

Changes to Microsoft 365 & Microsoft Teams licensing: Worldwide expansion of approach taken in Europe

UPDATED: April 5, 2024 – We will update this FAQ to incorporate additional scenarios and feedback. Check <https://aka.ms/M365TeamsChangePartnerFAQ> for the latest.

Summary

We are making the following changes to Microsoft 365 and Office 365 plans offered through Volume Licensing, CSP, and Web Direct channels to customers outside the European Economic Area (EEA) and Switzerland, effective April 1, 2024. [View the full list of EEA countries.](#)

1. Ending sale of all existing Enterprise suites that include Teams to net-new subscriptions, worldwide.

- No longer offered to new customers: Office 365 E1, Office 365 E3, Office 365 E5, Microsoft 365 E3, Microsoft 365 E5

2. Introducing 10 new suites without Teams, priced lower than suites with Teams included

- Enterprise:** Office 365 E1 (no Teams): \$7.75; Office 365 E3 (no Teams): \$20.75; Office 365 E5 (no Teams): \$35.75; Microsoft 365 E3 (no Teams): \$33.75; Microsoft 365 E5 (no Teams): \$54.75
- Frontline:** Microsoft 365 F1 (no Teams): \$1.75; Office 365 F3 (no Teams): \$3.50; Microsoft 365 F3 (no Teams): \$7.50
- SMB:** Microsoft 365 Business Basic (no Teams): \$4.75, Microsoft 365 Business Standard (no Teams): \$10.25, Microsoft 365 Business Premium (no Teams): \$20.75

3. Introducing a new standalone Teams SKU for Enterprise: Microsoft Teams Enterprise: \$5.25

4. Continuing to offer SMB and Frontline worker suites with Teams alongside the versions without Teams.

- Still offered with no changes: Microsoft 365 Business Basic (\$6.00) Microsoft 365 Business Standard (\$12.50), Microsoft 365 Business Premium (\$23.00), Microsoft 365 F1 (\$2.25), Office 365 F3 (\$4.00), and Microsoft 365 F3 (\$8.00).

Enterprise

Existing suites with Teams: End of Sale Available only to customers <u>with existing licenses that include Teams</u> as of April 1 outside the EEA and Switzerland		ROW suites w/o Teams (starting April 1) Available to all customers <u>outside</u> the EEA and Switzerland ¹	
Office 365 E1	\$9.00	Office 365 E1 (no Teams)	\$7.75
Office 365 E3	\$23.00	Office 365 E3 (no Teams)	\$20.75
Office 365 E5	\$38.00	Office 365 E5 (no Teams)	\$35.75
Microsoft 365 E3	\$36.00	Microsoft 365 E3 (no Teams)	\$33.75
Microsoft 365 E5	\$57.00	Microsoft 365 E5 (no Teams)	\$54.75
		New Teams standalone as of 1 Apr 2024 Available to customers <u>outside</u> the EEA and Switzerland ¹	
		Microsoft Teams Enterprise	\$5.25

¹ A parallel set of suites without Teams is available in the EEA and Switzerland, with separate SKUs and pricing.

Frontline worker

Existing suites with Teams <i>No change</i> in availability.		ROW suites w/o Teams (starting April 1) Available to all customers <u>outside</u> the EEA and Switzerland ¹	
Microsoft 365 F1	\$2.25	Microsoft 365 F1 (no Teams)	\$1.75
Office 365 F3 (CSP only)	\$4.00	Office 365 F3 (no Teams) (CSP only)	\$3.50
Microsoft 365 F3	\$8.00	Microsoft 365 F3 (no Teams)	\$7.50

Microsoft 365 Business

Existing suites with Teams <i>No change</i> in availability.		ROW suites w/o Teams (starting April 1) Available to all customers <u>outside</u> the EEA and Switzerland ¹	
Microsoft 365 Business Basic	\$6.00	Microsoft 365 Business Basic (no Teams)	\$4.75
Microsoft 365 Business Standard	\$12.50	Microsoft 365 Business Standard (no Teams)	\$10.25
Microsoft 365 Business Premium	\$22.00	Microsoft 365 Business Premium (no Teams)	\$19.75

Please note: This pricing is subject to change and may vary by country and currency. Licensing for Microsoft 365 Apps for Business, Microsoft 365 Apps for Enterprise, and Teams Essentials is not impacted by these changes.

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General

1. What is changing for Microsoft 365 and Office 365? Which SKUs/segments are impacted, and which ones are not?

On April 1, 2024, Microsoft will launch a new Microsoft Teams standalone offering and a new set of Microsoft 365 and Office 365 suites without Teams included for customers outside the EEA and Switzerland, and will make the following changes to our offerings in those regions:

Enterprise suites (Office 365 E1/E3/E5 and Microsoft 365 E3/E5)

- Microsoft will be ending the sale of existing E1/E3/E5 suites with Teams to new customers.
- New commercial customers who wish to provide information workers with both Microsoft Teams and the value in existing E1/E3/E5 suites will need to purchase two SKUs: one E1/E3/E5 (no Teams) suite and Microsoft Teams Enterprise.

