



What Businesses Need to Know About the Most Significant EU Procurement Reforms In Over a Decade 1

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What Businesses Need to Know About the Most Significant EU Procurement Reforms In Over a Decade

01/05

On **September 9, 2026**, the European Commission published Proposal COM(2026) 590 final (2026/0265 (COD)) — the **Public Procurement Act (PPA)**. The proposal replaces all three 2014 procurement Directives (2014/23/EU on concessions, 2014/24/EU on public contracts and 2014/25/EU on utilities) with a single, directly applicable Regulation, with limited scope for national variation subject to specific exceptions. Based on Article 114 TFEU, the PPA enters into force 20 days after Official Journal publication and applies two years later — on the Commission's stated timetable, application is unlikely before 2030.

I. Why It Matters

02/05

- **Direct applicability and consolidation:** no national transposition; public contracts, utilities procurement and concessions are unified into one instrument for the first time. Current national rules continue during the transition.
- **Greek law impact:** in our assessment, Law 4412/2016 and Law 4413/2016 will need to be substantially repealed or adjusted, and the scope for additional national requirements will be significantly reduced.
- **Commission powers:** approximately 13 delegated-act empowerments and 10 implementing-act bases, including in European preference, green procurement, BIM and security.
- **Below-threshold gap:** below-threshold procurement remains within national competence, limiting full harmonization.

II. Key Reforms at a Glance

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- **Procedures:** three core procedures (Open, Dynamic, Innovation) replace six; the special procedure in Art. 46 is also available in specified cases. The Restricted Procedure, Competitive Dialogue and Competitive Procedure with Negotiation are eliminated as standalone procedures.
- **Negotiation:** available in all procedures as a built-in option, without specific preconditions, covering non-essential characteristics only; successive rounds with candidate reduction are permitted. Moving away from the sealed-bid culture, including in Greece, will require substantial institutional adaptation.
- **Quality over price:** BPQR becomes the standard award method, with a minimum 30% quality weighting (50% for labor-intensive contracts), subject to a comply-or-explain derogation (Art. 98(5)). In our assessment, there is a real risk that the derogation becomes routine in jurisdictions with a lowest-price tradition, including Greece.
- **SMEs:** turnover requirements capped at 50% of estimated annual contract value, except in duly justified cases (Art. 27(7)); prior public contract experience generally cannot be required (Art. 27(6)); groups cannot be forced to assume a specific legal form, even after award.
- **European preference (Arts. 70-77):** a first horizontal framework. For non-covered operators, contracting authorities may restrict participation, require EU/covered origin, apply evaluation preferences, or reject tenders with less than 50% EU/covered content; the Commission may make these restrictions mandatory via delegated acts.
- **Green and social procurement (Arts. 50-58):** energy efficiency is mandatory unless technically unfeasible (Art. 52) and delegated acts may make environmental requirements mandatory for designated product categories (Art. 54); accessibility remains mandatory for goods, services and works intended for use by natural persons, including staff, except in duly justified cases (Art. 56) and reserved contracts are preserved (Art. 57).
- **Innovation & BIM:** a new Innovation Procedure for societal challenges; BIM mandatory for works contracts of EUR 25 million or more (Art. 65), subject to derogations; pre-existing IP remains with the operator by default (Art. 64(1)), with a derogation for transfer (Art. 64(2)).
- **Security & resilience (Arts. 66-69):** contracting authorities may terminate contracts or exclude operators during performance for security or public safety risks (Art. 67), after prior written notice with at least 10 calendar days for observations, subject to exceptions (e.g. severity or imminence of the threat) and shorter deadlines in an emergency; high-risk ICT suppliers must be excluded in the cases of Art. 66(5), linked to the proposed Cyber Security Act 2.0.
- **Exclusion grounds (Arts. 25-26):** four new mandatory grounds (environmental crimes, violation of EU restrictive measures, fraudulent use of non-cash payment instruments, child sexual abuse and exploitation) and two new optional grounds (insufficient security reliability; foreign subsidies under the FSR). Self-cleaning is available only for optional exclusion grounds.
- **Contract modifications (Arts. 105-106):** a uniform 15% cumulative threshold (Art. 106(2)), applicable only if the economic balance is not changed; the per-modification 50% cap is removed, with modifications exceeding 50% requiring ex ante publication (Art. 106(6)), subject to the Art. 48 exception. Price adjustment clauses are distinguished from modifications (Art. 105(3)).
- **Digital ecosystem (Arts. 127-136):** EU-wide interoperable eProcurement platforms, an electronic eligibility service (Art. 133) and Public Procurement Data Spaces; the once-only principle applies. Implementation depends on the proposed European Business Wallets Regulation.

- **Other changes:** full subcontracting prohibited and subcontractor disclosure mandatory; direct payment to subcontractors mandatory at their request (where the nature of the contract so allows); framework agreements limited to 3 years (single operator) / 5 years (multiple operators), save exceptional, duly justified cases (Art. 103(2)); minimum open procedure tender deadline of 20 days (Art. 34(2)), running from publication of the public summary of competition (from 35 days under current rules, which run from dispatch of the contract notice).

III. Points to Watch

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- digital sequencing risk, given reliance on the still-proposed European Business Wallets Regulation and the fixed dates of June 30, 2028 (Art. 133(5)(a)) and June 15, 2029 (Art. 29(1));
- the practical impact of the BPQR derogation, the 20-day deadline for complex procurements, the IP transfer derogation and the Commission's delegated-act powers;
- the absence of a rule for ongoing procedures in Arts. 146–149, the discretionary (not mandatory) nature of price adjustment clauses, and the cross-reference inconsistency between Arts. 133(3), 141(2) and 142;
- the Greek law transition, which will affect every aspect of domestic procurement practice.

IV. What Happens Next

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The proposal is now before the European Parliament and the Council. Committee examination, first reading and Council working group negotiations are estimated for 2027, with political agreement expected by the market (not an official date) at end 2027 / early 2028. The PPA will apply two years after entry into force (Art. 149); current national rules transposing the 2014 Directives continue to apply until then. For Greek stakeholders, the two-year transitional period will be the critical window to adapt procurement manuals, train staff, upgrade digital platforms and align internal processes.

Full analysis: this is a summary of our detailed newsletter on the proposed PPA, which contains the complete analysis, article references and a comparative table of the current framework and the proposed PPA. The full text is available here: [LINK]

Lambadarios Law Firm – Public Procurement & Concessions Practice

Dr. Magdalini-Christina Vlachou-Vlachopoulou – Managing Associate

mcv.vlachopoulou@lambadarioslaw.gr

Author:



Project Finance
Administrative Law
Public Procurement
Energy
Environment
Utilities

Dr. Magdalini-Christina Vlachou-Vlachopoulou
Managing Associate

mcv.vlachopoulou@lambadarioslaw.gr

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