

DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of

on electronic invoicing in public procurement

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 114 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national Parliaments,

Having regard to the opinion of the European Economic and Social Committee¹,

Having regard to the opinion of the Committee of the Regions²,

Acting in accordance with the ordinary legislative procedure,

¹ OJ C , , p. .

² OJ C , , p. .

Whereas:

- (1) Several global, national, regional and proprietary standards on electronic invoices exist and are currently used in Member States. None of these standards prevails, and most of them are not interoperable.
- (2) In the absence of a common standard, Member States decide, when promoting the use of electronic invoices in public procurement or making it mandatory, to develop their own technical solutions based on separate national standards. Hence, the number of different standards coexisting across Member States is increasing and is likely to continue increasing in the future.
- (3) The multiplicity of non-interoperable standards results in excessive complexity, legal uncertainty and additional operating costs for economic operators using electronic invoices across Member States. Economic operators wishing to carry out cross-border procurement activities are often required to comply with a new e-invoicing standard each time they access a new market. By discouraging economic operators from undertaking cross-border procurement activities, the divergent legal and technical requirements concerning electronic invoices constitute market access barriers in cross-border public procurement and obstacles to trade. They obstruct the fundamental freedoms and thus have a direct effect on the functioning of the internal market.

- (4) Those obstacles to intra-Union trade are likely to increase in the future as more non-interoperable national and proprietary standards are developed and as the use of electronic invoices in public procurement becomes more widespread or is made mandatory in Member States.
- (5) Obstacles to ***crossborder*** trade deriving from the co-existence of several legal requirements and technical standards on electronic ***invoicing*** and from the lack of interoperability should be removed or reduced. In order to achieve this objective, a common European standard for the semantic data model of the core ***elements of an*** electronic invoice should be developed. ***This standard should set out and describe the core elements which an electronic invoice must always contain, thus facilitating the sending and receipt of electronic invoices between systems based on different technical standards. Provided that they do not conflict with the new European standard, existing national technical standards should neither be replaced nor their use restricted by this standard, and it should remain possible to continue to apply them in parallel with the new European standard.***

- (5a) *The goal of interoperability is to allow information to be presented and processed in a consistent manner between business systems, regardless of their technology, application or platform. Full interoperability includes the ability to interoperate on three distinct levels: in terms of the content of the invoice (semantics), the format or language used (syntax), and the method of transmission. Semantic interoperability implies that the electronic invoice contains a certain amount of required information, and that the precise meaning of the exchanged information is preserved and understood in an unambiguous manner, independently of the way in which it is physically represented or transmitted. Syntactic interoperability implies that the data elements of an electronic invoice are presented in a format which can be exchanged directly between the sender and recipient and processed automatically. Syntactic interoperability can be ensured in one of two ways, namely through the use of a common syntax or by means of mapping between different syntaxes.*
- (5b) *A large number of syntaxes exist on the market. More and more, syntactic interoperability is ensured by means of mapping. This method is effective as long as the invoice contains all the required data elements at the semantic level and if their meaning is unambiguous. Since currently this is frequently not the case, action is therefore required to ensure interoperability at semantic level. In order to further simplify the use of e-invoicing and reduce costs, one of the long-term objectives should be to limit the number of syntaxes used preferably by recognizing only the most commonly used ones.*

- (5c) *Invoices issued in different business sectors may require the inclusion of information specific to those sectors. Nevertheless, a limited number of common standard elements should be included in all invoices. The presence of these elements is indispensable for verification of whether the invoice properly reflects the underlying business transaction and to ensure that it is legally valid. A list of such elements required for VAT purposes is provided by Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax¹. The European Standard for an electronic invoice should therefore be consistent with this core set of invoice information.*
- (6) The Commission should apply the relevant provisions of Regulation (EU) No 1025/2012 of the European Parliament and of the Council of 25 October 2012 on European standardisation² to request the relevant European standardisation organisation to draft a European standard for the semantic data model *for* the core *elements of an* electronic invoice (*hereafter referred to as the ‘European standard on electronic invoicing’*). *Under Article 10(2) and 22(3) of Regulation (EU) No 1025/2012, the Commission's decision laying down such a request is subject to Article 5 (examination procedure) of Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers³.*

¹ OJ L 347, 11.12.2006, p. 1.
² OJ L 316, 14.11.2012, p. 12.
³ OJ L 55, 28.2.2011, p. 13.

