SPECIAL REPORT 22/2026

EN

Producer organisations in the fruit and vegetables sector

Fertile ground for competitiveness if carefully tended

EUROPEAN COURT OF AUDITORS

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01 Main messages

Why this area is important

01 Agriculture is an important part of the EU's society and its economy, providing food to 450 million Europeans and jobs to 30 million people[1]. In 2024, the sector contributed €532 billion (1.2 %) to the EU's gross domestic product[2]. Fresh fruit and vegetables accounted for 15 % of this output (around €80 billion)[3], produced on around two million farms.

02 Fruit and vegetable producers operate independently or in cooperation with others, for example as cooperatives or private limited companies. These organisations function as intermediaries between producers and buyers (***Figure 1***) and play a key role in organising the fruit and vegetables sector. If producer organisations meet certain criteria and are recognised by their member state, they can receive EU support.

03 The EU provides this support to improve producers' competitiveness and strengthen their market position. In this report, we define "improved competitiveness" as increased profitability (through lower production costs and higher turnover) and stronger bargaining power for producers.

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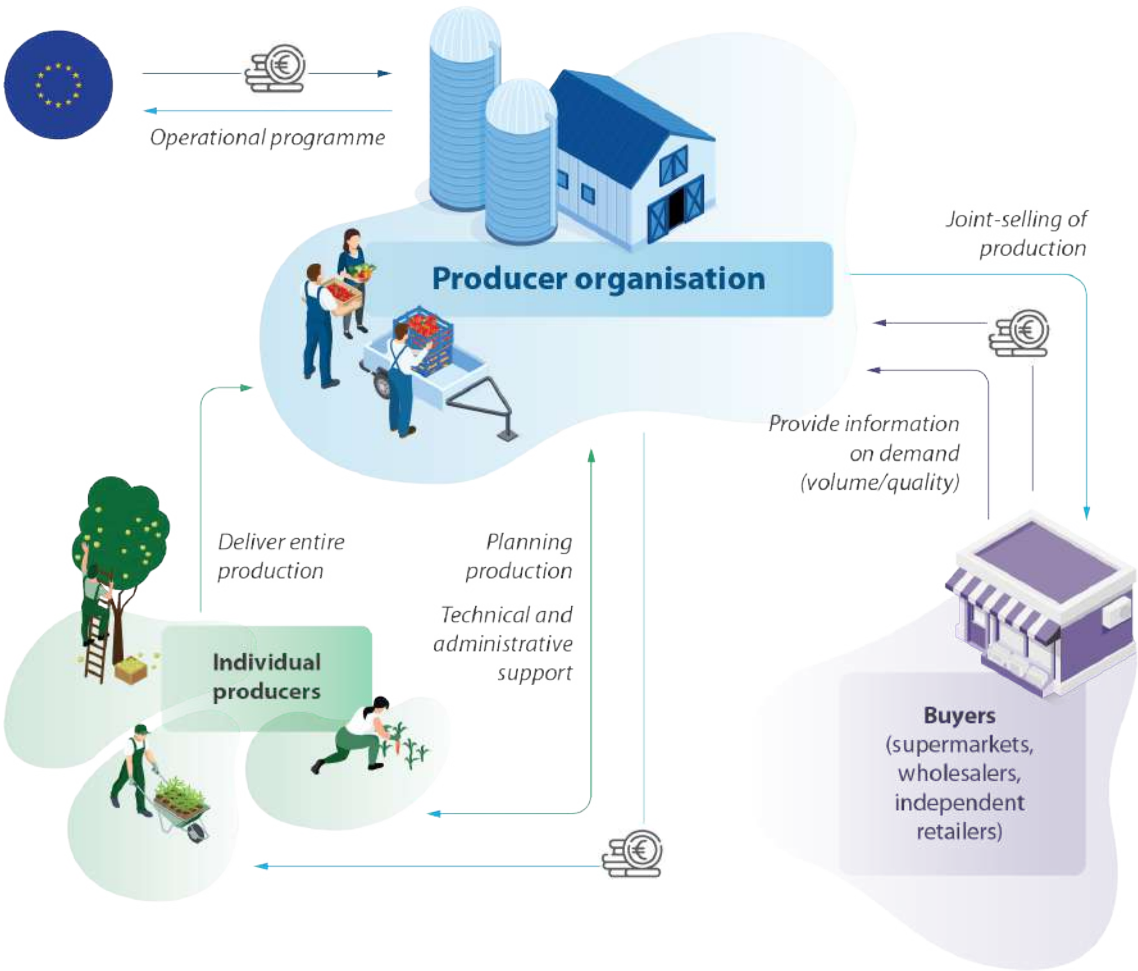
1 A Vision for Agriculture and Food Shaping together an attractive farming and agri-food sector for future generations; COM(2025) 75 final, 19 February 2025.

2 Eurostat, Performance of the agricultural sector - Statistics Explained.

3 Eurostat, Economic accounts for agriculture - values at current prices [aact_eaa01].

Figure 1 | How producer organisations operate

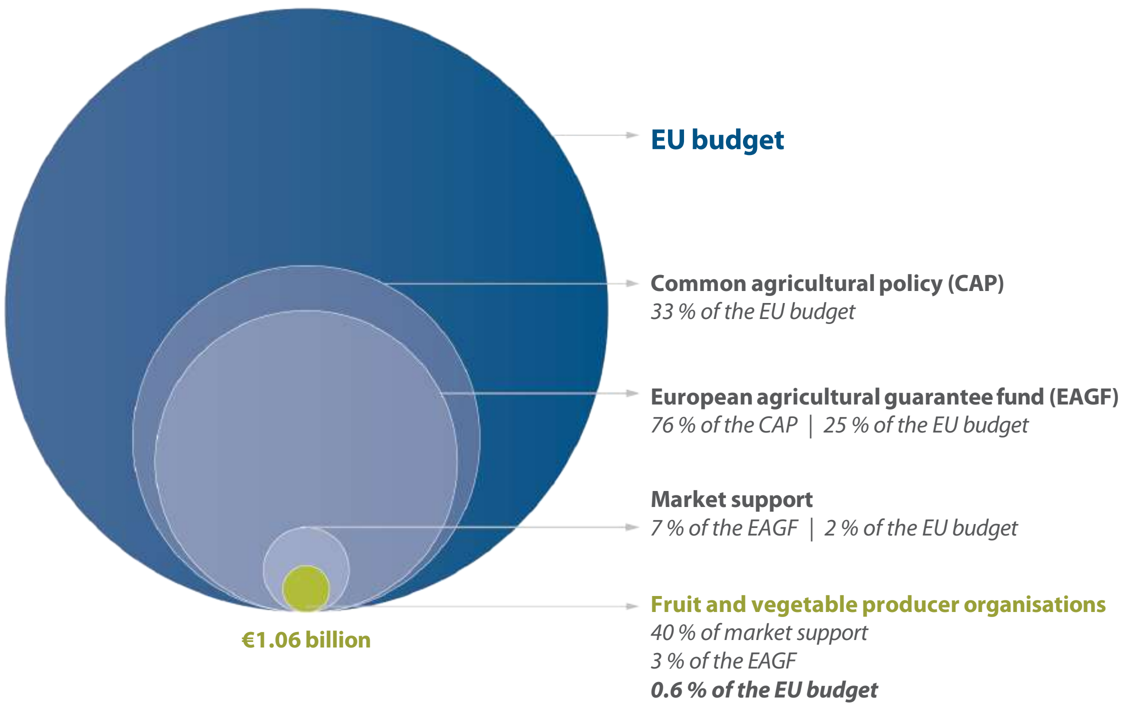


Source: ECA.

04 As of 2024, according to the European Commission, the EU had 1 488 recognised producer organisations in the fruit and vegetables sector, with 187 372 members. Producer organisations can group further under “associations of producer organisations” (hereafter “associations”). In 2024, 69 associations had been recognised by the EU. In 2023, we calculated that recognised producer organisations accounted for 42 % of the value of the fruit and vegetables sector’s production. This “organisational rate” is one of the indicators the Commission uses to assess the effectiveness of its support to producer organisations.

05 In 2023, producer organisations received €1.06 billion from the EU (***Figure 2***). To access this support, recognised organisations submit multiannual operational programmes to their national authorities. The actions planned in these programmes are co-financed by the EU and the producers. EU funding allows the organisations to modernise their equipment and infrastructure, as well as their members’ holdings, to enhance produce quality and value.

Figure 2 | EU support to producer organisations



Note: Percentages are rounded.

Source: ECA, based on 2023 Commission budgetary execution data.

06 The aim of our audit was to assess whether EU support improved the competitiveness of fruit and vegetables producer organisations' members and increased the attractiveness of joining such organisations. In particular, we examined whether:

- the profitability of producer organisations' members improved;
- the bargaining power of producer organisations' members increased;
- EU support achieved a sustainable increase in the organisational rate;
- member states' policy decisions affected the attractiveness of producer organisation membership; and
- the Commission's policy management addressed the sector's key challenges.

07 To assess this, we analysed operational programmes from 57 producer organisations and 5 associations, visiting 19 organisations across Spain, France, Italy and Poland. We also reviewed EU and national frameworks in these countries, their impact on the attractiveness of producer organisations, and national evaluation reports (2013-2018) for

Belgium, Czechia, Germany and the Netherlands. See ***Annex I*** and ***Annex II*** for background information, and details on the audit scope and approach.

08 We carried out this audit to provide insights and recommendations on farmers' competitiveness and their position in the value chain for stakeholders engaged in discussing and deciding on proposals to revise the common agricultural policy (CAP), as part of the upcoming negotiations on the 2028-2034 multiannual financial framework.

What we found and recommend

09 While EU support helps producer organisations strengthen their competitiveness, neither the member states nor the Commission do enough to make joining such organisations attractive. We found that producer organisations use EU support to improve their members' profitability and bargaining power, but relationships with buyers remain unequal. The membership of producer organisations varies greatly between member states and is declining across the EU overall, weakening the organisation of the fruit and vegetables sector. This is the result of uneven support from member states, restrictive national legislation, complex EU rules and the Commission's lack of response to the challenges it has identified.

EU support helps producer organisations to strengthen their competitiveness

10 We found that producer organisations use EU funding to lower their costs and increase turnover, supporting their profitability. Production costs are brought down through automation and modernisation projects, including actions to reduce energy costs and water usage. While some of these investments would likely have happened anyway, without EU support, the latter provides stability and allows the producers to implement projects that would have been challenging on their own (paragraphs ***28***-***32***).

11 EU support facilitates the increase in producer organisations' turnover both through policy design and funding. Because EU support for producer organisations is linked to marketed production value (effectively sales), it rewards higher turnover with greater support, thus providing incentives for supported organisations to increase their turnover. To do so, the organisations in our sample had put in place strategies to boost sales and implemented planning processes to ensure that they produce the crops, varieties and volumes that the market demands (paragraphs ***33***-***37***).

12 We found that EU funding was effective in supporting the sales operations of producer organisations. To meet clients' expectations in terms of quality, the producer organisations use EU funding to obtain certificates that would be too expensive and cumbersome for individual producers. EU support also covers placing the produce on the market, from packaging to sales logistics, something that producers consider a major advantage of belonging to a producer organisation. Consumers are at the end of the fruit and vegetable supply chain, and EU funding gives producer organisations the means to reach them. Operational programmes are used to develop quality labels that consumers recognise, as well as to raise awareness of available products and their benefits (paragraphs ***38***-***47***).

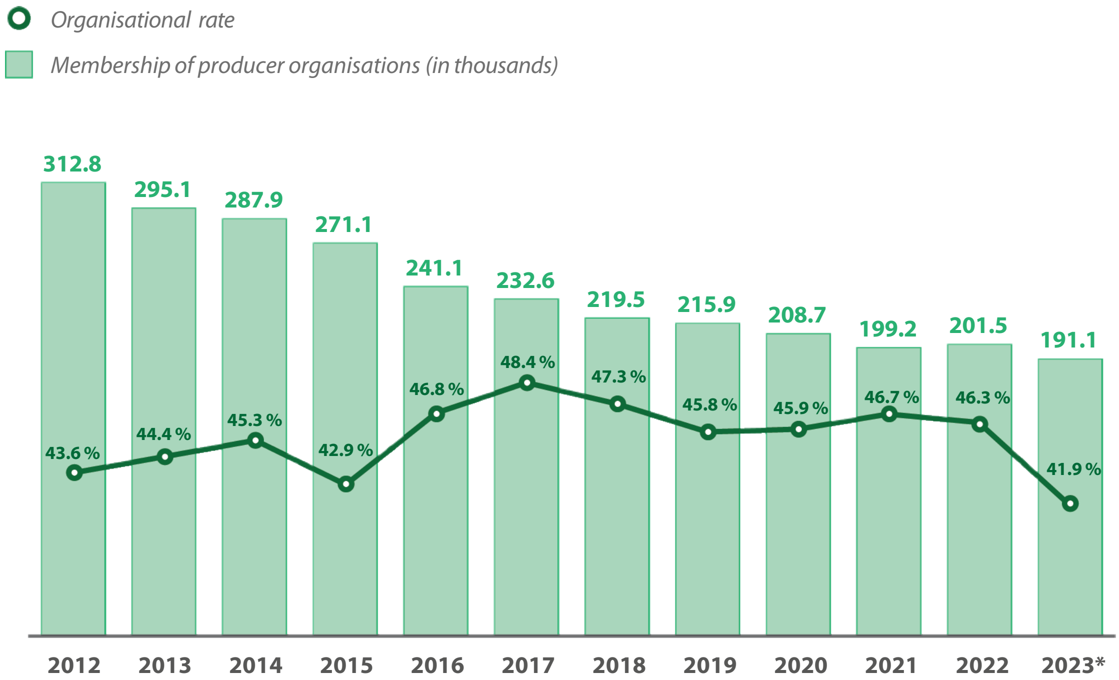
13 EU support promotes the concentration of supply through producer organisations, which improves producers' bargaining power and their position in the value chain. We observed that producer organisations, in particular the larger ones, have sufficient volumes of produce to sell their members' production through different sales methods, mitigating risks associated with price fluctuations (paragraphs ***48***-***51***).

14 The larger organisations we visited were generally better placed to negotiate with retailers than smaller organisations, as they could offer larger volumes and more variety. That said, with the exception of some member states (Belgium, the Netherlands), few producer organisations are large or well-known enough to enter commercial negotiations in a position of significant strength. The relationship between producer organisations and retailers therefore remains unequal. A potential solution is to delegate all sales to a larger association, but this remains uncommon. Some member states (Spain, Italy) have responded by reviewing their recognition criteria to incentivise producer organisations to merge (paragraphs ***52***-***56***).

Producer organisations are becoming less attractive and implementation varies widely across the EU

15 The organisational rate of the fruit and vegetables sector, which we estimated at 42 % in 2023, has been decreasing since 2017 (***Figure 3***), as the value of marketed production from producer organisations has grown less than the total value of the sector's production. We also observed a 39 % fall in the number of producers belonging to producer organisations between 2012 and 2023 (paragraphs ***58***-***59***).

Figure 3 | Producer organisation membership



*2023 organisational rate calculated by the ECA.

Source: ECA based on Commission data for 2012-2022.

