

FEAD, REACT-EU, and the European Food Banks Federation

# 2021 Implementation Report





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## **About this report**

The aim of this report is twofold: on the one hand, it strives at giving a concise overview on the Fund for European Aid to the Most Deprived (FEAD) from a regulatory perspective lining out its structure, monetary volume, and observed impact on poverty and social inclusion levels in the EU, as well as regulatory amendments and its integration into the European Social Fund Plus (ESF+). On the other hand, besides transmitting these insights, this publication further envisages to address the FEAD from a practical angle, highlighting the challenges and opportunities inherent to the daily implementation of the Fund on the ground in 2021.

Members of the European Food Banks Federation (FEBA) benefitting from the FEAD and/or the Recovery Assistance for Cohesion and the Territories of Europe (REACT-EU) as its second amendment in response to the COVID-19 pandemic have been asked to share their experiences, providing FEBA with qualitative and quantitative data feeding this report. By conducting their daily activities, Food Banks belonging to the FEBA network have been key players in the pursue of the FEAD's objectives, i.e. the support of the most deprived, and will continue on this path under the ESF+.

FEBA aims at facilitating the dialogue between all the stakeholders involved: the European Commission, national Managing Authorities, FEBA Members, and local charitable organisations with the final goal of reducing food insecurity and fostering social inclusion for the benefit of the most vulnerable groups in the EU.





# FEAD in a nutshell: key numbers and developments in 2014-2020

Striving to alleviate the worst forms of poverty, such as food deprivation, child poverty, and homelessness, within the European Union by supporting Member States' action, the Fund for European Aid to the Most Deprived (FEAD) was set up in 2014.

For the seven-year programming period covered by the 2014 – 2020 Multiannual Financial Framework,

+€3.8<sub>b</sub>

in current prices have been earmarked by the EU to pursue this objective.



Complemented by the Member States' own resources, the value of the Fund amounts to a total of

€4.5b



The Fund can be used by Member States in two ways:

- for a food and/or basic material assistance operational programme (OP I) and/or
- for a social inclusion operational programme (OP II).



Supporting one more Member State compared to 2019 and thereby increasing its reach,<sup>1</sup> in 2020, the FEAD successfully delivered assistance in 27 EU Member States, advancing on the path of achieving its objectives.

<sup>&</sup>lt;sup>1</sup> European Commission, Report from the Commission to the Council and the European Parliament: Summary of the annual implementation reports for the operational programmes cofinanced by the Fund for European Aid to the Most Deprived in 2019, 30 August 2021.





According to the report released by the European Commission, 23 out of 27 EU Member States distributed food and/or basic material assistance together with accompanying measures in 2020 while four continued operating social inclusion programmes. Almost 15 million people were supported with food aid, approximately 1.96 million people received material assistance, and 30,000 people benefitted from social inclusion measures (Fig. 1).<sup>2</sup>



Regarding OP I, food aid in 2020 augmented significantly, reaching 428,000 tonnes compared to 345,000 tonnes in 2019. In percentage terms, the increase was particularly strong in Portugal (+123%), Italy (+77%), Poland (+55%), Estonia (+36%), and Romania.<sup>3</sup>

## Fig.1 Number of people receiving food support and/or basic material assistance (2014-2020, in million), Source: SFC2014



Key figures for 2014-2020 programming period

+2.4<sub>M</sub>

tonnes of FEAD food were provided to almost 90 million people in need.

€69.2m

in basic material assistance has been handed out to approximately 4.9 million end beneficiaries.<sup>4</sup>



<sup>&</sup>lt;sup>2</sup> European Commission, Report from the Commission to the Council and the European Parliament: Summary of the annual implementation reports for the operational programmes co-financed by the Fund for European Aid to the Most Deprived in 2020, 20 July 2022.

<sup>3</sup> Idih

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# Amendments to the FEAD in response to the COVID-19 pandemic

Before the COVID-19 pandemic, levels of poverty and social exclusion have been falling across the European Union (Fig. 2). Being the only European Fund to specifically target the most severe forms of poverty, the FEAD has demonstrated to be pivotal for improving the wellbeing, including nutritional aspects as a key pillar, of particularly vulnerable persons. The health crisis provoked by the coronavirus outbreak put a halt to this downward trajectory (Fig.2 & 3).

