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from: General Secretariat
to: Permanent Representatives Committee / Council
Subject: Proposal for a Regulation of the European Parliament and of the Council on the Fund for European Aid to the Most Deprived
- Outcome of the European Parliament's first reading
(Strasbourg, 10 to 13 June 2013)

I. INTRODUCTION

The Rapporteur, Emer COSTELLO (S&D, IE), presented a report consisting of 68 amendments (amendments 1-68) to the proposal for a Regulation of the European Parliament and of the Council on the Fund for European Aid to the Most Deprived, on behalf of the Committee on Employment and Social Affairs.

In addition, the ECR political group tabled one amendment (amendment 70), the ALDE and Greens/EFA political groups together tabled three amendments (amendments 71-73), the S&D political group tabled two amendments (amendments 74 and 75), and the GUE/NGL political group tabled two amendments (amendments 76 and 77).

II. DEBATE

The Rapporteur, made a presentation aimed at explaining that the responsibility and the obligation to combat poverty and social exclusion remains with the Member States, *i.e.*, that the Fund for European Aid to the Most Deprived (FEAD) is intended to complement national policies. It would also replace the current Food Distribution Programme, and go beyond by introducing the possibility for the distribution of basic material assistance. The FEAD would enable the European Union to continue to contribute towards alleviating some of the worst forms of poverty and social exclusion, often well beyond the reach of the ESF.

Hence, it would also introduce support for accompanying measures aimed at the social reintegration of end recipients that many of the organisations involved in food aid programmes already provide.

The Rapporteur stressed that consensus had been reached on issues such as the broader scope, developing the partnership principle, the definitions, mutual learning, co-financing, reducing the administrative burden on NGOs and developing synergies with other EU policies in the area of food waste and healthy diet.

As regards the core issues, the Rapporteur urged the house not to adopt the amendments 71, 72 and 73, which are aimed at allowing the reallocation of funding between EU programmes. Conversely, the Rapporteur urged the house to vote in favour of an increase of the proposed budget for FEAD (3.5 billion instead of EUR 2.5 billion), in order to be at least the equivalent amount of the current Food Distribution Programme, and to stick to the Commission proposal whereby the funding should be ring fenced for the most deprived.

Commissioner László ANDOR took the floor to support the Report as adopted by the Committee on Employment and Social Affairs as a good starting point for a negotiation with the Council. The Commissioner nevertheless stressed that the political importance of the FEAD goes far beyond its financial size, as it is a tangible demonstration of the EU's solidarity, not designed to help Member States, but to help people directly.

As regards the participation of Member States, the Commissioner pleaded along the same lines as the Rapporteur, namely that participation should not be on a voluntary basis, as it would make it impossible for the FEAD to reach the budget eventually earmarked to it by the February European Council (EUR 2.5 billion), and could delay the implementation of the FEAD.

A rather passionate debate then took place, with strong support to the report and an overall consensus on the need to ensure the continuity of the food aid scheme, as it comes to an end by 31 December 2013. On this point, Commissioner László ANDOR urged co-legislators to start negotiating immediately. The interventions by Members of the European Parliament, either in the name of political groups or as individual speakers, focussed on two issues: the overall budget of the FEAD, and the Member States participation.

As regards the Member States participation to the FEAD, the voluntary participation was supported by the ALDE political group, represented by Marian HARKIN (ALDE, IE), by Elisabeth SCHROEDTER (Greens/EFA, DE), Sari ESSAYAH (EPP, FI), Ádám KÓSA (EPP, HU), as well as by the Committee on Women's Rights and Gender Equality, represented by Marije Cornelissen (Greens/EFA, NL).

MEP Marije Cornelissen particularly urged the house to vote in favour of Amendments 71, 72 and 73, as they would enable the Member States worst hit by the crisis to benefit from a bigger amount of money compared to what the amount would be if participation to the FEAD was mandatory. To that end, MEP Marije Cornelissen indicated that Amendments 71, 72 and 73 were also supported by the ECR and EPP political groups.

The mandatory participation was supported by the Committee on Budgets, represented by Derek Vaughan (S&D, UK), although with some flexibility as to how the FEAD is used, by the S&D political group, represented by Pervenche BERÈS (S&D, FR), as well as by Elisabeth MORIN-CHARTIER (EPP, FR), Marielle DE SARNEZ (ALDE, FR), Verónica LOPE FONTAGNÉ (EPP, ES), and Vilija BLINKEVIČIŪTĖ (S&D, LT).

As regards the budget of the FEAD, a EUR 3.5 billion budget, as suggested by the Rapporteur was largely supported. In favour were the Committee on Budgets, represented by Derek Vaughan (S&D, UK), although with a with a co-financing at 85% (and in some cases 95% in Member States facing severe financial difficulties, the Committee on Regional Development, represented by Younous Omarjee (GUE/NGL, FR), the Committee on Agriculture and Rural Development, represented by Marc Tarabella (S&D, BE), the EPP political group, represented by Csaba ÓRY (EPP, HU), the S&D political group, represented by Pervenche BERÈS (S&D, FR), the Greens/EFA political group, represented by Karima DELLI (Greens/EFA, FR). Individually, Elisabeth MORIN-CHARTIER (EPP, FR), Marielle DE SARNEZ (ALDE, FR), Verónica LOPE FONTAGNÉ (EPP, ES), Vilija BLINKEVIČIŪTĖ (S&D, LT), Ádám KÓSA (EPP, HU), and Frédéric DAERDEN (S&D, BE) also supported this amount.

During the debate, other views were also expressed, including the need to reform employment policies and legislation in order to fight poverty (ECR political group, represented by Milan CABRNOCH (ECR, CZ), or the claim that the budget of the FEAD is inferior to that used to save the banking sector (Alejandro CERCAS (S&D, ES).

III. VOTE

When it voted in plenary on 12 June 2013, the European Parliament adopted amendments 1-40, 42-68, the first part of amendment 73, and amendments 75 and 76¹. The European Parliament also adopted the proposal as amended². Nevertheless, the European Parliament did not proceed to a vote on the legislative resolution, thereby not closing the first reading.

The text of the proposal, as amended, is annexed to this note.

¹ Amendment 75 was adopted with a tight majority: 359 in favour, 313 against.

² The proposal as amended was adopted with 513 in favour, and 149 against.

Fund for European aid to the most deprived ***I

Amendments adopted by the European Parliament on 12 June 2013 on the proposal for a regulation of the European Parliament and of the Council on the Fund for European Aid to the Most Deprived (COM(2012)0617 – C7-0358/2012 – 2012/0295(COD))¹

(Ordinary legislative procedure: first reading)

Amendment 1

Proposal for a regulation

Recital 1

Text proposed by the Commission

(1) In line with the conclusions of the European Council of 17 June 2010, whereby the Union strategy for smart, sustainable and inclusive growth was adopted, the Union and the Member States have set themselves the objective of having at least 20 million fewer people at risk of poverty and social exclusion by 2020.

Amendment

(1) In line with the conclusions of the European Council of 17 June 2010, whereby the Union strategy for smart, sustainable and inclusive growth ("**Europe 2020 strategy**") was adopted, the Union and the Member States have set themselves the objective of having at least 20 million fewer people at risk of poverty and social exclusion by 2020. **Nonetheless, in 2010, nearly one quarter of Europeans (119,6 million) were at risk-of-poverty or social exclusion, approximately 4 million people more than in the previous year. However, poverty and social exclusion are not uniform across the Union and the gravity varies between the Member States.**

Amendment 2

Proposal for a regulation

Recital 2

Text proposed by the Commission

(2) The number of persons suffering from material or even severe material deprivation in the Union is increasing and

Amendment

(2) The number of persons suffering from material , or even severe material deprivation, in the Union is increasing and

¹ The matter was referred back to the committee responsible for reconsideration pursuant to Rule 57(2), second subparagraph (A7-0183/2013).

those persons are often too excluded to benefit from the activation measures of Regulation (EU) No [...CPR], and, in particular of Regulation (EU) No [...ESF].

in 2012 nearly 8 % of Union citizens lived in conditions of severe material deprivation. In addition, those persons are often too excluded to benefit from the activation measures of Regulation (EU) No ../....[CPR], and, in particular of Regulation (EU) No ../....[ESF].

Amendment 3

Proposal for a regulation Recital 2 a (new)

Text proposed by the Commission

Amendment

(2a) Women and children are over-represented among deprived people at-risk-of-poverty and of social exclusion, while women are often responsible for the food security and subsistence of families. Member States and the Commission should take appropriate steps to prevent any discrimination and should ensure equality between men and women and the coherent integration of the gender perspective at all stages of the preparation, the programming, management and implementation, the monitoring and the evaluation of the Fund, as well as in information and awareness raising campaigns and exchanges of best practices.

Amendment 4

Proposal for a regulation Recital 2 b (new)

Text proposed by the Commission

Amendment

(2b) Article 2 of the Treaty on European Union underlines that the Union is founded on the values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities.

Amendment 5

Proposal for a regulation Recital 2 c (new)

Text proposed by the Commission

Amendment

(2c) Article 6 of the Treaty on European Union underlines that the Union recognises the rights, freedoms and principles set out in the Charter of Fundamental Rights of the European Union.