16 Despite their advantages, producer organisations have not been able to stop this downward trend. The fall in membership is partly due to the decrease in the number of farms producing fruit and vegetables combined with a lack of new farmers; an issue common to all agricultural sectors. However, the latest available data shows that, between 2013 and 2020, membership of producer organisations decreased faster than the number of fruit and vegetables holdings in the EU (paragraphs ***60***-***61***).

17 While the general objectives and certain elements of the policy are established at EU level, member states play a key role in ensuring its success. They set recognition criteria and define the list of actions eligible for EU funding. Such national level decision-making is necessary because agricultural models vary greatly between member states (paragraphs ***62***-***63***).

18 We found that the organisational rate differed considerably between member states. Some member states have no producer organisations; in those that do, the organisational rate ranges from 0.8 % in Slovenia to 86 % in Denmark. Some of these variations can be explained by cultural or historical factors, such as a successful tradition of cooperation or negative experiences with past implementation (paragraphs ***65***-***67***).

19 Nevertheless, the differences we observed go beyond these factors and the need to adjust the policy to national context. Among the member states we visited, some engage proactively with producer organisations – arranging information sessions, offering regular advice and commenting on the design of the operational programmes – while others are less involved. Eligibility rules also differ significantly, with some countries permitting a wide range of actions and others imposing stricter limits. We found that limited involvement from national authorities or restrictive eligibility rules can discourage membership and the submission of operational programmes in some member states, creating an uneven playing field in the EU. Though both producers' organisations and national authorities acknowledge the problem, no platform exists to discuss and align implementation on a technical level (paragraphs ***68***-***70***).

Recommendation 1

Facilitate the comparison of member states' policy implementation

The Commission should facilitate sharing the applicable recognition criteria and catalogues of eligible actions between national authorities, with a view to member states making this information accessible to all paying agencies and all producer organisations.

Target implementation date: March 2027

20 The EU policy to supported producer organisations has remained largely the same since 1996, while the agricultural and market landscapes have changed significantly. The latest EU-wide evaluation[4] and a 2025 Commission working document have highlighted the differences between member states and challenges faced by smaller producer organisations. The legal framework does not set a target organisational rate, nor indicate whether production should be concentrated in larger organisations. While an EU-wide target or organisational model may not be appropriate given the diversity of agricultural systems, the Commission and the member states have not agreed national objectives that would give the policy a clearer direction (paragraphs ***71***-***74***).

21 The Commission has identified general reasons for producer organisations' lack of attractiveness, yet none of them has been addressed by changes to the legal framework. Neither the 2023-2027 CAP nor the simplification package adopted in December 2025 proposed substantial changes to the policy. A Commission proposal to strengthen the position of farmers in the food supply chain was made in July 2025, but in our view it is

[4] European Commission: Directorate-General for Agriculture and Rural Development, EY and Arcadia International E.E.I.G, *Study of the best ways for producer organisations to be formed, carry out their activities and be supported*, Publications Office of the European Union, 2019.

unlikely to significantly improve the attractiveness of joining a producer organisation. Although the Commission considers that its role is to promote and strengthen producer organisations, it has neither detailed the actions needed to meet these objectives, defined whether they should be the same in all member states, nor proposed how to measure their success (paragraphs *75*-*78*).

Recommendation 2

Improve the attractiveness of producer organisations

In the context of the common agricultural policy's strategic planning framework, the Commission should make recommendations to the member states to improve the attractiveness of producer organisation membership, where needed, without creating distortions to the single market.

Target implementation date: December 2027

22 We have observed that the complexity of the EU rules and administrative burden further reduced producer organisations' attractiveness. For example, the standard co-financing rate for eligible actions in the operational programmes is 50 %, which can, under certain circumstances, be increased to 60 %. Since 2021, it can also be increased to 80 % for research and environmental actions. However, the 80 % rate comes with strict rules, and failing to meet them can mean that the aid received has to be repaid. The audited producer organisations therefore see the higher rate as a financial risk rather than a benefit (paragraphs *79*-*80*).

23 The additional environmental and research requirements introduced for 2023-2027 were determined without considering producer organisations' needs, operational constraints, or access to other sources of public finance. While improving the environmental impact of fruit and vegetable production and promoting research activities are valid objectives, these provisions change the logic underpinning EU support, introducing input requirements (spending targets) into a results-oriented policy (paragraphs *81*-*86*).

24 The Commission's current proposal for the 2028-2034 common agricultural policy removes these spending requirements but contains provisions that risk making the rules more fragmented. Co-financing rates are left to the discretion of member states, with only maximum rates set in the legislation. This means that identical objectives and actions could be supported at widely differing rates, increasing disparities between member states, an issue that we have already highlighted in our opinion on the Commission's proposal (paragraphs *87*-*88*).

Recommendation 3

Simplify co-financing rates

The Commission should propose to the European Parliament and the Council to simplify co-financing rates by:

- setting a fixed co-financing rate by type of objective in the operational programme, applicable in all member states;
- removing the link between co-financing rates and a compulsory level of expenditure.

Target implementation date: by the adoption of the CAP legislative framework 2028-2034

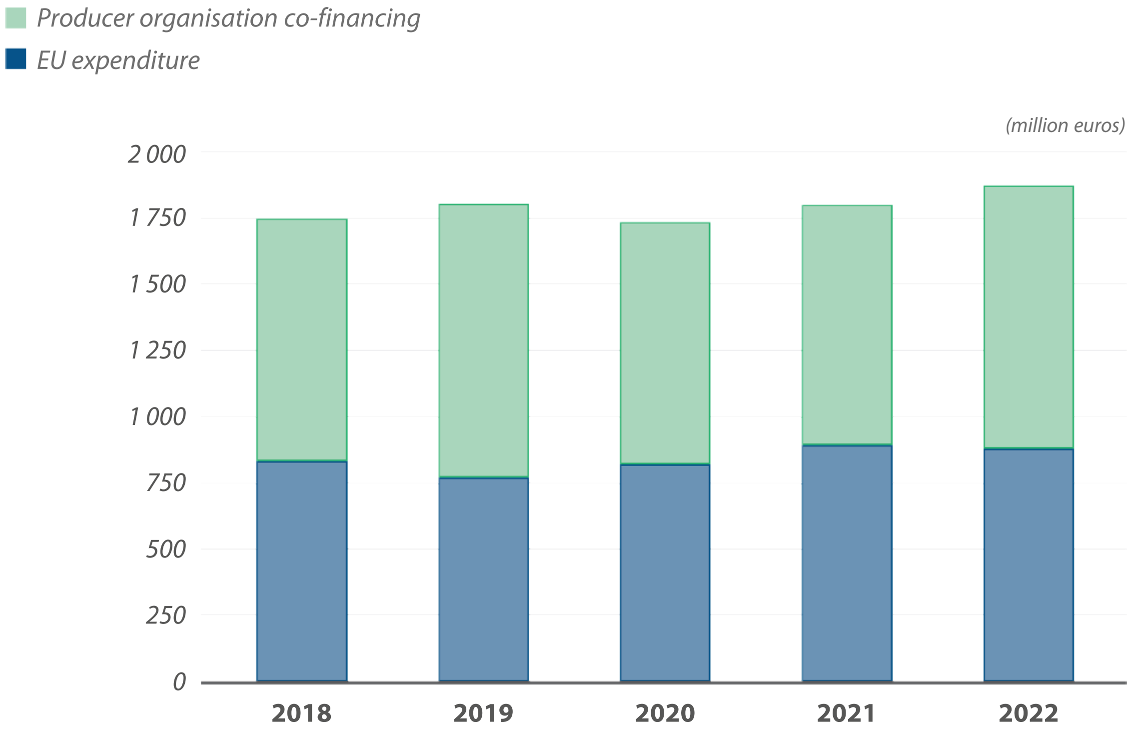
02

A closer look at our observations

EU support has given producer organisations the tools to strengthen their competitiveness

25 Recognised producer organisations in the fruit and vegetables sector are a form of cooperation between farmers to improve their position in the value chain. EU financial support, i.e. the co-financing of the operational programmes implemented by producer organisations (***Figure 4***), should have a positive impact on their competitiveness by improving their profitability (lower production costs or higher turnover) and their bargaining power.

Figure 4 | Operational programme expenditure 2018-2022

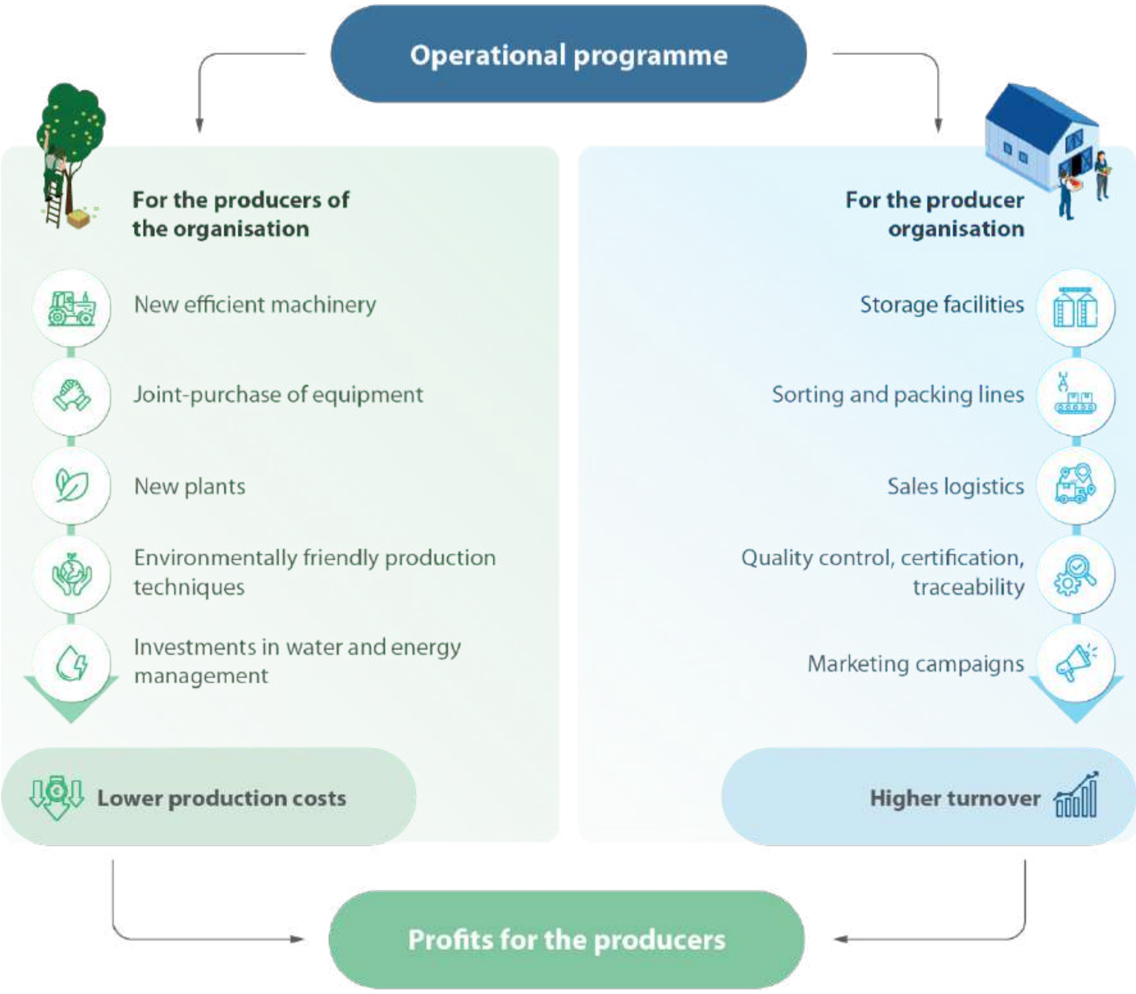


Source: ECA, based on Commission data.

EU funding supports producers' profitability from planning to promotion

26 The main role of a producer organisation is to organise the commercialisation of its members' produce, adjusting supply to demand in terms of volume and quality. Recognised organisations can access EU funds to make the necessary investments to support the planning, production, sales and marketing process. EU financial support to producer organisations is channelled through an operational programme that sets out the measures and actions the organisation wishes to implement to meet the objectives defined at EU level (***Annex III***). These actions are implemented both by the organisation and producers, as set out in ***Figure 5***.

Figure 5 | Operational programmes' contribution to producers' profitability



Source: ECA.

27 We assessed whether producer organisations – through the EU support they received – improved their members' profitability: lowering production costs and increasing turnover. We were unable to assess the direct impact of producer organisation membership on individual incomes. This is because statistical reporting on farmers' income does not differentiate between farmers that belong to a producer organisation and those that do not, except in a few limited cases that did not allow us to draw robust conclusions.

EU support finances actions that help lowering production costs

28 The main operational cost categories for fruit and vegetable producers are labour, energy, water and other inputs (plants and seeds, fertilisers, phytosanitary products). These costs vary considerably depending on each producer's technical choices, the type of production and the variety of produce.

29 All the producers we interviewed agreed that rising labour costs and labour shortages were major issues for them. Producing fruit and vegetables is a labour-intensive activity, and with labour costs in the EU being higher than in other countries, this has a significant impact on EU producers' price competitiveness. This has led organisations to invest in automating their activities, and in those we visited, part of this automation drive was being financed through the operational programmes (*Box 1*).

Box 1

Automation of activities in producer organisations

Not all the fruit on a plant ripens at the same time, and fruit and vegetables need to be harvested at the right point of ripeness depending on how they will be commercialised. Farmers therefore need to decide if the produce is ripe enough, which makes full automation practically impossible. In addition, most fruit and vegetables are very fragile, making mechanical manipulation challenging.

Despite these difficulties, there is an increasing amount of automation in the sector. In Poland, we saw an automated sorting line for apples, where the producers used harvest boxes specifically designed for the sorting lines that were financed through the operational programmes.

Source: ECA.

30 Such investments in modernisation and automation may have taken place regardless, without EU funds. However, because of the multiannual nature of operational programmes, the predictability of EU funding makes it easier for producer organisations to implement large modernisation projects where costs can be spread over the duration of the programme.

31 The producers we interviewed also often cited energy as a major cost, especially for heated greenhouses. The organisations in our sample tackled this issue by investing in renewable energy (photovoltaic panels) and energy-efficient equipment to reduce their consumption (***Box 2***). Some of these investments are eligible for funding under the operational programmes, and others through different EU funds (for example, the European Agricultural Fund for Rural Development, or the Recovery and Resilience Facility).

Box 2

Reducing energy costs

One of the organisations we audited in Italy has embarked on a series of renewable energy investments to lower their energy costs and achieve energy autonomy by 2030. To be self-sufficient, they are investing in different types of energy sources: photovoltaic panels, biogas and geothermal energy. The photovoltaic panels are financed through the operational programmes.

In Spain, one organisation uses solar panels to reduce the energy costs in its warehouses and logistics centre, saving 5 %.

Organisations' other investments included new refrigeration systems for cold storage rooms, and heating greenhouses using co-generation for energy production.