During this challenging period, the FEAD contributed significantly to the endeavour of alleviating the hardship experienced by the most deprived and further supported new groups of end beneficiaries, such as students or single parents, who unexpectedly found themselves confronted with socio-economic difficulties as the pandemic evolved.



Fig.2 Evolution of level of people at risk of poverty or social exclusion in EU27 (2015-2021), Source: EUROSTAT 2022

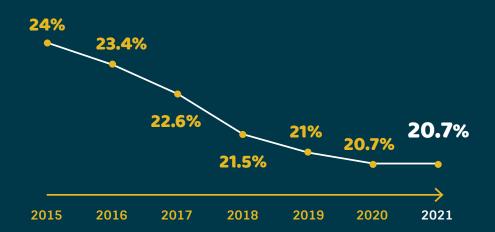
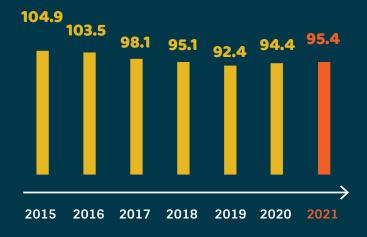






Fig.3 Evolution of number of people at risk of poverty or social exclusion in EU27 (2015-2021, in millions), Source: EUROSTAT 2022



Being a crucial part of the Fund's implementation chain, the **Partner Organisations** providing FEAD assistance also experienced various **challenges impacting the obtainment**, **handling**, **and redistribution** of food and material items.

In order to better respond to the needs of both them and the end beneficiaries emerging from the pandemic-related circumstances, the **FEAD Regulation was amended twice:** 

### **April 2020**

#### Coronavirus Response Investment Initiative Plus (CRII+)

- Enabled the use of indirect delivery modes, e.g. vouchers or cards, to lower the risk of infection;
- Allowed for the purchase of personal protective equipment for organisations providing FEAD support; and
- Strengthened the liquidity in Member States, making it possible to provide a **100% co-financing rate** for one accounting year.<sup>5</sup>

### February 2021

Recovery Assistance for Cohesion and the Territories of Europe (REACT-EU)

- Authorised Member States to allocate additional funding to FEAD to top-up existing support measures (e.g. food and/or basic material assistance or social inclusion actions) which must be spent until the end of 2023, thereby bridging the gap between the emergency crisis response and the long-term recovery programmes under the EU budget for 2021 – 2027;6
- Supported Partner Organisations in covering costs for technical assistance and capacity building required to expediently respond to the COVID-19 outbreak; and
- Allowed for the financing of management, monitoring, and administration tasks required for the implementation of the FEAD where those costs are borne by the Managing Authority.<sup>7</sup>



<sup>&</sup>lt;sup>5</sup> Official Journal of the European Union, Regulation (EU) 2020/559 of the European Parliament and of the Council of 23 April 2020 amending Regulation (EU) No 223/2014 as regards the introduction of specific measures for addressing the outbreak of COVID-19, 23 April 2020.

<sup>&</sup>lt;sup>6</sup> European Commission, Commission welcomes agreement on additional financial support for the most deprived under REACT-EU, 21 January 2021.

Official Journal of the European Union, Regulation (EU) 2021/177 of the European Parliament and of the Council of 10 February 2021 amending Regulation (EU) No 223/2014 as regards the introduction of specific measures for addressing the crisis associated with the outbreak of COVID-19, 10 February 2021.



Under the umbrella of Next Generation EU, EUR 81 million in additional resources have been made available under REACT-EU. The allocation is adjusted to Member States' respective relative wealth, the drop in GDP levels, and the rise of unemployment rates.