Amendment 6

Proposal for a regulation Recital 2 d (new)

Text proposed by the Commission

Amendment

(2d) In order to prevent the marginalisation of vulnerable and low-income groups and to avert the increased risk of poverty and social exclusion, it is necessary to adopt strategies that promote active inclusion.

Amendment 7

Proposal for a regulation Recital 4

Text proposed by the Commission

Amendment

(4) The Fund for European Aid to the Most Deprived (hereinafter the ‘Fund’) should strengthen social cohesion by contributing to the reduction of poverty in the Union by supporting national schemes that provide non-financial assistance to the most deprived persons to alleviate food ***deprivation, homelessness*** and material deprivation ***of children***.

(4) The Fund for European Aid to the Most Deprived (hereinafter the ‘Fund’) should strengthen social cohesion by contributing to the reduction of poverty in the Union by supporting national schemes that provide non-financial assistance to the most deprived persons to alleviate food and ***severe*** material deprivation.

Amendment 8

Proposal for a regulation Recital 4 a (new)

Text proposed by the Commission

Amendment

(4a) The ETHOS definition (European typology of homelessness) is a potential starting point for allocating the fund to different categories of severely deprived people.

Amendment 9

**Proposal for a regulation
Recital 4 b (new)**

Text proposed by the Commission

Amendment

(4b) The Fund should not replace public policies undertaken by Member State governments with the aim of limiting the need for emergency food aid and developing sustainable targets and policies for the full eradication of hunger, poverty and social exclusion.

Amendment 10

**Proposal for a regulation
Recital 4 c (new)**

Text proposed by the Commission

Amendment

(4c) Given the increasing number of those at risk of poverty and social exclusion, a trend which is set to continue in the coming years, it is necessary to step up resources earmarked for the Fund under the Multiannual Financial Framework.

Amendment 11

**Proposal for a regulation
Recital 4 d (new)**

Text proposed by the Commission

Amendment

(4d) The Fund should also support efforts by the Member States to alleviate the acute material deprivation of the

homeless.

Amendment 12

Proposal for a regulation

Recital 6

Text proposed by the Commission

(6) Those provisions also ensure that the operations supported shall comply with applicable Union and national laws, notably in regard to the safety of ***the goods that are distributed*** to the most deprived persons.

Amendment

(6) Those provisions also ensure that the operations supported shall comply with applicable Union and national laws, notably in regard to the safety of ***food aid and basic material assistance*** to the most deprived persons.

Amendment 13

Proposal for a regulation

Recital 8

Text proposed by the Commission

(8) The operational programme of each Member ***State*** should identify and justify the forms of material deprivation to be addressed, and describe the objectives and features of the assistance to the most deprived persons that will be provided through the support of national schemes. It should also include elements necessary to ensure effective and efficient implementation of the operational ***programme***.

Amendment

(8) The operational programme of each Member ***States*** should identify and justify the forms of ***food and*** material deprivation to be addressed, and ***should*** describe the objectives and features of the assistance to the most deprived persons that will be provided through the support of national schemes. It should also include elements necessary to ensure the effective and efficient implementation of the operational ***programmes***.

Amendment 14

Proposal for a regulation

Recital 8 a (new)

Text proposed by the Commission

Amendment

(8a) Severe food deprivation in the Union coincides with significant food wastage. The operational programme of each Member State should include a reference to how it will seek to exploit synergies between policies for reducing food wastage and combating food deprivation,

in a coordinated manner. The operational programme of each Member State should also include a reference to how it will seek to address any administrative obstacles that obstruct commercial and non-commercial organisations willing to donate excess food supplies to not-for-profit organisations engaged in combating food deprivation.

Amendment 15

Proposal for a regulation

Recital 8 b (new)

Text proposed by the Commission

Amendment

(8b) With a view to ensuring the effective and efficient implementation of the measures financed from the Fund, cooperation should be fostered between regional and local authorities and bodies representing civil society. Member States should therefore promote the participation by all those involved in drawing up and implementing measures financed from the Fund.

Amendment 16

Proposal for a regulation

Recital 9

Text proposed by the Commission

Amendment

(9) In order to maximise effectiveness of the Fund, in particular as regards *the* national circumstances, it is appropriate to set out a procedure for potential amendment of the operational programme.

(9) In order to maximise *the* effectiveness of the Fund *and to ensure the maximum synergy with ESF measures*, in particular as regards *possible changes in* national circumstances, it is appropriate to set out a procedure for *the* potential amendment of the operational programme.

Amendment 17

Proposal for a regulation

Recital 9 a (new)

Text proposed by the Commission

Amendment

(9a) In order to respond in the most effective and adequate manner to the various needs and to better reach out to the most deprived persons, the partnership principle should apply at all stages of the Fund.

Amendment 18

Proposal for a regulation

Recital 10

Text proposed by the Commission

Amendment

(10) Exchanges of experience and best practices have a significant added value and the Commission should facilitate such dissemination.

(10) Exchanges of experience and best practices have a significant added value ***because they facilitate mutual learning*** and the Commission should facilitate ***and promote*** such dissemination, ***while seeking synergies with the exchange of best practices in the context of related Funds, in particular the ESF.***

Amendment 19

Proposal for a regulation

Recital 11

Text proposed by the Commission

Amendment

(11) In order to monitor the progress of operational programmes implementation, the Member States should draw up and provide to the Commission annual and final implementation reports thus ensuring the availability of essential and up-to-date information. For the same purposes, Commission and each Member State should meet every year for a bilateral review, except if they agree otherwise.

(11) In order to monitor the progress of operational programmes implementation, the Member States should, ***in cooperation with the non-governmental organisations involved***, draw up and provide to the Commission annual and final implementation reports thus ensuring the availability of essential and up-to-date information. For the same purposes, Commission and each Member State should meet every year for a bilateral review, except if they agree otherwise.

Amendment 20

Proposal for a regulation Recital 12

Text proposed by the Commission

(12) In order to improve the quality and design of each operational programme and evaluate the effectiveness and efficiency of the Fund, ex ante and ex post evaluations should be conducted. Those evaluations should be supplemented by surveys on the most deprived persons who have benefited from the operational programme and, if necessary, by evaluations during the programming period. The responsibilities of Member States and the Commission in this respect should be specified.

Amendment

(12) In order to improve the quality and design of each operational programme and evaluate the effectiveness and efficiency of the Fund, ex ante and ex post evaluations should be conducted. Those evaluations should be supplemented by surveys on the most deprived persons who have benefited from the operational programme and, if necessary, by evaluations during the programming period. ***Those evaluation should also respect the privacy of end recipients and be carried out in such a way as not to stigmatise the most deprived people.*** The responsibilities of Member States and the Commission in this respect should be specified.

Amendment 21

Proposal for a regulation Recital 12 a (new)

Text proposed by the Commission

Amendment

(12a) As highlighted in the Eurostat study "Measuring material deprivation in the EU - Indicators for the whole population and child-specific indicators", substantial research has been carried out on material deprivation, enabling more refined data collection in the near future on materially deprived households, adults and children.

Amendment 22

Proposal for a regulation Recital 12 b (new)

Text proposed by the Commission

Amendment

(12b) When carrying out those evaluations, supplemented by surveys on

the most deprived persons, it should be borne in mind that deprivation is a complex concept which is difficult to grasp when using a small number of indicators as they can be misleading and thus result in ineffective policies.

Amendment 23

Proposal for a regulation Recital 12 c (new)

Text proposed by the Commission

Amendment

(12c) As highlighted in the Eurofound (2012) - Third European Quality of Life Survey, material deprivation in the Union should be measured by the inability to afford items that are considered essential no matter what people own and how much they earn. Therefore, for the purpose of developing a deprivation index which allows for a more refined assessment of material deprivation of households, indicators such as income level, income inequality, the ability of making ends meet, over-indebtedness and satisfaction with living standards should be taken into account.

Amendment 24

Proposal for a regulation Recital 13

Text proposed by the Commission

Amendment

(13) Citizens have the right to know how the Union's financial resources are invested and to what effects. For the purpose of ensuring wide dissemination of information about the achievements of the Fund and to ensure accessibility and transparency of funding opportunities, detailed rules about information and communication, especially in relation to the responsibilities of the Member States and the beneficiaries, should be set out.

(13) Citizens have the right to know how the Union's financial resources are invested and to what effects. For the purpose of ensuring wide dissemination of information about the achievements of the Fund and to ensure accessibility and transparency of funding opportunities, detailed rules about information and communication, especially in relation to the responsibilities of **local and regional authorities** in the Member States and the beneficiaries, should be set out.

Amendment 25

Proposal for a regulation Recital 15

Text proposed by the Commission

(15) It is necessary to establish a **maximum** level of co-financing from the Fund to the operational programmes to provide for a multiplier effect of Union resources, **while the** situation of Member States facing temporary budget difficulties should be addressed.

Amendment

(15) It is necessary to establish a level of co-financing from the Fund to the operational programmes to provide for a multiplier effect of Union resources. **The** situation of Member States facing temporary budget difficulties should **also** be addressed.