32 Environmental measures supported by EU funding can also have a positive impact on cost reduction since they cover practices that aim to reduce water use, the use of phytosanitary products and of other inputs. Similarly to automation investments, these actions may also have taken place without EU financial support, but the operational programmes make it easier to consider more substantial investments, such as water retention facilities.

EU support helps producers implement practices that increase turnover

33 The amount of EU support that a recognised organisation can access depends on the value of its marketed production – broadly speaking, its sales. This support is capped depending on the type of organisation and varies between 4.1 % to 5 % of their marketed production. These amounts can be increased by up to 0.5 % if the increase is dedicated to certain

actions (*Annex III*). The higher the organisation's sales value, the higher the amount it is eligible to receive.

34 Basing the calculation of the EU support on sales incentivises producers to increase their turnover, and the organisations we visited were actively pursuing this goal. In Spain, France and Italy, they were trying to boost their production volume either by attracting more members or by expanding their cultivated area. We also observed strategies to increase the sales value of the produce, either by introducing premium varieties of produce they are already growing, or by introducing new produce with a higher retail price (such as berries).

35 To maximise their sales value and profitability, producer organisations need to ensure that their production meets market demand, which requires effective production planning. The success of a producer organisation also depends on its members' acceptance of the planning process. Most of the organisations we visited follow a similar planning process: sales departments communicate forecasts and expected market trends for the next growing season in terms of volume, produce and varieties (see *Figure 6*), and provide information on expected prices by type of produce, based on past sales.

Figure 6 | Adapting to market trends: offering consumers new varieties

Source: ECA.

36 The producer organisations we visited use this information to establish a target volume and a planting calendar for each type of produce. The producers approve the planning and decide how to split this target volume between them. Any disagreements between producers are resolved according to the rules of the organisation and usually give priority to more established members or to those who have been more innovative in their choice of produce in the past.

37 This process respects the producers' own cultivation plans within the organisation, allowing them to manage their holdings as they see fit. None of the producers we interviewed had any complaints about the planning process. One producer in France specifically mentioned that he moved from one organisation to another because he wanted stricter production planning to ease his transition into organic farming.

38 To sell their produce at the best possible price, producer organisations need to ensure that their production meets their clients' expectations in terms of quality, including environmental requirements. Large retailers require produce to be certified under specific standards to sell it. Compliance with these requirements, which is checked by independent audits, can be technically challenging and can generate additional financial and administrative costs for producers.

39 Members of a producer organisation can benefit from support provided by the organisation's staff, helping them meet certification conditions and minimum quality standards. Both the certification costs and the organisation's staff costs are eligible for funding under the operational programmes. It is therefore easier for members of a producer organisation to participate in certification schemes.

40 All the organisations we visited offer their members administrative support, helping them with paperwork and providing them with tools to manage traceability and certification requirements. Field technicians regularly visit the holdings to check the progress of the growing season and to provide advice. One of the organisations we visited in France had put in place specific support for its young producers, with more frequent visits from the field technicians in the first years of installation, which is an example of good practice.

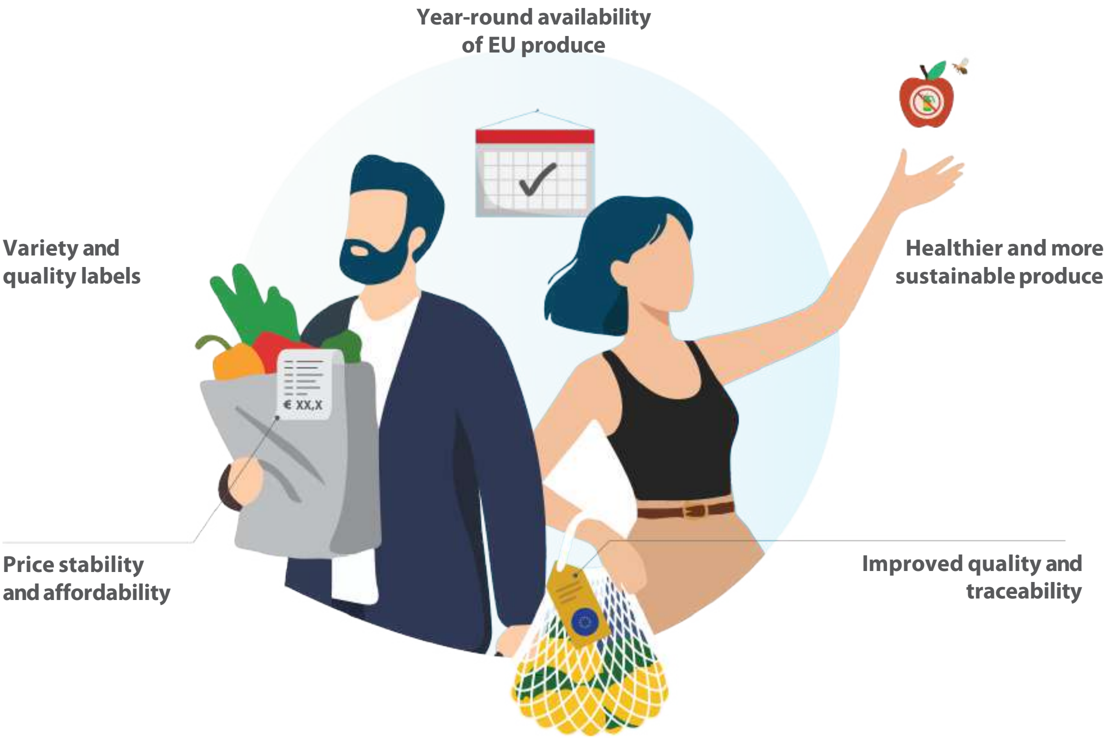
41 We were able to identify the certification and quality costs in the Spanish, French and Polish organisations in our sample. In these member states, certification and traceability represented on average respectively 13 %, 6 % and 3 % of the total operational programmes. At EU level, the Commission records showed that around 11 % of all the operational programmes (on average €204 million per year) were spent on "quality schemes (EU and national) and measures related to quality improvement" between 2018 and 2022.

42 Operational programmes include actions linked to commercialisation which cover the logistics of placing the produce on the market. The producers we interviewed during this audit considered that one of the main advantages of belonging to a producer organisation was being able to delegate commercialisation to the producer organisation, allowing them to focus on production.

43 In the operational programmes we reviewed, expenditure on commercialisation logistics (for example, investments in cold-room storage and packing lines) represented the largest share of expenditure reported under commercialisation for Spain (on average 18 % of the total) and Italy (22 %).

44 Consumers are at the end of the value chain. EU funding through the operational programmes gives producer organisations the means to raise consumer awareness of their produce and of its benefits (*Figure 7*) and to differentiate it on the market.

Figure 7 | Promoting produce to consumers



Source: ECA.

45 Retailers' certification schemes (paragraph *38*) guarantee quality and safety standards but are not directed at consumers and are therefore largely unknown to them. However, producer organisations can develop their own quality labels to meet consumers' expectations, for example relating to their environmental credentials (*Box 3*). These private quality labels are audited by independent bodies, and the costs of the audits are eligible for EU funding, making such an approach easier to implement.

Box 3

Environmentally friendly production techniques financed under the operational programmes

In Spain, France and Poland, we visited organisations that use greenhouses for production (mainly tomatoes and cucumbers), and which had invested in “integrated production”. This means that beneficial insects are used to prevent and fight plant disease, bumblebees are released into the greenhouses to pollinate, and phytosanitary treatments are only used as a last resort. At EU level, integrated production represented around 5 % of all operational programmes (around €95 million per year) between 2018 and 2023.

Integrated production, or at least the cost of the insects used in greenhouses for pest control, can be financed under the operational programme. This facilitates the conversion to more environmentally friendly production techniques. In Brittany (France), two organisations and one association producing tomatoes went further and collaborated to create a label “grown without synthetic pesticides – from flower to plate”.

In Italy one of the organisations that we visited also had part of its production labelled as having no pesticide residue.

Note: On the left: eggs of a beneficial wasp used to fight a tomato parasite. On the right, a box containing other beneficial insects also used in tomato greenhouses.

Source: ECA.

46 The operational programmes also cover marketing and promotion activities such as market studies, participation in fairs, advertising and promotional campaigns, which are eligible for EU funding. The aim of these actions is to secure the best possible selling price for the produce by promoting its quality (freshness, packaging, environmental credentials), while increasing consumer awareness of products that best meet their needs. The extent to which organisations use these possibilities depends on their priorities. In our sample, spending on these activities varied across member states: audited organisations in France spent on average 19 % of their operational programmes on these actions, compared to just under 4 % in Italy, and 2 % in Spain and Poland.

47 In our sample, spending on promotion services, in particular advertising campaigns, was closely linked to the size of the organisation. Larger organisations were more likely to develop their own brand, had a greater incentive to invest in its promotion, and had more money (including their own funds) to do so. Even among the larger organisations we reviewed, expenditure on advertisement varied considerably: between 6 % for a Spanish organisation to nearly 25 % for two organisations in France. Two associations, one in France and one in Italy, stated that they financed between 60 % and 70 % of their advertising costs through the operational programmes.

Producer organisations strengthen producers' bargaining power, but the imbalance with retailers remains

48 EU financial support to producer organisations is meant to improve the position of farmers in the value chain and their bargaining power. Producer organisations organise the joint selling of their members' production. They are designed to be buyers' only point of contact, and as such are responsible for maximising the prices. Based on the operational programmes we reviewed, audit visits and interviews, we assessed whether:

- producer organisations had implemented effective sales methods to maximise prices; and
- producer organisations' size allowed them to establish balanced relationships with their buyers.

Producer organisations choose the most effective sales methods

49 According to EU rules, members of producer organisations must market all of their production through the organisation. Exceptions can be made for up to 25 % of the value of production (40 % for organic products), but member states can set a lower percentage if they wish (for example, Spain set a maximum of 10 %). Of the 19 organisations and associations that we visited, the 5 in Poland allowed 25 % of direct sales, and 1 organic organisation in France allowed up to 40 %. All the others insisted on 100 % sales through the organisation. This allows the organisations to put a large volume of produce on the market, making it possible to fulfil orders from a diverse range of buyers and to choose from a variety of sales methods.

50 Among the organisations in our sample, we observed the following sales methods:

- direct contracts with a set price and a set volume,
- direct contracts with a set price or a set volume,
- framework contracts where both price and volume are decided on a regular basis (for example, weekly or monthly),
- reverse auctions.

51 Each of these has advantages and disadvantages in terms of price and predictability of sales (***Table 1***). Some varieties are tailored to certain contract types. For example, low-end produce, such as round tomatoes, are usually sold by producer organisations under a contract where both the price and the volume are set. When producers voice their wishes

at the planning stage, they can select a production mix that allows them to adjust for price variations.

Table 1 | Advantages and disadvantages of the different sales methods

Method	Advantages	Disadvantages
Direct contracts with a set price **and** a set volume	• Fully predictable income	• Low-price produce
Direct contracts with a set price **or** a set volume	• A degree of predictability to allow production planning	• No certainty in terms of income • If only the price is set, there is a risk of over-production
Framework contracts	• Foster loyalty between the organisation and its buyers • Organisations have the initiative to negotiate prices • A degree of predictability based on past volumes	• Prices remain market-dependent • Creates competition between sellers (organisations)
Reverse auctions	• Instant and transparent intersection of supply and demand • Creates competition between all buyers • Possible to withdraw products if the price offered is too low • Potential for high prices	• Requires large volumes of products • Difficult to organise • Highly volatile prices

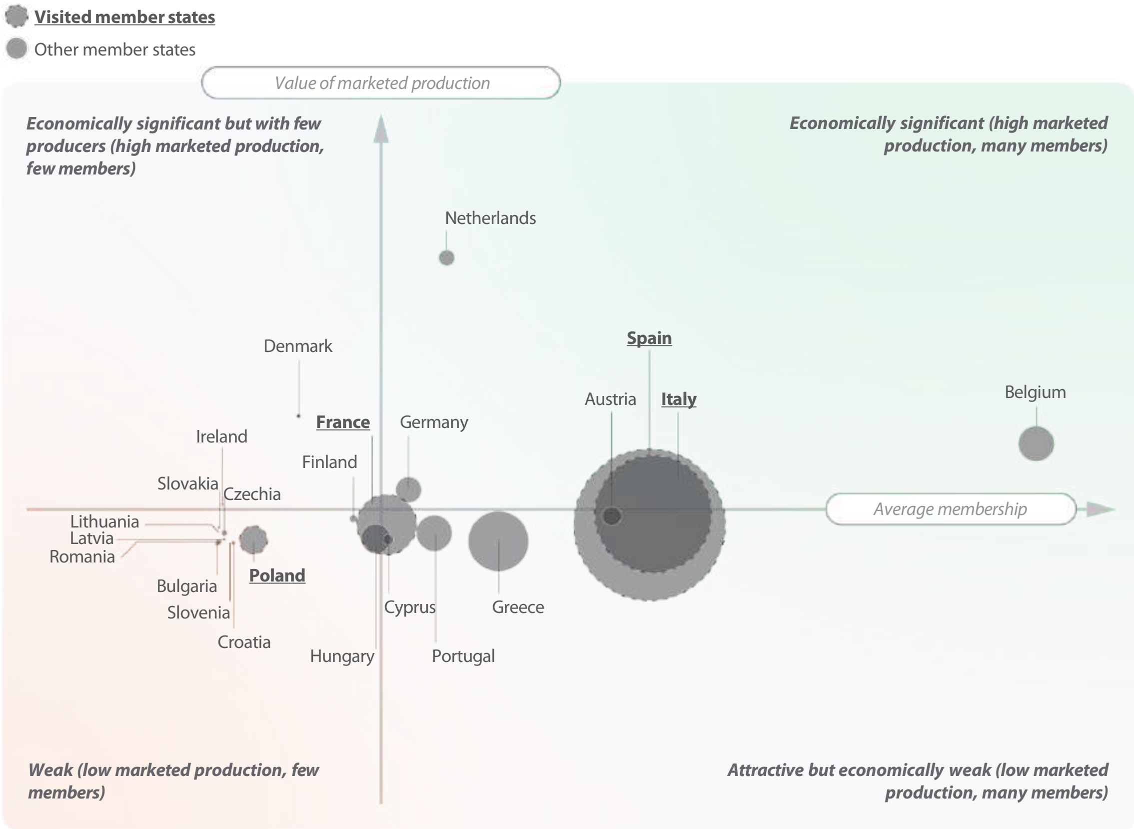
Larger producer organisations have greater bargaining power

52 Of the organisations we visited, those better placed to negotiate with retailers were either larger (in terms of turnover), could offer a wide range of produce, or sold their products under a well-known brand. When organisations can commit to specific volumes or a specific range of produce, retailers only need to source from a limited number of places. Two of the organisations and associations we visited had integrated an organisation from another member state with a different growing season, while others also bought produce from other countries. This enables them to fulfil retailers' orders all year round and guarantee stable volumes, thus allowing the retailer to source their produce from a single supplier. Similarly, the very large warehouses and distribution centres established by larger organisations that we visited in Spain, France and Italy generate efficiency gains in terms of distribution to transporters, reducing the time between harvest and dispatch.

