

EN
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Answer given by Mr Hoekstra
on behalf of the European Commission
(24.1.2025)

When adopting the 2022 reform of the Value Added Tax (VAT) rates¹, Member States unanimously agreed on allowing for the maximum flexibility for food. Accordingly, Member States can choose to apply reduced or super-reduced VAT rates (below 5%) or a zero rate (VAT exemption) to the supply of foodstuffs. This decision is at the sole discretion of the Member States. In doing so, they must respect the principle of fiscal neutrality inherent in the VAT system, which prohibits treating similar, and therefore competing, products differently.

On the proposal of using reduction of VAT rates as a policy instrument to reduce the final consumer price, experience shows that when VAT rates are reduced, the pass-on rate is relatively low, i.e. consumers benefit only to a limited extent, if at all, from the associated price reductions.

The EU school scheme which aims at increasing the consumption of fruit and vegetables and milk and milk products and shaping healthier diets is being reviewed with the aim to explore how to enhance its contribution to sustainable food consumption. The promotion of fresh fruit and vegetables in the context of balanced diets has been defined as a priority for the EU's policy for the promotion of agricultural products, with a dedicated budget since the 2019 annual work programme: the only product-specific topic. The annual work programme for 2025 maintains this commitment.

¹ Council Directive (EU) 2022/542 of 5 April 2022 amending Directives 2006/112/EC and (EU) 2020/285 as regards rates of value added tax, OJ L 107, 6.4.2022, p. 1.