



Local & Regional
Europe

Electronic invoicing in public procurement

“A testing phase and capacity-building are key for an effective acceptance of e-invoicing by public authorities”

CEMR response to the European Commission’s proposal for a directive on electronic invoicing in public procurement – COM(2013) 449 final

October 2013

CEMR Key messages

1. A single European e-invoicing standard should help foster interoperability between the different systems of e-invoicing, which currently exist at the national, regional, and local level. However, the Commission's approach to e-invoicing seems a little rushed as the legislation obliges all contracting authorities to accept e-invoices sent according to a standard which has not yet been finalised, published, or fully tested in large scale in many Member States.
2. As a principle CEMR believes it is not good governance or good legislative practice in any policy field to seek to directly implement a standard which has not been finalised, published, consulted upon, widely discussed or tested at EU level.
3. CEMR therefore asks for a testing phase of the European e-invoicing standard in large scale, which would help promote the new semantic data model and raise awareness and understanding amongst contracting authorities and suppliers. This is an essential first step.
4. CEMR also strongly supports the development of national framework agreements including detailed action plans to facilitate the transition towards the single system. As supported by the Commission in its Communication of 26th June 2013¹, the action plans should include the implementation of training programmes, capacity-building and infrastructure investments through the use of European structural and investment funds.
5. CEMR calls for a coherent approach to promoting the new e-invoicing standard in line with the wider e-procurement requirements specified in the new Public Procurement Directives.

¹ COM(2013) 453 final

CEMR position

1. CEMR acknowledges that e-invoicing is an important step towards achieving e-government objectives. Greater take up of e-invoicing should reduce costs and red tape for both local and regional authorities and companies.
2. CEMR wants to stress that, although some Member States have introduced e-invoicing nationally, there are still wide disparities. Moreover, many of these initiatives are often based on national standards that are not interoperable.
3. The Commission's proposal for a directive on electronic invoicing in public procurement is:
 - for a new European e-invoicing standard to be drawn up by the European Committee for Standardisation (CEN);
 - for Member States to have to ensure that contracting authorities and contracting entities may not refuse to accept electronic invoices complying with the standard, with effect from 48 months after the directive enters into force.
4. CEMR notes that there is no recognised European e-invoicing standard that is used in large scale in many countries. This makes it difficult to evaluate the impact of the proposal on local and regional government.
5. CEMR welcomes the development of a European standard by CEN. This process requires involvement of industry, associations and public administration. Expertise is required.
6. Such a standard should be based on an open semantic model and not hamper innovation. Only when this standard is published, it is possible to begin the development phase of the application software and the test run.
7. Such a standard should also promote a limited number of syntaxes as already developed by international standardisation bodies. It would be costly for local and regional authorities to have to accept an unlimited number of different or new syntax standards which complied with the semantic data model.
8. CEMR rejects a fixed implementation date for an obligation to accept e-invoices that meet the European standard, when the standard itself has not yet been published. Therefore CEMR proposes to link the implementation date to 36 months after publication of the standard.
9. This should give administrations, their software suppliers and businesses, sufficient time to adapt their payment systems.

10. CEMR asks for national/local guidance and capacity-building for both public authorities and suppliers in order to be able to implement and use the EU standard without additional heavy costs. Such guidance should always be developed in conjunction with local and regional authorities.
11. This could entail using EU funds to help train and support contracting authorities; help in acquiring IT systems for accepting e-invoices, for example in the form of a central framework agreement through which individual authorities can procure assistance in drawing up requirements for their own procurement of e-invoicing technologies and software.
12. CEMR invites the Commission to follow its own proposals and asks, in light of its ambitious goals in this field, to ensure that compliant e-invoices submitted to it by EU-funding beneficiaries and suppliers will be accepted from the same implementation date as that finally agreed for contracting authorities.
13. CEMR stresses the need for proper coordination between e-procurement obligations in the new procurement directives and this proposal on an e-invoicing directive. Both sets of requirements should be coherent and communicated clearly to stakeholders.
14. The Commission should continue to consider appropriate initiatives to promote the take up of e-invoicing for business-to-business payments i.e. a general enterprise measure not solely relating to the field of public procurement.
15. CEMR is after all concerned about the impact the proposal for a new data protection regulation can have on the proper use of e-invoicing, without adding administrative burden and conflicting with national rules regarding accounting and archiving.

Annex 1: proposal for amendment

Article 6

Transposition

1. Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive by 36 months following the publication of the reference to the European standard in the Official Journal of the European Union pursuant to Article 3(2). They shall forthwith communicate to the Commission the text of those provisions.

When Member States adopt those provisions, they shall contain a reference to this Directive or be accompanied by such a reference on the occasion of their official publication. Member States shall determine how such reference is to be made.

2. Member States shall communicate to the Commission the text of the main provisions of national law which they adopt in the field covered by this Directive.

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About CEMR

The Council of European Municipalities and Regions (CEMR) is the broadest organisation of local and regional authorities in Europe. Its members are over 50 national associations of municipalities and regions from 41 European countries. Together these associations represent some 150 000 local and regional authorities.

CEMR's objectives are twofold: to influence European legislation on behalf of local and regional authorities and to provide a platform for exchange between its member associations and their elected officials and experts.

Moreover, CEMR is the European section of United Cities and Local Governments (UCLG), the worldwide organisation of local government.

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