- (6a) In its request to the relevant European standardisation organisation, the Commission should require that such *a* European standard *on electronic invoicing* is technologically neutral in order to avoid any distortion of competition, *that it should be compatible with relevant international standards on electronic invoicing, in order to prevent suppliers from third countries encountering technical market access barriers and to make it easier for European suppliers to send electronic invoices to buyers in third countries, and that it should be in accordance with Council Directive 2006/112/EC¹*. Since electronic invoices may contain personal data, the Commission should also require that such *a* European standard *on electronic invoicing has regard to* personal data protection, in accordance with Directive 95/46/EC of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data² *and the principles of data protection by design, proportionality and data minimisation*. In addition to these minimum requirements, the Commission should determine, in its request to the relevant European standardisation organisation, further requirements as to the content of such European standard *on electronic invoicing* and a deadline for its adoption.
- (6b) *Definitions relating to the award of contracts which are contained in this Directive should be in accordance with European legislation on public procurement.*
- (6c) *The European standard on e-invoicing* should define semantic data elements referring to, in particular, complementary seller and buyer data, process identifiers, invoice attributes, invoice item details, delivery information, *and* payment details and terms. *The core elements of an electronic invoice should be included in every electronic invoice. This would ensure clear and uniform application of e-invoicing.*

¹ OJ L 347, 11.12.2006, p. 1.

² OJ L 281, 23.11.1995, p. 31.

- (6d) *The European standard should also be suitable for use in commercial transactions between enterprises. Therefore, in order to allow private economic operators to use the new standard in their business dealings with one another, the Commission should ensure that such standard is not developed in a way which makes it suitable solely for use in the area of public procurement.*
- (7) The European standard *on electronic invoicing* should *be based* on existing specifications developed *within the framework of* European standardisation organisations such as CEN (CWA 16356-*MUG* and CWA 16562-*CEN BII*), *and should take into account other relevant specifications developed within the framework of international standardisation organisations, such as* UN/CEFACT (CII v. 2.0) *and ISO (Financial Invoice based on the ISO 20022 methodology). In carrying out the mandate, the relevant European standardisation organisation should also take into account the results of Large-Scale Pilot Projects implemented within the framework of the Policy Support Programme of the Competitiveness and Innovation Framework Programme (CIP) and e-invoicing specifications of any other relevant bodies and organisations that are widely used by the business community.* It should also be compatible with the existing standards for payments in order to allow for automatic processing of payments.

- (7a) *While a sender of an electronic invoice should continue to have the possibility to guarantee the authenticity of the origin and the integrity of the content of the invoice by several methods, including by means of an electronic signature, in order to ensure compliance with the objectives of Council Directive 2006/112/EC, the European standard on electronic invoicing should not contain as one of its elements a requirement for an electronic signature.*
- (7b) *In order to ensure that small and medium-sized enterprises can also benefit from electronic invoicing in public procurement, the European standard should make it possible to set up user-friendly e-invoicing systems, namely ones which are easy to understand and easy to use. In this respect, the fact that small and medium-sized enterprises, in particular, as well as smaller contracting authorities and contracting entities have only limited staff and financial resources should also be taken into account.*

- (7c) *In the implementation of this Directive, Member States should take into account the needs of small and medium-sized enterprises and smaller contracting authorities and contracting entities, and offer to all contracting authorities, contracting entities and suppliers the necessary support so that the European standard can be used. Moreover, training measures should be provided, in particular for small and medium-sized enterprises.*
- (8) Where the European standard *on electronic invoicing and the list of syntaxes complying with the standard* drawn up by the relevant European standardisation organisation *satisfy* the requirements contained in the Commission's request, *and where such standard has been tested*, the references of such European standard *on electronic invoicing and list of syntaxes* should be published in the Official Journal of the European Union.
- (8a) *In order to avoid excessive costs and burden for the contracting authorities and contracting entities, the relevant European standardisation organisation should be requested to identify a list with a limited number of syntaxes (not comprising the European standard) which comply with the European standard on electronic invoicing. The identified syntaxes must already be widely and successfully used by economic operators and contracting authorities. In order to facilitate and accelerate implementation by Member States, the relevant standardisation organisation will be requested to provide appropriate syntax bindings from the standard to all syntaxes identified in the list. Syntax bindings are guidelines on how the standard could be represented in the different syntaxes. This standardisation deliverable seeks to complement the standard for the semantic data model for the core elements of the electronic invoice and the list of syntaxes that comply with the standard.*