SMB suites (Microsoft 365 Business Basic/Standard/Premium)

- Small and medium business customers will be able to choose between existing SMB suites with Teams or the new (no Teams) versions of those suites.

Frontline worker suites (Office 365 F3, Microsoft 365 F1/F3)

- For Frontline workers, customers will be able to choose between the existing Frontline worker suites with Teams included or the new (no Teams) versions of those suites.

Note: Office 365 F3 is only available for new customers via the CSP channel as of August 1, 2023. [Learn more.](#)

2. Why are we making changes to our packaging and pricing?

These changes are intended to realign our global subscription structure following changes made in Europe in 2023.

For additional information on the original context for the changes in Europe, please read [the official announcement on the EU Policy Blog](#) and [the accompanying licensing details on Licensing News](#).

3. Do these changes have any impact on customers in the EEA and Switzerland?

The impact to customers in EEA + Switzerland will be minimal. All of the EEA-specific offerings introduced in October 2023 will remain available alongside the offerings for other regions announced on April 1, 2024.

We will be making two changes intended to improve customer options in the EEA + Switzerland:

- (1) Introducing new Microsoft 365 E3/E5 Unified EEA (no Teams) Cloud Add-on (CAO) SKUs for EA/EAS on April 1, 2024. These SKUs are for adding Microsoft 365 E3/E5 (no Teams) for customers with active Software Assurance for Windows 11, Core/Enterprise CAL, and Office Professional Plus. Refer to the Add-ons section of the [Product Terms](#) for details.
- (2) Moving the prior Microsoft 365 E3/E5 and Office 365 E1/E3/E5 SKUs that include Teams back from Lead Status to the public pricelist, with the PFAM and SKU descriptions updated to reflect they are for existing customers, effective May 1, 2024. This will enable LSP partners to use the SKUs for [existing Enterprise customers](#) in EA/EAS and help improve clarity elsewhere.

4. How do these changes impact new customers?

As of April 1, 2024,

- **New commercial customers** who wish to provide information workers with both Microsoft Teams and the value in existing Microsoft 365 E3/E5 or Office 365 E1/E3/E5 suites will need to purchase two SKUs: one E1/E3/E5 (no Teams) suite **and** Microsoft Teams Enterprise.
- **New small and medium business customers** will be able to choose between the existing Microsoft 365 Business Basic/Standard/Premium suites with Teams or the new (no Teams) versions of those suites.
- For **Frontline workers**, customers will be able to choose between the existing Microsoft 365 F1, Office 365 F3, and Microsoft 365 F3 suites with Teams included or the new (no Teams) versions of those suites.

Note: Office 365 F3 is only available for new customers via the CSP channel as of August 1, 2023.

5. Which customers outside are considered "existing" and therefore will continue to be able to subscribe to Microsoft 365 E3/E5 or Office 365 E1/E3/E5 suites that include Teams?

"Existing customers" are customers with an active license for any Microsoft 365/Office 365 suite with Teams prior to the end-of-sale date for Enterprise suites with Teams in that customer's region.*

If a customer did not have an active license but had an active future pricing table, quote, public tender, or framework agreement that included a Microsoft 365/Office 365 suite with Teams as of the end of sale date for that customer's region*, the customer may purchase new licenses for the included SKU(s) and then be considered an existing customer.

For existing customers, the Microsoft 365/Office 365 Enterprise SKUs with Teams remain available for the same scenarios as prior to the end-of-sale date. The only impact of the Teams packaging changes is the introduction of additional SKU options.

Existing CSP customers of the Enterprise suites that include Teams outside of the EEA and Switzerland who wish to change partners will be able to continue to purchase the Enterprise suites with Teams through CSP. CSP partners can continue to sell the Enterprise suites with Teams to existing customers outside of the EEA and Switzerland through June 30, 2024. Partners will be able to use the new [partner-to-partner transfer capability](#) for new commerce subscriptions to transfer subscriptions from one partner to another when that capability becomes available.

Note: If at any time the customer no longer has any active licenses to a Microsoft 365/Office 365 suite with Teams, they will no longer be considered an existing customer. Due to systems limitations, customers will also not be recognized as existing customers if they change their purchasing channel except when moving to EA/EAS or moving between MCA-E and Buy Online (Direct) in either direction.

*October 1, 2023 for EEA + Switzerland; April 1, 2024 for all other countries.

6. How will these changes impact existing customers?

For existing customers, the introduction of new suites without Teams adds new subscription license options to their current purchasing channel without removing their prior options.