53 In practice, few organisations are large enough to implement such strategies or have developed sufficient brand recognition to significantly improve their position in commercial negotiations. *Figure 8* shows the relative economic significance of producer

organisations in each member state; Belgium and the Netherlands are the only countries where most organisations are economically significant. For smaller organisations, bargaining power mainly depends on their reliability in meeting retailers' demand and building customer loyalty. Another option is to group together under one association and delegate the entire sales process. In our sample only one association (in France) had taken this approach: initially established to manage the brand under which its members' produce is sold, it developed into an association of producer organisations, responsible for designing the whole operational programme and handling sales. This model remains uncommon.

Figure 8 | Most producer organisations in the EU are in a weak position



Note: The size of the circles indicates the total number of producers belonging to producer organisations in the member state.

Source: ECA, based on 2023 Commission data (no data available for Sweden for 2023).

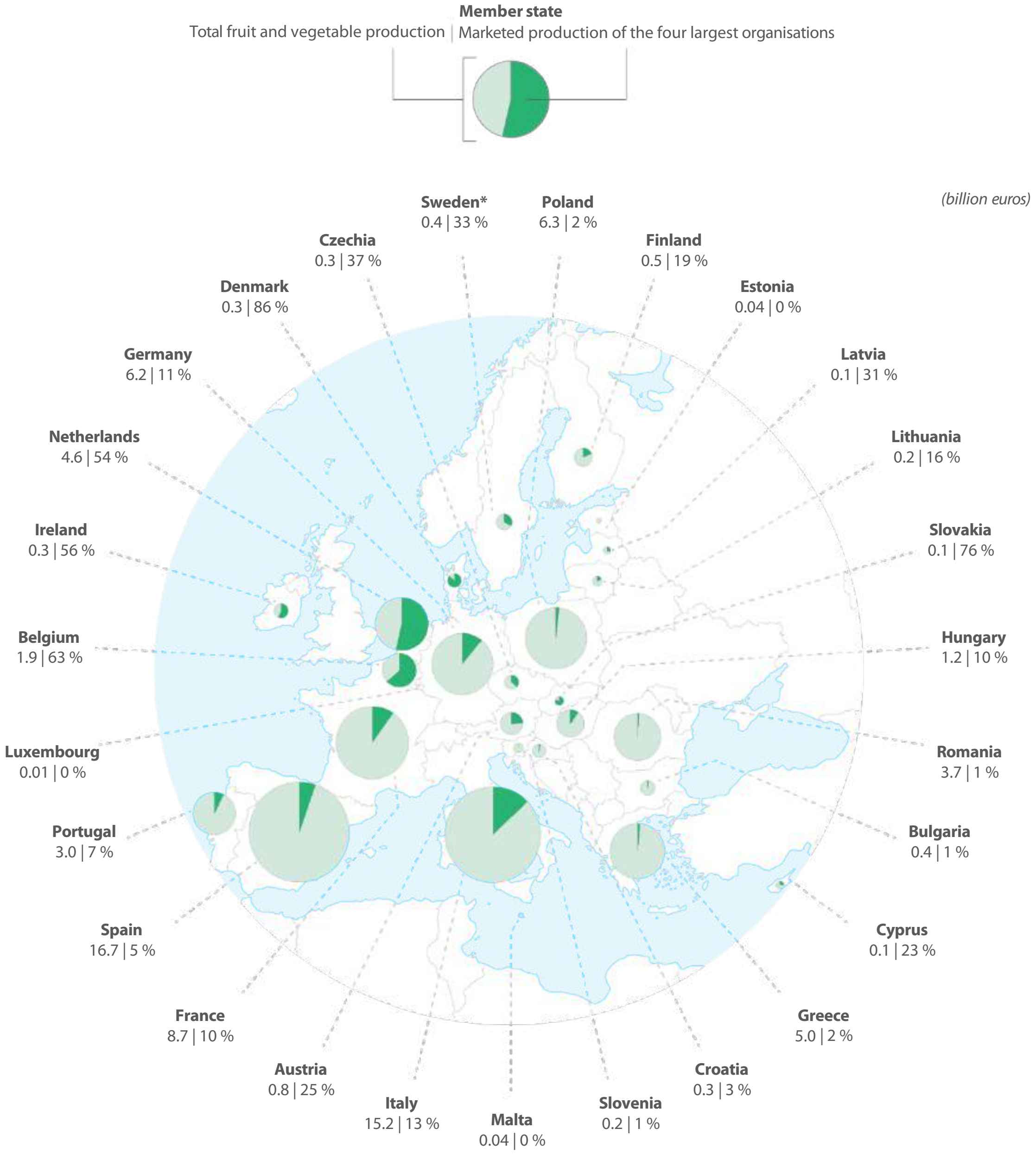
54 Some member states have also taken steps to strengthen the position of producer organisations by reviewing the criteria for recognition. Initially, EU rules set minimum recognition criteria of five members and a minimum value of marketed production of €100 000, leaving member states free to add more stringent requirements. These minimum EU criteria were removed in 2013 and member states had the discretion to set their own. Out of the four member states we visited, only Spain and Italy had reviewed and increased their recognition criteria and therefore encouraged their producer organisations to consolidate.

55 Although producer organisations have a stronger position in commercial negotiations than independent producers, the relationship between organisations and retailers remains imbalanced. One reason is that fruit and vegetables are perishable products by nature, and producer organisations cannot afford lengthy commercial negotiations in case their produce becomes unsuitable for sale. This is particularly the case for very fragile produce with a short shelf life, such as berries.

56 Furthermore, even where producer organisations have achieved a certain concentration of production, it remains far below that of the retail sector. A study[5] from the EU Joint Research Centre calculated that between 30 % and 70 % of the total retail turnover in Europe is generated by the four largest firms. In contrast, in the six member states that together represent three-quarters of EU fruit and vegetable production, the four largest organisations in each country represent between 1 % and 13 % of the total production. With the exception of Belgium and the Netherlands, which together account for about 10 % of the EU's fruit and vegetable production, the only member states where producer organisations produce a significant part of the national output are those where overall production is low (***Figure 9***).

[5] Nes, K., Colen, L. and Ciaian, P., *Market Power in Food Industry in Selected EU Member States*, Publications Office of the European Union, Luxembourg, 2021.

Figure 9 | Member states with the largest fruit and vegetable production show a low concentration of supply



How to read this figure: In Belgium, the four largest organisations market 63 % of the country's overall fruit and vegetable production (which amounts to 1.9 billion euros).

Source: ECA, based on Eurostat and Commission data.

Producer organisations are becoming less attractive and EU support leads to uneven results

57 Ever since Regulation 2200/96 on the common organisation of the market in fruit and vegetables, the Commission has presented the concept of concentrating supply in producer organisations as "an economic necessity" to strengthen the position of producers in the market. Improving the "attractiveness of producer organisation membership" was among the common performance indicators for national strategies relating to the fruit and vegetables sector in the Commission's implementing Regulation 2017/892. With 30 years of EU financial support to these twin objectives of concentrating supply and improving the attractiveness of producer organisations, it would be reasonable to expect an increasing degree of organisation in the sector across all member states – especially because the higher the organisational rate, the more attractive it should be for independent producers to join producer organisations.

Despite their advantages, membership of producer organisations is falling

58 The Commission's main indicator to measure the concentration of supply in the fruit and vegetables sector is the organisational rate: the share of production (by value) from producer organisations. This ratee alone is insufficient to assess sector organisation as an identical organisational rate can result from a large number of small producer organisations, or from a small number of very large ones. This indicator therefore needs to be analysed alongside the number of producers in producer organisations. To assess whether EU support to producer organisations had been effective in concentrating supply in the fruit and vegetables sector, we reviewed organisational rate and membership data from 2012 to 2023.

59 Removing identified cases of double counting in the Commission's data, we calculated that in 2023, the organisational rate stood at 42 %. It grew between 2012 (43.6 %) and 2017 (48.4 %) but has fallen since then and is now at a lower level than in 2012. Membership of producer organisations has been steadily declining since 2012. In 2012, producer organisations had a total of 312 823 members; this had fallen to 191 310 in 2023.

60 We acknowledge that there are structural reasons for the fall in producer organisation membership. One is the overall decrease in the number of fruit and vegetable holdings in the EU, which is compounded by a lack of generational renewal as retiring farmers are not replaced by the younger generations. Nevertheless, using data from the Eurostat farm surveys from 2013 and 2020, we observed that membership of producer organisations has

decreased faster than the number of fruit and vegetable holdings in the EU. Membership decreased by 29 % between 2013 and 2020, whereas the number of fruit and vegetable holdings decreased by 14 % over the same period.

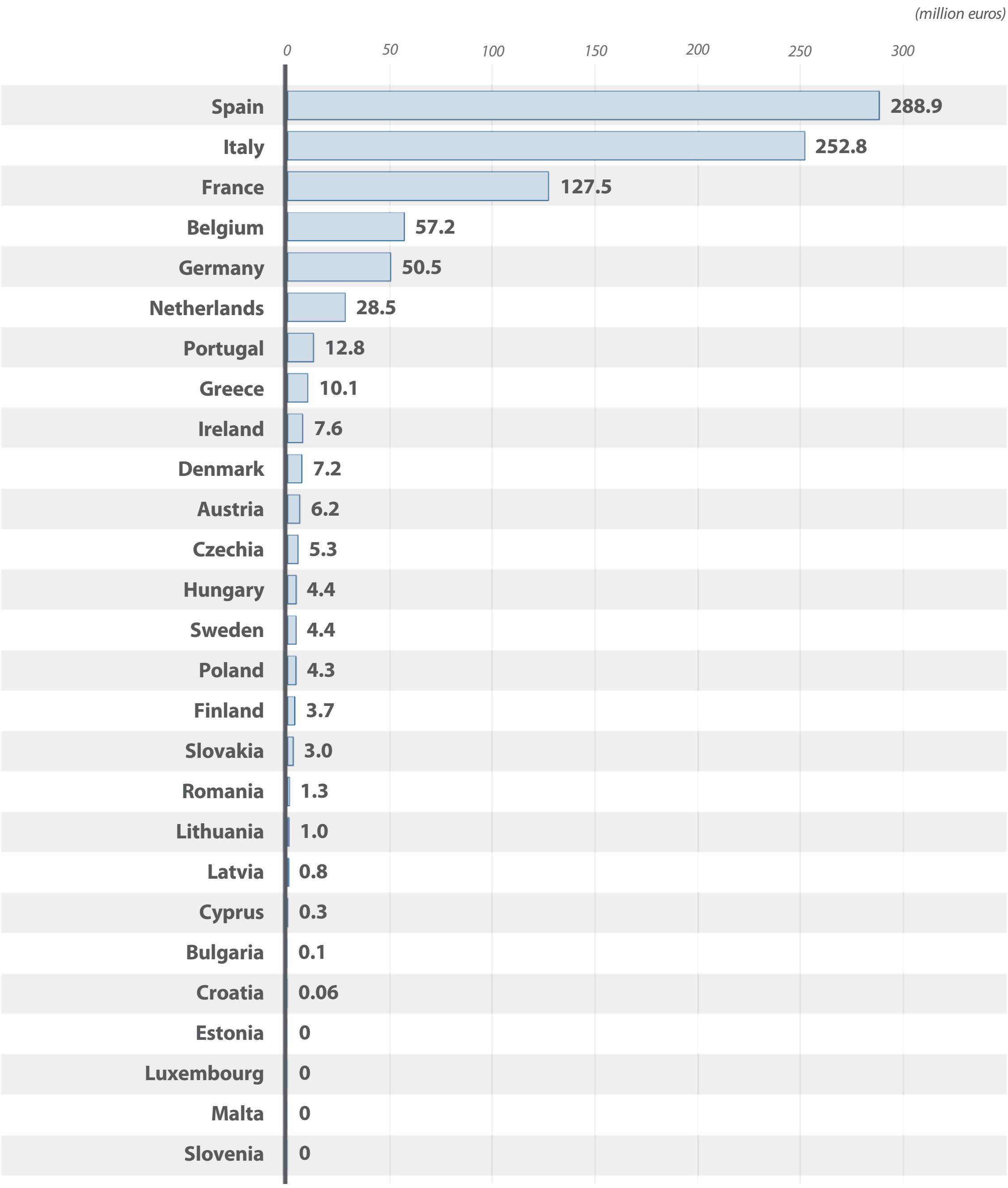
61 Falling membership accompanied by an increasing organisational rate would have indicated a consolidation: producer organisations might have fewer members, but they might also have conquered a larger share of the market. The fact that both indicators are falling (and in the case of membership, faster than the number of holdings overall), indicates that producer organisations are not growing at EU level. Despite the advantages they offer their members, producer organisations are not, on average, managing to attract new members.

Implementation varies widely across member states

62 We reviewed the regulatory framework in the four member states visited for our audit, as well as evaluation reports for the 2013-2018 funding period. We assessed whether member states' actions were conducive to achieving the objective of improving producer organisations' attractiveness.

63 While general policy objectives are set at EU level, member states are responsible for implementation, especially for drawing up the list of eligible actions that can be financed under each objective. Such national-level decision-making is necessary because agricultural models, the types of crop that can be grown, and the modes of production vary greatly between member states. EU support for producer organisations is available to all member states, but its take-up is uneven (***Figure 10*** and ***Table 1*** of ***Annex I***).

Figure 10 | EU support for producer organisation by member state (2022)

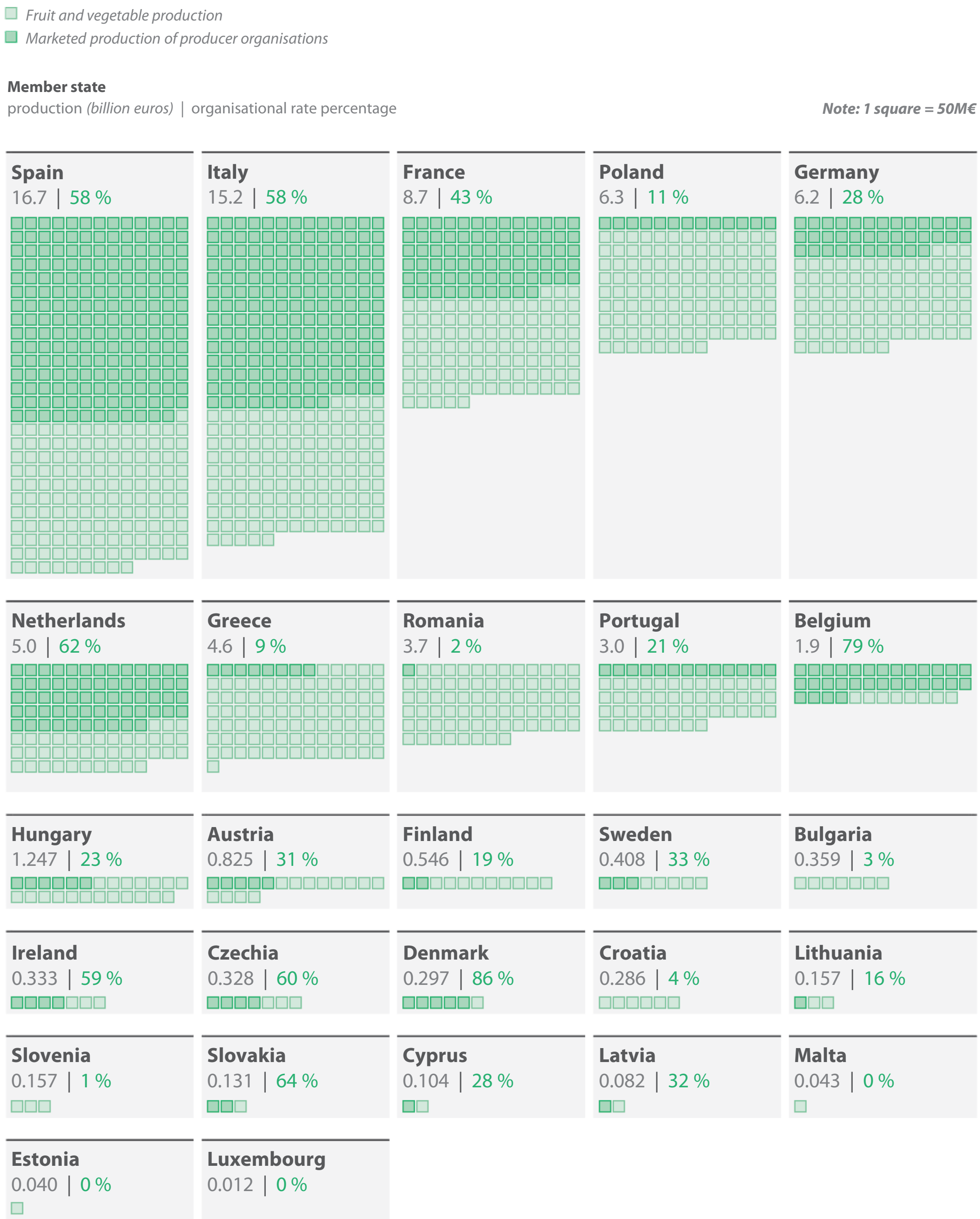


Note: Due to scale, funding below €1 million is not visible.

