Press release - Additional and more flexible funding to help those most in need



With 649 votes in favour, 7 against and 31 abstentions, Parliament approved the agreement to adapt the FEAD regulation that was reached with the member states in December last year.

The adapted regulation allows member states to continue to use the additional funds made available for post-COVID-19 recovery under the REACT-EU initiative in 2021 and 2022. Member states can choose to increase the resources provided in the FEAD regulation for food aid and other basic assistance for those most in need. In order to alleviate the current burden on public budgets, the additional resources will not be co-financed by member states and the Commission will provide pre-financing to further expedite delivery.

"This pandemic has had far-reaching consequences on people's quality of life, especially on those who were vulnerable to begin with. More than 20% of all Europeans have seen their situation deteriorate. This fund will be the instrument to support them in finding their way out of poverty and back into society", says rapporteur <u>Lucia Ďuriš Nicholsonová</u> on the agreement.

Next steps

The Council must also approve the text formally. Once it has done so, the adopted measures will enter into force after publication in the Official Journal of the European Union.

Background

The 3.8 billion EUR Fund for European Aid to the Most Deprived (FEAD) was introduced in 2014 as an EU action to alleviate the worst forms of poverty

and foster social cohesion in Europe. Around 13 million people benefit from the Fund each year, including approximately four million children. The COVID-19 pandemic and its economic consequences have exacerbated the situation of more than 20% of the EU population who are at risk of poverty or social exclusion, deepened social divisions, and increased job losses, unemployment rates and inequalities.