They may continue to:

- Use their existing licenses for suites with Teams.
- Renew their existing licenses for suites with Teams.
- Increase the quantity of their existing subscription for suites with Teams.
- Upgrade their existing suites with Teams to other suites with Teams.
- Add net new licenses to any suite with Teams that was previously available to them.
- Switch to different suites with Teams at anniversary/renewal in accordance with the terms of their contract. CSP Partners won't be able to complete midterm and scheduled changes to term duration and billing frequency combinations that are EndofSaleWithConversions. Please see [Manage end-of-sale offers - Partner Center | Microsoft Learn](#) for more information.

Additionally, they may:

- Switch to suites without Teams at anniversary/renewal.
- Add new licenses to suites without Teams at any time (including alongside suites with Teams).
- Add new licenses of Teams EEA (EEA and Switzerland) or Teams Enterprise (rest of world) at any time.

7. Is there a date for when all existing customers will have to be on the “no Teams” suites?

No. For more information on what options are available to existing customers, refer to the responses above.

8. Is Microsoft ending the sale of existing Enterprise suites in markets outside of the EEA and Switzerland in all channels on April 1? What is the expected partner behavior in this regard?

Yes, for net new customers. Microsoft 365 E3/E5 and Office 365 E1/E3/E5 suites with Teams should no longer be sold to net new customers after April 1.

9. Can existing customers have a mix of suites without Teams and suites with Teams within the same tenant? For example, could a customer deploy 200 seats of Microsoft 365 E3 (no Teams) alongside the 100 seats of Microsoft 365 E3 they’ve already deployed?

Yes.

10. If a customer with an existing subscription to Microsoft 365 - or Office 365 with Teams is spinning off part of the organization into a separate entity, is that new separate entity eligible to purchase the “with Teams” suites also?

No. The spun-off organization will be a new net entity entering into a contract with Microsoft and will need to choose from the options available to new customers at the time of that contract.

11. Why are the prices for “no Teams” SKUs for EEA and rest of world not equivalent?

The differences are not intentional, they are the unavoidable result of how pricing is systematically calculated from the base list price, which for EEA is based on Euros, and rest of the world it is based on USD. For more information on how Microsoft sets prices, see: [Consistent global pricing for the Microsoft Cloud - Microsoft News Centre Europe](#).

12. Why is Microsoft ending sale of existing Enterprise suites while continuing to offer existing SMB and Frontline worker suites?

These changes are intended to realign our global subscription structure following changes made in Europe in 2023. The different approach taken in Enterprise vs. SMB and Frontline was a compromise intended to address concerns raised with the European Commission while limiting disruption for customers, partners, and sellers.

13. Do these changes affect Consumer, Academic, US Government, or Nonprofit suites?

The changes announced on April 1 apply only to commercial SKUs (Enterprise, Business, and Frontline). Consumer, Academic, US Government, and Nonprofit-specific suites are not currently impacted.

14. Do these changes affect the available options for Sovereign Clouds (e.g. Gallatin)?

No, the available options for Sovereign Clouds are not affected by the changes announced on April 1.

15. How are Microsoft Teams Enterprise and Teams EEA different from Microsoft Teams Essentials?

Microsoft Teams Enterprise and Teams EEA provide meetings, chat, calling (VOIP), and collaboration without any limitation on seat numbers and a 1000-seat cap on meeting attendees.

Microsoft Teams Essentials remains unchanged; it provides meetings, chat, calling (VOIP), and collaboration for customers worldwide with up to 300 users, with a 300-seat meeting attendee cap.

Add-on eligibility for Teams Enterprise, Teams EEA, and Teams Essentials will be largely equivalent, with some exceptions—including Microsoft 365 Multi-Geo, Priva Privacy Risk Management, Priva Subject Rights Requests, and Compliance Program for Microsoft Cloud—where Teams Enterprise and Teams EEA are qualifying pre-reqs but Teams Essentials is not because they are not available for SMB plans. For more information, refer to the Pre-requisite table in the [Product Terms](#) and the add-ons sections of the [Modern Work plan comparisons](#).

16. What will change for workloads that require Microsoft Teams in order to function? Will they still be included in the “no Teams” suites?

Only Microsoft Teams will be excluded from the new “no Teams” suites. Customers will still be licensed for all other features and functionality included in the suite. However, to use certain features and workloads that depend on Teams (e.g., Teams Phone, Viva Insights, Audioconferencing), customers will need to ensure they have Teams either as part of a suite or as a standalone. For more details, please [refer to the detailed plan comparison](#).

17. Where can I find more information about these changes?

Partner resources – including [Partner FAQ](#), [execution guidance](#), and additional assets – are available on the [Modern Work Partner Portal](#).

Availability

18. Can customers in the EEA and Switzerland purchase the new (no Teams) suites and/or Microsoft Teams Enterprise?

No. The new “no Teams” suites and Teams standalone are intended for purchase by customers with enrollments in countries outside the EEA and Switzerland, from non-EEA pricelists, for deployment on non-EEA/Switzerland tenants out of datacenters outside the EEA and Switzerland.