Source: ECA, based on Commission data.

64 This uneven take-up is a reflection of the considerable variations in the organisational rate between member states (*Figure 11*), but it also shows that even in countries where there are recognised producer organisations, not all submit operational programmes to access EU funds. In Poland, only 8 % of the recognised organisations do so.

Figure 11 | The organisational rate varies greatly between member states



Note: for Sweden, no data was communicated for 2023, 2022 data was used.

Source: ECA, based on 2023 Commission data.

65 Differences in the organisational rate reflect the low fruit and vegetable production in some countries. Member states where there is hardly any fruit and vegetable production (Luxembourg, Malta) have no producer organisations. In countries with a relatively small fruit and vegetables sector, creating producer organisations may seem less necessary, even if it is structurally easier given the small number of producers. However, this does not

explain all observed differences: the fruit and vegetables sectors in Czechia, Denmark and Croatia are similar in size, but their organisational rates are very different. The same is true of Poland, Germany and Greece. This suggests that other factors are at play, though no systematic study of the underlying reasons has been carried out.

66 Some reasons are cultural or historical in nature. In France, cooperative structures (which started in the early 20th century and predate producer organisations) are a common form of organisation in the agricultural sector. Of the 14 organisations that we reviewed for France, 9 existed before 1996 and were later recognised as producer organisations. The region of Brittany (***Box 4***) is a typical example of this evolution from cooperative to producer organisation. Cooperatives also existed before 1996 in parts of Spain and Italy.

Box 4

Brittany: success based on a history of cooperation

Brittany has a highly organised fruit and vegetables sector, with nearly 80 % of producers belonging to a producer organisation. This structure has historical roots dating back over a century for some organisations, although the real momentum began in the 1960s. During an agricultural crisis marked by the collapse in artichoke prices, 4 500 growers formed a cooperative-like structure in 1962 and agreed to sell their produce collectively, through a Dutch-style reverse auction system. This system gave producers greater bargaining power as they were able to concentrate supply and withdraw produce if the prices offered were too low.

Source: ECA.

Throughout the 1970s and 1980s, the various producer collectives consolidated further. The two largest groups in the region developed their own brands that are now recognised by consumers across France.

When the EU producer organisations Regulation came into force in 1996, Breton producers already had 30 years' experience of working together in similar structures and were able to quickly embrace these new opportunities and were among the first organisations to be recognised: 8 of the current 10 organisations (excluding cider producers) in the region were recognised in 1996 or 1997.

67 In Poland, the legacy of the communist period, coupled with financial and reputational factors have contributed to the lack of attractiveness of producer organisations. Between 2010 and 2015, Poland received €1.1 billion under a previous EU programme designed to help producers to regroup and gain recognition as producer organisations. Despite the large sums involved (Poland received nearly 90 % of the total aid available), this did not result in a sustainable organisation of the fruit and vegetables sector, as many groups created under the scheme later ceased to exist or stopped submitting operational programmes. The scheme was also affected by a high level of fraud that resulted in significant financial corrections for the country. This damaged the reputation of producer organisations and, until 2024-2025, led the authorities to focus on limiting the risk of fraud, rather than encouraging organisations to submit operational programmes.

68 We also observed differences in member states' implementation of the policy. In the four member states we visited, these differences related to both the approach taken by national authorities as well as the rules applied, and went beyond the need to adjust support to national needs.

69 In Spain and France, the authorities are very proactive in their relations with the organisations, arranging information sessions, offering regular advice and commenting on the design of the operational programmes. In these member states, as well as in Italy, the lists of eligible actions are extensive, and are regularly reviewed to reflect feedback received from the organisations. In contrast, the list of eligible actions was much shorter in Poland, and the producers we interviewed complained that their feedback was not always taken into account. We also observed one case of "gold plating", where, in their 2010-2017 strategy, the Polish authorities required environmental actions to cover more than 50 % of the members of a producer organisation to be eligible for funding– no such strict requirements existed in the other selected member states. These disparities mean that for the same action, the costs covered differ (***Box 5***), creating an uneven playing field between producers depending on the member state in which they operate.

Box 5

Same produce, different eligible costs

In three of the four member states we visited, we audited organisations that produce tomatoes in greenhouses. All of them use integrated production (***Box 3***), but the related eligible costs were different.

In Spain, integrated production is paid as a lump sum per hectare for greenhouses.

In France, it is paid as a lump sum per hectare for orchards. For greenhouses, eligible costs are the cost of using any type of beneficial insect (pollinators and those for pest control).

In Poland, the cost of purchasing insects for pest control is eligible for funding. The only pollinators eligible under the operational programmes are certain types of bees which are only used in orchards and not in greenhouses.

These disparities reflect administrative choices – the use of lump sums simplifies both the aid application and the controls – but also different policies regarding the comprehensiveness of the financed actions, in this case the eligibility of pollinators in greenhouses.

70 These differences in approach and rules can discourage producers from joining organisations or dissuade recognised organisations from submitting an operational programme. Producer organisations and national authorities are aware that implementation varies between member states. However, they considered that they did not have the appropriate opportunities to exchange information and discuss (at technical level) their implementation of the policy.

The Commission has identified the sector's challenges, but has not proposed effective solutions

71 The EU policy for producer organisations has remained largely the same since 1996 (***Annex III***), while the agricultural and market landscapes have changed significantly. We reviewed the EU legislative framework on producer organisations and studies published by the Commission, which allowed us to assess the extent to which the Commission's actions address the key challenges faced by fruit and vegetable producers.

There is no clear target for the organisation of the sector

72 In its latest working document[6] on the position of farmers in the food supply chain, the Commission again emphasised the key role that producer organisations play in increasing producers' bargaining power and ultimately their income. It also echoed studies[7] which have stressed that smaller producer organisations often struggle in commercial negotiations.

73 The Commission considers that its role is to promote producer organisations in general but stresses that:

- Producers still decide whether or not to create an organisation,
- member states are best placed to address their needs, and
- the way in which production is concentrated reflects local conditions.

74 The legislation does not set a target organisational rate, although it defines an organisational rate below 20 % as "particularly low" and uses this threshold to allow for higher co-financing. There is no indication on how production should be concentrated – whether across many smaller organisations or a few larger ones. While an EU-wide organisational rate or model of organisation might not be appropriate due to the diversity of national agricultural systems, national objectives agreed with member states would have given the policy a clearer direction, while respecting the member states' role and responsibilities.

The Commission has not proposed action to tackle producer organisations' lack of attractiveness

75 The Commission has long identified general reasons for the lack of attractiveness of producer organisations. These include:

- producers' fear of losing their entrepreneurial freedom,
- the lack of trust in collective organisations (particularly in member states where there had been compulsory collective organisation),

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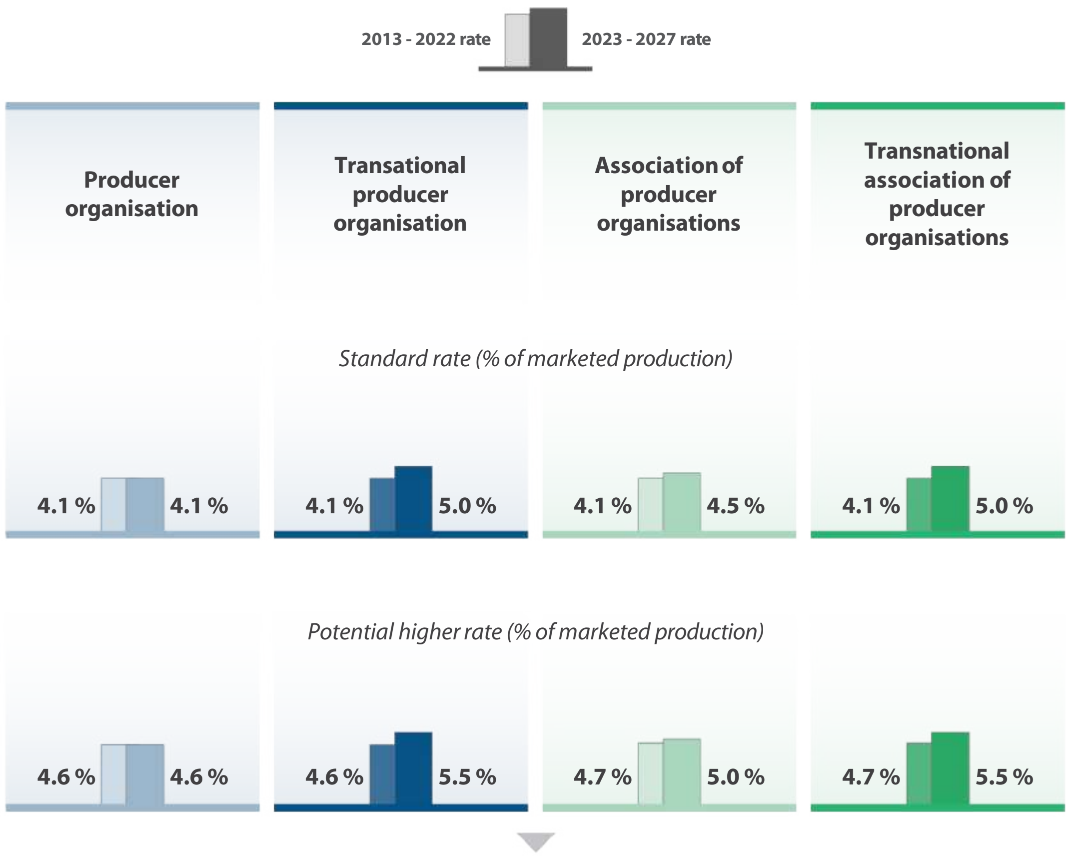
[6] SWD(2025) 260.

[7] European Commission: Directorate-General for Agriculture and Rural Development, EY and Arcadia International E.E.I.G, *Study of the best ways for producer organisations to be formed, carry out their activities and be supported*, Publications Office of the European Union, 2019.

- a lack of information on the benefits of producer organisations, and a lack of political and adequate technical support from national authorities, and
- concerns over the administrative costs of setting up and running a producer organisation.

76 However, none of these reasons was addressed by the changes made to the legal framework: these have been minimal (***Annex III***), and the recommendations made to member states remain general in nature. The latest CAP revision in 2021 reorganised and slightly expanded the objectives that producer organisations have to pursue in their operational programmes, and revised the aid ceilings for associations and transnational organisations (***Figure 12***). It did not, however, include provisions to address the persistent economic weakness of most producer organisations (***Figure 8***). The simplification package adopted in December 2025 does not substantially amend the legislation in force.

Figure 12 | Growing complexity of EU rules – calculation of aid ceilings



Condition for higher rate:

The amount in excess of **0.5 % of marketed production** must be used solely for:

2013 - 2022

- Crisis prevention and management measures

2023 - 2027

- Crisis prevention and management measures
- Promotion of fruit and vegetable consumption
- Actions linked to research, environment and climate change mitigation (above the compulsory minimum)

Source: ECA.

77 The Commission's latest legislative proposal with regard to the position of farmers in the supply chain introduces new requirements for contractual relations and a higher co-financing rate for young and new farmers in producer organisations. While the provisions for young and new farmers are positive, we consider that, overall, such measures are unlikely to significantly improve the attractiveness of joining a producer organisation.

78 The Commission's main objectives for producer organisations remain to strengthen their role and provide incentives for farmers to join them. There is no clear indication as to which actions need to be taken to meet these objectives, whether they should be the same in all member states, or how their success could be measured. The current indicators (organisational rate, membership of producer organisations) are too general to measure the effect of EU support. In addition, we have observed that the Commission cannot guarantee the reliability of the data transmitted by member states, further limiting the usefulness of these indicators.

Legislative changes added complexity to the financing rules

79 The complexity of EU rules and the administrative burden of implementing operational programmes are often cited as reasons for producer organisations' lack of attractiveness. Our analysis of the 2021 Regulation highlighted several changes that added complexity to the previous arrangements. The changes including introducing new higher co-financing rates for certain actions linked to constraints at the expenditure level (***Figure 13***).

