



EUROPEAN PARLIAMENT

2009 - 2014

Committee on the Internal Market and Consumer Protection

2013/0213(COD)

17.10.2013

*****I**

DRAFT REPORT

on the proposal for a Directive of the European Parliament and of the Council
on electronic invoicing in public procurement
(COM(2013)0449 – C7-0208/2013 – 2013/0213(COD))

Committee on the Internal Market and Consumer Protection

Rapporteur: Birgit Collin-Langen

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

Amendments by Parliament set out in two columns

Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

Amendments by Parliament in the form of a consolidated text

New text is highlighted in ***bold italics***. Deletions are indicated using either the ***■*** symbol or ~~strikeout~~, e.g. 'ABCD'. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.

CONTENTS

	Page
DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION	5
EXPLANATORY MEMORANDUM	26

DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

**on the proposal for a Directive of the European Parliament and of the Council on electronic invoicing in public procurement
(COM(2013)0449 – C7-0208/2013 – 2013/0213(COD))**

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2013)0449),
 - having regard to Article 294(2) and Article 114 of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C7-0208/2013),
 - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
 - having regard to the opinion of the European Economic and Social Committee of ...20131,
 - having regard to the opinion of the Committee of the Regions of ...20132,
 - having regard to Rule 55 of its Rules of Procedure,
 - having regard to the report of the Committee on the Internal Market and Consumer Protection (A7-0000/2013),
1. Adopts its position at first reading hereinafter set out;
 2. Calls on the Commission to refer the matter to Parliament again if it intends to amend its proposal substantially or replace it with another text;
 3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

1 Not yet published in the Official Journal.

2 Not yet published in the Official Journal.

Amendment 1

Proposal for a directive Recital 5

Text proposed by the Commission

(5) Obstacles to trade deriving from the co-existence of several legal requirements and technical standards on electronic invoices 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** electronic invoice should be developed.

Amendment

(5) Obstacles to trade deriving from the co-existence of several legal requirements and technical standards on electronic invoices and from the lack of interoperability should be removed or reduced ***in the case of crossborder trade***. In order to achieve this objective, a common European standard for the semantic data model of ***the key elements of*** the electronic invoice should be developed. ***This standard should describe the key elements of electronic invoicing and map these elements to the various technical standards, thus facilitating the sending and receipt of electronic invoices between systems based on different technical standards. Existing national technical standards should neither be replaced nor impaired by this standard, and it should remain possible to continue to apply them in parallel with this standard.***

Or. de

Amendment 2

Proposal for a directive Recital 6

Text proposed by the Commission

(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 standardisation³ to request the relevant European standardisation

Amendment

(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 standardisation³ to request the relevant European standardisation

organisation to draft a European standard for the semantic data model of the **core** electronic invoice. In its request to the relevant European standardisation organisation, the Commission should require that such European standard is technologically neutral, in order to avoid any distortion of competition. Since electronic invoices may contain personal data, the Commission should also require that such European standard guarantees 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 data⁴. 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 and a deadline for its adoption.

³ OJ L 316, 14.11.2012, p. 12.

⁴ OJ L 281, 23.11.1995, p. 31.

organisation to draft a European standard for the semantic data model of **the key elements of** the electronic invoice. In its request to the relevant European standardisation organisation, the Commission should require that such European standard is technologically neutral, in order to avoid any distortion of competition. Since electronic invoices may contain personal data, the Commission should also require that such European standard guarantees 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 data⁴. 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 and a deadline **of 30 months** for its adoption.

³ OJ L 316, 14.11.2012, p. 12.

⁴ OJ L 281, 23.11.1995, p. 31.

Or. de

Amendment 3

Proposal for a directive Recital 6 a (new)

Text proposed by the Commission

Amendment

(6a) Definitions relating to the award of contracts which are contained in this Directive should accord with European legislation on public procurement.

Or. de

Amendment 4

Proposal for a directive Recital 6 b (new)

Text proposed by the Commission

Amendment

(6b) The European standard should define semantic data elements referring to, in particular, complementary seller and buyer data, process identifiers, invoice attributes, invoice item details, delivery information, payment details and terms. The key components of an electronic invoice should accord with Council Directive 2006/112/EC¹ and be contained in every electronic invoice. As a result, the form taken by e-invoicing will be clearer and more uniform.

¹ ***Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax (OJ L 347, 11.12.2006, p.1)***

Or. de

Amendment 5

Proposal for a directive Recital 7

Text proposed by the Commission

Amendment

(7) The European standard for the semantic data model of the ***core*** electronic invoice should build on existing specifications, including in particular those developed by European or international organisations such as CEN (CWA 16356 and CWA 16562), ISO (Financial Invoice based on the ISO 20022 methodology), and UN/CEFACT (CII v. 2.0). It should not require electronic signatures. ***Such European standard should define***

(7) The European standard for the semantic data model of the electronic invoice should build on, ***and be compatible with,*** existing specifications, including in particular those developed by European or international organisations such as CEN (CWA 16356-***MUG*** and CWA 16562-***CEN BII***), ISO (Financial Invoice based on the ISO 20022 methodology), and UN/CEFACT (CII v. 2.0, ***NDR 2.0, and CCTS 2.01***). It should not require electronic signatures. It should

semantic data elements referring to, in particular, complementary seller and buyer data, process identifiers, invoice attributes, invoice item details, delivery information, payment details and terms. It should also be compatible with the existing standards for payments in order to allow for automatic processing of payments.

also be compatible with the existing standards for payments in order to allow for automatic processing of payments.

