



## ASSEMBLY OF EUROPEAN HORTICULTURAL REGIONS

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8 April 2026

### AREFLH proposal to amend COM (2025)553 as regards sectoral interventions

The **Assembly of European Horticultural Regions** (AREFLH) main missions are:

- to represent its 17 member regions and 30 Associations of Producer organisations and Producers Organisations, from 14 European countries;
- to defend the economic and social interests of the fruit, vegetable and horticultural (F&V) sectors in Europe;
- to foster exchanges of best practices, partnerships and joint projects between regions and professional organisations;
- to actively seek new solutions for the main issues affecting the future of the fruit and vegetables production in Europe.

### Introduction

Following the European Commission's proposal of July 2025 establishing a new Single Fund framework, which includes provisions affecting the financing of sectoral interventions in the fruit and vegetable sector, AREFLH has developed targeted proposals to correct the financial provisions relating to sectoral interventions as referred to in COM(2025)565. In the present document, we wish to highlight the necessary corrections to the related provisions contained in COM(2025)553 in order to ensure coherence, legal certainty, and the proper functioning of the fruit and vegetable CMO. We thus call for a **more harmonised, predictable and incentive-based EU framework**, with clear rules set at EU level, to avoid fragmentation and ensure that sectoral interventions genuinely strengthen the competitiveness and resilience of producer organisations.

### Amendments

#### A. Adjust the CMO framework to the Single Fund

**AREFLH firmly opposes the introduction of national co-financing** for fruit and vegetable sectoral interventions, we consider that this proposal would represent a

significant step backwards for the sector. In particular, it would weaken the future development of transnational Producer Organisations (POs) and Associations of Producer Organisations (APOs), undermine the integrity of the Single Market, and disrupt the clear, stable, and predictable regulatory framework that has governed the sector successfully for decades.

The current system, based on uniform EU-level financing rules, has been instrumental in ensuring a level playing field, fostering cross-border cooperation, and providing legal and financial certainty to producers. Moving towards national co-financing would introduce fragmentation, create disparities between Member States, and generate uncertainty for ongoing and future operational programmes.

Nevertheless, should such a proposal be adopted, AREFLH considers it essential that strong safeguards be established. In this context, delegated acts will be necessary. We therefore propose amending Article 35 of the new Common Market Organisation (CMO) Regulation to **empower the Commission to define, through delegated acts, the methodology for determining the contribution rate of each Member State in the case of transnational POs and APOs.**

## B. Reduce the number of interventions defined by the Member States

In its current form, Article 31 lists the types of interventions while leaving Member States the discretion to define which measures are eligible. This situation is not workable in the context of the single market. **We therefore propose transferring points (e) to (l) and (p) to Article 35**, under delegated powers conferred on the Commission. This should cover, at a minimum, the most important aspects currently addressed by the delegated powers provided for in Article 45 of Regulation (EU) 2021/2115, such as the definition of the value of marketed production (VMP), environmental and research investments, minimum intervention prices, transport costs, and the eligibility of labour costs.

| Current Version   | AREFLH Proposal   |
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| <p>Art. 31<br/>(Types of intervention in certain sectors)</p> <p>Member States may establish and provide support in the sectors for any of the types of interventions laid down in Article 12 [Risk management tools] and in Article 13 [Investments for farmers] of Regulation (EU) .../... of the European Parliament and of the Council [CAP Regulation]**, and any of</p> | <p>Art. 31<br/>(Types of intervention in certain sectors)</p> <p>Member States may establish and provide support in the sectors for any of the types of interventions laid down in Article 12 [Risk management tools] and in Article 13 [Investments for farmers] of Regulation (EU) .../... of the European Parliament and of the Council [CAP Regulation]**, and any of</p> |

the following types of interventions under the conditions laid down in this Section and as further specified in their NRP Plans:

- a) investments in tangible and intangible assets other than those referred to in Article 13 [Investments for farmers] of Regulation (EU) .../... [CAP Regulation];
- b) training, information, including coaching and exchange of best practices;
- c) advisory services;
- d) promotion and marketing;
- e) research, innovation and experimental production methods;
- f) actions to mitigate and/or to adapt to climate change;
- g) actions to protect and/or improve the environment;
- h) laboratory tests and to laboratories for analysis;
- i) implementation of traceability and certification systems;
- j) collective storage of products;
- k) green harvesting, consisting of the total harvesting on a given area of unripe non-marketable products, which have not been damaged prior to the green harvesting, and thereby reducing the yield of the relevant area to zero;
- l) non-harvesting, consisting of the termination of the current production cycle on the area concerned where the product is well developed and is of sound, fair and marketable quality, excluding destruction of products due to a climatic event or disease;
- m) implementation and management of third-country sanitary and phytosanitary

the following types of interventions under the conditions laid down in this Section and as further specified in their NRP Plans:

- a) investments in tangible and intangible assets other than those referred to in Article 13 [Investments for farmers] of Regulation (EU) .../... [CAP Regulation];
- b) training, information, including coaching and exchange of best practices;
- c) advisory services **and technical assistance**;
- d) promotion and marketing;
- ~~e) research, innovation and experimental production methods;~~
- ~~f) actions to mitigate and/or to adapt to climate change;~~
- ~~g) actions to protect and/or improve the environment;~~
- ~~h) laboratory tests and to laboratories for analysis;~~
- ~~i) implementation of traceability and certification systems;~~
- ~~j) collective storage of products;~~
- ~~k) green harvesting, consisting of the total harvesting on a given area of unripe non-marketable products, which have not been damaged prior to the green harvesting, and thereby reducing the yield of the relevant area to zero;~~
- ~~l) non-harvesting, consisting of the termination of the current production cycle on the area concerned where the product is well developed and is of sound, fair and marketable~~

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| <p>requirements in the territory of the Union to facilitate access to third-country markets;</p> <p>n) sustainable restructuring and conversion of vineyards through varietal conversions, relocation of vineyards, and improvements to vineyard management techniques;</p> <p>o) distillation of by-products of wine making;</p> <p>p) market withdrawal for free distribution or other destinations, including where necessary processing to facilitate such withdrawal;</p> <p>q) actions in the apiculture sector to preserve or increase the existing number of beehives in the Union and actions to enhance product quality.</p> | <p><b>quality, excluding destruction of products due to a climatic event or disease;</b></p> <p>m) implementation and management of third-country sanitary and phytosanitary requirements in the territory of the Union to facilitate access to third-country markets;</p> <p>n) sustainable restructuring and conversion of vineyards through varietal conversions, relocation of vineyards, and improvements to vineyard management techniques;</p> <p>o) distillation of by-products of wine making;</p> <p><b>p) market withdrawal for free distribution or other destinations, including where necessary processing to facilitate such withdrawal;</b></p> <p>q) actions in the apiculture sector to preserve or increase the existing number of beehives in the Union and actions to enhance product quality.</p> |
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### C. Reintroduce a minimum threshold for environmental and research expenditures and a higher co-financing rate

Ensuring that sectoral interventions effectively strengthen resilience and preparedness must remain a core priority of the Common Market Organisation. However, experience under the current framework shows that the existing thresholds (15% for environmental actions and 2% for R&I) have proven difficult to implement in practice in several Member States. In particular, the 2% R&I threshold remains challenging for producer organisations, as research actions must compete with alternative EU funding instruments—such as second pillar measures or Horizon Europe—which often provide significantly higher co-financing rates (75% or even 100%, compared to 50% under operational programmes).

At the same time, the Commission’s proposal of July 2025 marks a significant shift by removing any EU-level minimum thresholds altogether, leaving their definition entirely to the discretion of Member States within their National and Regional Partnership Plans. This approach risks creating fragmentation across the Union and does not provide a reliable or coherent framework to support resilience, sustainability, and innovation in the sector. Without common EU benchmarks, there is a real danger that investment in these strategic priorities will become uneven, insufficient, or deprioritised in certain Member States.

In this context, AREFLH calls for the establishment, under Article 31, of **an EU-wide minimum thresholds for investments in research and innovation (R&I) as well as for environmental actions. This should be combined with incentive-based mechanisms**—such as higher co-financing rates (e.g. up to 80%) for research and environmental actions under specific objectives—to encourage meaningful and impactful investments. Such an approach would ensure both a common baseline across the Union and the necessary flexibility to reward ambition, thereby strengthening the sector’s long-term resilience and capacity to innovate.