- (8b) *The Commission shall publish the list of syntaxes in the Official Journal of the European Union along with the reference of the European standard on electronic invoicing. The European standardisation organisation should also be requested to draft guidelines on transmission interoperability (not comprising the European standard) in order to facilitate the use of the European standard on electronic invoicing. These guidelines should not be obligatory on contracting authorities and contracting entities.*
- (8c) *European standardisation organisations regularly review and update standards as necessary in order to respond to technological developments. In light of the rapid nature of such developments in the ICT sector, the Commission should be able to also request the relevant European standardisation organisation to revise and update the standard in order to take into account these developments and ensure continuing interoperability.*
- (8d) *For the review and update of the list of syntaxes, the Commission should be able to adopt an implementing act to respond to technological developments or market requirements. In the case of more complex adjustments, the Commission should be able to also request the relevant European standardisation organisation to revise and update the list of syntaxes.*

- (8e) *Where it deems it necessary to ensure the full and on-going interoperability, to take into account technological developments or to limit the number of syntaxes to be used, the Commission may review an adopted list of syntaxes. In doing so, the Commission should take into account the list of syntaxes identified, reviewed and updated by the relevant European standardisation organisation.*
- (8f) *Prior to the introduction, in the Member States, of the European standard for the semantic data model of the key components of an electronic invoice the practical application of the standard should be sufficiently tested. The practical application of the standard should be thoroughly assessed during the process of drawing up the standard. The assessment should involve end users, and should address, in particular, aspects of practicality and user-friendliness, and should demonstrate that the standard can be implemented in a cost efficient and proportionate manner.*
- (8g) *The provisions on the development of the standard and the other standardisation deliverables laid down in this Directive are in line with the relevant provisions of Regulation (EU) No 1025/2012/EU. However, taking into account the specificities of this Directive, it is appropriate to provide that the decisions to publish, not to publish or to publish with restriction the references to the standard and the list of syntaxes are adopted in accordance with the examination procedure. This is without prejudice to the application of Article 11 of Regulation (EU) No 1025/2012/EU.*

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- (9) *Upon the expiry of the transposition deadlines laid down in this Directive, contracting authorities and contracting entities should **have the obligation to receive and process** electronic invoices which comply with **the** common European standard **and with any of the syntaxes on the list published by the Commission**. This implies that contracting authorities and contracting entities should not refuse electronic invoices which meet the above conditions solely on the grounds of non-compliance with **■** requirements **other than those specifically provided for in this Directive** (for example national or sector-specific requirements, **or additional technical requirements of any kind**). However, other compelling grounds for refusal (e.g. relating to contractual conditions) should not be affected by this obligation. Before paying the invoice, contracting authorities and contracting entities should in any case remain free to verify whether the content of the electronic invoice correctly reflects the underlying business transaction (i.e. whether the invoice amount is correct) and whether the invoice has been addressed to the correct recipient. The obligation to not refuse electronic invoices in accordance with this Directive is without prejudice to Article 4 of Directive 2011/7/EU of the European Parliament and of the Council on combating late payment in commercial transactions.*

(9a) *In his opinion of 11 November 2013, the European Data Protection Supervisor published his recommendations for ensuring adequate data protection in the application of this Directive. These recommendations should be borne in mind when drawing up the standard and in the processing of personal data by public authorities and contracting entities. In particular, it should be made clear that existing data protection laws also apply in the area of electronic invoicing and that the publication of personal data for transparency and accountability purposes must be in keeping with the protection of privacy.*

- (10) This Directive should apply to electronic invoices received by contracting authorities and contracting entities and issued as a result of the performance of contracts **to which** Directive [replacing Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004 on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts¹], Directive [replacing Directive 2004/17/EC of the European Parliament and of the Council of 31 March 2004 coordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors²], **Directive [on the award of concession contracts]**, or Directive 2009/81/EC of the European Parliament and of the Council of 13 July 2009 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 defence and security, and amending Directives 2004/17/EC and 2004/18/EC³ **applies. Only electronic invoices issued by the economic operator to whom the public contract or concession contract has been awarded (the main contractor) are covered by this Directive. However, when Member States, pursuant to Art 71 of [Directive replacing Directive 2004/18/EC] and Art 81 of [Directive replacing Directive 2004/17/EC] provide for direct payment to subcontractors, the arrangement to be determined in the procurement documents should include provisions concerning the use or not of electronic invoicing in the payments to the subcontractors. It should be clarified that, when a contract is awarded to a group of economic operators, this Directive applies to electronic invoices issued by the group as such or by the individual economic operators.**

¹ OJ L 134, 30.4.2004, p. 114.