Or. de

Justification

The purpose of the directive is to facilitate interoperability of the standards applied nationally. Linkage between them via the standard is intended to ensure that all existing and future standards are aligned with one another.

Amendment 6

Proposal for a directive Recital 7 a (new)

Text proposed by the Commission

Amendment

(7a) After adoption of the new European standard by the Commission in accordance with the European standardisation procedure, the Commission should test the standard practically. The Commission should describe and test the application of the standard during this test phase. In doing so, the Commission should particularly devote attention to user-friendliness and possible costs of implementation. This should assist the application of the standard to contracting authorities and contracting entities.

Or. de

Amendment 7

Proposal for a directive Recital 7 b (new)

Text proposed by the Commission

Amendment

(7b) To enable small and medium-sized enterprises likewise to derive benefit from e-invoicing in public contracting, the European standard ought to be comprehensible, user-friendly and easy to apply. In transposing the Directive, Member States should take this into account and provide the necessary support both to contracting authorities and contracting entities and to subcontractors, to enable the new European standard to be put to use. Moreover, educational measures should be organised, particularly for small and medium-sized enterprises.

Or. de

Amendment 8

Proposal for a directive Recital 7 c (new)

Text proposed by the Commission

Amendment

(7c) The Commission should ensure that no specific standard is developed for use only in the area of public procurement, so that any standard which is drawn up can also be used by private economic operators in their business dealings with one another.

Or. de

Amendment 9

Proposal for a directive Recital 8

Text proposed by the Commission

(8) Where the European standard drawn up by the relevant European standardisation organisation satisfies the requirements contained in the Commission's request, the references of such European standard ***should be*** published in the Official Journal of the European Union.

Amendment

(8) Where the European standard drawn up by the relevant European standardisation organisation satisfies the requirements contained in the Commission's request ***and the Council has approved the standard, the Commission should have*** the references of such European standard published in the Official Journal of the European Union.

Or. de

Amendment 10

Proposal for a directive Recital 8 a (new)

Text proposed by the Commission

Amendment

(8a) The standard to be developed should guarantee the interoperability of the applications based on the existing technical standards. With a view to ensuring that adjustments in line with technical developments are carried out, the Commission should be empowered to take measures to uphold and maintain the European standard and clear the way for the mapping of appropriate technical formats.

Or. de

Amendment 11

Proposal for a directive Recital 9

Text proposed by the Commission

(9) Contracting authorities and contracting entities should ***not refuse the reception of*** electronic invoices which comply with such common European standard on the grounds of non-compliance with other technical requirements (for example national or sector specific requirements).

Amendment

(9) Contracting authorities and contracting entities should ***be in a position to process*** electronic invoices which comply with such common European standard. ***Once the deadline laid down in this Directive has passed, reception of invoices should not be refused*** on the grounds of non-compliance with other technical requirements (for example national or sector specific requirements). ***Other compelling grounds for refusal (e.g. relating to contracts) should not be affected by this provision.***

Or. de

Amendment 12

**Proposal for a directive
Recital 16 a (new)**

Text proposed by the Commission

Amendment

(16a) The Directive should require only recipients, i.e. contracting authorities and contracting entities, to accept and process electronic invoices. In contrast, the invoicing entity should be able to choose between submitting the invoice in accordance with the European standard, in accordance with national or other technical standards or in paper format.

Or. de

Amendment 13

**Proposal for a directive
Recital 18**

Text proposed by the Commission

Amendment

(18) In order to allow contracting authorities and contracting entities to take the technical measures that, following the establishment of the European standard, are necessary to comply with the provisions of this Directive, a transposition deadline of **48** months is justified.

(18) In order to allow contracting authorities and contracting entities to take the technical measures that, following the establishment of the European standard, are necessary to comply with the provisions of this Directive, a transposition deadline of **18** months ***following publication of the standard for central government authorities and of 36 months for sub-central contracting authorities and contracting entities*** is justified.

Or. de

Amendment 14

Proposal for a directive

Article 2 – paragraph 1 – point 1

Text proposed by the Commission

Amendment

(1) ‘electronic invoice’ means an invoice that has been issued and received in ***any*** electronic format;

(1) ‘electronic invoice’ means an invoice that has been issued, ***forwarded*** and received in ***a structured*** electronic format;

Or. de

Justification

Only if invoices are issued and forwarded in a structured electronic format, so that they can be processed fully automatically, will it be possible to achieve the expected efficiency gains.