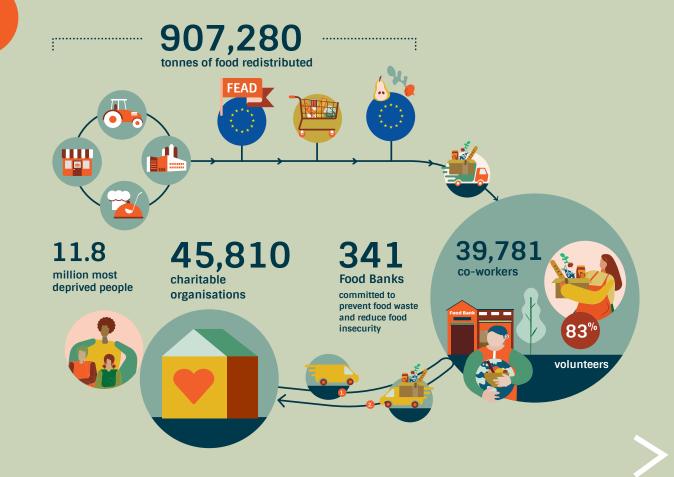
Following that, the total amount invested in FEAD swell to

€621m<sup>8</sup>

Fig.4 Contribution of FEBA membership to our circular food system in 2021

In 2021, the European Food Banks Federation (FEBA) worked in collaboration with 24 Full Members and 5 Associate Members in 29 European countries. 9

- European Commission, Report from the Commission to the Council and the European Parliament: Summary of the annual implementation reports for the operational programmes co-financed by the Fund for European Aid to the Most Deprived in 2020, 20 July 2022.
- <sup>9</sup> In some countries such as Estonia, Germany and the Netherlands, FEBA Members redistribute food not only to other charitable organisations but also provide food directly to end beneficiaries. This is the aggregation of data provided by FEBA Full Members and Associate Members at European level. In the case of Tafel Deutschland e.V., the data for food quantities is based on an estimation.



# FEAD, REACT-EU, and FEBA Members in 2021

Since 2019, FEBA has continuously monitored the implementation of the FEAD across EU Member States in order to paint a coherent picture as regards challenges and opportunities the Fund entails for the Food Banks in their role as Partner Organisations. Moreover, by conducting this exercise, implications of food and material assistance as well as social inclusion measures on the charities and end beneficiaries receiving FEAD food through FEBA Members can be exposed.

On the occasion of the FEBA Annual Forum on Food Aid and Social Inclusion 2022, entitled Strengthening food systems by supporting the resilience and capacity of Food Banks, held in Bucharest on 14 November 2022, FEBA releases its new publication "FEAD, REACT-EU, and the European Food Banks Federation: 2021 Implementation Report" with the aim to communicate concise insights on the implementation of these Funds on the ground, taking into account amendments and their expediency in response to the COVID-19 pandemic.





FEAD and the European Food Banks
Federation: 2019 Implementation Report





FEAD and the European Food Banks Federation: 2020 Implementation Report





In order to analyse both the support received through the FEAD and the REACT-EU initiative, and disclose particularities regarding implementation and impact, the new report is based on two sets of qualitative and quantitative data stemming from responses from

10 FEBA Members to two online surveys. The questionnaires were tailored to further shed light on challenges and opportunities related to administration and the collaboration with the national Managing Authority. 10

### **Key findings**

FEBA 1

FEBA Members received food financed through FEAD and/or REACT-EU resources in 2021: Belgium, Czech Republic, Estonia, France, Ireland, Italy, Lithuania, Luxembourg, Poland, and Spain.



- Among the countries mentioned, the FEBA Member in Estonia is the only one who was involved solely in REACT-EU.
- FEBA Members in Ireland, Italy, Lithuania, Luxembourg, Poland, and Spain redistributed only FEAD food and/or material assistance.
- FEBA Members in Belgium, Czech Republic, and France were engaged in both programmes.

70%

of FEBA Members responding to the surveys consider FEAD and REACT-EU assistance (food and non-food) as important parts of their composition of products for redistribution.

#### Use of FEAD in 2021



All FEBA Members benefited from foodstuff, 4 members (44.4%) from non-food items (such as hygiene products), and 1 organisation (11.1%) received assistance to improve their technical capacities as well as to support Partner Organisations.