19. Can multinational organizations with a presence in Europe purchase the (no Teams) suites?

Multinational organizations will be able to purchase “EEA (no Teams)” SKUs to cover enrollments and tenants inside the EEA/Switzerland, and non-EEA “no Teams” SKUs to cover enrollments and tenants outside the EEA/Switzerland.

20. If a customer is located in the EEA or Switzerland but has employees worldwide, can they purchase the new (no Teams) SKUs for all their employees, or only those outside the EEA?

The non-EEA (no Teams) suites are available for deployment on non-EEA/Switzerland tenants out of datacenters outside the EEA/Switzerland. Any user with an account on those tenants can use these suites.

21. Should customers decide which SKUs to purchase based on where their employees are located?

No. Customers should purchase the new non-EEA “no Teams” SKUs or the “EEA (no Teams)” SKUs based on the location of their enrollment and tenant, not the individual users.

22. Some EA/EAS pricelists that are shared by EEA and non-EEA countries show both the EEA (no Teams) and non-EEA “no Teams” SKUs. Does that mean the customer gets to choose which one they purchase?

No. Customers should purchase the "EEA (no Teams)" SKUs for enrollments inside the EEA and Switzerland, and the non-EEA "no Teams" SKUs for enrollments outside the EEA and Switzerland. The SKUs themselves will be systematically blocked from being transacted in countries in which they are not available for deployment.

23. I am a CSP partner authorized to sell in certain regions, how should I think about which of the Enterprise SKUs I can sell to customers and where?

Partners can sell the SKUs on the pricelist(s) that are available in the authorized regions in which they are allowed to transact to customers who qualify to purchase the specific SKU(s). See above questions in this "Availability" section for examples.

24. How will this change impact Multi-Geo Offerings?

This will impact customers who are attempting to move ANY subscription from a tenant in one market to another tenant in another market.

If transferring "no Teams" suites between regions that are both outside the EEA and Switzerland, this will be permitted due to their availability in both markets.

If transferring "no Teams" suites from a country outside of the EEA/Switzerland to Switzerland or an EEA country, this will not be permitted, and the transfer will be blocked with an Error Message.

The reverse is also true of the "EEA (no Teams)" suites – customers are permitted to transfer within the EEA and Switzerland, but not beyond those regions.

25. Why are the new "no Teams" and Teams standalone SKUs not on the MPSA pricelist?

We no longer launch new offers in MPSA.

Licensing

26. Which channels will be affected by the April 1, 2024 changes?

The new packaging and pricing applies to commercial customers outside the European Economic Area (EEA) and Switzerland in all purchasing channels. [View the full list of EEA countries.](#)

27. Are there any changes to licensing or usage rights?

No, this announcement does not include any changes to the licensing or usage rights of the Microsoft 365 or Office 365 products, aside from the exclusion of Teams from the new "no Teams" suites.

28. Will the (no Teams) suites still include [any given suite feature: Viva Insights, Audio Conferencing, Teams Phone, etc.]?

Yes. The new (no Teams) suites will still include all the same workloads as the full suite, except for Teams itself. However, in order to use workloads that require Teams, customers must still ensure they are licensed for Teams either as part of the suite (for Frontline worker and Business suites) or as a standalone (for Enterprise suites). Please refer to the [Modern Work plan comparisons](#) for further details.

29. Where does Microsoft Viva fit in relation to this announcement?

These changes do not impact licensing or pricing for the Viva modules. However, we recommend licensing Viva together with Teams for the best user experience. Some features in Viva require Teams in order to work, and even for those where Teams is not required, using Viva with Teams will often provide a better experience.

30. Can customers on multi-year EAs switch to “no Teams” suites at Anniversary?

Yes, customers may switch to “no Teams” suites at Anniversary in accordance with their Enterprise Enrollment.

31. Will the Microsoft 365 E1/E3/E5 (no Teams) suites and Office 365 E1/E3/E5 (no Teams) suites be classified as Enterprise Online Services like the equivalent suites with Teams?

Yes.

32. Will Microsoft provide any tool for user license reassignment for Admins, to help customers shift to the new SKUs?

No. Detailed admin instructions for assigning licenses are available [here](#).

33. Which types of Enterprise SKUs are subject to end of sale and replacement with “no Teams” versions?

Full and Step-up SKUs will be replaced with (no Teams) versions for new customers.

As of April 1, 2024 Cloud Add-on SKUs are also available for Microsoft 365 E3/E5 EEA (no Teams) and Microsoft 365 E3/E5 EEA (no Teams).

Due to the February 1, 2024 end of sale for Microsoft 365/Office 365 From SA SKUs, From SA SKUs will not be replaced with “no Teams” versions.

34. If an existing customer wants to transition to the “no Teams” SKUs at Anniversary, what is the grace period for license reassignment?

The prior licenses that include Teams will be treated as expired subscriptions which have a 90-day grace period as detailed [here](#). For subscription lifecycle states in CSP, see additional details [here](#).