Amendment 26

Proposal for a regulation Recital 16

Text proposed by the Commission

(16) Uniform and equitable rules on the eligibility period, operations and expenditures for the Fund should be applied across the Union. The conditions of eligibility should reflect the specific nature of the Fund's objectives and target populations, notably through adequate conditions of eligibility of the operations as well as forms of support and rules and conditions of reimbursement.

Amendment

(16) Uniform, **simple** and equitable rules on the eligibility period, operations and expenditures for the Fund should be applied across the Union. The conditions of eligibility should reflect the specific nature of the Fund's objectives and target populations, notably through adequate **and simplified** conditions of eligibility of the operations as well as forms of support and rules and conditions of reimbursement.

Amendment 27

Proposal for a regulation Recital 17

Text proposed by the Commission

(17) [Proposal for a] Regulation of the European Parliament and of the Council establishing a common organisation of the markets in agricultural products (Single CMO Regulation)⁵ provides that products bought under public intervention may be disposed of by making them available for the scheme for food distribution to the most deprived in the Union if that scheme

Amendment

(17) [Proposal for a] Regulation of the European Parliament and of the Council establishing a common organisation of the markets in agricultural products (Single CMO Regulation)⁵ provides that products bought under public intervention may be disposed of by making them available for the scheme for food distribution to the most deprived in the Union if that scheme

so provides. Given that, depending on the circumstances, obtaining of food from the use, processing or sale of such stocks might be economically the most favourable option, it is appropriate to provide for such a possibility in this Regulation. The amounts derived from a transaction concerning the stocks should be used for the benefit of the most deprived, and should not be applied so as to diminish the obligation of the Member States to co-finance the programme. In order to ensure the most efficient possible use of the intervention stocks and the proceeds thereof, the Commission should in accordance with Article 19(e) of the Regulation (EU) No [CMO] adopt implementing acts establishing procedures by which the products in intervention stocks may be used, processed or sold for the purposes of the most deprived programme.

so provides. Given that, depending on the circumstances, obtaining of food from the use, processing or sale of such stocks might be economically the most favourable option, it is appropriate to provide for such a possibility in this Regulation. The amounts derived from a transaction concerning the stocks should be used for the benefit of the most deprived, and should not be applied so as to diminish the obligation of the Member States to co-finance the programme. In order to ensure the most efficient possible use of the intervention stocks and the proceeds thereof, the Commission should in accordance with Article 19(e) of the Regulation (EU) No [CMO] adopt implementing acts establishing procedures by which the products in intervention stocks may be used, processed or sold for the purposes of the most deprived programme. ***Partner organisations should be allowed to distribute additional food supplies coming from other sources including intervention stock made available under Article 15 of Regulation (EU) No. ... [CMO].***

Amendment 28

Proposal for a regulation Recital 18

Text proposed by the Commission

(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.

Amendment

(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. ***Which types of action are specified should be decided in close co-operation with the managing authorities and partner organisations.***

Amendment 29

Proposal for a regulation Recital 27

Text proposed by the Commission

(27) Union budget commitments should be effected annually. In order to ensure effective programme management, it is necessary to lay down common rules for interim payment requests, the payment of the annual balance and the final balance.

Amendment

(27) Union budget commitments should be effected annually. In order to ensure effective programme management, it is necessary to lay down ***simple*** common rules for interim payment requests, the payment of the annual balance and the final balance.

Amendment 30

Proposal for a regulation

Recital 30

Text proposed by the Commission

(30) In order to safeguard the Union's financial interests, there should be measures limited in time that allow the authorising officer by delegation to interrupt payments where there is evidence to suggest a significant deficiency in the functioning of the management and control system, evidence of irregularities linked to a payment application, or a failure to submit documents for the purpose of the examination and acceptance of accounts.

Amendment

(30) In order to safeguard the Union's financial interests, there should be measures limited in time that allow the authorising officer by delegation to interrupt payments where there is evidence to suggest a significant deficiency in the functioning of the management and control system, evidence of irregularities linked to a payment application, or a failure to submit documents for the purpose of the examination and acceptance of accounts, ***or serious delays in project implementation, with convincing evidence that the objectives set for the projects in question are not being met.***

Amendment 31

Proposal for a regulation

Recital 32

Text proposed by the Commission

(32) In order to ensure that expenditure financed by the Union budget in any given financial year is used in accordance with the applicable rules, an appropriate framework should be created for the annual examination and acceptance of accounts. Under this framework, the designated bodies should submit to the Commission,

Amendment

(32) In order to ensure that expenditure financed by the Union budget in any given financial year is used in accordance with the applicable rules, an appropriate ***and simple*** framework should be created for the annual examination and acceptance of accounts. Under this framework, the designated bodies should submit to the

in respect of the operational programme, a management declaration accompanied by the certified annual accounts, an annual summary of the final audit reports and of controls carried out and an independent audit opinion and control report.

Commission, in respect of the operational programme, a management declaration accompanied by the certified annual accounts, an annual summary of the final audit reports and of controls carried out and an independent audit opinion and control report.

Amendment 32

Proposal for a regulation

Recital 35

Text proposed by the Commission

(35) The frequency of audits on operations should be proportionate to the extent of the Union's support from the Fund. In particular, the number of audits carried out should be reduced where the total eligible expenditure for an operation does not exceed EUR 100 000. Nevertheless, it should be possible to carry out audits at any time where there is evidence of an irregularity or fraud, or as part of an audit sample. In order that the level of auditing by the Commission is proportionate to the risk, the Commission should be able to reduce its audit work in relation to operational programmes where there are no significant deficiencies or where the audit authority can be relied on. In addition, the scope of audits should take fully into account the objective and the features of the target populations of the Fund.

Amendment

(35) The frequency of audits on operations should be proportionate to the extent of the Union's support from the Fund. In particular, the number of audits carried out should be reduced where the total eligible expenditure for an operation does not exceed EUR 100 000. Nevertheless, it should be possible to carry out audits at any time where there is evidence of an irregularity or fraud, or as part of an audit sample. In order that the level of auditing by the Commission is proportionate to the risk, the Commission should be able to reduce its audit work in relation to operational programmes where there are no significant deficiencies or where the audit authority can be relied on. In addition, the scope of audits should take fully into account the objective and the features of the target populations of the Fund, ***as well as the voluntary character of its beneficiary bodies.***

Amendment 33

Proposal for a regulation

Recital 41

Text proposed by the Commission

(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

Amendment

(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.

and for private and family life, the right to the protection of personal data, the rights of the child, ***the right to social assistance and to housing***, 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.

Amendment 34

Proposal for a regulation Recital 42 a (new)

Text proposed by the Commission

Amendment

(42a) Taking into account the date by which invitations to tender have to be issued, the time limits for adoption of this Regulation and the time needed for the preparation of operational programmes, rules should be put in place to permit a smooth transition in 2014 so that there is no interruption in the supply of food.

Amendment 35

Proposal for a regulation Recital 42 b (new)

Text proposed by the Commission

Amendment

(42b) It should be ensured that the Fund complements programmes and actions funded under the ESF and is coordinated as closely as possible with the ESF. Setting up parallel structures in the fight against poverty which increase administrative burdens and make coordination and synergies difficult, should be avoided.

Amendment 36

Proposal for a regulation Article 1

Text proposed by the Commission

1. This Regulation establishes the Fund for European Aid to the Most Deprived (hereinafter ‘the Fund’) for the period from 1 January 2014 to 31 December 2020 and determines the objectives of the Fund, the scope of its support, the financial resources available and the criteria for their allocation and lays down the rules necessary to ensure the effectiveness of the Fund.

Amendment

1. This Regulation establishes the Fund for European Aid to the Most Deprived (hereinafter ‘the Fund’) for the period from 1 January 2014 to 31 December 2020 and determines the objectives of the Fund, the scope of its support, the financial resources available and the criteria for their allocation and lays down the rules necessary to ensure the effectiveness **and efficiency** of the Fund.