66.7%

of the responding FEBA Members undertook accompanying measures, among them workshops on food waste prevention and social inclusion, building skills related to dietary needs, healthy eating, or budgeting.

Moreover, some organised specific food redistribution measures for particularly vulnerable groups, such as elderly people, and provided information on available social services.

<sup>&</sup>lt;sup>10</sup> No information from FEBA Member in Portugal.





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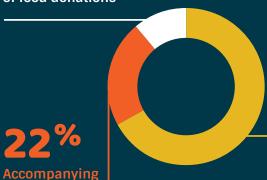
FEBA Members involved in the FEAD received economic reimbursement of some kind for conducted activities.

Fig.5 Economic reimbursement FEBA Members received through FEAD in 2021

11%

measures

Collection, transport, storage, and distribution of food donations



67%

Administrative, transport, and storage of FEAD products How did FEAD implementation changed between 2020-2021?

### Compared to 2020

44.4%

of the responding Food Banks noted an increased quantity of food received, while 33.3% could not identify a change. In two cases (22.2%), a reduced amount is stated.

The large majority highlighted that the quality as well as the nutritional value of FEAD food products remained similar (77.8% and 88.9%, respectively). No organisation reported an aggravation as regards the ability of the items to meet the dietary needs of end beneficiaries.

### Compared to 2020

55.6%

of the respondents desribed the food variety as equal and 33.3% perceived an increase.

**55.5**%

of the respondents evaluated the frequency in which they received FEAD food for redistribution as being excellent or good. 2 FEBA Members though considered it poor, indicating room for improvement.





#### Use of REACT-EU in 2021



4

FEBA Members involved in REACT-EU received food products, 2 members (50%) were also provided with non-food items for redistribution.

Total amount of FEAD and/or REACT-EU food received by 10 FEBA Members

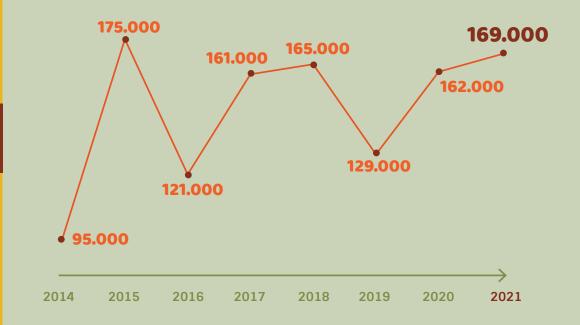
168,532

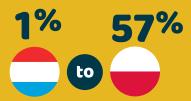
tonnes of FEAD and/or REACT-EU food products have been redistributed by FEBA Members in Belgium, Czech Republic, Estonia, France, Ireland, Italy, Lithuania, Luxembourg, Poland, and Spain.



This amount is equal to 19% of the total amount of food redistributed by the entire FEBA network in 2021.

## Fig.6 Quantities of FEAD food redistributed by FEBA Members between 2014-2021, (in tonnes)<sup>11</sup>





FEBA Members received quantities of FEAD and/or REACT-EU food ranging from 1% (Luxembourg) to 57% (Poland) of the amount of food redistributed at national level.



<sup>.1</sup> The numbers have been calculated based on information communicated through the online data collection platform underlying the FEBA Observatory on Food Donation.



# +15,000

local charitable organisations benefited from food and/or material assistance financed through FEAD and/or REACT-EU and redistributed by FEBA Members.<sup>12</sup>



## +7.2<sub>M</sub>

deprived people benefited from food products financed through FEAD and/or REACT-EU as well as stemming from other sources (e.g. surplus or donated food originating from the supply chain or food collections) thanks to the daily operations of FEBA Members in Belgium, Czech Republic, Estonia, France, Ireland, Italy, Lithuania, Luxembourg, Poland, and Spain.



## +3.5<sub>M</sub>

end-beneficiaries received FEAD and/ or REACT-EU assistance through FEBA Members in Belgium, Estonia, Italy, Ireland, Lithuania, Luxembourg, Poland, and Spain.<sup>13</sup>

<sup>&</sup>lt;sup>13</sup> No data available from FEBA Member in Czech Republic and France.