35. If an existing Enterprise customer outside of the EEA and Switzerland wishes to change the channel through which they purchase, will they still be considered an “existing customer” and able to purchase enterprise suites that include Teams?

If an existing customer changes their purchase channel to EA/EAS, they can be offered the Enterprise SKUs with Teams which will remain available on the pricelist for LSPs to transact for qualifying customers.

Because they share the same SKUs in the commerce system, existing customers will also continue to have access to Enterprise SKUs with Teams when moving between MCA-E and Buy Online (Direct) in either direction.

Due to systems limitations, all other change of channel scenarios will require the customer to choose from the SKUs available to new customers only.

36. How can commercial customers outside the EEA or Switzerland with VL agreements other than EA/EAS (e.g., MPSA, OVS) purchase the (no Teams) suites?

For legacy VL, the SKU changes only apply to EA/EAS. Other VL programs are not subject to end-of-sale of Enterprise SKUs with Teams and the new “no Teams” and Teams standalone SKUs available. These customers

will need to purchase through another channel where the “no Teams” suites and Teams Enterprise/Teams EEA are available. For more information, see: [Purchasing Microsoft cloud products today and in the future](#).

37. Will legacy CSP customers who get automatically migrated to NCE beginning January 1st, 2024 maintain their existing suites with Teams?

Yes.

38. If a customer with an existing subscription of Office 365 E1/E3/E5 or Microsoft 365 E3/E5 with Teams wants to purchase a new subscription of Microsoft 365 E3/E5, can they purchase the suites with Teams?

No, if a customer is creating a net new subscription for Microsoft 365 E3 or E5, they will need to purchase the Enterprise suites without Teams SKUs.

39. What impact will this licensing change have on the product benefits within the Microsoft AI Cloud Partner Program (MAICPP) for new and existing partners?

There are no changes to the Microsoft AI Cloud Partner Program (MAICPP) product benefits. In the future, we will be looking to align to the new licensing changes by including Microsoft Teams Enterprise along with the “no Teams” version of O/M365 products. We will share more details when we have them.

Pricing

40. Why is there no Standard 30-Day Pricelist Preview?

No Pricelist Preview was made available for this launch in order to maintain the operational flexibility needed to enable an agile response to the evolving regulatory environment and other actions.

41. Will there be a price increase for existing customers on current suites?

No, there is no price increase on existing customers on current suites associated with this launch.

42. How can I transition a new commerce subscription for EOS SKUs? Will there be a transition eligibility API that shows a customer’s upgrade paths?

Yes. Partners can use the transition eligibility API call to show a customer’s upgrade paths. Partners can upgrade using the end of sale Catalog Item IDs for the upgrade action. You can find more information in [Transition a new commerce subscription - Partner app developer | Microsoft Learn](#). In the Partner Center portal, these will show under the Upgrade Subscription flow, within the Eligible upgrades section.

Also note that on February 1st, 2024, Microsoft announced a new End of Sale state called End of sale with conversions (EndofSalewithConversions). For EndofSaleWithConversions, once the EOS effective date is reached, partners can renew seats, transition (also known as “upgrade”), or convert trials. Partners won't be able to complete midterm and scheduled changes to term duration and billing frequency combinations that are EndofSaleWithConversions. Please see Manage end-of-sale offers - [February 2024 announcements - Partner Center announcements | Microsoft Learn](#)

43. Why are Office 365 E1/E3/E5 and the Microsoft 365 E3/E5 with Teams SKUs still on the CSP pricelist for regions outside of the EEA and Switzerland?

As we work to ensure a smooth transition for customers, some backend processes have been delayed (e.g., removal from pricelists and catalog), but our policy is that Microsoft 365 E3/E5 and Office 365 E1/E3/E5 suites with Teams should not be sold to net new customers in countries outside of the EEA or Switzerland as of April 1, 2024.

We currently do not have a date for removing these SKUs from the CSP Pricelist. When one is confirmed, it will be communicated in advance via pricelist preview.

44. Why are the Office 365 E1/E3/E5 and Microsoft 365 E3/E5 SKUs w/ Teams still on the public EA pricelist, and not in lead status?

The Office 365 E1/E3/E5 and Microsoft 365 E3/E5 SKUs will remain on the public EA pricelist to enable LSP partners to transact for existing customers outside of the EEA and Switzerland.

The Office 365 E1/E3/E5 and Microsoft 365 E3/E5 SKUs that include Teams in the EEA and Switzerland will also move from Lead Status to the public price list on May 1 to allow LSPs to transact the SKUs for existing EA customers in those regions. Partners should be advised to consult resources provided to partners for the definition of net new customers and ensure they follow these rules.

The Product Family (PFAM) names and SKU descriptions on the VL pricelist will be updated on May 1 with "Existing Customer" to indicate that they are only to be used for existing customers.

