New legal framework Fruit and vegetables Sectoral interventions 2028-2034

DG AGRI

Unit B.1 - Economic Sustainability

Red PAC - MAPA – 9 July 2026

European Commission

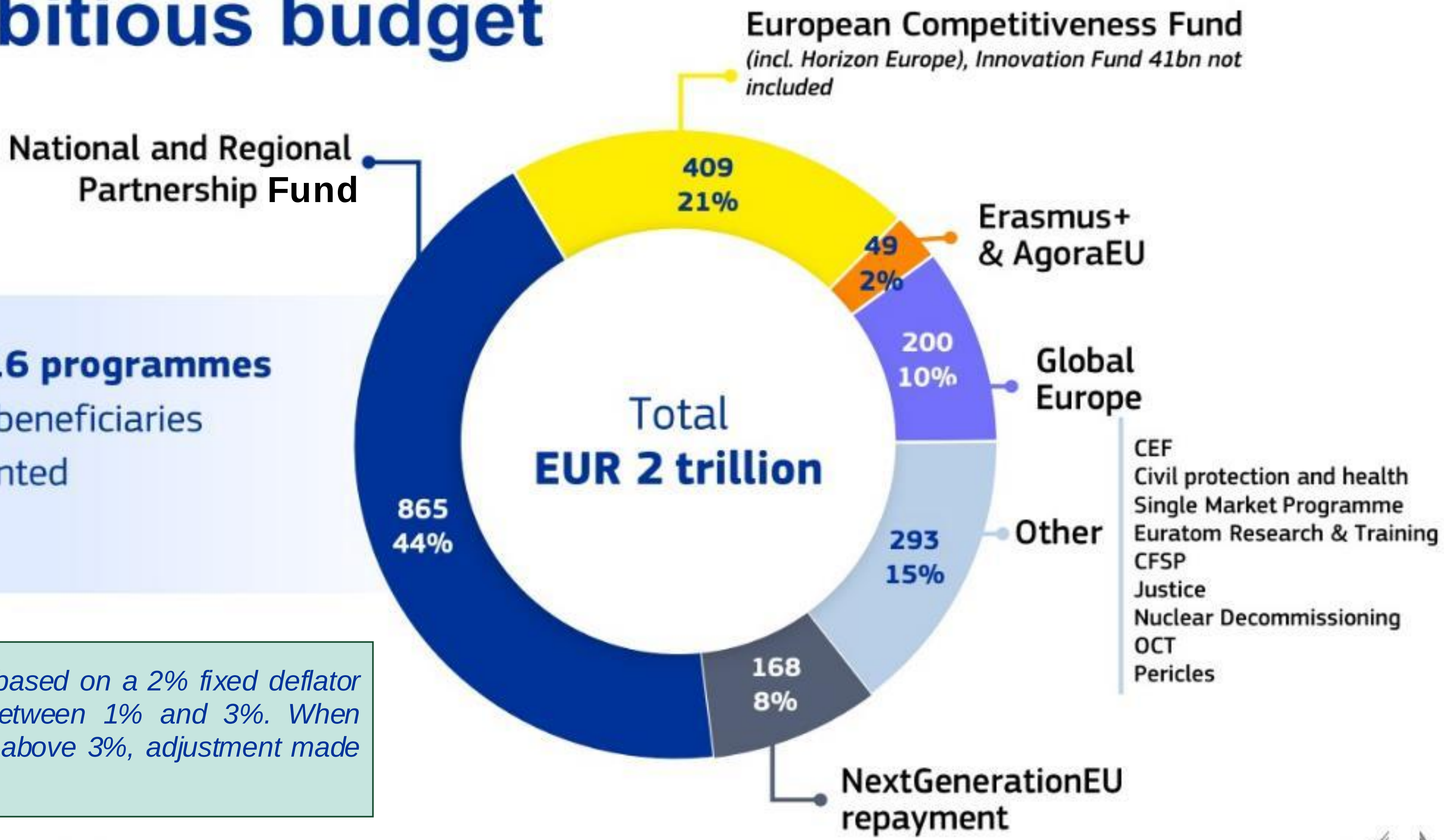
Content

- *New legal framework 2028 - 2034*
- *NRPP regulation and transitional rules*
- *CAP regulation*
- *CMO regulation*

New legal framework 2028 - 2034

An ambitious budget

- From 52 to **16 programmes**
- **Simpler** for beneficiaries
- **Results** oriented
- More **agile**



Ceilings continue to be based on a 2% fixed deflator when EU inflation is between 1% and 3%. When inflation is below 1% or above 3%, adjustment made based on actual inflation.