<sup>&</sup>lt;sup>12</sup> No data available from FEBA Member in Czech Republic.

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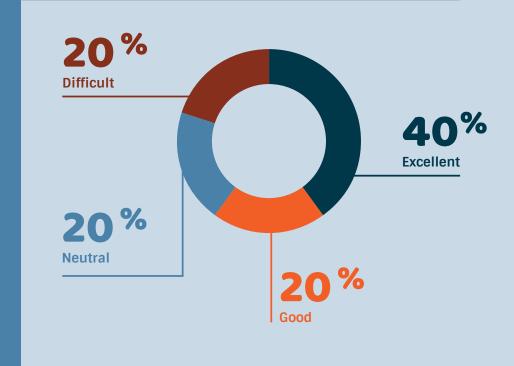
# Planning and implementation of FEAD and REACT-EU in 2021

Based on the national programmes approved by the European Commission, EU Member States can individually choose the type of assistance (food, non-food, or both), as well as the mode of obtainment and distribution through Partner Organisations, such as Food Banks or other non-profit organisations or public bodies. Either national Management Authorities take care of purchasing and supplying the itmes or they reimburse the costs incurred for these activities by the Partner Organisations.

All 9 FEBA Members that benefitted from the **FEAD** in 2021 stated that the cooperation with the national Managing Authority has been based on a **bidirectional approach with both sides actively involved in the planning process**. As regards the **REACT-EU** initiatives, this mode of interaction was also applied in France and Belgium, while Czech Republic and Estonia reported that they have been contacted in a **top-down way** by the Managing Authority.

The extent to which the organisations were able to influence the implementation and allocation of both FEAD and REACT-EU varied between no influence and relatively high influence, presumably based on the quality and intensity of collaboration with the Managing Authority. All 10 FEBA Members evaluated the administrative burden related to the Fund as reasonable and manageable.

Fig.7 Evaluation of collaboration with national Managing Authority in 2021



**55.6**%

of the respondents perceived the collaboration with the Managing Authority as excellent or good, 20% as neutral, and 20% as difficult (Fig.7).





Recommendations from FEBA Members for the successful planning and implementation of EU programmes



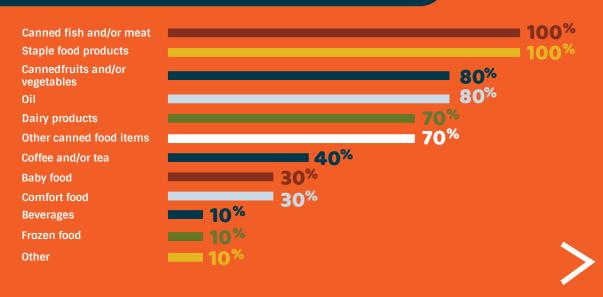
- Plan in advance and as soon as possible;
- Try to diversify the sources of food to reduce dependencies and increase the variety of food products needed to adequately meet the needs of end beneficiaries; and
- Involve Partner Organisations such as Food Banks from the beginning of planning and ensure their participation in the implementation to leverage their presence on the ground.

### FEAD and REACT-EU products: a closer look

The **FEAD and/or REACT-EU food** includes a wide range of products and can vary between the receiving organisations.

As displayed in Fig. 8 below, all 10 FEBA Members responding to the survey received canned fish and/or meat, as well as staple food products, such as rice, pasta, or flower. Furthermore, a large majority were provided with canned fruits and/or vegetables (80%), oil (80%), dairy products (70%), and/or other canned food items (70%). 40% of respondents reported coffee and/or tea while 30% further claimed that baby food and "comfort food", for instance chocolate, cookies, or chips, were amongst the items financed through the Fund. A few Food Banks also received beverages, frozen food, breakfast cereals, porridge oats, and ready-made meals, such as soups.