Amendment 37

Proposal for a regulation

Article 2

Text proposed by the Commission

The following definitions shall apply:

(1) ‘most deprived persons’ means physical persons, whether individuals, families, households or groups composed of such persons, whose need for assistance has been established according to the objective criteria **adopted** by the national competent authorities, or defined by the partner organisations and which are approved by those competent authorities;

(2) ‘partner organisations’ means public bodies or non-for-profit organisations that deliver the food or goods directly or through other partner organisations to the most deprived persons, and whose operations have been selected by the managing authority in accordance with Article 29(3)(b);

(3) ‘national schemes’ means any scheme having, at least partly, the same objectives as the Fund and which is being implemented at national, regional or local level by public bodies or non-for-profit

Amendment

For the purpose of this Regulation the following definitions shall apply:

(1) ‘most deprived persons’ means physical persons, whether individuals, families, households or groups composed of such persons, whose need for assistance has been established according to the objective criteria **set** by the national competent authorities **in collaboration with relevant stakeholders**, or defined by the partner organisations and which are approved by those **national** competent authorities;

(2) ‘partner organisations’ means public bodies or non-for-profit organisations that deliver the food **and/or basic material assistance - in accordance with the eligibility criteria set out in Article 24** - directly or through other partner organisations to the most deprived persons, and whose operations have been selected by the managing authority in accordance with Article 29(3)(b);

(3) ‘national schemes’ means any scheme having, at least partly, the same objectives as the Fund and which is being implemented at national, regional or local level by public bodies or non-for-profit

organisations;

(4) 'operation' means a project, contract or action selected by the managing authority of the operational programme concerned, or under its responsibility, contributing to the objectives of the operational programme to which it relates;

(5) 'completed operation' means an operation that has been physically completed or fully implemented and in respect of which all related payments have been made by beneficiaries and the support from the corresponding operational programme has been paid to the beneficiaries;

(6) 'beneficiary' means a public or private body responsible for initiating or initiating and implementing operations;

(7) 'end recipient' means *the most deprived persons receiving the food or goods* and/or benefiting from the accompanying measures;

(8) 'public support' means any financial support given to an operation that originates from the budget of national, regional or local public authorities, the budget of the Union related to the Fund, the budget of public law bodies or the budget of associations of public authorities or any body governed by public law within the meaning of Article 1(9) of Directive 2004/18/EC of the European Parliament and of the Council;

(9) 'intermediate body' means any public or private body which acts under the responsibility of a managing or certifying authority, or which carries out duties on behalf of such an authority in relation to beneficiaries' implementing operations;

(10) 'accounting year' means the period

organisations;

(4) 'operation' means a project, contract or action selected by the managing authority of the operational programme concerned, or under its responsibility, contributing to the objectives of the operational programme to which it relates;

(5) 'completed operation' means an operation that has been physically completed or fully implemented and in respect of which all related payments have been made by beneficiaries and the support from the corresponding operational programme has been paid to the beneficiaries;

(6) 'beneficiary' means a public or private body responsible for initiating or initiating and implementing operations;

(7) 'end recipient' means *people suffering from food and/or material deprivation and receiving non-financial assistance* and/or benefiting from the accompanying measures *in the framework of this fund*;

(7a) 'accompanying measures' means measures beyond the distribution of food and basic material assistance, taken with the aim of overcoming social exclusion and of tackling social emergencies in a more empowering and sustainable way;

(8) 'public support' means any financial support given to an operation that originates from the budget of national, regional or local public authorities, the budget of the Union related to the Fund, the budget of public law bodies or the budget of associations of public authorities or any body governed by public law within the meaning of Article 1(9) of Directive 2004/18/EC of the European Parliament and of the Council;

(9) 'intermediate body' means any public or private body which acts under the responsibility of a managing or certifying authority, or which carries out duties on behalf of such an authority in relation to beneficiaries' implementing operations;

(10) 'accounting year' means the period

from 1 July to 30 June, except for the first accounting year, in respect of which it means the period from the starting date for eligibility of expenditure until 30 June 2015, the final accounting year being from 1 July 2022 to 30 June 2023;

(11) 'financial year' means the period from 1 January to 31 December.

from 1 July to 30 June, except for the first accounting year, in respect of which it means the period from the starting date for eligibility of expenditure until 30 June 2015, the final accounting year being from 1 July 2022 to 30 June 2023;

(11) 'financial year' means the period from 1 January to 31 December.

Amendment 73

Proposal for a regulation

Article 2 a (new)

Text proposed by the Commission

Amendment

Article 2a

The right to use the Fund shall apply to all Members States.

Amendment 38

Proposal for a regulation

Article 3

Text proposed by the Commission

Amendment

1. The Fund shall promote social cohesion in the Union by contributing to achieving the poverty reduction target of at least 20 million of the number of persons at risk of poverty and social exclusion in accordance with the Europe 2020 strategy. The Fund shall contribute to achieving the specific objective of alleviating the worst forms of poverty ***in the Union*** by providing non-financial assistance to the most deprived persons. This objective shall be ***measured by the number of persons receiving assistance from the Fund.***

1. The Fund shall promote social cohesion, ***enhance social inclusion and combat poverty*** in the Union by contributing to achieving the poverty reduction target of at least 20 million of the number of persons at risk of poverty and social exclusion in accordance with the Europe 2020 strategy, ***whilst complementing the European Social Fund.*** The Fund shall contribute to achieving the specific objective of alleviating ***and eradicating*** the worst forms of poverty, ***in particular food poverty,*** by providing non-financial assistance to the most deprived persons.

2. The Fund shall contribute to the sustainable eradication of food poverty, offering most deprived persons the prospect of a decent life. This objective

and the structural impact of the fund shall be qualitatively and quantitatively assessed.

3. The Fund shall complement and shall not replace or reduce sustainable national poverty eradication and social inclusion programmes, which remain the responsibility of Member States.

Amendment 39

Proposal for a regulation Article 4

Text proposed by the Commission

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.

2. The Fund may support accompanying measures, complementing the provision of food and **goods**, contributing to the social inclusion of 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.

Amendment

1. The Fund shall support national schemes whereby food products and/or basic **material assistance, including starter packs**, for the personal use of **the end recipients** are distributed to the most deprived persons through partner organisations selected by Member States.

2. The Fund may support accompanying measures, complementing the provision of food and **basic material assistance**, contributing to social inclusion **and a healthy diet and reducing dependencies** of the most deprived persons. **Such measures should be closely linked to the local activities of the European Social Fund and the activities of organisations which focus on the eradication of poverty.**

2a. The Fund may provide beneficiaries with assistance to make more efficient use of local food supply chains, thereby augmenting and diversifying the supply of food for the most deprived, as well as reducing and preventing food wastage.

3. The Fund shall promote, **at European level**, mutual learning, networking and dissemination of good practices in the area of non-financial assistance to the most deprived persons. **Relevant organisations and projects that do not make use of the Fund may also be included.**

Amendments 40 and 76

Proposal for a regulation Article 5

Text proposed by the Commission

1. The part of the Union budget allocated to the Fund shall be implemented within the framework of shared management between the Member States and the Commission, in accordance with Article 55(1)(b) of the Financial Regulation, with the exception of technical assistance at the initiative of the Commission, which shall be implemented in the framework of direct management in accordance with Article 55(1) (a) of the Financial Regulation.

2. The Commission and the Member States shall ensure that support from the Fund is consistent with the policies and priorities of the Union and complementary to other instruments of the Union.

3. Support from the Fund shall be **implemented** in close cooperation between the Commission and the Member States.

4. Member States and the bodies designated by them for that purpose shall be responsible for implementing the operational programmes and carrying out their tasks under this Regulation in accordance with the institutional, legal and financial framework of the Member State and subject to compliance with this Regulation.

5. Arrangements for the implementation and use of the Fund, and in particular the financial and administrative resources required in relation to reporting, evaluation, management and control shall take into account **the principle of proportionality having regard to the level of support allocated.**

Amendment

1. The part of the Union budget allocated to the Fund shall be implemented within the framework of shared management between the Member States and the Commission, in accordance with Article 55(1)(b) of the Financial Regulation, with the exception of technical assistance at the initiative of the Commission, which shall be implemented in the framework of direct management in accordance with Article 55(1) (a) of the Financial Regulation.

2. The Commission and the Member States shall ensure that support from the Fund is consistent with the policies and priorities of the Union and complementary to other instruments of the Union.

3. Support from the Fund shall be **provided** in close co-operation between the Commission and the Member States **in co-operation with as well as the competent regional and local authorities and partner organisations involved.**

4. Member States and the bodies designated by them for that purpose, **or where appropriate, the competent regional authorities,** shall be responsible for implementing the operational programmes and carrying out their tasks under this Regulation in accordance with the institutional, legal and financial framework of the Member State and subject to compliance with this Regulation.

5. Arrangements for the implementation and use of the Fund, and in particular the financial and administrative resources required in relation to reporting, evaluation, management and control shall take into account **the limited administrative capacity of organisations that function in the main thanks to volunteers, and shall ensure that the**

administrative burden placed on them is not greater than it was under the previous programme.

6. In accordance with their respective responsibilities, the Commission and the Member States shall ensure coordination with the European Social Fund, and with other Union policies and instruments

6. In accordance with their respective responsibilities, ***and in order to prevent double funding***, the Commission and the Member States shall ensure coordination with the European Social Fund, and with other Union policies and instruments, ***in particular Union actions in the field of health.***

7. The Commission and the Member States and the beneficiaries shall apply the principle of sound financial management in accordance with Article 26 of the Financial Regulation.

7. The Commission and the Member States and the beneficiaries shall apply the principle of sound financial management in accordance with Article 26 of the Financial Regulation.

8. The Commission and the Member States shall ensure the effectiveness of the Fund, in particular through monitoring, reporting and evaluation.

8. The Commission and the Member States shall ensure the effectiveness of the Fund, in particular through monitoring, reporting and evaluation ***and through the close and regular consultation of local and regional authorities and partner organisations implementing the fund's measures in the impact assessments.***

9. The Commission and the Member States shall carry out their respective roles in relation to the Fund with the aim of reducing the administrative burden for beneficiaries.

9. The Commission and the Member States shall ***take action to guarantee the effectiveness of the Fund, and shall*** carry out their respective roles in relation to the Fund with the aim of reducing the administrative burden for beneficiaries;

10. The Commission and the Member States shall ensure that equality between men and women and the integration of the gender perspective are promoted during the various stages of the implementation of the Fund. The Commission and the Member States shall take appropriate steps to prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation in obtaining access to the Fund.