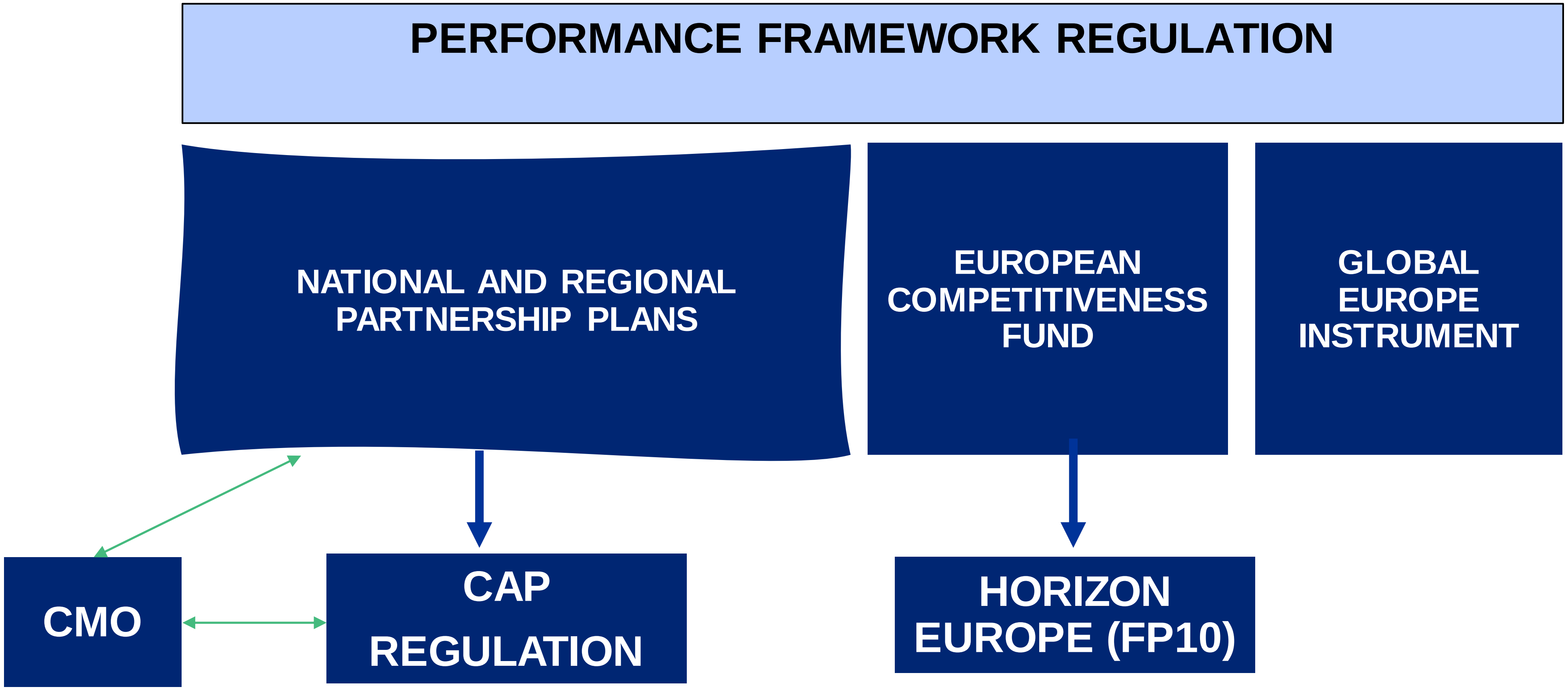
*All amounts in billion EUR, **current prices**, adjusted with 2% deflator*

New CAP legal framework 2028 - 2034

- **NRP Regulation** (COM(2025)565): rules for Union support through the « European, Fund for Economic, Territorial, Social, Cohesion, Agriculture and Rural, Fisheries and Maritime Prosperity and Security Food »
  - Common Rules for all sectors partially on financing
  - Specific Rules for the CAP (Title V)

- **CAP Regulation** (COM(2025)560): specific conditions for the implementation of the CAP support under NRP plans
- **CMO Regulation** (COM(2025)553): specific rules on sectoral interventions, in combination with other provisions laid down in the NRP and CAP Regulations
- **Performance Regulation** (COM(2025)545): rules on budget expenditure, performance framework and other horizontal rules