² OJ L 134, 30.4.2004, p. 1.

³ OJ L 216, 20.8.2009, p. 76.

- (10a) *The term 'concessions' is defined in Article 2 point 1 of the Directive on the award of concession contracts. The object of concessions contracts is the procurement of works or services by means of a concession, the consideration of which consists in the right to exploit the works or services or in that right together with payment. Where concession contracts involving payments require invoices to be issued by the economic operator to whom the concession contract has been awarded, this Directive should also apply.*
- (10b) *The application of this Directive is subject to Article 346 TFEU. This Directive does not apply to electronic invoices issued as a result of the performance of contracts (declared secret or accompanied by special security measures) which are excluded from the scope of Directive [replacing Directive 2004/18/EC], Directive [replacing Directive 2004/17/EC], [Directive [on the award of concession contracts]] pursuant to, respectively, Articles 14, 20a, and [8(4)] thereof. Under the same conditions, a specific exclusion should be provided in this Directive for electronic invoices issued as a result of the performance of such contracts (declared secret or accompanied by special security measures), which fall within the scope of Directive 2009/81/EC.*

- (12) By ensuring semantic interoperability and improving legal certainty, this Directive will also promote the uptake of electronic invoicing in public procurement, thereby allowing Member States, contracting authorities, contracting entities, and economic operators to **generate** significant benefits in terms of savings, environmental impact, and reduction of administrative burdens.
- (12a) *The benefits from electronic invoicing are maximised when the generation, sending, transmission, reception, and processing of an invoice can be fully automated. For this reason, only machine-readable invoices which can be processed automatically and digitally by the recipient should be considered as being compliant with the European standard on electronic invoicing. A mere image file cannot be considered to be an electronic invoice in terms of this Directive.*
- (13) The European Council, in its conclusions of 28 and 29 June **2012 and 24 October 2013**, stated that priority should be given to measures aimed at further developing cross-border online trade **and the modernisation of public administrations**, including by facilitating the transition to **and through the swift implementation of** electronic invoicing.

- (14) The European Parliament in its resolution of 20 April 2012 pointed at market fragmentation resulting from national rules on electronic invoicing, underlined the substantial benefits offered by electronic invoicing, and stressed the importance of legal certainty, a clear technical environment and open and interoperable electronic invoicing solutions based on common legal requirements, business processes and technical standards. For these reasons, the European Parliament called on making electronic invoicing in public procurement mandatory by 2016.
- (15) The European Multi-stakeholder Forum on Electronic Invoicing (e-invoicing) set up by Commission Decision of 2 November 2010¹ *unanimously* adopted a Recommendation on *the use of a semantic data model to support* interoperability for electronic invoicing in *October* 2013.
- (16) Since contracting authorities and contracting entities will be able to accept electronic invoices which comply with standards other than the ■ European standard *on electronic invoicing* as well as paper invoices unless otherwise provided in national legislation, this Directive does not place any additional costs or burden on enterprises, including micro, small and medium-sized enterprises in the meaning of Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises².

¹ OJ C 326, 3.12.2010, p. 13.

² OJ L 124, 20.5.2003, p. 36.

- (16a) *The Directive should require only recipients, i.e. contracting authorities, central purchasing bodies and contracting entities, to accept and process electronic invoices. This Directive is without prejudice to the right of the sender of the invoice to choose between submitting the invoice in accordance with the European standard, in accordance with national or other technical standards, or in paper format. However, the present Directive does not prevent Member States from mandating that only electronic invoices can be submitted in the framework of public procurement. Should the sender choose to submit the invoice using the European standard, the recipient's obligation to receive and process only applies if the invoice is in one of the syntaxes included on the list of syntaxes published by the Commission in the Official Journal. This is without prejudice to the sender making use of the services of a third party to translate between its own syntax and one of those on the list.*
- (16b) *The Commission and the Member States should make every effort to minimise the cost of the European standard on electronic invoicing for its users, in particular for micro, small and medium-sized enterprises, so as to facilitate its uptake across the European Union.*