Fig.8 Typologies of FEAD and/or REACT-EU food products received and redistributed by FEBA Members in 2021





#### Fig.9 Evaluation of quantity, quality, variety, and nutritional value of FEAD and/or REACT-EU food received in 2021

Considering the quality, quantity, variety, and nutritional value of the FEAD and/or REACT-EU food received in 2021, the respondents painted a positive picture (Fig. 9).







In addition to food assistance, 4 FEBA Members were provided with non-food products of different kinds, with personal hygiene items being the most frequent type (44%), followed by sanitary equipment like disposable face masks (22%). Baby nappies, home cleaning goods, and female hygiene products have also been received by 11% of the responding organisations, respectively (Fig. 10).

Fig.10 Typologies of FEAD and/or REACT-EU non-food products received and redistributed by FEBA Members in 2021

#### Personal hygiene items

100%

Sanitary equipment (e.g.PPE) and other products

44%

**Baby nappies** 

11%

Home cleaning products

11%

Female hygiene products

11%



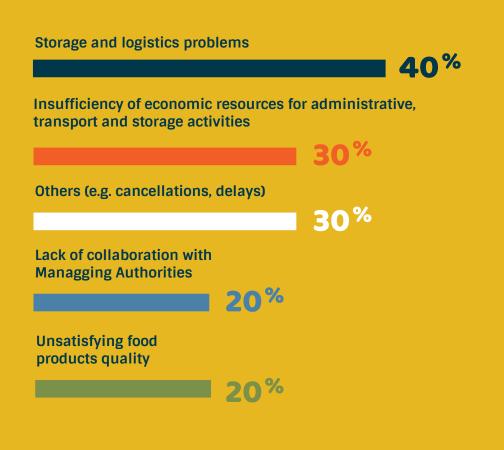


### Main challenges in 2021

The surveys further disclosed the main challenges FEBA Members faced in 2021 in relation to FEAD and/or REACT-EU. As visible in Fig. 11, amongst the most acute issues were storage and logistic problems (40%) as well as the insufficiency of economic resources for administrative, transport, and storage activities (30%). Both the lack of collaboration with Managing Authorities and the unsatisfying quality of food products received have been experienced by one fifth (20%) of those Food Banks responding to the survey. Single respondents further named delays in the start of the 2021 programme, difficulties concerning the delivery of individual products, as well as cancellation of tenders as problematic factors negatively impacting the implementation of the FEAD and/or REACT-EU. Presumable, these aspects were closely interlinked with supply chain interruptions and procurement problems caused by the ongoing COVID-19 pandemic.

However, other challenges that have been reported in 2020, such as the reluctancy of local charitable organisations to accept food aid, or difficulties regarding the collection of data and the cooperation with other Partner Organisations involved in the implementation of the Fund, do not seem to be of critical relevance during the analysed period.<sup>14</sup>

Fig.11 Main challenges experienced by FEBA Members in relation to FEAD and/or REACT-EU in 2021



For more details, read FEBA's publication <u>FEAD and the European Food Banks</u> <u>Federation: 2020 Implementation Report.</u>



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### Main opportunities in 2021

The survey further strived to gather insights on **main advantages** related to Partner Organisations' involvement in the FEAD and the impact of the Operational Programmes on end beneficiaries. Based on the insights of the 9 FEBA Members involved in the implementation of the Fund, **several positive aspects** could be disclosed (Fig. 12.):

- 89% stated that the FEAD had a positive impact on the diet of the most deprived due to the quantity and variety of FEAD food redistributed;
- 67% confirmed that the availability of FEAD facilitated addressing the needs of local charities regarding food and non-food products;
- **67%** noticed a facilitated cooperation with local charitable organisations;
- 67% acknowledged the important contribution of the FEAD as regards the inclusion of charitable organisations and final beneficiaries in the local community;
- 67% declared a smoother collaboration with regional entities (e.g. social service, public administration);
- **56%** affirmed that the FEAD fostered the involvement of charities and end recipients in social inclusion measures (e.g. training programmes, job searching); and
- 40% declared that the availability of FEAD allowed local charitable organisations to shift their economic and non-economic resources towards other social inclusion activities (e.g. health, education, or vocational training).

