

Value of the thresholds under the directives on Public Procurement applicable from 1st January 2016

By Rhodri Williams QC

On 15 December 2015, the Commission adopted new Regulations, Regulation (EU) Nos 2015/2340, 2015/2341 and 2015/2342¹, amending respectively Directives 2004/17/EC, 2004/18/EC and 2009/81/EC in respect of the relevant thresholds for the application of the procedures for the award of public contracts. The reason for this was to set the new procurement thresholds for the two year period beginning 1 January 2016 and to align the thresholds in the Directives with the thresholds applicable under the Agreement on Government Procurement².

In accordance with article 1 of Regulation (EU) 2015/2342, in respect of the Public Sector Directive 2004/18/EC, the following changes are incorporated:

- (i) Article 7(a) is amended so that the threshold in Euros for **supplies** and **services** contracts for central government authorities is modified from € 134,000 to **€ 135,000**;
- (ii) Article 7(b) is amended so that the threshold in Euros for **supplies** and **services** contracts for other contracting authorities is modified from € 207,000 to **€ 209,000**;

¹ Commission Regulation (EU) No 2015/2340 of 15.12.15 amending Directive 2009/81/EC, Commission Regulation (EU) No 2015/2341 amending Directive 2004/17/EC and Commission Regulation (EU) 2015/2342 amending Directive 2004/18/EC of the European Parliament and of the Council in respect of their application of thresholds for the procedures for the award of contracts (OJEU No L 330/14, No L 330/16 & No 330/18 of 16.12.15)

² See Decision 94/800/EC of 22.12.94 (OJEU No. L 336/1 of 23.12.94)

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- (iii) Article 7(c) is amended so that the threshold in Euros for works contracts is modified from € 5,186,000 to € 5,225,000;
 - (iv) Article 8(a) is amended so that the threshold in Euros for subsidised works contracts is modified from € 5,186,000 to € 5,225,000;
 - (v) Article 8(b) is amended so that the threshold in Euros for subsidised services contracts is modified from € 207,000 to € 209,000;
 - (vi) Article 56 is amended so that the threshold in Euros for **works concessions** is modified from € 5,186,000 to **€ 5,225,000**;
 - (vii) Article 63(1) is amended so that the threshold in Euros for **works concessions** awarded by concessionaires is modified from €5,186,000 to **€ 5,225,000**;
 - (viii) Article 67(1)(a) is amended so that the threshold in Euros for **design contests** for central government authorities is modified from €134,000 to **€ 135,000**;
 - (ix) Article 67(1)(b) is amended so that the threshold in Euros for **design contests** for other contracting authorities is modified from € 207,000 to **€ 209,000**;
 - (x) Article 67(1)(c) is amended so that the threshold in Euros for **design contests for excluded services** for all contracting authorities is modified from € 207,000 to **€ 209,000**.

In accordance with article 1 of Regulation (EU) 2015/2341, in respect of the Utilities Directive 2004/17/EC, the following changes are incorporated:

- (i) Article 16(a) is amended so that the threshold in Euros for **supplies and services** contracts is modified from € 414,000 to **€ 418,000**;
- (ii) Article 16(b) is amended so that the threshold in Euros for works contracts is modified from € 5,186,000 to € 5,225,000;
- (iii) Article 61 is amended so that the threshold in Euros for **design contests** is modified from € 414,000 to **€ 418,000**.

In accordance with article 1 of the Regulation (EU) 2015/2340, in respect of the Defence and Security Directive 2009/81/EC, the following changes are incorporated:

- (i) Article 8(a) is amended so that the threshold in Euros for **supplies** and **services** contracts is modified from € 414,000 to **€ 418,000**;
- (ii) Article 8(b) is amended so that the threshold in Euros for **works** contracts is modified from € 5,186,000 to **€ 5,225,000**;

In accordance with article 2 of each of the Regulations, the amendments to the Directives entered into force on 1 January 2016. The new values of the various thresholds applicable under the EU public procurement directives will therefore be applicable from that date. Thereafter on 16 December 2013, the Commission also published a Communication³ providing a list of the corresponding values of the thresholds of Directives 2004/17/EC, 2004/18/EC and 2009/81/EC in the currencies of the countries which have not yet adopted the Euro. This list gives the thresholds in Euros and the equivalent in the remaining national currencies after monetary union.

The values, for example, in Sterling of the thresholds applicable in the United Kingdom as of 1 January 2016 are as follows:

<u>Value in Euros</u>	<u>Value in £ Sterling</u>
(i) €80,000	£62,842
(ii) €135,000	£106,047
(iii) €209,000	£164,176
(iv) €418,000	£328,352
(v) €750,000	£589,148

(vi) €1,000,000	£785,530
(vii) €5,225,000	£4,104,394

A full list of the corresponding values in the national currencies of the other Member States not to have adopted the Euro, namely the New Bulgarian lev, Czech koruna, Danish krone, Croatian kuna, Hungarian forint, Lithuanian litas, New Polish zloty, New Romanian leu and the Swedish krona, is available from the Commission website at:

<http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:C:2015:418:TOC>

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³ Communication from the Commission: Corresponding values of thresholds of Directives 2004/17/EC, 2004/18/EC and 2009/81/EC of the European Parliament and of the Council (OJEU No. C 418/1 of 16.12.15)