Partner Transaction Guidance

45. What scenarios for existing CSP customers on Office 365 E1/E3/E5 and Microsoft 365 E3/E5 outside the EEA and Switzerland will require the customer to start a new subscription?

At this time, existing customers on Office 365 E1/E3/E5 or Microsoft 365 E3/E5 subscriptions outside the EEA and Switzerland can renew/upsell/add seats to existing subscriptions. Existing CSP customers of the Enterprise suites that include Teams who wish to change partners, will be able to continue to purchase the suites with Teams through CSP. CSP partners can continue to sell the suites with Teams to existing customers through June 30, 2024.

Starting in FY24 Q4, partners will be able to use [the new partner-to-partner transfer capability](#) for new commerce subscriptions to transfer subscriptions from one partner to another.

Scenarios where an existing CSP customer will need to start a new subscription and purchase the Microsoft 365 without Teams SKUs will include:

- Changing from EA to CSP
- Changing the billing frequency (i.e. Annual | Annual to Annual | Monthly), the subscription commitment (i.e. Annual | Monthly to Monthly | Monthly), or the subscription currency (i.e. CAD to USD).
- Allowing a subscription to expire

46. If an existing CSP customer wants to upgrade – for example, from Office 365 E3 to Microsoft 365 E3 – do they have to move to the versions without Teams?

Generally, the following upgrade paths will be available:

- Customers using existing Office E1, E3, E5 and Microsoft 365 E3, E5 SKUs “with Teams” can upgrade to higher versions of those existing SKUs “with Teams”.
- Customers using new EEA E1, E3, and E5 SKUs (without Teams) can upgrade to higher versions of the new EEA (no Teams) SKUs using new EEA (no Teams) transitions.

There are specific scenarios, noted in the above question, where an existing CSP customer will need to purchase a new subscription and choose from the offerings available in the channel at the time of their transaction.

47. Can an existing customer transition from Microsoft 365 Business Standard to Office 365 E3 with Teams?

Yes, an existing customer on Business Standard can transition to a more premium SKU.

48. If an existing CSP customer outside of the EEA & Switzerland wants to change their partner of record after April 1st, will the customer need to create a new subscription with the new CSP partner?

Existing customers of the Enterprise suites that include Teams outside of the EEA & Switzerland who wish to change their CSP partner, will be able to continue to purchase the suites with Teams.

CSP partners can continue to sell the suites with Teams to existing customers outside of the EEA & Switzerland through June 30, 2024. Starting in FY24 Q4, all partners will be able to use [the new partner-to-partner transfer capability](#) for new commerce license-based subscriptions to transfer subscriptions from one partner to another.

49. I have a public sector customer outside of the EEA or Switzerland who had issued a tender or framework agreement for Office 365 E1/E3/E5 or Microsoft 365 E3/E5 prior to April 1, 2024. Can I honor that agreement and still offer them the suites with Teams included?

If a customer does not have an active license but has an active quote, public tender or framework agreement that includes a Microsoft 365/Office 365 suite with Teams from prior to April 1, 2024, the customer may purchase new licenses for the included SKU(s) and then be considered an existing customer.

50. If an existing customer wants to migrate the below CSP legacy subscriptions to NCE, what will be the migration options?

Existing customers on legacy CSP subscriptions of Office 365 E1/E3/E5, Microsoft 365 E3/E5, Microsoft 365 F1/F3, and Microsoft 365 Business Basic, Microsoft 365 Business Standard, Microsoft 365 Business Premium will be able to migrate their existing with Teams subscriptions to NCE. After migrating their existing subscription to NCE, they can then add seats, renew, and upgrade using transitions on those subscriptions.

Microsoft-led migrations for legacy Office 365 E1/E3/E5 or Microsoft 365 E3/E5 CSP customers to NCE can maintain their existing SKUs, including at time of renewal.

NOTE: Customers cannot renew expired subscriptions in NCE. This includes w/Teams subscriptions that have migrated from Legacy to NCE. If a subscription expires, customers will need to create new subscriptions for without Teams SKUs in these instances. Partners can turn on auto-renew and pre-schedule changes to customer subscriptions prior to renewal date.

51. Can an existing CSP customer with Microsoft 365 E3 with Teams subscription transition some seats to Microsoft 365 E5 with Teams to their subscription?

Yes, partial transitions are supported in CSP new commerce. A customer can transition some seats for a given subscription from one SKU to another. If an existing CSP customer has 100 licenses of Microsoft 365 E3 "with Teams", they can transition 50 licenses of that subscription to Microsoft 365 E5 "with Teams" and retain 50 licenses of Microsoft 365 E3 "with Teams." Please see: [Create customer subscriptions in Partner Center - Partner Center | Microsoft Learn](#) for more on partial upgrades.

52. If a customer outside of the EEA and Switzerland is in the middle of negotiating a new subscription for one of the existing "with Teams" suites when the existing suites hit End of Sale on April 1, 2024 for the customer's country, what is the best path forward?