#### D. Define producers’ groups at the EU level

**The definition of a producer group should be established at the EU level (Article 32)**, while leaving it to Member States to decide whether these groups can access funding. A **reimbursement clause** should also be introduced in the event that the producer group does not obtain official recognition, or when it proves unable to contribute to market aggregation objectives pursued under art.160 of Regulation (EU) 1308/2013.

| Current Version  | AREFLH Proposal  |
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| <p>Art. 32. Paragraph 3:</p> <p>Member States may decide that producer groups and entities representing other form of cooperation between producers that are constituted at the initiative of producers and controlled by them, may be beneficiaries of the interventions in the sectors referred to in Article 30(1). Such forms of cooperation shall be identified by the competent authority of a Member State as producer groups for the duration of their first operational programme. An</p> | <p>Art. 32. Paragraph 3:</p> <p>Member States may decide that producer groups and entities representing other form of cooperation between producers that are constituted at the initiative of producers and controlled by them, may be beneficiaries of the interventions in the sectors referred to in Article 30(1). <b>A producer group in the fruit and vegetable sector shall be eligible as a beneficiary only if it demonstrates compliance with Article 160 of</b></p> |

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| <p>operational programme and a recognition plan with a view to be recognised as producer organisations in accordance with the requirements laid down in Articles 152, 153, 154, 156 or 161 prepared by those producer groups shall be submitted to the competent authorities simultaneously. The producer groups shall implement that recognition plan.</p> | <p><b>Regulation (EU) No 1308/2013 within one year of its establishment.</b> Such forms of cooperation shall be identified <b>by European Commission through its delegation powers</b> as producer groups for the duration of their first operational programme. An operational programme and a recognition plan with a view to be recognised as producer organisations in accordance with the requirements laid down in Articles 152, 153, 154, 156 or 161 prepared by those producer groups shall be submitted to the competent authorities simultaneously. The producer groups shall implement that recognition plan. <b>In case of failure to achieving recognition, the producers' group has the obligation to return the support received.</b></p> |
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**E. Calculating the VMP at the EU level**

The method for **calculating the value of marketed production (VMP)** should be defined at EU level through a delegated act to ensure a harmonised and consistent approach across Member States.

At the same time, key elements currently included in the VMP calculation should be maintained, notably **internal transport costs**. However, it should be recalled that the latest clarification introduced through the amendment of Delegated Regulation (EU) 2022/126 confirmed the eligibility of internal transport costs only up to 300 km. In this context, the approach reflected in the July proposal remains restrictive for producer organisations facing longer transport distances linked to geographical, structural or market-related conditions.

We therefore call for a more flexible approach, allowing the eligibility of internal transport costs beyond 300 km where this is duly justified by objective circumstances. Such an adjustment would better reflect the realities faced by many producer organisations, while ensuring that the VMP calculation remains adapted to the diversity of production and marketing situations across the Union.

Moreover, AREFLH supports excluding processing costs and VAT from the calculation of the value of marketed production (VMP). However, we call on the

European Commission to establish, as in Delegated Regulation (EU) 2022/126, **fixed percentage rates through delegated** acts to calculate the value of marketed production of products intended for processing, based on the invoiced value of the resulting processed products.

| Current Version   | AREFLH Proposal  |
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| <p>Art. 34 (VMP)</p> <p>1. Member States shall indicate in their NRP Plans how the value of marketed production is calculated for each sector.</p> <p>2. The value of the marketed production for a producer organisation, association of producer organisations or producer group shall be calculated on the basis of the production of the producer organisation or producer group or association of producer organisations and its producer members that has been put on the market by this organisation, association or producer group and shall only include the production of those products for which the producer organisation, association or producer group is recognised or identified. In addition, the value of marketed production shall be calculated at fresh stage or at the first processing stage on which the product is normally marketed, in bulk, where products are allowed to be marketed in bulk. It shall be further calculated at the 'exorganisation, association or producer group' stage or at 'ex-subsubsidiary' stage, provided that at least 90 % of the shares or capital of the subsidiary is owned by the producer organisation, association or producer group. The value of marketed production shall include the value of the by-products, of market withdrawals for free distribution, of outsourced activities or of the insurance indemnification received in respect of harvest and production insurance</p> | <p>Art. 34 (VMP)</p> <p>1. <b>The European Commission</b> shall indicate <b>through its delegated powers</b> how the value of marketed production is calculated for each sector.</p> <p>2. The value of the marketed production for a producer organisation, association of producer organisations or producer group shall be calculated on the basis of the production of the producer organisation or producer group or association of producer organisations and its producer members that has been put on the market by this organisation, association or producer group and shall only include the production of those products for which the producer organisation, association or producer group is recognised or identified. In addition, the value of marketed production shall be calculated at fresh stage or at the first processing stage on which the product is normally marketed, in bulk, where products are allowed to be marketed in bulk. It shall be further calculated at the 'exorganisation, association or producer group' stage or at 'ex-subsubsidiary' stage, provided that at least 90 % of the shares or capital of the subsidiary is owned by the producer organisation, association or producer group.</p> <p><b>The value of the marketed production of fruit and vegetables intended for processing, which have been transformed into one of the processed fruit and vegetable</b></p> |

actions. **Cost of processing in case of processed products, VAT and costs of transport internal to the organisation or producer group for distance exceeding 300 km shall not be included in the calculation of the value of marketed production.**

