination of relevant outcomes in the area of non-financial assistance to the most deprived persons.</p> <p>In addition, the Commission shall consult, at least once a year, the organisations which represent the partner organisations at Union level on the implementation of support from the Fund.</p>	<p>The Commission shall set up a Union level platform to facilitate the exchange of experience, capacity building, networking and innovation, as well as dissemination of relevant outcomes in the area of non-financial assistance to the most deprived persons. The platform consists of managing authorities and partner organisations involved in the implementation of the Fund at national level.</p> <p>In that regard, the Commission shall also facilitate transnational activities (study visits, peer reviews) involving the partner organisations.</p> <p>In addition, the Commission shall consult, at least once a year, the organisations which represent the partner organisations at Union level on the implementation of support from the Fund.</p>	<p><i>Cooperation and exchange of good practices would be key to establish and improve the quality of services and support delivered with the Fund. For getting there, the managers and distributors ought to be equipped with opportunity and tools to exchange experiences, learn from each others' practices and collaborate on developing new ways of delivering support.</i></p>

	<i>Commission proposal text</i>	<i>Amendment proposal</i>	<i>Explanation</i>
[11]	<b>Add new Article (page 19)</b>	<b>Article 11 Monitoring Committee</b>	
		<ol style="list-style-type: none"> <li>1. Member States shall set up a monitoring committee to ensure an effective implementation of their Operational Programme.</li> <li>2. The composition of this monitoring committee shall include the competent regional, local and other public authorities as well as bodies representing civil society including anti-poverty organizations and partner organizations concerned with representing the interest of most deprived people and organizations involved in the distribution of material aid to deprived people.</li> <li>3. Each Member of the monitoring committee should have a voting right with proper means to accomplish their tasks in an effective manner (including technical assistance).</li> </ol>	<p><i>There should be a real, continuous and transparent monitoring process to make sure that the Fund is well managed. This should be done in close partnership with the bodies concerned by the delivery of this Fund with voting rights and the availability of all necessary means (including technical assistance) to make sure that this partnership will be real and effective. Conflicts of interests will be avoided by making sure that the partner organizations seating will not take any decision where they operate as delivery organization.</i></p>
[12]	<b>Article 14 Ex ante evaluation (page 21)</b>		
	Add new sub-point (f)	(f) the effective engagement of stakeholders, including civil society and NGOs, by the managing body, in the design and implementation of the operational programme;	<p><i>To be consistent with the call for applying the Partnership Principle, Member States should include in their ex ante evaluation how successful the involvement of civil society organisations actually is. Including this aspect in the ex ante evaluation might also help determine the added value of partner organisations having a strong role in programme management and implementation.</i></p>



	<i>Commission proposal text</i>	<i>Amendment proposal</i>	<i>Explanation</i>
[13]	<b>Article 25 Technical Assistance (page 27)</b>		
	2. At the initiative of the Member States, subject to a ceiling of 4 % of the Fund allocation, the operational programme may finance preparation, management, monitoring, administrative and technical assistance, audit, information, control and evaluation measures necessary for implementing this Regulation. It may also finance technical assistance and capacity building of partner organisations.	2. At the initiative of the Member States, subject to a ceiling of 4 % of the Fund allocation, the operational programme may finance preparation, management, monitoring, administrative and technical assistance, audit, information, control and evaluation measures necessary for implementing this Regulation. It may also finance technical assistance and capacity building of partner organisations. If this possibility is used by a Member State, technical assistance and capacity-building shall be made available to partner organisations.	<i>The possibility of technical assistance at national level would be an important element for managing authorities and partner organisations to deliver quality services and to improve support systems.</i>
	<b>ANNEX I OPERATIONAL PROGRAMME TEMPLATE</b>		
	<b>4.1.2. Financing plan</b>		
[14]	Homelessness	Homelessness (1)  Add footnote: (1) See European Typology of Homelessness and Housing exclusion - ETHOS	<i>The ETHOS definition (European typology of homelessness) could be included or referred to in the draft regulation as a starting point for guiding national governments in the allocation of the funds to different categories of severely deprived people. This definition has been in used in EU social policy as a reference, and most national governments are aware of (and already use) this definition.</i>