



Alert

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EU, Competition and Trade



Public Procurement: New CPV Codes for OJEU Contract Notices

A new EU Regulation on Common Procurement Vocabulary (CPV) entered into force on 15 September 2008. The new Regulation (Regulation 213/2008/EC) was adopted by the European Commission in November 2007 and is more user-friendly, taking into account technological and electronic developments.

As of 15 September, Tenders Electronic Daily (TED) - the EU electronic database of procurement contracts – will no longer accept OJEU notices containing the current CPV codes, and will only accept notices using the new CPV codes.

The new CPV code was implemented in the UK by the Public Contracts and Utilities Contracts (CPV Code Amendments) Regulations 2008, which also came into force on 15 September 2008.

What is CPV?

CPV is a detailed coding system developed by the European Commission specifically for use in public procurement. It provides a system for describing products and services through use of a unique reference number. This single classification system facilitates the processing of invitations to tender, the selling of products, and comparisons between like products. It is mandatory for at least one CPV code to be included in every OJEU notice.

The code consists of:

- (1) The main vocabulary, consisting of eight digits, subdivided into divisions, groups, classes and categories; and,
- (2) A supplementary vocabulary, which expands the main vocabulary by adding further details regarding the specific nature of the product.

By standardising the references used by contracting authorities to describe the subject matter of their contracts, the CPV improves the ease and transparency associated with public procurement.

What are the key changes?

The amendments to the CPV codes are of a purely technical nature, designed to improve the ability of businesses to sell their products and services to public authorities across the EU. The new CPV codes replace all existing references to CPV codes in the Public Contracts Regulations 2006 and the Utilities Contracts Regulations 2006. In particular, the CPV codes in Schedule 2 and Schedule 3 in both the Public Contracts and Utilities Contracts Regulations are substituted with the new Schedules contained in the Public Contracts and Utilities Contracts (CPV Code Amendments) Regulations 2008. Whilst some codes are new, other codes remain the same or have amended descriptions.

The updated CPV is more “product driven” as opposed to “material driven” as is the case in the previous version of the CPV. The updated CPV focuses on the product itself, rather than the material used, and any additional specifications are to be added using appropriate codes in the supplementary vocabulary.

There has been an increase in the content and ambit of the supplementary vocabulary (from 7,000 codes to 10,000), such that the main elements of the specifications of contracts can now be fully described by the appropriate supplementary vocabulary, eg, material, shape, mode of operation and designated use.

The new CPV codes cover a greater range of products and include new areas, such as software packages, environmental services and new codes for defence-related equipment, such as military research and technology.

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How should contracting authorities respond to the changes?

As referred to above, it is important that from 15 September 2008 all OJEU notices use the new CPV code references. TED will no longer accept the use of the existing CPV codes. Accordingly, it is necessary for all contracting authorities that prepare OJEU notices to make the necessary modifications to their electronic and paper systems to reflect the impending change. The full list of CPV codes is available at: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2008:074:0001:0375:EN:PDF>.

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