Doubled counting of the values of marketed production shall be prohibited. In order to avoid double counting of values of marketed production, the production of the members of a producer organisation, association of producer organisations or producer group which is marketed by another such organisation shall only be counted in the value of the marketed production of the latter organisation.

**products listed in Annex I, Part X, to Regulation (EU) No 1308/2013 or any other processed product referred to in this paragraph, by either a producer organisation, an association of producer organisations or their producer members or subsidiaries, either by themselves or through outsourcing, shall be calculated as a flat rate in percentage applied to the invoiced value of those processed products. The European Commission shall indicate through its delegated powers such flat rates.**

The value of marketed production shall include the value of by-products, products withdrawn for free distribution, outsourced activities, **internal transport costs borne by the producer organisation or producer group, including, where duly justified, for distances exceeding 300 km,** and insurance indemnities received in respect of harvest and production insurance measures.

**Cost of processing in case of processed products, and VAT and costs of transport internal to the organisation or producer group for distance exceeding 300 km shall not be included in the calculation of the value of marketed production as defined by the European Commission through its delegated powers.**

Doubled counting of the values of marketed production shall be prohibited. In order to avoid double counting of values of marketed production, the production of the members of a producer organisation, association of producer organisations or producer group which is marketed by another such organisation shall only be counted in the value of the marketed production of the latter organisation.

## F. Defining the timeline at the EU level

Finally, the **timeline** for submitting requests for aid and operational programmes should be clarified and aligned within the same calendar year to ensure coherence and legal certainty.

| Current Version   | AREFLH Proposal  |
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| <p>Art. 34. Paragraph 3:</p> <p><b>3. Member States shall determine a 12-month calendar reference period during the three years prior to the year for which the aid is requested.</b><br/>Where historical data on marketed production for newly recognised producer organisations, association or producer group is insufficient for the purposes of the first subparagraph, Member States shall accept the value of marketed production communicated by the producer organisation, association or group for the purpose of its recognition.</p> <p>4. Where for a product a reduction of at least 35 % in the value of marketed production for a given year in relation to the average of the three previous 12-month reference periods has occurred due to natural disasters, climatic events, plant diseases or pest infestations or any other reasons falling outside the responsibility and control of the organisation, association or group, the value of marketed production of that product shall be deemed to represent 85 % of the average value in the three previous 12-month reference periods. If preventive measures were undertaken, the value of marketed production of that product shall be deemed to represent 100 % of the average value in the three previous 12-month reference periods.</p> | <p>Art. 34. Paragraph 3:</p> <p>3. <b>The European Commission</b> shall indicate <b>through its delegated powers</b> to determine a 12-month calendar reference period.<br/><del>Where historical data on marketed production for newly recognised producer organisations, association or producer group is insufficient for the purposes of the first subparagraph, Member States shall accept the value of marketed production communicated by the producer organisation, association or group for the purpose of its recognition.</del></p> <p>4. Where for a product a reduction of at least 35 % in the value of marketed production for a given year in relation to the average of the three previous 12-month reference periods has occurred due to natural disasters, climatic events, plant diseases or pest infestations or any other reasons falling outside the responsibility and control of the organisation, association or group, the value of marketed production of that product shall be deemed to represent 85 % of the average value in the three previous 12-month reference periods. If preventive measures were undertaken, the value of marketed production of that product shall be deemed to represent 100 % of the average value in the three previous 12-month reference periods.</p> |

## G. Providing the Commission with more delegated powers

We call for an extension and more systematic use of delegated powers under Article 35 of the Common Market Organisation (CMO) to allow the Commission to define key elements of sectoral interventions at EU level. This should include, in particular, rules on the eligibility of costs (including administrative, labour and transport), financial parameters (such as maximum levels of public support), and the core conditions governing interventions related to sustainability, research, climate action, storage and crisis management. This approach aligns with our opposition to national co-financing and seeks to preserve the European character of the instrument by ensuring a coherent and common framework across Member States.