- (17) *Since Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax¹⁵ contains rules on invoicing, including on electronic invoicing, its relationship with this Directive should be clarified. This Directive pursues a different objective and has a different scope of application than Council Directive 2006/112/EC, and hence it does not affect the provisions on the use of electronic invoices for VAT purposes contained in Council Directive 2006/112/EC. In particular, Article 232 of Council Directive 2006/112/EC concerns the relations between trading parties and aims to ensure that the use of electronic invoices by the sender cannot be imposed on the recipient. However, this is without prejudice to the right of Member States to impose on contracting authorities and contracting entities an obligation to receive, under certain conditions, electronic invoices.*
- (18) *In order to allow contracting authorities and contracting entities to properly prepare and take the technical measures that, following the establishment of the European standard on electronic invoicing and approval of the list of syntaxes, are necessary to comply with the provisions of this Directive, and having in mind the necessity of swift implementation of electronic invoicing, a transposition deadline of 18 months following the publication of the reference of the European standard on electronic invoicing and the list of syntaxes in the Official Journal of the European Union is justified. Notwithstanding this general transposition deadline and seeking to facilitate the take up of electronic invoicing for certain contracting authorities, such as local and regional contracting authorities and public undertakings, Member States may postpone the application of the requirements of this Directive for sub-central contracting authorities and contracting entities until 30 months following the publication of the reference of the European standard on electronic invoicing and the list of syntaxes in the Official Journal of the European Union. This possibility to postpone the application of the requirements of this Directive should not apply to central purchasing bodies.*

- (18a) *In order to facilitate the implementation of the requirements of this Directive for contracting authorities and contracting entities, the Commission will ensure that the Member States are fully and regularly kept informed of the progress of work in terms of the development of the standard and the related standardisation deliverables to be undertaken by the relevant European standardisation organisations. This should allow the Member States to undertake the necessary preparatory work with a view to completing implementation within the agreed deadlines.*
- (18b) *The standardisation of electronic invoicing complements efforts to promote the uptake of electronic procurement as reflected in the relevant provisions of Directive [replacing Directive 2004/18/EC] and Directive [replacing Directive 2004/17/EC].*
- (18c) *In order to ensure uniform conditions for the implementation of this Directive, as for the drawing up, the restriction and the review of the list of syntaxes, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council. The examination procedure should be used for the adoption of the implementing acts concerning the list of syntaxes given the fact that they serve to facilitate the application of the European standard on electronic invoice and ensure interoperability and rapid response to technological developments. The examination procedure should also be used for the adoption of implementing acts with respect to the objections to the European standard, given that such decision could have consequences on the obligation to receive and process electronic invoices.*

(19) Since the objectives of removing market barriers and obstacles to trade deriving from the existence of different national rules and standards and of ensuring interoperability cannot sufficiently be achieved by the Member States and can therefore be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Directive does not go beyond what is necessary in order to achieve those objectives.

(19a) *In order to facilitate the technical and procedural adaptations which need to be undertaken by all parties involved in public procurement in order to ensure its successful implementation, Member States should where possible make Structural Fund assistance available to all eligible contracting authorities, contracting entities, and small and medium enterprises.*

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(20a) *The European Data Protection Supervisor has been consulted in accordance with Article 28, paragraph 2, of Regulation (EC) No 45/2001 of the European Parliament and of the Council¹ and issued an opinion on 11 November 2013,*

HAVE ADOPTED THIS DIRECTIVE:

¹ *Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data (OJ L 8, 12.1.2001, p. 1).*

Article 1

Scope

This Directive shall apply to electronic invoices issued as a result of the performance of contracts **to which** Directive [replacing Directive 2004/18/EC], Directive [replacing Directive 2004/17/EC], **Directive [on the award of concession contracts]**, or Directive 2009/81/EC **applies**.

This Directive shall not apply to electronic invoices issued as a result of the performance of contracts falling within the scope of Directive 2009/81/EC, where the procurement and performance of the contract are declared to be secret or must be accompanied by special security measures in accordance with the laws, regulations or administrative provisions in force in a Member State, and provided that the Member State has determined that the essential interests concerned cannot be guaranteed by less intrusive measures.

