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A9-0174/ 001-013

## **AMENDMENTS 001-013**

by the Committee on Employment and Social Affairs

### **Report**

**Lucia Ďuriš Nicholsonová**

**A9-0174/2020**

FEAD: specific measures to address the COVID-19 crisis

Proposal for a regulation (COM(2020)0223 – C9-0151/2020 – 2020/0105(COD))

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### **Amendment 1**

#### **Proposal for a regulation**

##### **Recital 2**

*Text proposed by the Commission*

(2) On 17 November 2017, the European Pillar of Social Rights was jointly proclaimed by the European Parliament, the Council and the Commission as a response to social challenges in Europe. The twenty key principles of the pillar are structured around three categories: equal opportunities and access to the labour market; fair working conditions; social protection and inclusion. The twenty principles of the European Pillar of Social Rights should guide the actions in response to the COVID-19 pandemic in order to ensure a socially fair recovery.

*Amendment*

(2) On 17 November 2017, the European Pillar of Social Rights was jointly proclaimed by the European Parliament, the Council and the Commission as a response to social challenges in Europe. The twenty key principles of the pillar are structured around three categories: equal opportunities and access to the labour market; fair working conditions; social protection and inclusion. The twenty principles of the European Pillar of Social Rights should guide the actions in response to the COVID-19 pandemic in order to ensure a socially fair **and resilient** recovery.

### **Amendment 2**

#### **Proposal for a regulation**

##### **Recital 3**

*Text proposed by the Commission*

(3) Member States have been affected by the consequences of the COVID-19 pandemic crisis in an unprecedented manner. The crisis has led to severe economic and social consequences. This has created an exceptional situation which needs to be addressed with specific measures in line with the European Pillar of Social Rights.

*Amendment*

(3) Member States have been affected by the consequences of the COVID-19 pandemic crisis in an unprecedented manner. The crisis has led to severe economic and social consequences, ***and has exacerbated the situation of more than 109 million people experiencing or already at risk of poverty, deepened social cleavages, and increased job losses, unemployment rates and inequalities, especially in disadvantaged groups.*** This has created an exceptional situation which needs to be addressed ***urgently***, with specific measures in line with the European Pillar of Social Rights, ***the Charter of Fundamental Rights of the European Union and other measures aiming to combat poverty.***

**Amendment 3**

**Proposal for a regulation  
Recital 4**

*Text proposed by the Commission*

(4) This has a particular impact on the FEAD. Considering that ***the*** number of people suffering from food and material deprivation ***has been*** increasing due to the COVID-19 pandemic ***and that*** the most deprived ***are*** exposed to particular risks and further hardships during this crisis, Member States are facing additional funding needs in the delivery of support by the ***Fund***.

*Amendment*

(4) This has a particular impact on the FEAD. Considering that ***across the Union a considerable*** number of people ***were already*** suffering from food and material deprivation ***(13 million people per year, including approximately 4 million children, were, before the COVID-19 crisis, already receiving support from FEAD), and figures are*** increasing due to the COVID-19 pandemic, ***with*** the most deprived ***persons being more*** exposed to particular risks and further hardships during this crisis, Member States are facing additional funding needs in the delivery of support by the ***FEAD***.

**Amendment 4**

## Proposal for a regulation

### Recital 5

#### *Text proposed by the Commission*

(5) In order to redress huge shocks to the economy and serious impacts on the functioning of the Single Market due to exceptional restrictions put in place by Member States to contain the COVID-19 spreading, the European Council endorsed on 23 April 2020 the “Roadmap for recovery” with a strong investment component, called for the establishment of the [European Recovery Instrument ] and mandated the Commission to analyse the needs so that the resources are targeted towards the sectors and geographical parts of Europe most affected, while clarifying also the link with the MFF.

### Amendment 5

## Proposal for a regulation

### Recital 6

#### *Text proposed by the Commission*

(6) The Commission issued a proposal for a Regulation<sup>11</sup> amending Council Regulation (EU, EURATOM) No 1311/2013<sup>12</sup> on 27 May 2020 and unlocked additional resources to support Member States in crisis repair in the context of the COVID-19 pandemic and preparing **the** recovery of the economy. As part of this package, an additional exceptional amount of EUR 58 272 800 000 for budgetary commitment from the Structural Funds under the Investment for growth and jobs goal, for the years 2020, 2021 and 2022 is made available for **this** purpose, with a view to deploying them quickly for the real economy through the existing structures for the 2014-2020 cohesion policy programmes. The Commission should set out the breakdown of the additional

#### *Amendment*

(5) In order to redress huge shocks to the economy **and society** and serious impacts on the functioning of **the European Social Model and** the Single Market due to exceptional restrictions put in place by Member States to contain the COVID-19 spreading, the European Council endorsed on 23 April 2020 the “Roadmap for recovery” with a strong investment component, called for the establishment of the [European Recovery Instrument ] and mandated the Commission to analyse the needs so that the resources are targeted towards the sectors and geographical parts of Europe most affected, while clarifying also the link with the MFF.