10. The Commission and the Member States shall ensure that equality between men and women and the integration of the gender perspective are ***taken into account*** during the various stages ***of the preparation, the programming, management and implementation, the monitoring and the evaluation of the Fund, as well as in information and awareness raising campaigns and exchanges of best practices, while using data broken down by gender where available.*** The Commission and the Member States shall take appropriate steps to prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation in obtaining access to the Fund, ***and related***

11. Operations financed by the Fund shall comply with applicable Union and national law. In particular, the Fund may only be used to support distribution of food or **goods** that are in conformity with the Union legislation on consumer product safety.

12. 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.**

programmes and operations.

11. Operations financed by the Fund shall comply with applicable Union and national law. In particular, the Fund may only be used to support distribution of food or **basic material assistance** that are in conformity with the Union legislation on consumer product safety.

11a. Where appropriate, the choice of food products shall be based on principles of balanced nutrition and quality food, including fresh produce, and should contribute to a healthy diet of the end recipients.

12. Member States and beneficiaries shall choose food products and the **basic material assistance** on the basis of objective criteria **related to the needs of the most deprived persons.**

12a. Where appropriate priority should be given to local and regional products, taking climatic and environmental considerations into account, in particular with a view to the reduction of food waste at every stage of the distribution chain. This may include partnerships with companies throughout the food chain in a spirit of corporate social responsibility.

12b. The Commission and the Member States shall ensure that aid granted in the framework of this Fund respects the dignity of the most deprived persons.

Amendment 75

**Proposal for a regulation
Article 6 - paragraph 1**

Text proposed by the Commission

1. The global resources available for budgetary commitment from the Fund for the period 2014-2020 shall **be EUR 2 500 000 000 at 2011 prices, in accordance with the annual breakdown**

Amendment

1. The global resources available for budgetary commitment from the Fund for the period 2014-2020 **(in 2011 prices) shall not be less, in real terms, than seven times the budgetary allocation, adopted in the**

Amendment 42

Proposal for a regulation Article 6 – paragraph 3

Text proposed by the Commission

3. The Commission shall adopt a decision, by means of implementing acts, setting out the annual breakdown of the global resources by Member State, in accordance with Article 84(5) of Regulation (EU) No... (CPR), without prejudice to paragraph 4 of this Article, **taking into account the following** indicators established by Eurostat:

- (a) the population suffering from severe material deprivation;
- (b) the population living in households with very low work intensity.

Amendment

3. The Commission shall adopt a decision, by means of implementing acts, setting out the annual breakdown of the global resources by Member State, in accordance with Article 84(5) of Regulation (EU) No... (CPR), without prejudice to paragraph 4 of this Article, **based on the most recent** indicators established by Eurostat **concerning**:

- (a) the population suffering from severe material deprivation, **as a percentage of the total population**;
- (b) **changes in** the population living in households with very low work intensity.

Amendment 43

Proposal for a regulation Article 7

Text proposed by the Commission

1. Each Member State shall submit to the Commission one operational programme covering the period between 1 January 2014 and 31 December 2020 within three months of the entry into force of this Regulation, containing the following items:

- (a) **an identification of and** a justification for selecting the type(s) of material deprivation to be addressed **under the operational programme** and a description **for each type of material deprivation addressed** of the main characteristics **and the objectives of the distribution of food or goods and the accompanying measures to**

Amendment

1. Each Member State shall submit to the Commission one operational programme covering the period between 1 January 2014 and 31 December 2020 within three months of the entry into force of this Regulation, containing the following items:

(-a) a specification of the amount of its allocated share to be used.

- (a) a justification for selecting the type(s) of material deprivation to be addressed and a description of the main characteristics **of the operational programme**, having regard to the results of the *ex ante* evaluation carried out in accordance with Article 14;

be provided, having regard to the results of the *ex ante* evaluation carried out in accordance with Article 14;

(b) a description of the corresponding national scheme(s) for each type of material deprivation addressed;

(c) a description of the mechanism setting the eligibility criteria for the most deprived persons, differentiated if necessary by type of material deprivation addressed;

(d) the criteria for the selection of operations and a description of the selection mechanism differentiated if necessary by type of material deprivation addressed;

(e) the criteria for the selection of the partner organisations differentiated if necessary by type of material deprivation addressed;

(f) a description of the mechanism used to ensure complementarity with the European Social Fund;

(g) a description of the provisions for implementing the operational programme containing the identification of the managing authority, the certifying authority where applicable, the audit authority and the body to which payments are to be made by the Commission and a description of the monitoring procedure;

(h) a description of the measures taken to involve the competent regional, local and other public authorities as well as bodies representing civil society and bodies responsible for promoting equality and non-discrimination in the preparation of the operational programme;

(i) a description of the planned use of technical assistance in accordance with Article 25(2), including actions to reinforce the administrative capacity of the

(b) a description of the corresponding national scheme(s) for each type of material deprivation addressed;

(c) a description of the mechanism setting the eligibility criteria for the most deprived persons, differentiated if necessary by type of material deprivation addressed;

(d) the criteria for the selection of operations and a description of the selection mechanism differentiated if necessary by type of material deprivation addressed;

(e) the criteria for the selection of the partner organisations differentiated if necessary by type of material deprivation addressed;

(f) a description of the mechanism used to ensure complementarity with the European Social Fund ***showing a clear demarcation line between activities covered by those two funds***;

(fa) a description of the specific measures envisaged and of the funds allocated to give effect to the principles set out in Article 5.

(g) a description of the provisions for implementing the operational programme containing the identification of the managing authority, the certifying authority where applicable, the audit authority and the body to which payments are to be made by the Commission and a description of the monitoring procedure;

(h) a description of the measures taken to involve the competent regional, local and other public authorities as well as bodies representing civil society and bodies responsible for promoting equality and non-discrimination in the preparation of the operational programme;

(i) a description of the planned use of technical assistance in accordance with Article 25(2), including actions to reinforce the administrative capacity of the

beneficiaries in relation to the implementation of the operational programme;

(j) a financing plan containing following tables:

(i) a table specifying for each year in accordance with Article 18 the amount of the financial appropriation envisaged for support from the Fund and the co-financing in accordance with Article 18;

(ii) a table specifying, for the whole programming period, the amount of the total financial appropriation in respect of support from the operational programme for each type of material deprivation addressed as well as the corresponding accompanying measures.

The partner organisations referred to in point (e) that deliver directly the food or **goods** shall themselves undertake activities complementing the provision of material assistance, aiming at the social inclusion of the most deprived persons, whether or not these activities are supported by the Fund.

2. Operational programmes shall be drawn up by Member States or any authority designated by them in cooperation with the competent regional, local and other public authorities as well as **bodies representing civil society and bodies responsible for promoting equality and non-discrimination**.

3. The Member States shall draft their operational programmes in accordance with the template set out in Annex I.

Amendment 44

Proposal for a regulation Article 9 – paragraph 1

Text proposed by the Commission

1. Member State may submit a request for amendment of the operational programme.

beneficiaries in relation to the implementation of the operational programme;

(j) a financing plan containing following tables:

(i) a table specifying for each year in accordance with Article 18 the amount of the financial appropriation envisaged for support from the Fund and the co-financing in accordance with Article 18;

(ii) a table specifying, for the whole programming period, the amount of the total financial appropriation in respect of support from the operational programme for each type of material deprivation addressed as well as the corresponding accompanying measures.

The partner organisations referred to in point (e) that deliver directly the food **and/or basic material assistance** shall themselves **or in cooperation with other organisations** undertake activities complementing the provision of material assistance, aiming at the social inclusion of the most deprived persons, whether or not these activities are supported by the Fund.

2. Operational programmes shall be drawn up by Member States or any authority designated by them in cooperation with the competent regional, local and other public authorities as well as **all relevant stakeholders**. **Member States shall ensure that the operational programmes are closely linked to national social inclusion policies**.

3. The Member States shall draft their operational programmes in accordance with the template set out in Annex I.

Amendment

1. A Member State may submit a request for amendment of the operational

It shall be accompanied by the revised operational programme and the justification for the amendment.

programme. It shall be accompanied by the revised operational programme and the justification for the amendment.

Amendment 45

Proposal for a regulation

Article 10

Text proposed by the Commission

Amendment

Platform

Exchange of good practice

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.***

The Commission shall facilitate the exchange of experience, capacity building, networking ***and social innovation at Union level, thereby linking partner organisations and other relevant stakeholders from all Member States.***

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.

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 ***and shall thereafter report back to the European Parliament and to the Council in due course.***

The Commission shall also facilitate the online dissemination of relevant outcomes, reports and information in relation to the Fund.

Amendment 46

Proposal for a regulation

Article 11

Text proposed by the Commission

Amendment

1. From 2015 to 2022, the Member States shall submit to the Commission, by 30 June of each year, an annual implementation report for the operational programme in the previous financial year.
2. The Member States shall draft the annual implementation report in accordance with the template adopted by the Commission, including the list of

1. From 2015 to 2022, the Member States shall submit to the Commission, by 30 June of each year, an annual implementation report for the operational programme in the previous financial year.
2. The Member States shall draft the annual implementation report in accordance with the template adopted by the Commission, including the list of

common input and outcome indicators.