Article 2

Definitions

For the purposes of this Directive, the following definitions shall apply:

- (1) 'electronic invoice' means an invoice that has been issued, ***transmitted*** and received in ***a structured*** electronic format ***which allows for its automatic and electronic processing***;
- (2) 'semantic data model' means a structured and logically interrelated set of terms and ***their*** meanings that specify the ***core elements of an electronic invoice***;

- (3) 'core *elements of an* electronic invoice' *mean* a *set* of *essential* information *components* *which* an electronic invoice *must contain in order* to enable cross-border interoperability, including the necessary information to ensure legal compliance;
- (3a) '*semantic data model*' *means a structured and logically interrelated set of terms and their meanings that specify the content of an electronic invoice;*
- (3b) '*syntax*' *means the machine readable language or dialect used to represent the data elements contained in an electronic invoice;*
- (3c) '*syntax bindings*' *means guidelines on how a semantic data model for an electronic invoice could be represented in the different syntaxes;*
- (4) 'contracting authorities' means contracting authorities as defined in Article [2] *of Directive [replacing Directive 2004/18/EC], Article 1(17) of Directive 2009/81/EC, and Article [3] of Directive [on the award of concession contracts];*
- (4a) '*central government authorities*' *means central government authorities as defined in Article 2(2) of Directive [replacing Directive 2004/18/EC];*
- (4b) '*sub-central contracting authorities*' *means sub-central contracting authorities as defined in Article 2(3) of Directive [replacing Directive 2004/18/EC];*

- (4c) *'central purchasing bodies' means central purchasing bodies as defined in Article 2(10) of Directive [replacing Directive 2004/18/EC];*
- (5) *'contracting entities' means contracting entities as defined in Article [4] of Directive [replacing Directive 2004/17/EC], Article 1(17) of Directive 2009/81/EC, and Article [4] of Directive [on the award of concession contracts];*
- (6) *'international standard' and 'European standard' mean, respectively, an international standard and a European standard as defined in Article 2(1) of Regulation (EU) No 1025/2012.*

Article 3

Establishment of a European standard

1. The Commission shall request the relevant European standardisation organisation to ***draft*** a European standard for the semantic data model ***for*** the core ***elements of an*** electronic invoice.

The Commission shall require that the European standard for the semantic data model ***for*** the core ***elements of an*** electronic invoice ***complies at least with the following criteria:***

- be technologically neutral;
- ***be compatible with relevant international standards on electronic invoicing;***

- *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;*
- *be consistent with the relevant provisions of Council Directive 2006/112/EC;*
- *allows for the establishment of practical, user-friendly, flexible and cost-efficient e-invoicing systems;*
- *takes into account the special needs of small and medium-sized enterprises as well as of sub-central contracting authorities and contracting entities;*
- *is suitable for use in commercial transactions between enterprises.*

The Commission shall request the relevant European standardisation organisation to provide a list with a limited number of syntaxes which comply with the European standard for the semantic data model for the core elements of an electronic invoice, the appropriate syntax mappings and guidelines on transmission interoperability, in order to facilitate the use of such standard.

The requests shall be adopted in accordance with the procedure laid down in Article 10(1) to (5) of Regulation (EU) No 1025/2012.

As part of the work to develop the standard by the relevant European standardisation organisation, and within the timeline identified in [Article 3(2)], the standard shall be tested as to its practical application for an end user. The Commission shall retain overall responsibility for the testing and will ensure that, during the performance of the test, special account shall be taken of the respect of the criteria of practicality, user-friendliness and possible implementation costs in accordance with subparagraph 2 of paragraph 1. The Commission shall submit a report on the outcome to the European Parliament and the Council.

2. Where the European standard, drawn up *in accordance with* the request referred to in paragraph 1, satisfies the requirements contained therein *and where a test phase in accordance with paragraph 2 has been completed*, the Commission shall publish the reference to such standard in the *Official Journal of the European Union*, *together with the list of a limited number of syntaxes drawn up in accordance with the request referred to in paragraph 1. The publication shall be completed within 36 months after the entry into force of this directive.*

Article 3a

Formal objections to the European standard

1. *When a Member State or the European Parliament considers that the European standard and the list of syntaxes do not entirely satisfy the requirements which are set out in Article 3(1), it shall inform the Commission thereof with a detailed explanation, and the Commission shall decide:*
 - (a) *to publish, not to publish, or to publish with restriction the references to the European standard and the list of syntaxes concerned in the Official Journal of the European Union;*
 - (b) *to maintain, to maintain with restriction or to withdraw the references to the European standard and to the list of syntaxes concerned in, or from, the Official Journal of the European Union.*

