

Department of Contracts  
Notre Dame Ravelin  
FLORIANA

To Permanent Secretaries  
Directors General  
Directors  
Heads of Public Sector Organisations

19 December 2019

## **OFFICIAL FINANCIAL THRESHOLDS RELATING TO PUBLIC PROCUREMENT AND CONCESSION EU DIRECTIVES**

The European Union establishes standardised rules for procurement, the financial estimated value of which exceeds a certain threshold. Article 9 of Directive 2014/23/EU, Article 6 of Directive 2014/24/EU and Article 17 of Directive 2014/25/EU empower the European Commission to adopt delegated acts, in accordance with Article 290 TFEU, with respect to the revision of the thresholds.

The calculation of the thresholds of the Public Procurement and Concession Directives is made on the basis of the average daily value of the Euro in terms of the Special Drawing Rights, over a period of 24 months terminating on 31 August preceding the revision. The said calculation is carried out every two (2) years in accordance with the terms of the World Trade Organisation Agreement on Government Procurement (GPA).

The revised thresholds and their corresponding values in other European Union national currencies have been published by the European Commission in the Official Journal of the European Union (OJEU).

### **Public Procurement and Concession Contracts: EU Thresholds**

Further to the above, at Annex 1, attached to this Contracts Circular, this Office has prepared a table that portrays the new EU Financial Thresholds, applicable to public contracts, as of 01 January 2020. It is worth noting that the new thresholds have been revised downwards.

Contracting Authorities are reminded that when the estimated procurement value meets or exceeds the said thresholds, a Contract Notice must be published in the Official Journal of the European Union.

## **Public Procurement and Concession Contracts: Local Thresholds**

Pursuant to the relevant European Union Directives, the local thresholds have also been revised downwards. To this effect, a Departmental Procurement shall be deemed to be procurement having an Estimated Procurement Value which is less than €139,000 / €428,000<sup>1</sup> excl. VAT.

Therefore, as of 01 January 2020, the Department of Contracts shall publish and administer procurement having an Estimated Procurement Value which equals or exceeds €139,000 / €428,000<sup>1</sup> excl. VAT.

Regarding Decentralised Ministries whereby a Ministerial Procurement Unit has been established, the Department of Contracts shall publish and administer procurement having an Estimated Procurement Value which exceeds €250,000 excl. VAT.

### Ministerial Procurement Units

In line with the above, Ministerial Procurement Units shall distinguish between ‘below’ and ‘above’ local threshold procurement, thus, administering the procurement process according to the applicable regulations.

### e-Procurement Templates

Contracting Authorities shall utilise the ‘above threshold’ e-Procurement Template when drafting and compiling the Procurement Document whenever the Estimated Procurement Value equals or exceeds the following thresholds:

<b>Authority responsible for publishing Procurement Calls</b>	<b>Estimated Procurement Value Threshold excl. VAT</b>
Department of Contracts and Ministerial Procurement Units	€139,000
Schedule 3 Contracting Authorities (excluding Local Councils)	€139,000
Sub-Central Contracting Authorities (i.e. Local Councils)	€214,000
Utilities Contracting Authorities/Entities	€428,000

## **Contact**

Contracting Authorities are encouraged to submit any queries to their respective Ministry’s Procurement Section or to their Ministerial Procurement Unit (MPU), as the case may be.

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<sup>1</sup> The threshold of €428,000 excl. VAT relates only to Public Procurement of Entities operating in the Water, Energy, Transport and Postal Services Sectors.

In addition, Contracting Authorities may also submit any queries to the Department of Contracts' Customer Care service on [info.contracts@gov.mt](mailto:info.contracts@gov.mt) or +356 21220212.

Anthony Cachia  
Director General (Contracts)

**PUBLIC PROCUREMENT AND CONCESSIONS - EU THRESHOLDS**

All Estimated Values are Excluding VAT

	<b>AUTHORITY PUBLISHING PROCUREMENT CALLS</b>	<b>SUPPLIES</b> Estimated Value	<b>SERVICES</b> Estimated Value	<b>DESIGN CONTESTS</b> Estimated Value	<b>WORKS</b> Estimated Value
<b>PUBLIC PROCUREMENT</b> LN 352/2016 (S.L 601.03)	Department of Contracts and Ministerial Procurement Units	From <b>€ 139,000</b> <i>Previously was € 144,000</i>	From <b>€ 139,000</b> <i>Previously was € 144,000</i>	From <b>€ 139,000</b> <i>Previously was € 144,000</i>	From <b>€ 5,350,000</b> <i>Previously was € 5,548,000</i>
	Schedule 3 Contracting Authorities (excluding Local Councils)	From <b>€ 139,000</b> <i>Previously was € 144,000</i>	From <b>€ 139,000</b> <i>Previously was € 144,000</i>	From <b>€ 139,000</b> <i>Previously was € 144,000</i>	From <b>€ 5,350,000</b> <i>Previously was € 5,548,000</i>
	Sub-Central Contracting Authorities (i.e. Local Councils)	From <b>€ 214,000</b> <i>Previously was € 221,000</i>	From <b>€ 214,000</b> <i>Previously was € 221,000</i>	From <b>€ 214,000</b> <i>Previously was € 221,000</i>	From <b>€ 5,350,000</b> <i>Previously was € 5,548,000</i>
<b>UTILITIES PUBLIC PROCUREMENT</b> LN 351/2016 (S.L 601.05)	Utilities Contracting Authorities/Entities	From <b>€ 428,000</b> <i>Previously was € 443,000</i>	From <b>€ 428,000</b> <i>Previously was € 443,000</i>	From <b>€ 428,000</b> <i>Previously was € 443,000</i>	From <b>€ 5,350,000</b> <i>Previously was € 5,548,000</i>
<b>CONCESSIONS</b> LN 353/2016 (S.L 601.09)	All Contracting Authorities/Entities	/	From <b>€ 5,350,000</b> <i>Previously was € 5,548,000</i>	/	From <b>€ 5,350,000</b> <i>Previously was € 5,548,000</i>