3. The annual implementation reports shall be admissible where they contain all the information required in accordance with the template referred in paragraph 2, including the common indicators. The Commission shall inform the Member State concerned within 15 working days from the date of receipt of the annual implementation report if it is not admissible. Where the Commission has not sent that information within the time limit, the report shall be deemed admissible.

4. The Commission shall examine the annual implementation report and inform the Member State of its observations within two months of the receipt of the annual implementation report.

Where the Commission does not provide observations within this time limit, the reports shall be deemed to be accepted.

5. The Member States shall submit a final report on the implementation of the operational programme by 30 September 2023.

The Member States shall draft the final implementation report in accordance with the template adopted by the Commission.

The Commission shall examine the final implementation report and inform the Member State of its observations within five months of receipt of the final report.

Where the Commission does not provide observations within this time limit, the reports shall be deemed to be accepted.

6. The Commission shall adopt the template for the annual implementation

common input and outcome indicators.

These indicators shall include:

(a) recent changes in social policy spending on severe material deprivation, in absolute terms, in relation to GDP and in relation to total public spending.

(b) recent changes in social policy legislation on access to funding for beneficiaries and other organisations addressing severe material deprivation.

3. The annual implementation reports shall be admissible where they contain all the information required in accordance with the template referred in paragraph 2, including the common indicators. The Commission shall inform the Member State concerned within 15 working days from the date of receipt of the annual implementation report if it is not admissible. Where the Commission has not sent that information within the time limit, the report shall be deemed admissible.

4. The Commission shall examine the annual implementation report and inform the Member State of its observations within two months of the receipt of the annual implementation report.

Where the Commission does not provide observations within this time limit, the reports shall be deemed to be accepted.

5. The Member States shall submit a final report on the implementation of the operational programme by 30 September 2023.

The Member States shall draft the final implementation report in accordance with the template adopted by the Commission.

The Commission shall examine the final implementation report and inform the Member State of its observations within five months of receipt of the final report.

Where the Commission does not provide observations within this time limit, the reports shall be deemed to be accepted.

6. The Commission shall adopt the template for the annual implementation

report, including the list of common indicators and for the final implementation report by means of implementing act. This implementing act shall be adopted in accordance with the advisory procedure referred to in Article 60(2).

7. The Commission may address observations to a Member State concerning the implementation of the operational programme. The managing authority shall within three months inform the Commission of the corrective measures taken.

8. The managing authority shall make public a summary of the contents of each annual and final implementation report.

report, including the list of common indicators and for the final implementation report by means of implementing act. This implementing act shall be adopted in accordance with the advisory procedure referred to in Article 60(2).

7. The Commission may address observations to a Member State concerning the implementation of the operational programme. The managing authority shall within three months inform the Commission of the corrective measures taken.

8. The managing authority shall make public a summary of the contents of each annual and final implementation report.

8a. The Commission shall present a summary of the annual implementation reports and the final implementation reports to the European Parliament and Council in due time.

8b. The procedure concerning implementation reports shall not be excessive in comparison to the funds allocated and to the nature of the support and shall not cause unnecessary administrative burdens.

Amendment 47

Proposal for a regulation Article 12

Text proposed by the Commission

Bilateral review *meeting*

1. The Commission and each Member State shall meet every year from 2014 to 2022, unless otherwise agreed, to examine the progress in implementing the operational programme, taking account of the annual implementation report and the Commission's observations referred to in Article 11(7), where applicable.
2. The bilateral review meeting shall be chaired by the Commission.
3. The Member State shall ensure that

Amendment

Bilateral review *meetings*

1. The Commission and each Member State shall meet every year from 2014 to 2022, unless otherwise agreed, to examine the progress in implementing the operational programme, taking account of the annual implementation report and the Commission's observations referred to in Article 11(7), where applicable.
2. The bilateral review meeting shall be chaired by the Commission.
3. The Member State shall ensure that

appropriate follow-up is given to any comments of the Commission following the meeting.

appropriate follow-up is given to any comments of the Commission following the meeting ***and refer to it in the implementation report of the following year or , as appropriate, years***

Amendment 48

Proposal for a regulation Article 13

Text proposed by the Commission

1. Member States shall provide the resources necessary for carrying out evaluations, and shall ensure that procedures are in place to produce and collect the data necessary for evaluations, including data related to the common indicators referred to in Article 11.
2. Evaluations shall be carried out by experts that are functionally independent of the authorities responsible for operational programme implementation. All evaluations shall be made public in their entirety.

Amendment

1. Member States shall provide the resources necessary for carrying out evaluations, and shall ensure that procedures are in place to produce and collect the data necessary for evaluations, including data related to the common indicators referred to in Article 11.
2. Evaluations shall be carried out by experts that are functionally independent of the authorities responsible for operational programme implementation. All evaluations shall be made public in their entirety ***but may under no circumstances include information regarding the identity of end recipients.***
2a. The evaluations shall not be excessive in comparison to the funds allocated or to the nature of the support and shall not cause unnecessary administrative burdens.

Amendment 49

Proposal for a regulation Article 14

Text proposed by the Commission

1. Member States shall carry out an ex ante evaluation of the operational programme.
2. The ex ante evaluation shall be carried out under the responsibility of the authority responsible for preparing the operational programmes. It shall be submitted to the Commission at the same time as the

Amendment

1. Member States shall carry out an ex ante evaluation of the operational programme.
2. The ex ante evaluation shall be carried out under the responsibility of the authority responsible for preparing the operational programmes. It shall be submitted to the Commission at the same time as the

operational programme, together with an executive summary.

3. Ex ante evaluations shall appraise the following elements:

(a) the contribution to the Union objective of at least 20 million fewer people at risk of poverty and social exclusion by 2020, having regard to the selected type of material deprivation to be addressed, taking into account national circumstances in terms of poverty and social exclusion and material deprivation;

(b) the internal coherence of the proposed operational programme and its relation with other relevant financial instruments;

(c) the consistency of the allocation of budgetary resources with the objective of the operational programme;

(d) contribution of the expected outputs to the results;

(e) the suitability of the procedures for monitoring the operational programme and for collecting the data necessary to carry out evaluations.

operational programme, together with an executive summary.

3. Ex ante evaluations shall appraise the following elements:

(a) the contribution to the Union objective of at least 20 million fewer people *living in poverty or* at risk of poverty and social exclusion by 2020, having regard to the selected type of material deprivation to be addressed, taking into account national circumstances in terms of poverty and social exclusion and material deprivation;

(aa) the contribution to the reduction of food waste;

(b) the internal coherence of the proposed operational programme and its relation with other relevant financial instruments;

(c) the consistency of the allocation of budgetary resources with the objective of the operational programme;

(d) *the* contribution of the expected outputs to the *objectives of the Fund*;

(da) the effective engagement of relevant stakeholders in the design and implementation of the operational programme;

(e) the suitability of the procedures for monitoring the operational programme and for collecting the data necessary to carry out evaluations.

Amendment 50

Proposal for a regulation

Article 15

Text proposed by the Commission

1. During the programming period, the managing authority *may carry out evaluations for assessing* the effectiveness and efficiency of the operational programme.

2. The managing authority shall carry out a structured survey on end recipients in 2017 and 2021, in accordance with the template

Amendment

1. During the programming period, the managing authority *shall evaluate* the effectiveness and efficiency of the operational programme.

2. The managing authority shall carry out a structured survey on end recipients in 2017 and 2021, in accordance with the template

provided by the Commission. The Commission shall adopt the template by means of an implementing act. This implementing act shall be adopted in accordance with the advisory procedure referred to in Article 60(2).

3. The Commission may **carry out**, at its own initiative, **evaluation of** operational programmes.

provided by the Commission. The Commission shall adopt implementing **acts establishing** the template **after the consultation of relevant stakeholders**. This implementing act shall be adopted in accordance with the advisory procedure referred to in Article 60(2).

3. The Commission may at its own initiative, **evaluate** operational programmes.

3a. The Commission shall present a mid-term assessment of the Fund to the European Parliament and to the Council by March 2018 at the latest.

Amendment 51

Proposal for a regulation Article 16

Text proposed by the Commission

At its own initiative and in close cooperation with the Member States, the Commission shall carry out, with the assistance of external experts, an ex-post evaluation, to assess the effectiveness and sustainability of results obtained as well as to measure the added value of the Fund. This ex post evaluation shall be completed by 31 December 2023.

Amendment

At its own initiative and in close cooperation with the Member States, the Commission shall carry out, with the assistance of external experts, an ex-post evaluation, to assess the effectiveness **and efficiency of the fund** and **the** sustainability of results obtained, as well as to measure the added value of the Fund. This ex post evaluation shall be completed by 31 December 2023.

Amendment 52

Proposal for a regulation Article 17

Text proposed by the Commission

1. The Member States shall provide information on and promote the actions supported by the Fund. The information shall be addressed to the most deprived persons, **the media and** the wider public. It shall highlight the role of the Union and ensure that the contribution from the Fund is visible.

