



Press Release

Luxembourg, 3 April 2019

EU scheme ensures food aid to the most deprived, but its impact on social inclusion still needs to be demonstrated, say Auditors

The Fund for European Aid to the most Deprived (FEAD) contributes to Member States' approaches to alleviating poverty, according to a new report from the European Court of Auditors. But it still mainly funds food support and does not always target the most extreme forms of poverty. Its function as a bridge towards social inclusion still has to be demonstrated, the EU auditors stress.

With €3.8 billion of EU funding over the 2014-2020 period, the FEAD is intended to be more than a food aid scheme, offering material assistance combined with tailored social inclusion measures. The auditors assessed whether the FEAD's design made it effective in helping to lift the most deprived people in the EU out of poverty and foster their social integration. They reviewed the programmes of Belgium, the Czech Republic, Germany, Spain, France, Italy, Poland, Romania and Slovakia.

Although the FEAD contains a clear social inclusion objective, the auditors noted that it remains primarily a food aid scheme, with over 80 % of its budget devoted to such support. This is nevertheless highly appreciated by stakeholders dealing with the most deprived people, and the auditors also consider the FEAD a significant instrument in ensuring the provision of food and material support.

The auditors outline the possibilities the FEAD offers Member States to explicitly foster social inclusion. Yet only four Member States opted for programmes focused on social inclusion actions, representing a mere 2.5% of the Fund. Moreover, the success of such measures is not being monitored due to a lack of quantitative data. Therefore, the Fund's contribution to alleviating poverty has not yet been demonstrated, conclude the auditors.

The purpose of this press release is to convey the main messages of the European Court of Auditors' special report. The full report is available at eca.europa.eu.

ECA Press

Mark Rogerson – Spokesperson T: (+352) 4398 47063
Damijan Fišer – Press Officer T: (+352) 4398 45410
12, rue Alcide De Gasperi - L-1615 Luxembourg
E: press@eca.europa.eu @EUAuditors eca.europa.eu

M: (+352) 691 55 30 63
M: (+352) 621 55 22 24

*“Despite overall European prosperity, almost one in four people in the EU is still at risk of poverty or social exclusion”, said **George Pufan, the Member of the European Court of Auditors responsible for the report.** “The FEAD is a welcome policy instrument to tackle this unacceptable situation. But to be really effective and to provide more added value, it needs to clearly target those most in need and the most extreme forms of poverty.”*

The targeting of aid is essential, all the more so due to limited budgetary resources. It helps increase its impact and makes monitoring easier. However, targets are not always set, and half of the Member States assessed do not channel the aid to any specific vulnerable group or type of poverty. The auditors warn that all of this is likely to result in a scattering of funding.

For 2021-2027, the European Commission has proposed integrating the FEAD into the new European Social Fund Plus (ESF +). With this in mind, the auditors recommend that the Commission and the Member States should:

- better target basic food and material assistance to those most in need;
- ring-fence social inclusion measures for recipients of basic material assistance;
- improve the assessment of the social inclusion of end recipients.

Notes to Editors

Poverty reduction is a key policy component of the Europe 2020 strategy: it sets the target of "lifting at least 20 million people out of the risk of poverty or social exclusion" by 2020 compared to 2008. In 2017, 113 million people, or 22.5 % of the EU's population, were still at risk of poverty or social exclusion. There were 116 million people at risk in 2008, when the EU defined its headline target. The risk is highest for specific groups such as children and elderly people.

EU schemes aimed at supporting the most deprived have existed since the 1980s. The first such scheme was the European programme for the Most Deprived (MDP). In 2014, the Fund for European Aid to the Most Deprived (FEAD) was established, to which the Commission has devoted €3.8 billion, complemented by Member States' contributions to give total funding of €4.5 billion over the 2014-2020 period. The FEAD's aim is to alleviate those forms of extreme poverty with the greatest impact in causing social exclusion, such as homelessness, child poverty and food deprivation.

The ECA presents its special reports to the European Parliament and Council of the EU, as well as to other interested parties such as national parliaments, industry stakeholders and representatives of civil society. The vast majority of the recommendations we make in our reports are put into practice. This high level of take-up underlines the benefit of our work to EU citizens.

Special report 05/2019 “FEAD Fund for European Aid to the most Deprived: valuable support but its contribution to reducing poverty is not yet established” is available on the ECA website (eca.europa.eu) in 23 EU languages.