Architecture of the CAP legal framework



Planning and approval of the NRP Plan

- **CAP national recommendations** are adopted by the Commission providing guidance to each Member State for the implementation of the CAP-relevant specific objectives, taking into account each Member State situation

- Member States shall prepare the **NRP Plans** in partnership with regional, urban, rural and other public authorities, as well as economic and social partners, NGOs, research organisations and universities. Farmers must be involved for CAP-related partnerhsip

- **Template of the NRP Plan** outlined in Annex V, with structured information and dedicated sections to CAP. For example: eligibility conditions of CAP interventions; arrangement to comply with farm stewarship; output and result indicators

- **Assessement** by the Commission within **four months** of its submission by Member States, followed by a proposal for a Council implementing decision approving the plan

NRPP Regulation

Transitional provisions

Financing

[Article 35(8) of NRPP Regulation]

NOVELTY Sectoral support for fruit and vegetables producer organisations is part of the **€ 293.7 Billion ringfenced 'envelope'.** No more environmental / climate adaptation 15 % and research and innovation 2 % ringfencing.

Article 35(8) NRPP lays down the financing principles:

- **NOVELTY** Mandatory Member State's contribution of **30 %** of the public eligible expenditure of each intervention
- **NOVELTY** Maximum support rate shall be **75 %** of the total eligible costs of each intervention with some exceptions:
  - up to **95 %** for interventions linked to generational renewal, research and innovation, risk management or environment and climate, and for producer organisations implementing operational programmes for the first time **NOVELTY**
  - **100 %** for market **withdrawal for free distribution** which is limited to 5% of the volume of production marketed (3-year average). Overcompensation shall be avoided

Financing - minimum national contribution

[Article 35(8) NRPP]

The **minimum national contribution** to the eligible public expenditure of each intervention should be calculated based on the following:

- the maximum support rate (MS+EU) applicable: 75 % of the total eligible costs of each intervention *[30 % of 75 % = 22.5 %],*
- and the minimum national contribution to the eligible public expenditure: 30% of the eligible public expenditure of each intervention [*75 % - 22.5 % = 52.5 %]*, and
- the Union financial assistance is limited to 4.1 % of the value of marketed production of each producer organisation (VMP) [Art. 33*a*(1) CMO]

Financing - Transitional provisions

[Articles 21(3) and 35*a*(1) NRPP]

- Incurred expenditure related to legal commitments under SPR are eligible if included in the Member States' NRP Plans in accordance with NRPP rules. This means: (1) operational programmes are reprogrammed in NRP Plans and (2) NRPP co-financing rates apply
- Expenditure related to legal commitments started before 1 July 2027 are eligible for financing under NRP in accordance with SPR rules if included in the NRP Plans (*)
- Expenditure related to legal commitments started after 1 July 2027 are eligible for financing under NRP in accordance with NRP rules if included in the NRP Plans

Financing - Transitional provisions

[Article 35a(1a) NRPP]

Member States shall ensure that by 15 September 2027 POs/APOs submit a request indicating whether:

- the operational programme (*) is to be in order to comply with NRPP and CMO regulations,
- the operational programme (*) is replaced by a new operational programme complying with NRPP and CMO regulations, or
- the operational programme (*) is to continue to be implemented until its end under SPR rules

Member States shall examine and decide to approve the request. In case of no request, the operational programme ends on 31 December 2027

CAP Regulation

Specific requirements for sectoral interventions

- Sectoral interventions are **income support interventions** financed by the Fund [Article 5(1)(r) and (2)]
- Member States shall provide in their NRP Plans, the justifications for targeting the selected sectors and the **complementarity** with other CAP interventions (and other measures set out in the Plan) [Art. 36(1) NRP]
- Sectoral interventions are bound the **specific objectives** of the Fund [Art. 3(d) NRP] (e.g. supporting fairer and sufficient income for farmers and their long-term competitiveness, <u>including the farmers' position in the value chain</u>)
- Sectoral interventions are bound the **Farm stewardship** [Art. 3 CAP] and environment and climate priority areas [Art. 4 CAP]
- **Simplified Cost Options** still possible for expenditure below 100 000 EUR [Arts. 36(6) and 78(2) CAP]; however, <u>mandatory</u> for investments [Art. 13(7) CAP]

CMO Regulation

Scope
[Article 30]

- Support for the fruit and vegetable producer organisations under by the Fund is mandatory and continues to be granted through operational programme for selected types of interventions specified in Member States NRP Plans

    - No changes compared to the current legislative framework
    - Fruit and vegetable support remains mandatory in MSs where there are recognised producer organsations

- **Novelty** Operational programmes covering several types of interventions shall be diversified and balanced [Recital 13a CMO] towards CAP specific objectives.