Amendment

1. The **Commission and the** Member States shall provide information on and promote the actions supported by the Fund. The information shall, **in particular**, be addressed to the most deprived persons, **as well as to** the wider public **and the media**. It shall highlight the role of the Union and ensure that the contribution from the Fund, **the Member States and the partner**

2. The managing authority shall, in order to maintain transparency in the support of the Fund, maintain a list of operations supported by the Fund in CSV or XML format which shall be accessible through a website. The list shall include at least information on the beneficiary name, its address and allocated amount of Union funding as well as the type of material deprivation addressed.

The list of operations shall be updated at least every twelve months.

3. During the implementation of an operation, the beneficiaries and partner organisations shall inform the public about the support obtained from the Fund by placing at least one poster with information about the operation (minimum size A3), including about the financial support from Union, at a location readily visible to the public, at each place of provision of food, **goods** and any accompanying measure, except if this is not possible due to the circumstances of the distribution.

Those beneficiaries and partner organisations which have websites shall also provide a short description of the operation, including its aims and results, and highlighting the financial support from the Union.

4. All information and communication measures undertaken by the beneficiary and the partner organisations shall acknowledge support from the Fund to the operation by displaying the emblem of the Union together with a reference to the Union and the Fund.

5. The managing authority shall inform beneficiaries of publication of the list of operations in accordance with paragraph 2. The managing authority shall provide information and publicity kits, including

organisations regarding the Union's social cohesion objectives is visible without stigmatising end recipients.

2. The managing authority shall, in order to maintain transparency in the support of the Fund, maintain a list of operations supported by the Fund in CSV or XML format which shall be accessible through a website. The list shall include at least information on the beneficiary name, its address and allocated amount of Union funding as well as the type of material deprivation addressed.

The list of operations shall be updated at least every twelve months.

3. During the implementation of an operation, the beneficiaries and partner organisations shall inform the public about the support obtained from the Fund by placing ***either*** at least one poster with information about the operation (minimum size A3), including about the financial support from Union ***or a European Union flag of reasonable size***, at a location readily visible to the public, at each place of provision of food ***and/or basic material assistance*** and any accompanying measure ***without stigmatising end-recipients***, except if this is not possible due to the circumstances of the distribution.

Those beneficiaries and partner organisations which have websites shall also provide a short description of the operation, including its aims and results, and highlighting the financial support from the Union.

4. All information and communication measures undertaken by the beneficiary and the partner organisations shall acknowledge support from the Fund to the operation by displaying the emblem of the Union together with a reference to the Union and the Fund.

5. The managing authority shall inform beneficiaries of publication of the list of operations in accordance with paragraph 2. The managing authority shall provide information and publicity kits, including

templates in electronic format, to help beneficiaries and partner organisations to meet their obligations as set out in paragraph 3.

6. In processing personal data pursuant to *this Article*, the managing authority as well as the beneficiaries and partner organisations shall comply with Directive 95/46/EC.

templates in electronic format, to help beneficiaries and partner organisations to meet their obligations as set out in paragraph 3.

6. In processing personal data pursuant to *Articles 13 to 17*, the managing authority as well as the beneficiaries and partner organisations shall comply with Directive 95/46/EC.

Amendment 53

Proposal for a regulation Article 18

Text proposed by the Commission

1. The co-financing rate at the level of the operational programme **shall not be higher than** 85% of the public eligible expenditure.

2. The Commission decision adopting an operational programme shall fix the co-financing rate applicable to the operational programme and the maximum amount of support from the Fund.

3. The technical assistance measures implemented at the initiative of, or on behalf of, the Commission may be financed at the rate of 100%.

Amendment

1. The co-financing rate at the level of the operational programme **amounts to** 85% of the public eligible expenditure. **It may be increased in the cases described in Article 19(1). Member States shall be free to support the Fund's initiatives with additional national resources.**

1a. Beneficiaries shall not under any circumstance co-finance operations of the Fund.

2. The Commission decision adopting an operational programme shall fix the co-financing rate applicable to the operational programme and the maximum amount of support from the Fund.

3. The technical assistance measures implemented at the initiative of, or on behalf of, the Commission may be financed at the rate of 100%.

Amendment 54

Proposal for a regulation Article 19

Text proposed by the Commission

1. At the request of a Member State, interim payments and payments of the final balance may be increased by 10 percentage points above the co-financing rate

Amendment

1. At the request of a Member State, interim payments and payments of the final balance may be increased by 10 percentage points above the co-financing rate

applicable to the operational programme. The increased rate, which can not exceed 100%, shall apply to requests for payment relating to the accounting period in which the Member State has submitted its request and subsequent accounting periods during which the Member State meets one of the following conditions:

(a) where the Member State concerned has adopted the euro, it receives macrofinancial assistance from the Union in accordance with Council Regulation (EU) No 407/2010;

(b) where the Member State concerned has not adopted the euro, it receives medium-term financial assistance in accordance with Council Regulation (EC) No 332/2002;

(c) financial assistance is made available to it in accordance with the Treaty establishing the European Stability Mechanism.

2. Notwithstanding paragraph 1, Union support through interim payments and payments of the final balance shall not be higher than the public support and the maximum amount of support from the Fund, as laid down in the Commission decision approving the operational programme.

applicable to the operational programme. The increased rate, which can not exceed 100%, shall apply to requests for payment relating to the accounting period in which the Member State has submitted its request and subsequent accounting periods during which the Member State meets one of the following conditions:

(a) where the Member State concerned has adopted the euro, it receives macrofinancial assistance from the Union in accordance with Council Regulation (EU) No 407/2010;

(b) where the Member State concerned has not adopted the euro, it receives medium-term financial assistance in accordance with Council Regulation (EC) No 332/2002;

(c) financial assistance is made available to it in accordance with the Treaty establishing the European Stability Mechanism.

2. Notwithstanding paragraph 1, Union support through interim payments and payments of the final balance shall not be higher than the public *and/or private* support and the maximum amount of support from the Fund, as laid down in the Commission decision approving the operational programme.

Amendment 55

Proposal for a regulation

Article 21

Text proposed by the Commission

1. Operations supported by the operational programme shall be located in the Member State covered by the operational programme.

2. Operations may receive support from the operation programme provided that they have been selected in accordance with a fair and transparent procedure, on the basis of the criteria laid down in the operational programme.

Amendment

1. Operations supported by the operational programme shall be located in the Member State covered by the operational programme.

2. Operations may receive support from the operation programme provided that they have been selected in accordance with a fair and transparent procedure, on the basis of the criteria laid down in the operational programme.

3. The food and the *goods* for *homeless persons or for children* may be purchased by the partner organisations themselves.

They may also be purchased by a public body and made available free of charge to the partner organisations. *In that case, the food may be obtained from the use, processing or sale of the products in intervention stocks made available in accordance with Article 15 of the Regulation (EU) No [CMO], provided that this is economically the most favourable option and does not unduly delay the delivery of the food products to the partner organisations. Any amount derived from a transaction concerning those stocks shall be used for the benefit of the most deprived persons, and shall not be applied so as to diminish the obligations of the Member States, provided in Article 18 of this Regulation, to co-finance the programme.*

The Commission shall apply the procedures adopted pursuant to Article 19(e) of the Regulation (EU) No [CMO] by which the products in intervention stocks may be used, processed or sold for the purposes of this Regulation, in order to ensure the most efficient possible use of the intervention stocks and proceeds thereof.

4. That material assistance shall be distributed free of charge to the most deprived persons.

5. An operation supported by the Fund shall not receive support from another Union instrument.

3. The food and/or the *items for basic material assistance* for *the personal use of the end recipients* may be purchased by the partner organisations themselves.

They may also be purchased by a public body and made available free of charge to the partner organisations. *The partner organisations may, in addition, distribute food supplies coming from other sources including* intervention stock made available under Article 15 of the Regulation (EU) No. ... [CMO].

The Commission shall apply the procedures adopted pursuant to Article 19(e) of the Regulation (EU) No [CMO] by which the products in intervention stocks may be used, processed or sold for the purposes of this Regulation, in order to ensure the most efficient possible use of the intervention stocks and proceeds thereof.

4. *The food and/or the items for basic* material assistance shall be distributed free of charge to the most deprived persons *without any exception.*

5. An operation supported by the Fund shall not receive support from another Union instrument *in order to avoid double funding. However, beneficiaries shall not be prevented from applying to use other European Funds such as the ESF to undertake complementary actions aimed at addressing poverty relief and social inclusion.*

Amendment 56

Proposal for a regulation Article 24

Text proposed by the Commission

1. The costs eligible for a support from the operational programme shall be:

- (a) the costs of purchasing food and basic **consumer goods** for personal use of **homeless persons or of children**;
- (b) where a public body purchases the food or basic consumer goods for personal use of **homeless persons or of children** and provide them to partner organisations, the costs of transporting **of** food or **goods** to the storage depots of the partner organisations at a flat rate of 1% of the costs referred to in point (a);
- (c) the administrative, transport and storage costs borne by the partner organisations at a flat rate of 5 % of the costs referred to in point (a);

(d) the costs of social inclusion activities undertaken and declared by the partner organisations delivering directly the material assistance to the **most deprived persons** at a flat rate of 5% of the costs referred to in point (a);

(e) costs incurred pursuant to Article 25.