#### *Amendment*

(6) The Commission issued a proposal for a Regulation<sup>11</sup> amending Council Regulation (EU, EURATOM) No 1311/2013<sup>12</sup> on 27 May 2020 and unlocked additional resources to support Member States in **their** crisis repair **actions** in the context of the COVID-19 pandemic and **to prepare for a social, resilient and sustainable** recovery of the economy. As part of this package, an additional exceptional amount of EUR 58 272 800 000 for budgetary commitment from the Structural Funds under the Investment for growth and jobs goal, for the years 2020, 2021 and 2022 is **being** made available for **that** purpose, with a view to deploying them quickly for the real economy through the existing structures for the 2014-2020 cohesion policy programmes. The

resources for each Member State on the basis of an allocation method based on the latest available objective statistical data concerning Member States' relative prosperity and the extent of the effect of the current crisis on their economies. In order to reflect the evolving nature of the effects of the crisis, the breakdown should be revised in 2021 on the basis of the same allocation method using the latest statistical data available by 19 October 2021. In order to provide for an effective response to the social impact of the COVID-19 outbreak on the most deprived, *it is appropriate that the additional resources may be allocated by Member States to the FEAD, in accordance with their needs*. In doing so, Member States should pay due attention to the increases in the number of the most deprived since the COVID-19 pandemic. In addition, it is necessary to establish ceilings concerning the allocation of the increased resources to technical assistance of the Member State. Taking account of the expected quick spending of the additional resources, the commitments linked to these additional resources should also be decommitted at the closure of the programmes. Possibilities for financial transfers under the Investment for Growth and Jobs goal between the ERDF, the ESF and the FEAD *are* also introduced for the additional resources.

Commission should set out the breakdown of the additional resources for each Member State on the basis of an allocation method based on the latest available objective statistical data, *including on equality* concerning Member States' relative prosperity, *poverty and rates of social exclusion and the nature* and the extent of the effect of the current crisis on their economies *and societies, with a special focus on the most deprived persons, paying specific attention to groups such as homeless people and people living in segregated institutions, who are traditionally not reached by Member State statistical offices. To that end, relevant and comparable data should be collected with the involvement of non-governmental organisations and local authorities working in the field of poverty and social exclusion and in the provision of services to the most deprived persons*. In order to reflect the evolving nature of the effects of the **COVID-19** crisis, the breakdown should be revised in 2021 on the basis of the same allocation method using the latest statistical *and equality* data available by 19 October 2021. In order to provide for an effective response to the social impact of the COVID-19 outbreak on the most deprived *persons, and by way of derogation from Article 92(7) of Regulation (EU) No 1303/2013<sup>12a</sup>, a share of the additional resources should also* be allocated by Member States to the FEAD. In doing so, Member States should pay due attention to the increases in the number of the most deprived *persons* since the COVID-19 pandemic. In addition, it is necessary to establish ceilings concerning the allocation of the increased resources to technical assistance of the Member State. Taking account of the expected quick spending of the additional resources, the commitments linked to these additional resources should also be decommitted at the closure of the programmes. Possibilities for financial transfers under the Investment for Growth and Jobs goal

between the ERDF, the ESF and the FEAD *should* also *be* introduced for the additional resources. *Taking into account the vital role of the ESF in eradicating poverty and fighting social exclusion, the ESF share should not be decreased below the current legal obligation of 23,1% at Union level.*

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<sup>11</sup> COM(2020) 446.

<sup>12</sup> Council Regulation (EU, EURATOM) No 1311/2013 laying down the multiannual financial framework for the years 2014-2020 (OJ L 347, 20.12.2013, p. 884).

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<sup>11</sup> COM(2020) 446.

<sup>12</sup> Council Regulation (EU, EURATOM) No 1311/2013 laying down the multiannual financial framework for the years 2014-2020 (OJ L 347, 20.12.2013, p. 884).

<sup>12a</sup> *Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (OJ L 347, 20.12.2013, p. 320).*

## Amendment 6

### Proposal for a regulation Recital 6 a (new)

*Text proposed by the Commission*

*Amendment*

*(6a) Due to the feminisation of poverty, resulting in a higher incidence and greater severity of poverty among women<sup>1a</sup>, gender aspects should be taken into account throughout the preparation, implementation, monitoring and evaluation of FEAD. Moreover, due to the inextricable link between discrimination*

*and poverty, and in accordance with Article 21 of the Charter of Fundamental Rights of the European Union, any discrimination based on any ground such as sex, race, colour, ethnic or social origin, genetic features, language, religion or belief, political or any other opinion, membership of a national minority, property, birth, disability, age or sexual orientation is prohibited.*

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<sup>1a</sup> <https://eige.europa.eu/gender-mainstreaming/policy-areas/poverty>

## Amendment 7

### Proposal for a regulation Recital 8

#### *Text proposed by the Commission*

(8) In order to ensure that Member States have sufficient financial means to swiftly implement crisis repair actions in the context of the COVID-19 pandemic and prepare the recovery of the economy, it is necessary to provide a higher level of pre-financing payment for the quick implementation of actions supported by the additional resources. The magnitude of the pre-financing should ensure that Member States have the means to arrange for advance payments to beneficiaries where necessary and to reimburse beneficiaries quickly following the submission of payment claims.