If an active quote, public tender or framework agreement was issued before this date for an Enterprise suite with Teams, and has not expired, the customer may purchase the Microsoft 365/Office 365 suite with Teams. The customer will then be considered an existing customer, and use the Enterprise suite with Teams SKUs for any scenario that was supported for EA/EAS customers prior to April 1, 2024.

53. My customer read the announcement and would like to buy one of the (no Teams) SKUs right now, what should I do?

The (no Teams) SKUs are available to purchase effective April 1st, 2024.

54. My Microsoft 365 E3/E5 customer wants to cancel their existing subscription and move to the "no Teams" SKU right now. What do I do?

The (no Teams) SKUs are available to purchase effective April 1st, 2024. Existing customers can transition to the new SKUs at their first Anniversary or Renewal after that date.

55. How does the recent announcement regarding End of Sale with Conversion in CSP affect the Office 365 E1/E3/E5 and Microsoft 365 E3/E5 with Teams SKUs?

On February 1st, 2024, Microsoft announced a new End of Sale state called End of sale with conversions (EndofSaleWithConversions). For EndofSaleWithConversions, once the EOS effective date is reached, partners can renew seats, transition (also known as "upgrade"), or convert trials. Partners won't be able to complete midterm and scheduled changes to term duration and billing frequency combinations that are EndofSaleWithConversions. Please see [Manage end-of-sale offers - Partner Center | Microsoft Learn](#) for more information.

56. I am an LSP, and I have an existing customer outside of the EEA & Switzerland with Office 365 E1/E3/E5 or Microsoft 365 E3/E5 SKU who wishes to switch from CSP to EA after April 1st 2023, can they keep their existing subscription?

Yes. For existing customers outside of the EEA and Switzerland, they can purchase the suites with Teams through an LSP partner.

Existing customers in the EEA and Switzerland will be able to purchase the suites with Teams through an existing LSP partner beginning on May 1, 2024.

57. In what scenarios can a SMB customer transition from one Business subscription to another Business subscription before the end of the subscription term?

A customer does not have to wait until the end of their subscription term if making one of these transitions:

- Business Basic to Business Standard or Business Premium
- Business Standard to Business Premium
- Business Basic (no Teams) to Business Standard (no Teams) or Business Premium (no Teams)

- Business Basic (no Teams) to Business Basic or Business Standard or Business Premium
- Business Standard (no Teams) to Business Premium (no Teams)
- Business Standard (no Teams) to Business Standard or Business Premium
- Business Premium (no Teams) to Business Premium

58. What is the expected behavior of Partners to provide the non-Teams Option?

As a partner in CSP, you have a catalog of offers available to you and you can sell a wide range of Microsoft products, services, and solutions. Within the catalog of offers available to you, Microsoft does not dictate that partners must or must not sell any specific Microsoft products, services, or solutions.

Beginning April 1st, 2024, Microsoft will no longer offer Office 365 E1/E3/E5 and Microsoft 365 E3/E5 suites with Teams to new customers outside of the EEA and Switzerland. To provide customers with the value in the these suites, partners can choose to offer commercial customers outside of the EEA and Switzerland the new E1/E3/E5 suites without Teams and Microsoft Teams standalone.

Partners can choose to offer the existing SMB suites with Teams and/or the new EEA (no Teams) versions of those suites to small and medium business customers. For Frontline workers, partners can offer the existing Frontline suites with Teams included and/or the new EEA (no Teams) versions of those suites.

59. Does Microsoft require proof of a Partner sharing the non-Teams options to existing and net new customers?

No.

60. Where can I go as a partner to get more resources and content to explain the value of Microsoft Teams in Microsoft 365?

See resources on the [Microsoft 365 Licensing Changes - Sell Through CSP](#) and [Microsoft 365 Licensing Changes - Co-sell Partners](#) page to learn more about the Microsoft 365 licensing updates.

61. Why didn't Microsoft provide partners with advance notice on this change?

These changes are intended to realign our global subscription structure following changes made in Europe. We didn't provide advance notice in order to maintain the operational flexibility needed to enable an agile response to the evolving regulatory environment and other business priorities.

For additional information on the original context for the changes in Europe, please read [the official announcement on the EU Policy Blog](#) and [the accompanying licensing details on Licensing News](#).

62. What can we say to a partner who has lost business due to another partner selling the Enterprise suites with Teams to new customers?

Our policy remains that the Microsoft 365 E3/E5 and Office 365 E1/E3/E5 suites with Teams should no longer be sold to net new customers. We do not condone partner behavior in offering the suites with Teams to net new customers.

63. I have reviewed this Partner FAQ and still have questions. Who can I reach out to?

For partner support concerns or questions not addressed in the [FAQ](#), reach out to Partner Center support.