#### Fig.12 Main opportunities of FEAD assistance in 2021

Positive impact on diet of end beneficiaries

**89**%

Faciliated addressing of charities' needs

**67**%

**Faciliated cooperation with charities** 

**67**%

Contribution to inclusion of charities and end beneficiaries in local community

**67** %

Smoother collaboration with regional public entities

**67** %

Increased involvement of charities and end beneficiaries in social inclusion measures

**56**%

**Enabling charities to shift resources** 

40%



# CARE: responding to the consequences of the war in Ukraine

Provoked by the invasion of Ukraine by the Russian Federation, EU Member States, particularly the adjacent countries, found themselves confronted with a wave of refugees in need for shelter, food, and medical assistance. As an additional emergency response following CRII+ and REACT-EU in 2020 and 2021, respectively, the FEAD has been amended a third time in March 2022 as part of the CARE (Cohesion's Action for Refugees in Europe) initiative.<sup>15</sup>

The amended regulation entails the following key benefits for EU Member States:

 Administrative flexibility: alterations of certain components of the FEAD programme can be made based on a sole notification of the European Commission instead of a preceding approval request;

# **EU solidarity** with Ukraine





Cohesion's Action for Refugees in Europe

Funding to support people fleeing Russian aggression



- Extension of 100% EU co-financing for the accounting year July 2021-June 2022; and
- Additional liquidity and velocity: the 2021 FEAD tranche of REACT-EU and cohesion policy programmes are topped up with EUR 3.5 billion in pre-financing payments.

Therewith, the FEAD can be used in a more efficient and extended manner to provide food and material assistance to people in need.

Official Journal of the European Union, Regulation (EU) 2022/613 of the European Parliament and of the Council of 12 April 2022 amending Regulations (EU) No 1303/2013 and (EU) No 223/2014 as regards increased pre-financing from REACT-EU resources and the establishment of a unit cost, 12 April 2022.



Official Journal of the European Union, Regulation (EU) 2022/562 of the European Parliament and of the Council of 6 April 2022 amending Regulations (EU) No 1303/2013 and (EU) No 223/2014 as regards Cohesion's Action for Refugees in Europe (CARE), 6 April 2022.

# The integration of the FEAD into the ESF+

As the FEAD in the 2014 – 2020 programming period draws to a close, for the current 2021 – 2027 Multiannual Financial Framework, FEAD is becoming an integral part of the European Social Fund Plus (ESF+) with the objective to exploit synergies and simplify funding. <sup>17</sup> The incorporation into a broader funding consolidates the attention paid to tackling the worst forms of poverty.

With a budget if almost

€99.3<sub>B</sub>

it is coined to support the social and economic recovery process following the COVID-19 pandemic while fostering a fair transition to a climate-neutral economy aligned to the ambitions of the European Green Deal and the Just Transition Fund as well as the European Pillar of Social Rights.



The ESF+ combines four previously separated funding initiatives



- European Social Fund (ESF);
- Youth Employment Initiative (YEI);
- Fund for European Aid to the Most Deprived (FEAD); and
- EU Programme for Employment and Social Innovation (EaSI)

Official Journal of the European Union, Regulation (EU) 2022/562 of the European Parliament and of the Council of 6 April 2022 amending Regulations (EU) No 1303/2013 and (EU) No 223/2014 as regards Cohesion's Action for Refugees in Europe (CARE), 6 April 2022.



- A minimum of 25% of the shared management funding strand must be allocated for the pursue of social inclusion goals.
- Member States are obliged to use at least additional 3% for measures addressing those facets of poverty that have the highest social exclusion impact, such as food deprivation, homelessness, and child poverty providing food and/or material assistance with a co-financing rate of 90%.
- EU Member States conclude **individual Partnership Agreements** with the European Commission outlining the plans of the national Managing Authorities on how to use funds under the shared management strands in the 2021 2027 Multiannual Financial Framework. The ESF+ is amongst the eight funds covered by this **Common Provision Regulation**. 18





<u>Discover the Partnership Agreements on</u> EU funds 2021 – 2027



Official Journal of the European Union, Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy, 24 June 2021.





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