Financing
[Article 33a CMO]

The Union financial contribution to producer organisations/associations of producer organisations is limited to a certain percentage (**4.1 %** for POs, 4.5 % for APOs and 5 % for TPOs/TAPOs) of the value of marketed production

Possibility to add **0.5 %** for operational programmes targeting generational renewal, research and innovation, risk management, or environment and climate (objectives) is limited the relevant types of interventions **NOVELTY**

The Union and national contribution to each intervention shall not exceed 100 % of the actual costs incurred

Producer groups shall benefit from the setting-up support of Article 17a CAP (five years, degressive support, limited at 10 % of the turnover and capped at 122 000 EUR per year)

Types of interventions
[Article 31 CMO]

- A **single list** of sector-specific types of intervention types (with certain types of interventions applying only to one or more sectors):
  - advisory services,
  - promotion and marketing
  - research and innovation
  - actions to mitigate and/or adapt to climate change
  - green harvesting
  - market withdrawals for free distribution, etc.
- There are no changes to the variety of type of interventions compared with the current legislative framework
- There is no obligatory ringfencing for enviromental and climate actions and for reserch activities **NOVELTY**

Investments
[Articles 13 CAP and 31(a) CMO]

- **Investments** under Article13 CAP + *other* investments than Article 13 under Article 31(a) CMO
- Investments under Article 13 covers **restoration of agricultural production potential** following natural disasters, adverse climatic events or catastrophic events
- Member States shall establish a list of ineligible investments
- Purchase of **land** for an amount exceeding 10 % of the total expenditure for the operation concerned or purchase of **annual plants** are ineligible
- **Simplified costs option** is mandatory for investments under Article 13 CAP below 100 000 EUR [Art. 13(7) CAP]

Risk management tools
[Article 12 CAP]

Support is granted to producer organisations only if the **losses of the organisation exceeds 20 %** of the average annual production or income in the preceding three-year period, or a three-year average based on the preceeding five-year period excluding the highest and lowest entry

The risk management tools include **mutual funds**, **harvest and production insurance**

Beneficiaries
[Article 32 CMO]

Producer organisations and associations of producer organisations are the beneficiaries for fruit and vegetables sectoral intervention

Producer groups may be beneficiaries in the fruit and vegetable sector if decided by the Member States **NOVELTY**

- producer groups shall be identified (different from recognised) by Member States
- producer groups shall implement a four-years recognition plan with the view to be recognised a producer organisation
- support is limited to the first operational programme (four-years)
- the operational programme and the four-year recognition plan should be submitted at the same time for approval by the Member State
- The Union funding is recovered if the producer group does not fulfil the recognition criteria or does not become a recognised producer organisation at the end of the four-year period or does not implement recognition plan

Operational programmes & Operational funds
[Article 33 CMO]

Fruit and vegetables' sectoral intervention shall be implemented through approved operational programmes

Operational programmes shall

- be approved by Member States
- last between 3-7 years
- be financed by an operational fund
- include several types of interventions covering areas such as concentration of supply, increasing the commercial value of products, etc.

Operational funds are composed of producer organisation / association of producer organisations (including its members) + Union + national contributions (ex. 25 / 52.5 / 22.5 %)

Value of marketed production
[Article 34 CMO]

Member States shall indicate in their NRP Plans, how the value of marketed production (VMP) is calculated for the fruit and vegetables sector

The **calculation** shall be based on the production of the PO/APO/TPO/TAPO/PG that has been put on the market for products for which the producer organisation is recognised or the producer group is identified

The **reference period** shall be 12-month calendar reference period within the three years preceeding the year for which the aid is requested

- More details on VMP and reference period will be laid down in the future Delegated Regulation (see Arts. 30, 31 and 32 of DA 2022/126)

Delegated powers
[Article 35 CMO]

Delegated powers for:

- (a) ensuring the proper functioning of types of interventions and avoiding distortion of competitiveness in the internal market and ensuring sustainability
- (aa) rules on expenditure and costs related to the types of interventions, including **administrative** and **personnel** costs of POs
- (ba) rules on the calculation of the **VMP**, including the reference periods
- (bb) rules concerning operational funds of **TPOs** and **TAPOs**

Thank you

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