Figure 13 | Co-financing rates are becoming more complex

✓ *Action included*

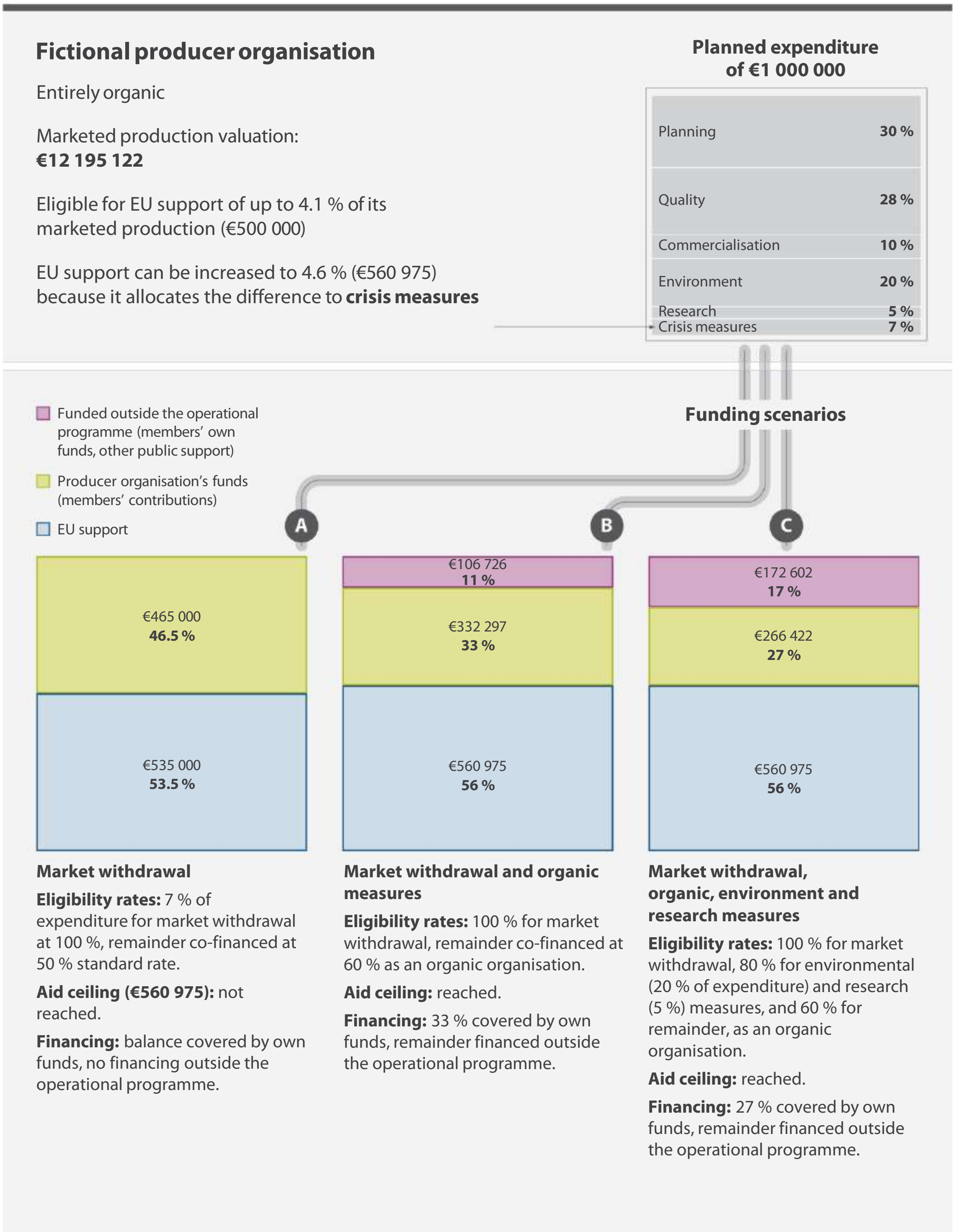
○ *Action not included*

2013-2022		2023-2027
	100 % - actions	
✓	Market withdrawal intended for free distribution	✓
○	Coaching interventions for other producer organisations/producers	✓
	80 % *on request from producer organisation*	
○	Environment, climate change mitigation if ≥ 20 % of expenditure	✓
○	Research if ≥ 5 % of expenditure	✓
	60 % - entire programme *on request from producer organisation*	
✓	Exclusively organic producer organisations/associations of producer organisations	✓
✓	First operational programme after merger of producer organisations	✓
✓	First operational programme by an association of producer organisations	✓
✓	Producer organisation from a member state with an organisational rate < 20 %	✓
✓	Producer organisations in one of the outermost regions	✓
○	First operational programme by a producer organisation	✓
	60 % - actions *on request from producer organisation*	
✓	Implemented on an interbranch basis	✓
✓	Organic farming	✓
✓	Transnational actions implemented by producer organisations	○
○	Transnational actions for commercialisation/marketing, environment, climate change mitigation implemented by transnational producer organisations	✓
○	Research, environment and climate change mitigation, promotion of fruit and vegetable consumption, crisis prevention and management	✓
	50 % - actions	
✓	Standard rate	✓

Source: ECA.

80 Designing operational programmes that optimise across the different co-financing rates and ceilings constraints (***Figure 12***) is a complex exercise, in particular for smaller organisations (***Figure 14***). For the organisations we interviewed, the 80 % rate introduced under the new CAP was seen either as difficult to use due to the capping of EU aid, or as more of a financial risk than an opportunity. The 80 % rate is applied annually to environment or research actions where planned expenditure significantly exceeds the required minimum over the duration of the programme. However, if an organisation claims the 80 % rate throughout the programme but does not meet the expenditure thresholds for the whole period (i.e. 20 % for environmental action and 5 % for research), they would have to repay the amount related to the additional 20 % co-financing rate (80 %-60 %) for the whole programming period. Such a reimbursement could have a significant financial impact.

Figure 14 | Once the aid ceiling is reached, higher co-financing rates no longer translate into higher EU support



Source: ECA.

Constraints were added without any analysis of existing practices

81 The 2021 CAP revision introduced minimum spending requirements for research actions and increased those for environmental actions. These minimum requirements were defined without considering their potential impact on producer organisations. The eligible environmental actions in operational programmes are those that go beyond the compulsory legal requirements. During the 2013-2022 period, producer organisations had to implement environmental actions, with few constraints: they could either implement two environmental actions or allocate 10 % of their programme expenditure to them. At EU level, on average, 16 % of operational programmes were dedicated to environmental actions during that period (an average of €273 million per year).

82 The 2021 revision of the rules did two things: it provided incentives to implement environmental actions (with a potentially higher co-financing rate) and introduced constraints on their implementation by setting a minimum of three actions representing at least 15 % of the operational programme. These constraints did not reflect the different situations on the ground. For example, environmental actions on water reduction are easier to implement in closed-circuit greenhouses than in open fields where irrigation needs depend on the weather and vary with crop rotation.

83 The Commission identified that there had hardly been any research expenditure in the 2013-2022 operational programmes and as a consequence, after discussions with national authorities, introduced the obligation to spend 2 % of the operational programme on research actions. The Commission did not consider any further study on actual research practices in producer organisations was necessary.

84 The organisations we visited in France and Italy explained that they had been financing research activities outside the operational programmes for many years, using national or EU research programmes, which sometimes had a higher co-financing rate. To comply with the 2 % obligation, they essentially reorganised the way in which they financed their research actions, with little impact on their overall research spending. In Spain, this obligation prompted the organisations we visited to develop partnerships with research centres, sometimes through associations of producer organisations. In Poland, organisations indicated that they expected to have difficulties in fulfilling this requirement since they had no established partnerships with research centres.

85 Furthermore, 2 % of the operational programme can amount to a significant sum in the case of a large organisation, or a very low amount for a smaller one. In member states where there are no associations and few active organisations, such as Poland, the amounts earmarked for research are unlikely to be sufficient to finance substantial research actions. Coupled with the fact that some organisations will simply reorganise their spending as

opposed to increasing it, the effect of such compulsory spending on research is likely to be small.

86 Including compulsory spending, such as for environment and research, is an exception to the logic underpinning EU support to producer organisations. It limits producer organisations' ability to develop their strategy, complicates the design of their operational programmes and introduces input-based requirements (spending) into a policy that is results-oriented.

87 The Commission's proposal for the CAP for 2028-2034 addresses some of the issues highlighted above. It proposes to remove the minimum spending requirements introduced in 2021. However, it also proposes new elements that could lead to further differences in how member states implement the EU's support to producer organisations. The proposal sets out a compulsory 30 % minimum national contribution – which did not exist before – and three maximum co-financing rates of 75 % (instead of the current standard of 50 %), 95 % (for generational renewal, research and innovation, risk management, environment and climate) and 100 % (non-harvesting and market withdrawal).

88 The proposed co-financing rates are substantially higher than the current ones, which could make membership more attractive, although aid capping would still apply. However, these are maximum rates, set by member states, with no indication of what the minimum EU support might be, nor how it would be determined. This could lead to a situation where the same objectives and the same actions would have widely different co-financing rates across the EU, further increasing the disparities between producer organisations, depending on the member state in which they are located. The risk of an "uneven playing field for farmers" has already been highlighted in our opinion on the Commission's proposal.

This report was adopted by Chamber I, headed by Ms Joëlle Elvinger, Member of the Court of Auditors, in Luxembourg at its meeting of 1 July 2026.

For the Court of Auditors

Tony Murphy
President

Annexes

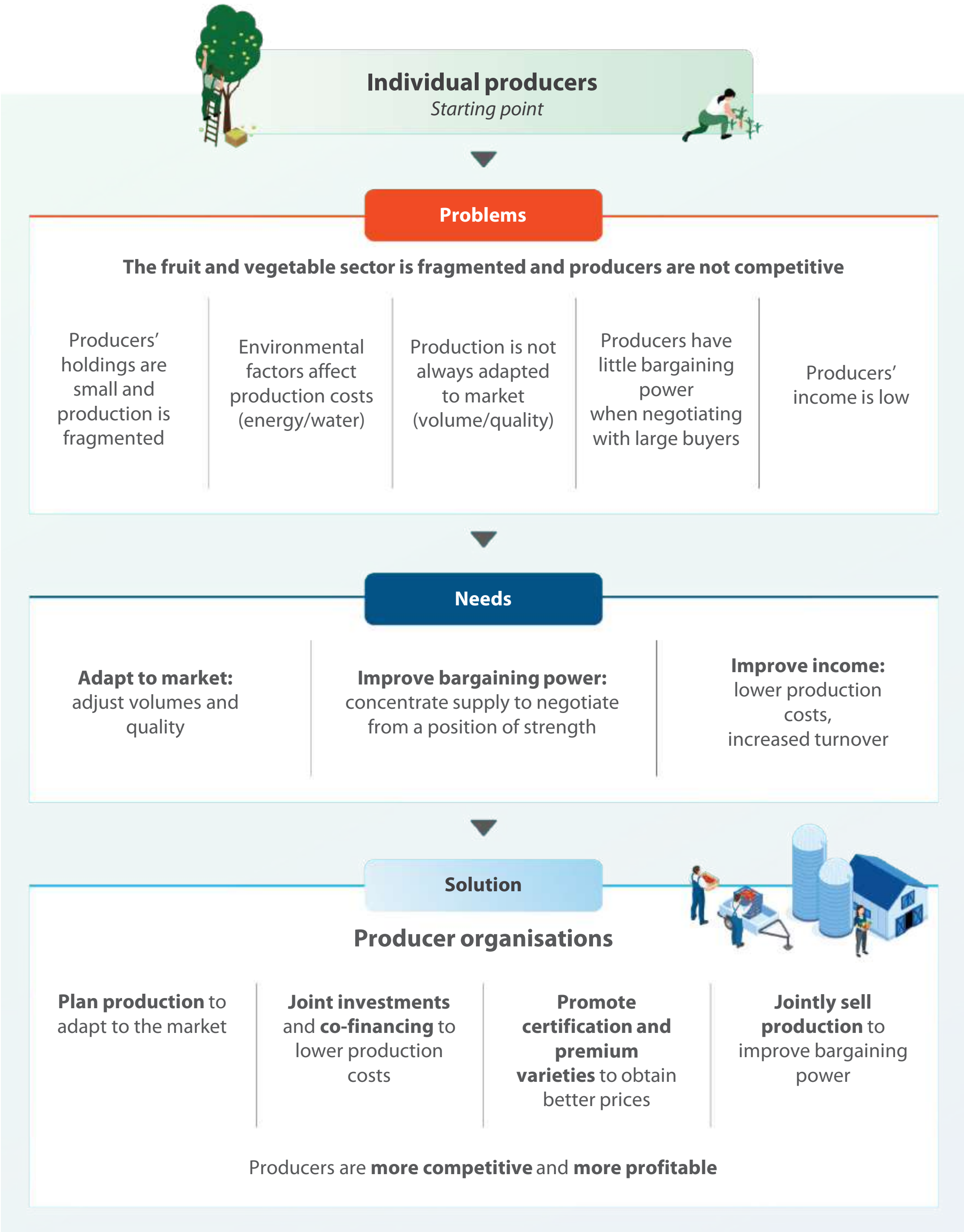
Annex I – About the audit

A fragmented sector that EU support aims to consolidate

01 With approximately 2 million holdings averaging 2.4 ha each[1], EU fruit and vegetable production is small-scale and fragmented. The sector encompasses diverse production methods (orchards, greenhouses, open fields), each with its own constraints. Fresh produce is seasonal and perishable, which accentuates the imbalance in commercial negotiations and places producers at a structural disadvantage. Groups of producers have emerged as an answer to the ever-increasing concentration in the retail sector. In 1996, the EU introduced a support scheme to incentivise further cooperation and group supply by granting financial assistance to "recognised" producer organisations, with the aim of strengthening their market position (***Figure 1***).

1 Eurostat, Farms and hectares by crops, utilised agricultural area, economic size of the farm and NUTS 2 region, [ef_lus_allcrops].

Figure 1 | Policy logic behind EU support to producer organisations



Source: ECA.

02 Under EU law, member states grant recognition to organisations which meet criteria such as having a minimum number of members, a democratic internal decision-making process, and a minimum value of marketed production (value of joint production sold on the market). Recognition allows producer organisations to access EU funds through multiannual operational programmes aimed at enhancing competitiveness and increasing their members' income through higher and more stable prices. EU financial support is calculated as a percentage of the value of the organisation's marketed production, making it a results-oriented subsidy, one of the few types of EU aid that is performance-based.

03 Support is provided on a co-financing basis, with operational programmes financed by producers' contributions and EU funding. This ensures that producer organisations and their members remain responsible for their investment decisions, while the multiannual framework encourages strategic planning aligned with medium- to long-term objectives.

04 Producer organisations that present operational programmes are defined as "active". Not all recognised organisations present these programmes, and some retain recognition to participate in other EU policies or because of its commercial advantages. Significant disparities exist between member states in terms of the number and size of producer organisations, as well as in the amount of EU support they receive (***Table 1***). Around 75 % of the EU funding is concentrated in the three member states – Spain, Italy and France – that have the largest number of producer organisations.

Table 1 | Producer organisations – Key information (2022)

Member state	Number of producer organisations	Producer organisations' marketed production (euros)	Average marketed production by organisation (euros)	Share of active producer organisations	Average EU support by active organisation (euros)
Spain	513	9 373 470 196	18 271 872	99 %	568 910
Italy	299	8 980 714 756	30 035 835	96 %	880 560
France	195	4 129 884 731	21 178 896	88 %	743 204
Poland	163	595 377 983	3 652 626	9 %	291 545
Greece	123	356 866 806	2 901 356	74 %	110 931
Portugal	54	551 469 706	10 212 402	74 %	321 392
Hungary	51	216 180 926	4 238 842	63 %	136 972
Germany	17	No data	No data	47 %	6 320 110
Romania	23	151 463 125	6 585 353	26 %	216 028
Czechia	18	188 329 412	10 462 745	100 %	297 127
Belgium	14	1 449 629 612	103 544 972	93 %	4 391 343
Bulgaria	15	10 229 992	681 999	13 %	48 719
Netherlands	9	2 693 516 334	299 279 593	78 %	4 056 161
Austria	8	241 110 733	30 138 842	100 %	772 080
Croatia	4	7 708 024	1 927 006	50 %	31 246
Cyprus	6	23 367 062	3 894 510	83 %	60 135
Slovakia	6	86 500 775	14 416 796	100 %	495 133
Ireland	5	168 586 476	33 717 295	100 %	1 514 520
Latvia	5	26 585 481	5 317 096	100 %	156 978

Member state	Number of producer organisations	Producer organisations' marketed production (euros)	Average marketed production by organisation (euros)	Share of active producer organisations	Average EU support by active organisation (euros)
Sweden	3	133 067 481	44 355 827	Not communicated	Not communicated
Finland	4	110 457 237	27 614 309	75 %	1 242 736
Denmark	2	235 121 112	117 560 556	100 %	3 599 560
Lithuania	2	24 681 225	12 340 613	100 %	479 037
Slovenia	1	993 662	993 662	Not communicated	Not communicated
Estonia	0	-	-	0 %	-
Luxembourg	0	-	-	0 %	-
Malta	0	-	-	0 %	-
Total	**1 540**	**29 755 312 847**	**19 321 632**	**41 %**	**710 114**

Source: ECA, based on Commission data.