#### *Amendment*

(8) In order to ensure that Member States have sufficient financial means to swiftly implement crisis repair actions in the context of the COVID-19 pandemic, ***in light of its impact on poverty and social exclusion***, and prepare ***a social, resilient and sustainable*** recovery of the economy ***and society***, it is necessary to provide a higher level of pre-financing payment ***as early as possible*** for the quick implementation of actions supported by the additional resources. The magnitude of the pre-financing should ensure that Member States have the means to arrange for advance payments to beneficiaries where necessary and to reimburse beneficiaries quickly following the submission of payment claims. ***In order to ensure immediate relief for beneficiaries, Member States should commit to taking all necessary steps to launch advance payments as quickly as possible.***

## Amendment 8

**Proposal for a regulation**  
**Recital 8 a (new)**

*Text proposed by the Commission*

*Amendment*

***(8a) The mode of delivery of FEAD should not be modified as a consequence of this Regulation and FEAD should remain under shared management.***

**Amendment 9**

**Proposal for a regulation**  
**Recital 9**

*Text proposed by the Commission*

*Amendment*

(9) With a view to alleviating the burden on public budgets regarding crisis repair in the context of the COVID-19 pandemic and preparing the recovery of the economy, it is appropriate that the additional resources are not subject to co-financing.

(9) With a view to alleviating the burden on public budgets regarding crisis repair ***actions*** in the context of the COVID-19 pandemic and preparing the ***social, resilient and sustainable*** recovery of the economy ***and society***, it is appropriate that the additional resources are not subject to co-financing.

**Amendment 10**

**Proposal for a regulation**  
**Recital 11**

*Text proposed by the Commission*

*Amendment*

(11) Since the objective of this Regulation, namely to respond to the impact of the public health crisis on the most deprived, cannot be sufficiently achieved by the Member States alone and can therefore, by reason of the scale and effects of the proposed action, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is

(11) Since the objective of this Regulation, namely to respond to the impact of the public health ***and the socio-economic*** crisis on the most deprived, cannot be sufficiently achieved by the Member States alone and can therefore, by reason of the scale and effects of the proposed action, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not

necessary to achieve this objective.

go beyond what is necessary to achieve this objective.

## Amendment 11

### Proposal for a regulation Recital 14

#### *Text proposed by the Commission*

(14) In view of the COVID-19 pandemic and the urgency to address the associated public health crisis, it is considered necessary to use the exception to the eight-week period referred to in Article 4 of Protocol No 1 on the role of national Parliaments in the European Union, annexed to the Treaty on European Union, to the Treaty on the Functioning of the European Union and to the Treaty establishing the European Atomic Energy Community.

#### *Amendment*

(14) In view of the COVID-19 pandemic and the urgency to address the associated public health **and socio-economic** crisis, it is considered necessary to use the exception to the eight-week period referred to in Article 4 of Protocol No 1 on the role of national Parliaments in the European Union, annexed to the Treaty on European Union, to the Treaty on the Functioning of the European Union and to the Treaty establishing the European Atomic Energy Community.

## Amendment 12

### Proposal for a regulation Article 1 – paragraph 1 – point 2 Regulation (EU) No 223/2014 Article 6a – title

#### *Text proposed by the Commission*

**Voluntary** increase of resources in response to the COVID-19 outbreak

#### *Amendment*

Increase of resources in response to the COVID-19 outbreak

## Amendment 13

### Proposal for a regulation Article 1 – paragraph 1 – point 2 Regulation (EU) No 223/2014 Article 6a – paragraph 1

#### *Text proposed by the Commission*

1. The resources referred to in Article 6 **may** be increased by Member States **on a**

#### *Amendment*

1. The resources referred to in Article 6 **shall** be increased by Member States in



***voluntary basis*** in response to the COVID-19 pandemic, in accordance with the seventh subparagraph of point 5 of Article 92b of Regulation (EU) No 1303/2013. The increase may affect the budgetary commitments for 2020, 2021 and 2022.

response to the COVID-19 pandemic ***by a minimum share amounting to at least 3% of the additional resources***, in accordance with the seventh subparagraph of point 5 of Article 92b of Regulation (EU) No 1303/2013. The increase may affect the budgetary commitments for 2020, 2021 and 2022.