

Updating CSP authorization requirements to drive customer success



At [Microsoft Ignite 2024](#), we highlighted the \$661 billion total addressable market (TAM) opportunity for small and medium enterprise customer segments in the 2025 fiscal year (FY25) and beyond.*

As a **Cloud Solution Provider (CSP) partner**, you play a key role in capturing this opportunity, offering the value-added services and trusted guidance that accelerate AI transformation for customers.

That's why it's essential that we have a highly capable and compliant ecosystem of partners. To that end, we'll be implementing **new authorization requirements** for direct bill partners, distributors (formerly indirect providers), and indirect resellers in CSP.

*Microsoft estimates based on IDC data, October 2024. Throughout this document, \$ refers to US dollar (USD).

Channel growth

To realize channel growth, CSP partners authorized in our ecosystem should possess expertise across these **six foundational pillars**.

- Securing sufficient TAM to support healthy and thriving partner businesses
- Demonstrating proven sales capacity and solution area capability
- Delivering operational integrity, consistency, and reliability
- Providing first-level support for customers and resellers
- Leading with compliance practices to mitigate risks
- Maintaining security postures that build, maintain, and reinforce customer trust

Timing

Beginning **October 1, 2025**, our updated CSP authorization eligibility requirements will be **enforced for all sales motions** (direct bill partners, distributors, and indirect resellers). The enforcement date may vary based on current status (new applicant or existing).

- New potential CSP partners must meet **all listed FY26 requirements** to be considered for authorization as a CSP partner.
- Existing CSP partners must meet **all listed FY26 requirements** to maintain authorized status and will be evaluated on the eligibility requirements of their specific CSP authorization tier. Enforcement of these requirements will take place on the anniversary month of the first tenant authorized.

Specifications

CSP authorization eligibility requirement changes can fall into one of three basic categories:

- Introduction of new authorization requirements
- Enforcement of existing authorization requirements
- Introduction of annual reauthorization requirements

Direct bill partners

Highlighted cells indicates new requirement

Requirements	FY25	FY26	FY27
1. Signed Microsoft Partner Agreement (MPA) for indirect reseller	✓	✓	✓
2. 12+ months as a transacting indirect reseller	✓	✓	✓
3. Minimum trailing twelve month (TTM) revenue requirement	✓ (\$300K at PGA)	✓ (\$1M at PGA)	✓ (\$1M at PGA)
4. Completed the mandatory security requirements (details)	-	✓	✓
5. Minimum assessment score Assessment pillars Sales capacity + solution expertise + operations capability + support practice + compliance framework + security	✓ Only for new and geo expansion partners	✓ Enforced annually (Security pillar & solutions expertise replaced by Security Requirement & Solution Partner designations)	✓ (Support Practice replaced by Support Services designation)
5a. Solutions Partner designations for solution areas (details)	-	✓ (at least 1 Solution Partner designation)	✓ (per solution area)
5b. Support Services designation	-	-	✓
6. Active support plan (Advanced Support for Partners, Premier Support for Partners)	Enforced at initial onboarding	✓ Enforced annually	Required as part of Support Services designation
7. Signed MPA for direct bill partner	✓	✓	✓

- New direct bill partners—effective October 1, 2025**

 - If a new direct bill partner does not meet all eligibility thresholds:
 - Partner is not eligible for onboarding as an authorized CSP partner.
 - Partner is eligible to reapply 12 months after application denial.
- Existing direct bill partners—effective October 1, 2025**

 - If an existing direct bill partner does not meet all eligibility thresholds prior to their annual reassessment date:
 - Partner has the option to transition to indirect reseller authorization.
 - Associated customers will remain associated with this partner until their assessment takes place and eligibility decided.
- If an existing direct bill partner does not meet all eligibility thresholds at the time of their annual reassessment date:
 - Partner is not eligible to remain an authorized CSP partner.
 - Offboarding and deauthorization protocols will take effect.
 - Associated customers will receive notification that their partner has been deauthorized and will receive instructions on how to find a new reseller.

Distributor

Requirements	FY25	FY26	FY27
1. Internal GPS nomination and approval	✓	✓	✓
2. Complete business verification/vetting (details)	✓	✓	✓
3. Minimum TTM revenue requirement	✓	✓	✓
4. Completed the mandatory security requirements (details)	-	✓	✓
5. Minimum assessment score Assessment pillars Sales capacity + solution expertise + operations capability + support practice + compliance framework + security	✓ Only for new and geo expansion partners	✓ Enforced annually (Security pillar replaced by security requirement)	(replaced by Distributor and Support Services designations)
5a. Distributor designation	Preview (Q4)	General Availability (Q1)	✓
5b. Support Services designation	-	-	✓
6. Active support plan (Advanced Support for Partners, Premier Support for Partners)	Not enforced	✓ Enforced	Required as part of Support Services designation
7. Signed MPA for indirect providers	✓	✓	✓

- New distributor nominee—effective October 1, 2025**

 - If a new distributor does not meet all eligibility thresholds:
 - Partner is not eligible for onboarding as an authorized distributor.
 - Partner is eligible to reapply 12 months after application denial.
- Existing distributors—effective October 1, 2025**

 - If an existing indirect provider does not meet all eligibility thresholds at the time of annual reassessment:
 - Partner is not eligible to remain an authorized CSP distributor.
 - Offboarding and deauthorization protocols will take effect.
 - Associated indirect resellers must be assigned to a compliant distributor or distributors.

Indirect reseller

Requirements	FY25	FY26	FY27
1. Complete business verification/vetting (details)	✓	✓	No changes from FY26
2. Signed MPA for indirect reseller	✓	✓	
3. \$1,000 TTM billed revenue at PLA (enforced annually, not required for initial onboarding)	Not enforced	✓ Enforcement starts Oct 2025	
4. Completed the mandatory security requirements (details)	-	✓	

- New indirect reseller—effective October 1, 2025**

 - Starting October 1, if a direct bill partner opts to transition to indirect reseller status, but does not meet the eligibility thresholds:
 - Partner is not eligible for onboarding as an authorized CSP partner.
 - Partner is eligible to reapply 12 months after application denial.
- Existing indirect reseller—effective October 1, 2025**

 - If an existing indirect reseller does not meet all eligibility thresholds:
 - Partner is not eligible to remain an authorized CSP partner.
 - Offboarding and deauthorization protocols will take effect.
 - Partner is eligible to reapply 12 months after offboarding.