EU policy framework

05 The first EU Regulation to establish the support framework for producer organisations was adopted in 1996. Thirty years on, the rationale behind the policy – grouping supply to respond to the increasing concentration of demand – has not significantly changed. Operational programmes' core objectives remain consistent: planning and enhancing production value to meet market demand in quality and quantity, while ensuring environmentally responsible production practices. The main activity of a producer organisation is still to ensure the commercialisation of their members' production.

06 Successive regulations have updated the legal framework and maintain the original analysis of the issues facing the sector and the policy objectives, but have adjusted implementation tools. ***Annex III*** summarises the main changes in the legal framework.

Roles and responsibilities

07 The Commission (the Directorate-General for Agriculture and Rural Development) outlines the general framework for producer organisations, and member states set the criteria and the priorities that align with policy objectives and their national strategies. ***Figure 2*** details the roles of the Commission and the member states.

Figure 2 | The Commission and the national authorities: roles and responsibilities

Commission:
general framework

Defines:

- the general objectives of producer organisations
- the broad categories of eligible actions

Sets out:

- the ceiling for EU support and how it is calculated
- reporting obligations

National authorities:
implementation

- Define their national strategies priorities
- Detail the specific eligible measures and provide the documentation required
- Establish recognition criteria for producer organisations and manage the recognition process
- Approve individual operational programmes
- Carry out administrative and on-the-spot checks
- Report on the implementation of the support to the Commission

Source: ECA.

Audit scope and approach

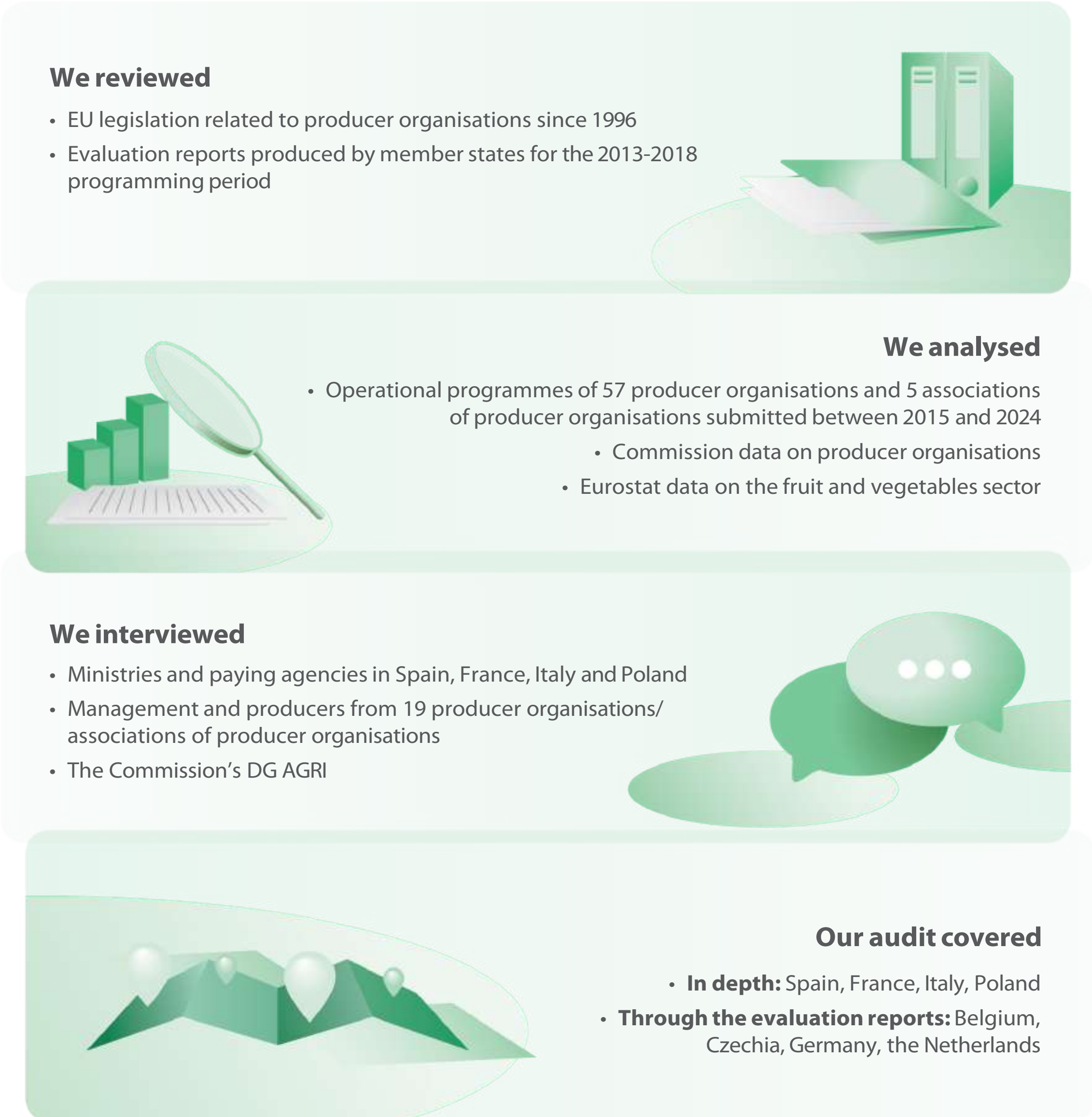
08 The aim of this audit is to assess whether EU support for fruit and vegetable producer organisations has successfully increased the competitiveness of member producers and the attractiveness of producer organisations. In particular, we examined whether:

- the profitability of producer organisations' members had improved;
- the bargaining power of producer organisations' members had increased;
- EU support had achieved a sustainable increase in the organisational rate;
- member states' policy decisions had affected the attractiveness of producer organisation membership; and
- the Commission's policy management had addressed the sector's key challenges.

09 This audit will contribute to the ongoing discussions on farmers' position in the value chain and their income levels. It will also contribute to the upcoming negotiations on the 2028-2034 multiannual financial framework.

10 The audit covers producer organisations' activities between 2015 and 2024, the role of the Directorate-General for Agriculture and Rural Development in its management of the policy, and it examines four member states in depth: Spain, France, Italy and Poland. We selected these member states using weighted criteria: materiality (overall EU expenditure, 30 %), representativeness (number of recognised producer organisations, 40 %; the share of fruit and vegetable producer organisations among all producer organisations of that member state, 20 %) and concentration of the fruit and vegetables sector (average support by producer organisation, 10 %). ***Figure 3*** shows how we obtained our evidence. ***Annex II*** presents the producer organisations in our sample in more detail. Whenever available and relevant, data from 2010 onwards was used to provide a broader overview of trends in the sector.

Figure 3 | Audit work carried out



Source: ECA.

11 Our audit methodology complies with the international standards on auditing issued by the International Organization of Supreme Audit Institutions (INTOSAI).

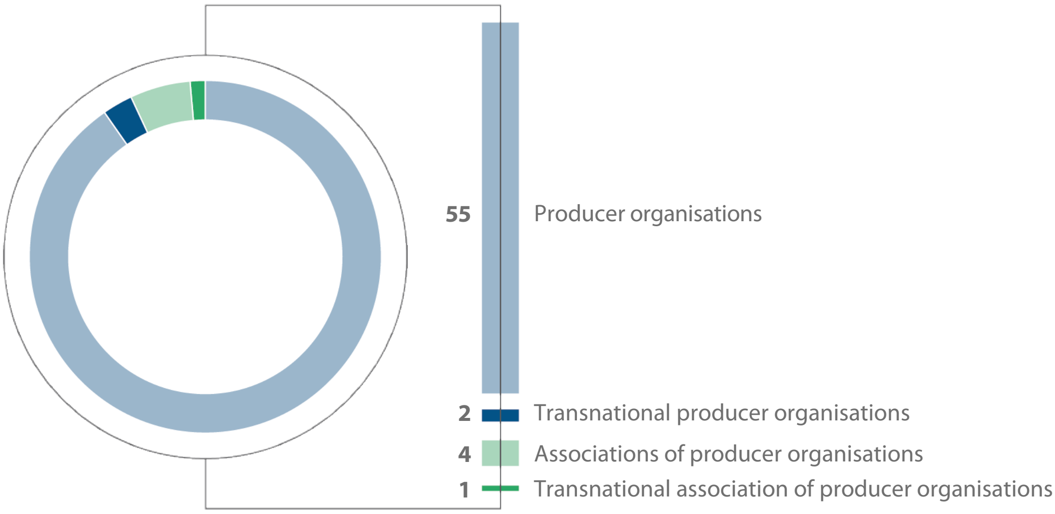
Annex II – Producer organisations covered by the audit

01 Our audit covered 57 producer organisations and 5 associations of producer organisations in four member states. This sample was not drawn to be statistically representative but to cover all types of producer organisations in terms of legal status (associations, transnational organisations), size of production and membership.

02 Of the 62 organisations covered, 40 were selected specifically for the audit: 11 in Poland (all the active organisations in the country), 10 in Spain and Italy, and 9 in France. The remaining 22 organisations had been audited during past audits carried out between 2015 and 2024 and we used the documentary evidence collected for these audits to perform desk reviews. In total, we reviewed 100 operational programmes from different financing periods.

03 Most organisations in our sample were "simple" producer organisations. There are few associations of producer organisations in the EU, and consequently they also represent a minority of the organisations in our sample (*Figure 1*). The five associations in our sample were in France and in Italy.

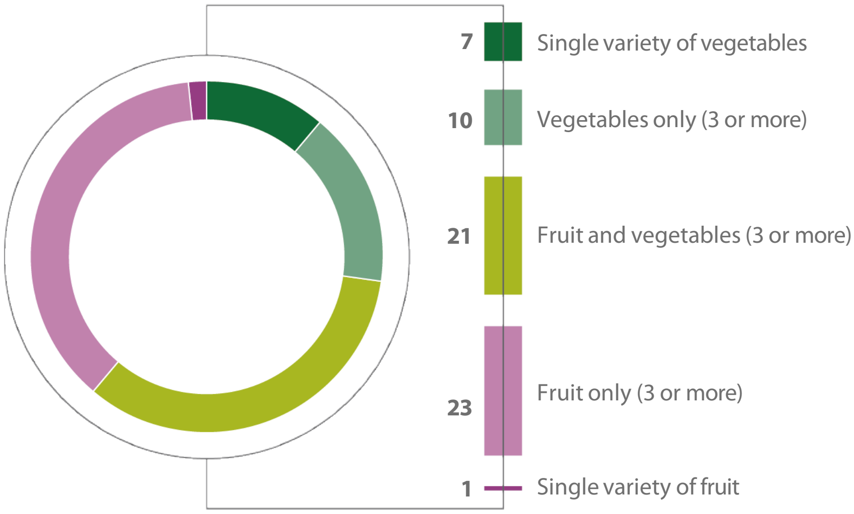
Figure 1 | We covered all types of producer organisation in our audit



Source: ECA.

04 The organisations in our sample covered a wide variety of produce. Some only had one type of production (for example, only tomatoes, or only apples), but most of them had more than three types of produce (*Figure 2*).

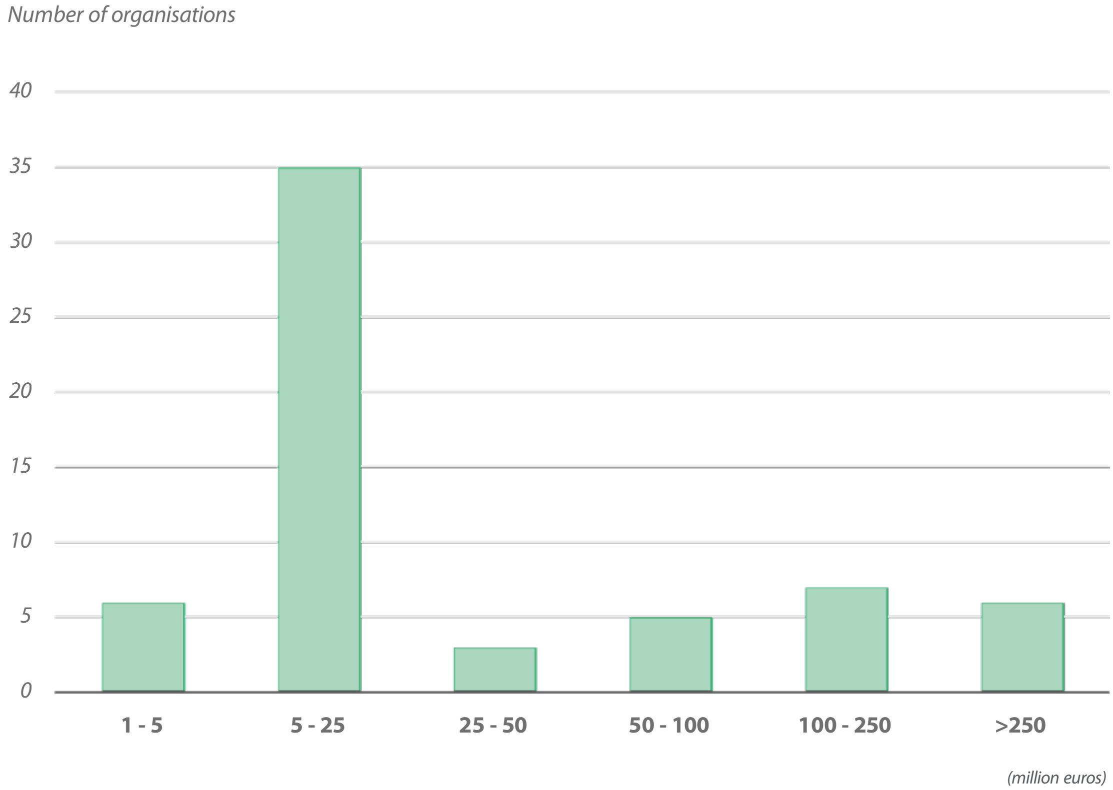
Figure 2 | Most organisations had more than three types of produce



Source: ECA.

05 For the 40 organisations selected specifically for this audit, we selected organisations of all sizes. The other 22 organisations had been selected according to the methodology of the audits they were used for. In the total sample, the largest organisations had marketed production valued at over €250 million, and the smallest had a marketed production between €1 million and €5 million. Most producer organisations in the EU are small (paragraph *56*) and this is also the case in our sample (*Figure 3*).