2. The following costs shall not be eligible for a support from the operational programme:

- (a) interest on debt;
- (b) costs of second-hand goods;
- (c) value added tax. However, VAT amounts shall be eligible where they are not recoverable under national VAT

Amendment

1. The costs eligible for a support from the operational programme shall be:

- (a) the costs of purchasing food **and items for basic material assistance** for the personal use of **end-recipients**;
- (b) where a public body purchases the food or basic consumer goods for **the** personal use of **end-recipients and provides** them to partner organisations, the costs of transporting food or **items for basic material assistance** to the storage depots of the partner organisations at a flat rate of 1% of the costs referred to in point (a);

(c) the administrative, transport and storage costs borne by the partner organisations at a flat rate of 5 % of the costs referred to in point (a); **or 5 % of the value of the food intervention stocks transferred in accordance with Article 15 of the Regulation (EU) No. ../... [CMO];**

(ca) the administrative, transport, and storage costs borne by the partner organisations in relation to the collection of food waste.

(d) the costs of social inclusion activities undertaken and declared by the partner organisations delivering directly **or indirectly** the **basic** material assistance to the **end recipients** at a flat rate of 5% of the costs referred to in point (a)

(e) costs incurred pursuant to Article 25.

2. The following costs shall not be eligible for a support from the operational programme:

- (a) interest on debt;
- (b) costs of second-hand goods;
- (c) value added tax. However, VAT amounts shall be eligible where they are not recoverable under national VAT

legislation and are paid by a beneficiary other than a non-taxable person as defined in the first subparagraph of Article 13(1) of Council Directive 2006/112/EC.

legislation and are paid by a beneficiary other than a non-taxable person as defined in the first subparagraph of Article 13(1) of Council Directive 2006/112/EC.

Amendment 57

Proposal for a regulation Article 28 – paragraph 4

Text proposed by the Commission

4. The Member State shall designate a national public authority or body, functionally independent from the managing authority and the certifying authority, as audit authority.

Amendment

4. The Member State shall designate a national public authority or body, functionally independent from the managing authority and the certifying authority, as audit authority. ***The national audit office or the national court of auditors may be designated as the audit authority.***

Amendment 58

Proposal for a regulation Article 29 – paragraph 4 – point e

Text proposed by the Commission

(o) draw up the management declaration and annual summary referred to in **Article 56 (5)(a) and (b)** of the Financial Regulation.

Amendment

(e) draw up the management declaration and annual summary referred to in **Article 59(5)(a) and (b)** of the Financial Regulation.

Amendment 59

Proposal for a regulation Article 30 – paragraph 1 – point 2

Text proposed by the Commission

2. drawing up the annual accounts referred to in Article 56 (5) (a) of the Financial Regulation;

Amendment

2. drawing up the annual accounts referred to in Article 59(5)(a) of the Financial Regulation;

Amendment 60

Proposal for a regulation Article 30 – paragraph 1 – point 8

Text proposed by the Commission

8. keeping an account of amounts recoverable and of amounts withdrawn following cancellation of all or part of the contribution for an operation. Amounts recovered shall be repaid to the **general budget of the Union** prior to the closure of the operational programme by deducting them from the next statement of expenditure.

Amendment

8. keeping an account of amounts recoverable and of amounts withdrawn following cancellation of all or part of the contribution for an operation. Amounts recovered shall be repaid to the **Fund** prior to the closure of the operational programme by deducting them from the next statement of expenditure.

Amendment 61

Proposal for a regulation
Article 31 – paragraph 4

Text proposed by the Commission

4. The audit authority shall, within six months of adoption of the operational programme, prepare an audit strategy for performance of audits. The audit strategy shall set out the audit methodology, the sampling method for audits on operations and the planning of audits in relation to the current accounting year and the two subsequent accounting years. The audit strategy shall be updated annually from 2016 until and including 2022. The audit authority shall submit the audit strategy to the Commission **upon request**.

Amendment

4. The audit authority shall, within six months of adoption of the operational programme, prepare an audit strategy for performance of audits. The audit strategy shall set out the audit methodology, the sampling method for audits on operations and the planning of audits in relation to the current accounting year and the two subsequent accounting years. The audit strategy shall be updated annually from 2016 until and including 2022. The audit authority shall submit the audit strategy to the Commission. ***The Commission shall be empowered to request that the audit authority introduces changes to its audit strategy, which, in its view, are necessary for ensuring that audits are carried out in a proper manner, in accordance with the internationally accepted audit standards. In doing so the Commission shall ensure that performance audit has been sufficiently taken into account.***

Amendment 62

Proposal for a regulation

Article 31 – paragraph 5 – subparagraph 1 – point a

Text proposed by the Commission

(r) an audit opinion in accordance with Article 56 (5) of the Financial Regulation;

Amendment

(a) an audit opinion in accordance with Article 59(5) of the Financial Regulation;

Amendment 63

Proposal for a regulation

Article 33 – paragraph 3

Text proposed by the Commission

3. The Commission *may* require *a* Member *State* to take the actions necessary to ensure the effective functioning of their management and control systems or the correctness of expenditure in accordance with this Regulation.

Amendment

3. The Commission *shall* require Member *States* to take the actions necessary to ensure the effective functioning of their management and control systems or the correctness of expenditure in accordance with this Regulation.

Amendment 64

Proposal for a regulation

Article 35 – paragraph 1

Text proposed by the Commission

The budget commitments of the Union in respect of each operational programme shall be made in annual instalments during the period between 1 January 2014 and 31 December 2020. The decision of the Commission adopting the operational programme shall constitute the financing decision within the meaning of *Article 81(2)* of the Financial Regulation and once notified to the Member State concerned, a legal commitment within the meaning of that Regulation.

Amendment

The budget commitments of the Union in respect of each operational programme shall be made in annual instalments during the period between 1 January 2014 and 31 December 2020. The decision of the Commission adopting the operational programme shall constitute the financing decision within the meaning of *Article 84(2)* of the Financial Regulation and once notified to the Member State concerned, a legal commitment within the meaning of that Regulation.

Amendment 65

Proposal for a regulation Article 45 – paragraph 1

Text proposed by the Commission

1. For each year from 2015 until and including 2022, by 15 February of the year following the end of the accounting period, the designated bodies shall submit to the Commission the following documents and information in accordance with Article 56 of the Financial Regulation:

(dd) the certified annual accounts of the relevant bodies designated pursuant to Article 32 as referred to in Article 56(5) of the Financial Regulation;

(ee) the management declaration as referred to in Article 56(5) of the Financial Regulation;

(ff) an annual summary of the final audit reports and of controls carried out, including an analysis of the nature and extent of errors and of weaknesses, as well as corrective actions taken or planned;

(gg) an audit opinion by the designated independent audit body as referred in Article 56(5) of the Financial Regulation, accompanied by a control report setting out the findings of the audits carried out relating to the accounting year covered by the opinion.

Amendment

1. For each year from 2015 until and including 2022, by 15 February of the year following the end of the accounting period, the designated bodies shall submit to the Commission the following documents and information in accordance with Article 59 of the Financial Regulation:

(a) the certified annual accounts of the relevant bodies designated pursuant to Article 32 as referred to in Article 59(5) of the Financial Regulation;

(b) the management declaration as referred to in Article 59(5) of the Financial Regulation;

(c) an annual summary of the final audit reports and of controls carried out, including an analysis of the nature and extent of errors and of weaknesses, as well as corrective actions taken or planned;

(d) an audit opinion by the designated independent audit body as referred in Article 59(5) of the Financial Regulation, accompanied by a control report setting out the findings of the audits carried out relating to the accounting year covered by the opinion.

Amendment 66

Proposal for a regulation Article 48 – paragraph 1

Text proposed by the Commission

1. The managing authority shall ensure that all supporting documents on operations are made available to the Commission and the European Court of Auditors upon request for a period of *three* years. This *three* year period shall run from *31 December of the year of the decision on acceptance of*

Amendment

1. The managing authority shall ensure that all supporting documents on operations are made available to the Commission and the European Court of Auditors upon request for a period of *five* years. This *five* year period shall run from the date of payment of the final balance.

accounts by the Commission pursuant to Article 47 or, at the latest, from the date of payment of the final balance.

This *three* year period shall be interrupted either in the case of legal or administrative proceedings or by a duly justified request of the Commission.

This *five* year period shall be interrupted either in the case of legal or administrative proceedings or by a duly justified request of the Commission.

Amendment 67

Proposal for a regulation Article 60 a (new)

Text proposed by the Commission

Amendment

Article 60a

Transitional provisions

The Commission and the Member States shall ensure via transitional provisions that activities eligible for support can start as of 1 January 2014, even if operational programmes have not yet been submitted.

Amendment 68

Proposal for a regulation Article 61

Text proposed by the Commission

Amendment

This Regulation shall enter into force on the *twentieth* day *after publication* following that of its publication in the *Official Journal of the European Union*.

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.