Electronic invoicing in public procurement

2013/0213(COD) - 06/01/2014 - Committee report tabled for plenary, 1st reading/single reading

The Committee on the Internal Market and Consumer Protection adopted the report by Birgit COLLIN-LANGEN (EPP, DE) on the proposal for a Directive of the European Parliament and of the Council on electronic invoicing in public procurement.

The committee recommended that Parliament's position in first reading following the ordinary legislative procedure should amend the Commission proposal as follows:

Scope: the directive will not apply to certain contracts awarded under Directive 2009/81/EC on the coordination of procedures for the award of certain works contracts, supply contracts and service contracts by contracting authorities or entities in the **fields of defense and security.**

The directive will not apply where contracting authorities and contracting entities receive electronic invoices where they consider it necessary, in the interests of security, to use invoice formats or impose other invoicing requirements that are incompatible with this Directive.

Requirements relating to the content of the standard: the proposal does not contain any requirements for the content of the standard that would form the basis for applying standardisation procedures.

Accordingly, Members set out **the core elements of electronic invoices in a new annex,** along the lines of the provisions of Directive 2006/112/EC on VAT.

Drawing up a European standard: the Commission shall request the relevant European standardisation organisation to draft a European standard for the semantic data model of the key components of an electronic invoice. It shall set the European standardisation organisation a deadline of **24 months** for the elaboration and adoption of the European standard.

The European standard should conform at least to the following:

- be technologically neutral;
- be interoperable;
- meet the requirements of Council Directive 2006/112/EC;
- have regard to the need for **personal data protection** in accordance with Directive 95/46/EC, to a 'data protection by design' approach and to the principles of proportionality, data minimisation and purpose limitation;
- allow for the establishment of **practical, user-friendly and flexible** e-invoicing systems;
- take into account the special needs of **small and medium-sized enterprises** as well as the sub-central contracting authorities and contracting entities.

Lastly, the European standard should be **compatible with relevant international standards** on electronic invoicing in order to prevent suppliers from third countries encountering technical market access barriers.

Test phase: once the European standard is adopted, the Commission shall **test, within a period of six months,** the practical application of the standard, as it shall exist for use by an end user. Within one month of completion of the testing procedure, it shall submit a report on the outcome to the European Parliament and the Council.

Where the test has been satisfactorily completed, the Commission shall adopt an **implementing act**, in which it shall state that the standard satisfies the requirements of the request and that it decides to publish the reference to such standard in the Official Journal of the European Union. The implementing act will be adopted at the latest **9 months after the adoption of the standard** by the relevant standardisation organisation.

The Commission may dispense with the test procedure if it, or the competent standardisation organisation, has already verified, during the process of drawing up the standard, that the practical application of the standard meets the relevant requirements. In this case, it must adopt an implementing act at the latest **3 months** after the adoption of the standard by the relevant standardisation organisation.

Formal objections to the European standard: Members inserted the option for a Member State or the European Parliament to state objections and inform the Commission giving detailed reasons. The Commission shall decide:

- to publish, not to publish, or to publish with restriction the references to the European standard concerned in the Official Journal of the European Union;

- to maintain, to maintain with restriction or to withdraw the references to the European standard concerned in, or from, the Official Journal of the European Union.

Maintenance and further development of the European standard: the Commission may request the relevant European standardisation organisation to revise the European standard.

Amendment of the requirements for the European standard: the Commission shall be empowered to adopt delegated acts in order to amend the requirements for the European standard for the semantic data model for the key components of an electronic invoice.

Committee procedures: the Commission shall be assisted by the committee established under Regulation (EU) No 1025/2012 of the European Parliament and of the Council. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.

Transposition: in order to allow sufficient time for the necessary technical, organisational and financial adjustments, Members considered it advisable to provide for a phased implementation period of **51 months** for central government authorities and **67 months** for sub-central contracting authorities.