



EUROPEAN COMMISSION

STATEMENT

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E-invoicing: European Parliament backs Commission proposal to eliminate barriers to cross-border public procurement

The European Parliament has today backed with a substantial majority the European Commission's proposal to modernise EU rules on e-invoicing in public procurement. The approval by the European Parliament of the compromise agreement reached with the Council in January of this year ([MEMO/14/59](#)) brings enterprises and public authorities in Europe one step closer to seeing the benefits of this Directive become reality.

The benefits are numerous: the Directive will contribute to eliminating barriers to cross-border public procurement by ensuring interoperability between national e-invoicing systems which, ultimately, will result in a better functioning Single Market. It will mean faster payments and new business opportunities for suppliers. It will also further reduce the cost and complexity of public procurement in Europe.

In practice, the Directive calls for the development of a new European standard for electronic invoicing. Provided that the e-invoices sent by a company are compliant with the forthcoming European standard on e-invoicing in public procurement, they will ultimately be accepted by all public authorities throughout Europe.

E-invoicing is an important step towards paperless public administration (e-government) in Europe – one of the priorities of the Digital Agenda – and offers the potential for significant economic as well as environmental benefits. The adoption of e-invoicing in public procurement alone across the EU could generate savings of up to €2.3 billion a year.

"Supporting modern and efficient public administration in the EU and strengthening the Single Market are key priorities for the European Commission. By developing a new European e-invoicing standard and making reception of e-invoices sent in this standard obligatory for all public authorities, the new rules will contribute to both of these objectives. On the one hand, they will greatly reduce the cost and complexity of using e-invoices for both governments and businesses, including SMEs. On the other, they will remove market barriers and enhance cross-border interoperability between e-invoicing systems. This initiative shows that European policies can be an important driver for simplification and that they can help open up new business opportunities for European enterprises. Finally, switching from paper to fully automated invoicing contributes to the fight against fraud. These are all concrete and tangible benefits which are particularly relevant in the current economic climate," said Internal Market and Services Commissioner Michel Barnier. "I want to thank the European Parliament, especially the rapporteur, Birgit Collin-Langen, and the shadow rapporteurs for their work on this important file, one of the Key Actions of the Single Market Act II".

Next steps: Following the Parliament's vote, the Directive will be formally adopted by the Council before publication in the Official Journal of the EU, entry into force and transposition by the Member States into national law.

Background

On 26 June 2013, the European Commission proposed a draft Directive on e-invoicing in public procurement ([IP/13/608](#)). The main objectives of the new rules are:

To allow interoperability of e-invoices sent across the EU

The directive on electronic invoicing in public procurement proposes the establishment of a European e-invoicing standard which is expected to improve interoperability between different, mainly national, e-invoicing systems.

It aims to eliminate legal uncertainty, excessive complexity, and additional operating costs for economic operators who currently have to use different electronic invoices across the Member States. It will also help boost the uptake of e-invoicing in Europe which remains very low, accounting for only 4-15% of all invoices exchanged.

To create benefits for economic operators and contracting authorities

Launching the process for the creation of a European standard and ensuring that e-invoices sent in this standard will be accepted EU-wide will provide greater certainty for economic operators. In fact, this initiative gives assurance to enterprises that the initial investment in e-invoicing will produce e-invoices accepted by all public authorities across the EU – provided that the e-invoices sent by the economic operator are compliant with the forthcoming European standard. At the same time, the creation of the e-invoicing standard will allow contracting authorities to receive e-invoices from operators from any EU country, as long as they are compatible with European standard. This will result in greater simplification for both contracting authorities and economic operators who will not have to invest in multiple e-invoicing solutions to be able to send or receive e-invoices sent from other EU Member States.

According to studies carried out by the Member States, the potential savings are of several orders of magnitude larger than the implementation costs and the initial investment can be amortised within a very short period of time (1 to 2 years maximum, in many cases even shorter).

To progress on the transition to end-to-end procurement

Agreeing on the development of a European standard for e-invoicing will contribute to the digitisation of another step of the public procurement procedure. For instance, the introduction of e-invoicing can contribute to the automation of other phases of the public procurement procedure such as e-archiving.

The digitisation of public procurement, while contributing to the reduction of public procurement expenditure, also fosters innovation and cross-border public procurement. The transition to end-to-end e-procurement can generate all these benefits and more: it can result in significant savings and simplification for market actors, and initiate structural re-thinking of certain areas of public administration. It can also facilitate SME participation in public procurement by reducing administrative burden, by increasing transparency over business opportunities, and by lowering participation costs.

For more information

[MEMO/14/179](#)

http://ec.europa.eu/internal_market/publicprocurement/e-procurement/e-invoicing/index_en.htm

Contacts :

[Chantal Hughes](#) (+32 2 296 44 50)

[Audrey Augier](#) (+32 2 297 16 07)

[Carmel Dunne](#) (+32 2 299 88 94)

For the public: **Europe Direct** by phone **00 800 6 7 8 9 10 11** or by [e-mail](#)