Customer scenarios

Microsoft 365 scenarios for EA / EAS customers outside the EEA and Switzerland

Licensing profile	Impact
<p>Existing Microsoft 365 E3/E5/F1/F3 or Office 365 E1/E3/E5/F3 customer</p>	<p>Proceed as before. Customers may continue to transact all SKUs for suites with Teams exactly as before.</p> <p>Alternative scenarios – starting Apr 1, 2024:</p> <ul style="list-style-type: none"> If the customer wants to switch existing seats to the “no Teams” suites, they can do so at anniversary / renewal. If the customer wishes to change their purchase channel to EA/EAS, they can be offered the Enterprise SKUs with Teams which will remain available on the pricelist for LSPs to transact for qualifying customers. <p>Because they share the same SKUs in the commerce system, existing customers will also continue to have access to Enterprise SKUs with Teams when moving to/from MCA-E and to/from Buy Online (Modern customer-led). Due to systems limitations, all other change of channel scenarios will require the customer to choose from the SKUs available to new customers only.</p> <ul style="list-style-type: none"> If the customer wants to add “no Teams” suites in the middle of their enrollment, follow the supplemental CPS process.
<p>New Microsoft 365 E3/E5 or Office 365 E1/E3/E5</p>	<p>Customers will need to buy the “no Teams” suites plus Teams Enterprise (if desired).</p> <p>Alternative scenarios – starting Apr 1, 2024</p> <ul style="list-style-type: none"> If an active quote, public tender or framework agreement was issued before this date for an Enterprise suite with Teams, and has not expired, the customer may purchase the included SKU(s). The customer will then be considered an existing customer, and you may use the Enterprise suite with Teams SKUs for any scenario that was supported for EA/EAS customers prior to April 1, 2024. If a previously quoted customer wants to change the negotiation to include the “no Teams” suites, offer the “no Teams” suites, plus Teams standalone (if needed).
<p>New Microsoft 365 F1/F3 customer</p>	<p><u>Starting Apr 1, 2024:</u></p> <ul style="list-style-type: none"> If the customer needs Teams: Offer Frontline suites that include Teams. If the customer does not need Teams: Offer the new “no Teams” suites. <p>Alternative scenarios – starting Apr 1, 2024:</p>

	<ul style="list-style-type: none"> If a previously quoted customer wants to exclude Teams from the negotiation, offer the “no Teams” suites.
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Microsoft 365 Enterprise scenarios for CSP / Direct customers outside the EEA and Switzerland

Licensing profile	Impact
<p>Existing Microsoft 365 E3/E5 or Office 365 E1/E3/E5 customer</p>	<p>Proceed as before. Subscribed customers can renew / add new seats / upgrade (via transitions) their existing subscriptions (transitions apply to CSP & Web Direct only).²</p> <p>Alternative scenarios – starting Apr 1, 2024:</p> <ul style="list-style-type: none"> If the CSP customer wishes to change partners, they will be able to continue to purchase the Enterprise suites with Teams through CSP. CSP partners can continue to sell the Enterprise suites with Teams to existing customers through June 30, 2024. Partners will be able to use the new partner-to-partner transfer capability for new commerce subscriptions to transfer subscriptions from one partner to another when that becomes available. If the customer wishes to change their purchase channel to EA/EAS, they can be offered the Enterprise SKUs with Teams which will remain available on the pricelist for partners to transact for qualifying customers. <p>Due to systems limitations, all other change of channel scenarios will require the customer to choose from the SKUs available to new customers only.</p>
<p>New Microsoft 365 E3/E5 or Office 365 E1/E3/E5 customer</p>	<p>Starting Apr 1, 2024:</p> <ul style="list-style-type: none"> If the customer needs Teams: Offer “no Teams” suites, plus Teams standalone. If the customer does not need Teams: Offer “no Teams” suites. <p>Alternative scenarios – beginning Apr 1, 2024:</p> <ul style="list-style-type: none"> If an active quote, public tender, or framework agreement was issued before this date for an Enterprise suite with Teams, and has not expired, the CSP may transact the included SKU(s) for the customer. The customer will then be considered an existing customer

Frontline & Microsoft 365 Business Basic/Standard/Premium scenarios for CSP/Direct customers outside the EEA and Switzerland

² Transitions are the equivalent of Step-ups in the CSP/Direct context. Partial transitions are not supported; they customer must transition all seats for a given subscription.

Licensing profile	Impact
Existing Office 365 F3 / Microsoft 365 F1/F3 or Microsoft 365 Business Basic / Standard / Premium customer	No impact. They can renew / add new seats / upgrade using transitions (transitions apply to CSP only). ² Alternative scenarios – starting Apr 1, 2024: If a customer does not want Teams, they can switch to the Frontline or Business suites without Teams.
New Office 365 F3 / Microsoft 365 F1/F3 or Microsoft 365 Business Basic / Standard / Premium customer	Starting Apr 1, 2024: <ul style="list-style-type: none"> • If the customer needs Teams: Offer Frontline or Business suites that include Teams. • If the customer does not need Teams: Offer “no Teams” versions of Frontline or Business suites.

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