| Current Version  | AREFLH Proposal   |
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| <p>Art.35<br/>(Delegated powers for additional requirements for types of intervention)</p> <p>1. The Commission is empowered to adopt delegated acts in accordance with Article 227 in order to supplement this Regulation with requirements additional to those laid down in this Section as regards:</p> <ul style="list-style-type: none"> <li>a. ensuring the proper functioning of types of intervention laid down in this Section, in particular by avoiding distortion of competition in the internal market and to ensure sustainability;</li> <li>b. (b) the rules under which producers are to withdraw the by-products of winemaking, rules on exceptions to that obligation in order to avoid additional administrative burden and rules for the voluntary certification of distillers.</li> </ul> | <p>Art.35<br/>(Delegated powers for additional requirements for types of intervention)</p> <p>1. The Commission is empowered to adopt delegated acts in accordance with Article 227 in order to supplement this Regulation with requirements additional to those laid down in this Section as regards:</p> <ul style="list-style-type: none"> <li>a. ensuring the proper functioning of types of intervention laid down in this Section, in particular by avoiding distortion of competition in the internal market and to ensure sustainability;</li> <li>b. (b) the rules under which producers are to withdraw the by-products of winemaking, rules on exceptions to that obligation in order to avoid additional administrative burden and rules for the voluntary certification of distillers.</li> <li><b>c. the eligibility of administrative and personnel costs of producer organisations or other beneficiaries when implementing those interventions;</b></li> <li><b>d. the maximum level of public financial assistance for the</b></li> </ul> |

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|  | <p><b>following types of intervention</b></p> <ul style="list-style-type: none"><li><b>i. setting-up, filling and replenishing of mutual funds by producer organisations and by associations of producer organisations recognised under Regulation (EU) No 1308/2013;</b></li><li><b>ii. collective storage of products produced by the producer organisation or by its members, including where necessary collective processing to facilitate such storage;</b></li><li><b>iii. market withdrawal for free distribution or other destinations, including where necessary processing to facilitate such withdrawal;</b></li><li><b>iv. green harvesting, consisting of the total harvesting on a given area of unripe non-marketable products which have not been damaged prior to the green harvesting, whether due to climatic reasons, disease or otherwise;</b></li><li><b>v. non-harvesting, consisting of the termination of the current production cycle on the area concerned where the product is well developed and is of sound, fair and marketable quality, excluding destruction of products due to a</b></li></ul> |
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|  | <p><b>climatic event or disease;</b></p> <p><b>vi. harvest and production insurance that contributes to safeguarding producers' incomes where there are losses as a consequence of natural disasters, adverse climatic events, diseases or pest infestations while ensuring that beneficiaries take necessary risk prevention measures;</b></p> <p><b>e. actions to increase sustainability and efficiency of transport and of storage of products;</b></p> <p><b>f. research, innovation and experimental production methods;</b></p> <p><b>g. actions to mitigate and/or to adapt to climate change;</b></p> <p><b>h. actions to protect and/or improve the environment;</b></p> <p><b>i. laboratory tests and to laboratories for analysis;</b></p> <p><b>j. implementation of traceability and certification systems;</b></p> <p><b>k. collective storage of products;</b></p> <p><b>l. market withdrawal for free distribution or other destinations, including where necessary processing to facilitate such withdrawal;</b></p> |
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## Conclusion

AREFLH reiterates its strong commitment to a robust, coherent and truly European framework for the fruit and vegetable sector under the Common Market Organisation (CMO). The proposed amendments aim to preserve the key achievements of the current system, notably its capacity to strengthen producer organisation, ensure market stability and support long-term investments.

In this context, **enhancing EU-level rules and delegated powers is essential** to avoid fragmentation, ensure a level playing field and provide legal certainty for all actors. Particular attention must be paid to maintaining harmonised definitions, clear calculation methods and consistent implementation across Member States.

At the same time, financial and operational requirements must remain realistic and effective, encouraging meaningful investments. A balanced approach combining minimum thresholds and incentive-based mechanisms is therefore necessary.

Overall, these proposals seek to safeguard the effectiveness, predictability and European added value of sectoral interventions, while adapting the framework to future challenges and ensuring the continued competitiveness and resilience of the fruit and vegetable sector.