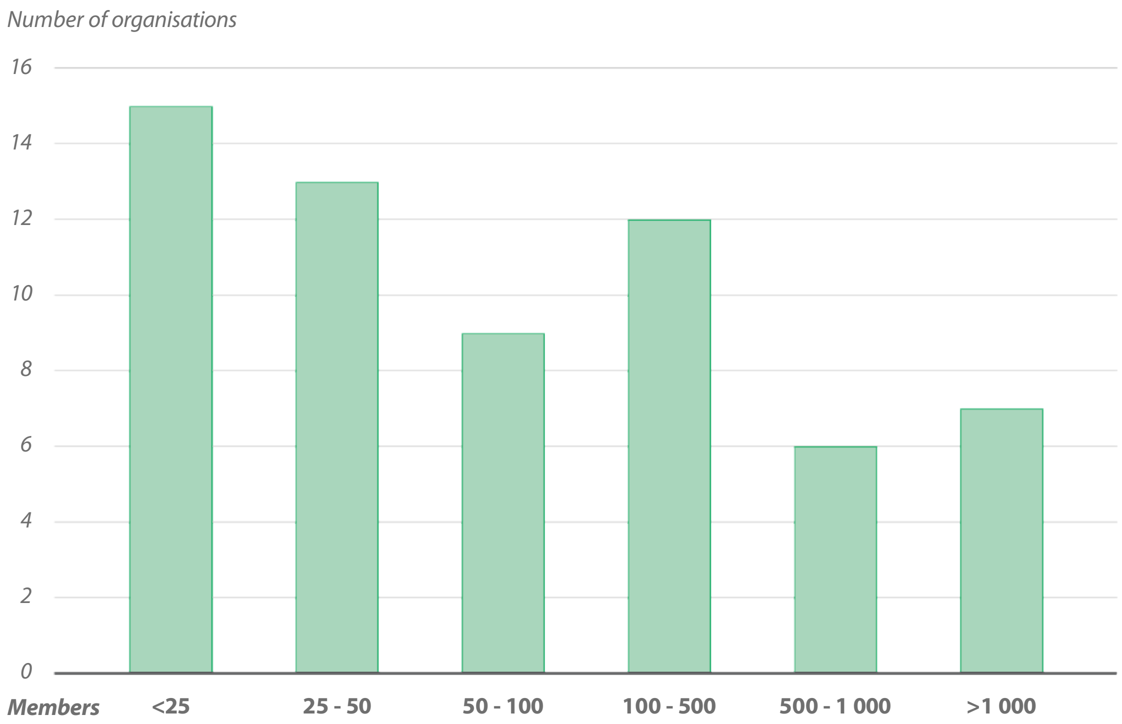
Figure 3 | Most of the organisations in our sample had a marketed production of below €25 million



Source: ECA.

06 We did not use membership to select the producer organisations for this audit, nor was this criterion taken into account for the organisations selected during other audit work. Nevertheless, the sample of 62 organisations covers a wide variety of organisations in terms of membership (***Figure 4***). Some of the largest organisations are associations of producer organisations – the membership corresponds to the sum of the membership of each organisation within the association. Most of the organisations in our sample are small, but this corresponds to the general distribution in the EU (paragraph ***56***).

Figure 4 | Half of the organisations in our sample have fewer than 50 members



Source: ECA.

Annex III – Legal framework developments

The issues at stake and policy objectives have not changed significantly since 1996

Table 1 | The challenges facing the fruit and vegetables sector remain relevant

	1996-2006	2007-2012	2013-2022	2023-2027
Applicable Regulation	***2200/1996***	***1182/2007***	***891/2017***	
Problem	Ever-greater concentration of demand			
Solution	Producer organisations are the basic elements in the common market organisation	Producer organisations are the basic actors in the fruit and vegetables regime	Producer organisations and their associations should be encouraged	
Means	the grouping of supply is more than ever an economic necessity	Grouping supply **continues** to be an economic necessity		
Objective	To strengthen the position of producers in the market	To strengthen the position of producers in the market	To strengthen the bargaining power of fruit and vegetable producers To foster a fairer distribution of added value along the supply chain	

Table 2 | Producer organisations’ main activity and essential operations remain unchanged

	1996-2006	2007-2012	2013-2022 and 2023-2027
Applicable Regulation	***1432/2003***	***543/2011***	***1308/2013 - 891/2017***
Main activity of producer organisation	Marketing the products of its members	Concentration of supply and marketing	Concentration of supply and placing its members’ products on the market
Producer organisations should have the staff, infrastructure and equipment necessary to ensure their essential functioning at their disposal	Knowledge of their members’ production Sorting, storing and packaging their members’ production Commercial and budgetary management Centralised bookkeeping and invoicing system	Knowledge of their members’ production **Collecting,** sorting, storing and packaging their members’ production Commercial and budgetary management Centralised bookkeeping and invoicing system	Knowledge of their members’ production Collecting, sorting, storing and packaging their members’ production **marketing their members’ production** Commercial and budgetary management Centralised cost-based accounting and invoicing system

Table 3 | Operational programme objectives have been stable for 30 years

1996-2006	2007-2012	2013-2022	2023-2027
2200/1996 (Article 15)	***1182/2007 (Article 9)***	***1308/2013 (Article 33)***	***2115/2021 (Article 50)***
(a) have several of the objectives referred to in Article 11 and others, including in particular: the improvement of product quality, boosting products’ commercial value, promotion of the products targeted at consumers, creation of organic product lines, the promotion of integrated production or other methods of production respecting the environment and the reduction of withdrawals (b) include action to develop the use of environmentally sound techniques by the producer members with regard to both cultivation practices and the management of waste materials [...]	(a) planning of production (b) improvement of product quality (c) boosting the commercial value of products (d) promotion of the products, whether in a fresh or processed form (e) environmental measures and methods of production respecting the environment, including organic farming (f) crisis prevention and management	(a) planning of production, including production and consumption forecasting and follow-up (b) improvement of product quality, whether in a fresh or processed form (c) boosting products' commercial value (d) promotion of the products, whether in a fresh or processed form (e) environmental measures, particularly those relating to water, and methods of production respecting the environment, including organic farming (f) crisis prevention and management	(a) planning and organisation of production, adjusting production to demand (...) (b) concentration of supply and placing on the market of the products (...) (c) improvement of medium- and long-term competitiveness (...) (d) research into, and development of, sustainable production methods, (...) (e) promoting, developing and implementing: (i) production methods and techniques that are respectful of the environment (ii) pest and disease resilient production practices (iii) animal health and welfare (...) (iv) reduction of waste and environmentally sound use and management of by-products (...) (v) protection and enhancement of biodiversity and sustainable use of natural resources (...) (f) contributing to climate change mitigation and adaptation (...) (g) boosting products’ commercial value and quality (...) (h) promotion and marketing of the products (...) (i) increasing consumption of the products of the fruit and vegetables sector (...) (j) crisis prevention and risk management (...) (k) improving the conditions of employment and enforcing employer obligations (...)

Table 4 | Member states have flexibility in recognition criteria

<table>
<tr><th></th><th>1996-2006</th><th>2007-2012</th><th colspan="2">2013-2022 and 2023-2027</th></tr>
<tr><td>Applicable Regulation</td><td>1432/2003 and 2200/1996</td><td>1182/2007</td><td>1308/2013</td><td>891/2017</td></tr>
<tr><td>Minimum number of members</td><td>5 members</td><td colspan="3" rowspan="2">Member states’ responsibility</td></tr>
<tr><td>Minimum value of marketable production</td><td>€100 000</td></tr>
<tr><td>Producers should market their entire production through the producer organisation</td><td>Derogation possible, no more than 25 %</td><td>Derogation left to the member states but no less than 10 %</td><td></td><td>Derogation left to the member states but no more than 25 %

(40 % if organic)</td></tr>
</table>

Increased complexity in calculating the aid and its ceiling

Table 5 | Increased complexity of the rules concerning the capping of the EU support

<table>
<tr><th>1996-2006</th><th>2007-2012</th><th colspan="2">2013-2022 and 2023-2027</th></tr>
<tr><td>2200/1996 (Article 15)</td><td>1182/2007</td><td>1308/2013 (Article 34)</td><td>2115/2021 (Article 52)</td></tr>
<tr><td>4 % of the Value of marketed production (VMP)

4.5 % from 1999 onwards</td><td>4.1 % of the VMP

Producer organisation: 4.6 %, provided that the amount in excess of 4.1 % is used solely for crisis prevention and management measures</td><td>4.1 % of the VMP

Producer organisation: 4.6 %, provided that the amount in excess of 4.1 % is used solely for crisis prevention and management measures

Association of producer organisations: 4.7 %, provided that the amount in excess of 4.1 % is used solely for crisis prevention and management measures</td><td>Producer organisation: 4.1 % of the VMP

Association of producer organisations: 4.5 % of the VMP

Transnational producer organisation or Association of producer organisations: 5 %

+0.5 % provided that the amount in excess of the relevant percentage is used for one or more interventions linked to research, environment, climate, promotion, increased consumption of fruit and vegetables, and crisis</td></tr>
</table>

Table 6 | Increased complexity of rules concerning co-financing rates

<table>
<tr><th>1996-2006</th><th>2007-2012</th><th colspan="2">2013-2022 and 2023-2027</th></tr>
<tr><td>2200/1996 (Article 15)</td><td>1182/2007 (Article 10)</td><td>1308/2013 (Article 34)</td><td>2115/2021 (Article 52)</td></tr>
<tr><td colspan="4">Base rate: 50 % of expenditure</td></tr>
<tr><td>60 % of expenditure if:
submitted by a producer organisation from a member state where the organisational rate is below 15 %</td><td>60 % of expenditure if:
• transnational actions are implemented by a producer organisation
• actions are implemented on an interbranch basis
• organic production
• member states which acceded to the EU after 2004
• the first operational programme was after a merger
• an association of producer organisation’s first operational programme
• submitted by a producer organisation from a member state where the organisational rate is below 20 %
• outermost region
• includes actions to promote children’s fruit and vegetable consumption</td><td>60 % of expenditure if:
• transnational actions implemented by a producer organisation
• actions are implemented on an interbranch basis
• organic production
• the first operational programme after a merger
• an association of producer organisation’s first operational programme
• submitted by a producer organisation from a member state where the organisational rate is below 20 %
• outermost region</td><td>60 % of expenditure
• transnational actions regarding commercialisation/marketing; environment and climate implemented by transnational producer organisations
• actions implemented on an interbranch basis
• organic production
• the first operational programme after a merger
• a producer organisation or association of producer organisation’s first operational programme
• submitted by a producer organisation from a member state where the organisational rate is below 20 %
• outermost region
• interventions linked to research, environment, climate, increased consumption of fruit and vegetables, crisis</td></tr>
<tr><td colspan="3">N/A</td><td>80 % for expenditure if:
• more than 5 % of expenditure is linked to research
• more than 20 % of expenditure is linked to environment and climate</td></tr>
<tr><td>N/A</td><td colspan="2">100 % of expenditure linked to market withdrawals (free distribution)</td><td>100 % of expenditure linked to:
• market withdrawals (free distribution)
• actions related to coaching of other producer organisations</td></tr>
</table>

Table 7 | Higher requirements for environmental action and research

	1996-2006	2007-2012	2013-2022 and 2023-2027	
Applicable Regulation	***2200/1996 (Article 15)***	***1182/2007 (Article 9)***	***1308/2013 (Article 33)***	***2115/2021 (Article 50)***
Environment	Operational programmes shall include action to develop the use of environmentally sound techniques **(no quantification)**	operational programmes shall include **two or more** environmental actions **or** **at least 10 % of the expenditure** under operational programmes shall cover environmental actions		includes **three or more actions** linked to environment and climate change **and** **at least 15 % of expenditure** covers interventions linked to those objectives
Research	N/A			**at least 2 % of expenditure** covers interventions linked to research

Abbreviations

Abbreviation	Definition/Explanation
APO	Association of Producer Organisations
CAP	Common agricultural policy
PO	Producer organisation
VMP	Value of marketed production

Glossary

Term	Definition/explanation
Integrated production	Farm-management system aimed at achieving both economic viability and environmental sustainability over the long term.
Operational programme	In agriculture, a multiannual work plan, drawn up by a producer organisation, with a view to achieving objectives set in EU legislation, outlining investments and measures for co-financing by the EU.
Organisational rate	Indicator used by the Commission to measure a producer organisation's market share in a given agricultural sector.
Producer organisation	Grouping of food producers which collectively markets production, plans joint activities and aims to improve the producers' market position.
Reverse auction	Bidding system where producers set an initial asking price that is lowered at intervals until a buyer is found.
Value chain	All activities undertaken to deliver products to an end consumer, including production, processing, distribution and retail.

Replies of the Commission

https://www.eca.europa.eu/en/publications/SR-2026-22

Timeline

https://www.eca.europa.eu/en/publications/SR-2026-22

Audit team

The ECA's special reports set out the results of its audits of EU policies and programmes, or of management-related topics from specific budgetary areas. The ECA selects and designs these audit tasks to be of maximum impact by considering the risks to performance or compliance, the level of income or spending involved, forthcoming developments and political and public interest.

This performance audit was carried out by Audit Chamber I – Sustainable use of natural resources, headed by ECA Member Joëlle Elvinger. The audit was led by ECA Member Keit Pentus-Rosimannus, supported by Annikky Lamp, Head of Private Office and Daria Bochnar, Private Office Attaché; James McQuade, Principal Manager; Marion Kilhoffer, Head of Task; Servane De Becdelievre, Deputy Head of Task; Federica Di Marcantonio, Xavier Ignasi Farrero Gonzalez, Monika Urszula Gruszeczka-Jasinska and Jaroslaw Smigiel, Auditors. Laura McMillan provided linguistic support. Dunja Weibel provided graphical support.

From left to right: Federica Di Marcantonio, James McQuade, Keit Pentus-Rosimannus, Marion Kilhoffer, Servane De Becdelievre, Daria Bochnar.

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HTML	ISBN 978-92-849-8007-9	ISSN 1977-5679	doi:10.2865/4675711	QJ-01-26-037-EN-Q
PDF	ISBN 978-92-849-8008-6	ISSN 1977-5679	doi:10.2865/8979351	QJ-01-26-037-EN-N

HOW TO CITE

European Court of Auditors, special report 22/2026: “Producer organisations in the fruit and vegetables sector – Fertile ground for competitiveness if carefully tended”, Publications Office of the European Union, 2026.

EU fruit and vegetable producers increasingly struggle with economic and environmental challenges and remaining competitive in a changing marketplace. Producer organisations offer a potential solution: members can purchase equipment, sell their products, and negotiate better prices together. The EU provides financial aid to these organisations to implement operational programmes. We assessed whether this support improved producers' competitiveness and made producer organisations attractive. We found that while EU support helps producer organisations strengthen their competitiveness, neither the member states nor the Commission do enough to make joining such organisations attractive. We recommend that the Commission facilitates the comparison of member states' policy implementation, works with member states to improve the attractiveness of producer organisations, and simplifies the applicable financial rules.

ECA special report pursuant to Article 287(4), second subparagraph, TFEU.

EUROPEAN COURT OF AUDITORS

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