2. *The Commission shall publish information on its website on the European standard and the list of syntaxes that has been subject to the decision referred to in paragraph 1.*
3. *The Commission shall inform the European standardisation organisation concerned of the decision referred to in paragraph 1 and, if necessary, request the revision of the European standard or list of syntaxes concerned.*
4. *The decisions referred to in point (a) and point (b) of paragraph 1 of this Article shall be adopted in accordance with the examination procedure referred to in Article 5a(2).*

Article 3b

Maintenance and further development of the European standard and list of syntaxes

1. *In order to take into account technological developments and ensure full and on-going interoperability in e-invoicing in public procurement, the Commission may:*
 - (a) *update or revise the European standard for the semantic data model for the core elements of an electronic invoice;*
 - (b) *update or revise the list of syntaxes published by the Commission.*

2. *Where the Commission decides to undertake the action referred to in point (a) of paragraph 1, it shall make a request to the relevant European standardisation organisation. That request shall be made in accordance with the procedure referred to in Article 3(1). The deadlines provided for in Article 3(1) shall not apply.*
3. *The provisions of Article 3a shall apply for any update or revision undertaken in accordance with point (a) of paragraph 1.*
4. *Where the Commission decides to undertake the action referred to in point (b) of paragraph 1, it shall do so either in accordance with the procedure referred to in [Article 5(a)2] of this Directive or by making a request to the relevant European standardisation organisation. Such request shall be made in accordance with the procedure referred to in Article 3(1). The deadlines provided for in Article 3(1) shall not apply.*

Article 3c

Core elements of the electronic invoice

The core elements of the electronic invoice are, inter alia

- (a) Process and invoice identifiers*
- (b) Invoice period*
- (c) Seller information*
- (d) Buyer information*
- (e) Payee information*
- (f) Seller's tax representative information*
- (g) Contract reference*
- (h) Delivery details*
- (i) Payment instructions*
- (j) Allowance or charge information*

- (k) *Invoice line item information*
- (l) *Invoice totals*
- (m) *VAT breakdown*

Article 4

Receipt and processing of electronic invoices

Member States shall ensure that contracting authorities and contracting entities receive *and process* electronic invoices which comply with the European standard *for the semantic data model for the core elements of an electronic invoice* whose reference has been published pursuant to Article 3(2) *and with any of the syntaxes on the list published pursuant to Article 3(2)*.

Article 4a

Data protection

1. *Applicable Union and national law on data protection shall be unaffected by this Directive. Such law shall also apply to electronic invoicing.*
2. *Insofar as there is no provision to the contrary in Union or national law and without prejudice to appropriate protective measures in accordance with Article 13 of Directive 95/46/EC, personal data may be used exclusively for the purpose of electronic invoicing or purposes compatible with it.*

3. *Member States shall ensure, without prejudice to appropriate protective measures in accordance with Article 13 of Directive 95/46/EC, that arrangements for the publication, for transparency and accounting purposes, of personal data gathered in connection with electronic invoicing are in line with the purpose of such publication and with the principle of the protection of privacy.*

Article 5

Use of electronic invoices for VAT purposes

This Directive is without prejudice to the provisions of Council Directive 2006/112/EC.

Article 5a

Committee procedure

1. *The Commission shall be assisted by a Committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.*
2. *Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.*

Article 6
Transposition

1. Member States shall ***adopt, publish and apply*** the laws, regulations and administrative provisions necessary to comply with this Directive ***at the latest 54*** months following the entry into force ***of this Directive***. They shall forthwith communicate to the Commission the text of those provisions.

- 1a.* ***By derogation of paragraph 1, Member States shall, not later than 18 months after the publication of the European standard, adopt, publish and apply the provisions necessary to comply with the obligation contained in Article 4(1) to receive and process electronic invoices.***

Member States may postpone this application with regard to their sub-central contracting authorities and contracting entities until 30 months after publication of the standard at the latest.

Upon publication of the reference to the European standard for the semantic data model of the core elements of an electronic invoice, the Commission shall publish in the Official Journal of the European Union the final date for the bringing into force of the measures referred to in the first subparagraph.

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.

Article 7

Review

The Commission shall review the effects of this Directive on the internal market and on the uptake of electronic invoicing in public procurement and report thereon to the European Parliament and the Council by 30 June *[dd/mm/yy- 3 years after time-limit for sub-central authorities]*. Where appropriate, the report shall be accompanied by *an impact assessment relating to the need for further action*.

Article 8

Entry into force

This Directive shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

Article 9

Addressees

This Directive is addressed to the Member States.

Done at Brussels,

For the European Parliament

The President

For the Council

The President