Amendment 15

Proposal for a directive

Article 2 – paragraph 1 – point 2

Text proposed by the Commission

Amendment

(2) ‘semantic data model’ means a structured and logically interrelated set of terms and meanings that specify the

(2) ‘semantic data model’ means a structured and logically interrelated set of terms and ***their*** meanings that specify the

content *exchanged in* electronic invoices;

content *of the key components of*
electronic invoices;

Or. de

Justification

A semantic data model is an abstract representation of certain contents and contexts. In the case in point the semantic data model is intended to describe the content and the meaning of the terms (and in particular the key components) used in an electronic invoice. This ensures that the relevant terms and their content can be easily understood and interpreted by the sender and the recipient and forwarded using a computerised, machine-readable procedure.

Amendment 16

Proposal for a directive

Article 2 – paragraph 1 – point 3

Text proposed by the Commission

(3) ‘*core* electronic invoice’ means *a subset of information contained in* an electronic invoice that is essential to enable cross-border interoperability, including the necessary information to ensure legal compliance;

Amendment

(3) ‘*key components of an* electronic invoice’ means *the key components which* an electronic invoice *must contain* that is essential to enable cross-border interoperability, including the necessary information to ensure legal compliance;

Or. de

Justification

The key components of an electronic invoice should be laid down in accordance with Council Directive 2006/112/EC and be contained in every electronic invoice. This will make invoicing uniform and more straightforward, and the key components will form the basis of the new European standard.

Amendment 17

Proposal for a directive

Article 2 – paragraph 1 – point 4 a (new)

Text proposed by the Commission

Amendment

(4a) ‘central government authorities’ means contracting authorities as defined

*in Article 2(2) of Directive [replacing
Directive 2004/18/EC];*

Or. de

Justification

Necessary adjustment in line with the staggered implementing provisions.

Amendment 18

Proposal for a directive

Article 2 – paragraph 1 – point 4 b (new)

Text proposed by the Commission

Amendment

***(4b) ‘sub-central contracting authorities’
means contracting authorities as defined
in Article 2(3) of Directive [replacing
Directive 2004/18/EC];***

Or. de

Justification

Necessary adjustment in line with the staggered implementing provisions.

Amendment 19

Proposal for a directive

Article 3 – paragraph 1 – subparagraph 1

Text proposed by the Commission

Amendment

The Commission shall request the relevant European standardisation organisation to draw up a European standard for the semantic data model of the ***core*** electronic invoice.

The Commission shall request the relevant European standardisation organisation to draw up a European standard for the semantic data model of the ***key components of an*** electronic invoice. ***The Commission shall set the European standardisation organisation a deadline of 30 months to complete this process.***

Or. de

Justification

In keeping with the Standardisation Regulation (1025/2012) the Commission should set the European standardisation organisation a deadline for the adoption of a standard it has been asked to draw up.

Amendment 20

Proposal for a directive

Article 3 – paragraph 1 – subparagraph 2

Text proposed by the Commission

Amendment

The Commission shall require that the European standard for the semantic data model of the core electronic invoice be technologically neutral, and guarantee personal data protection in accordance with Directive 95/46/EC.

deleted

Or. de

Justification

The paragraph is deleted here and incorporated in the new Article 3a.

Amendment 21

Proposal for a directive

Article 3 – paragraph 1 – subparagraph 3 a (new)

Text proposed by the Commission

Amendment

Once the competent European standardisation organisation has completed the process of drawing up the European standard for the semantic data model for the key components of an electronic invoice and the Commission has checked that the standard is consistent with the request, the Commission shall test the practical application of the standard within the following six months. Within one month following completion of the testing procedure, the Commission shall submit a

report on the outcome to the European Parliament and the Council.

Or. de

Justification

The legislator cannot approve the mandatory application of a European standard if the latter's content and functionality has not first been scrutinised. Provision should therefore be made for a testing phase during which practicability and user-friendliness can be checked.

Amendment 22

Proposal for a directive

Article 3 – paragraph 1 – subparagraph 3 b (new)

Text proposed by the Commission

Amendment

By means of an implementing act, the Commission shall submit the European standard to the Member States for approval, in accordance with the procedure laid down in Article 5a of this Directive. It shall do so once:

(a) it has determined, pursuant to the third subparagraph of Article 3(1), that the European standard is consistent with the original request, and

(b) the result meets the testing criteria laid down in advance.

Or. de

Justification

Prior to its binding introduction, Member States should be given the chance to approve the new European standard, because the proposal for a directive fails to set out in sufficient detail the requirements to be met in the context of the drafting process. This should be done by means of an implementing act.

Amendment 23

Proposal for a directive

Article 3 – paragraph 2

Text proposed by the Commission

Amendment

2. **Where** the European standard drawn up following the request referred to in paragraph 1 **satisfies the requirements contained therein**, the Commission shall **publish** the reference to such European standard in the Official Journal of the European Union.

2. **Once the Member States have approved** the European standard drawn up following the request referred to in paragraph 1, the Commission shall **have** the reference to such European standard published in the Official Journal of the European Union.

Or. de

Justification

The Commission does not publish documents in the Official Journal, but has them published.

Amendment 24

Proposal for a directive

Article 3 a (new) – paragraph 1 (new)

Text proposed by the Commission

Amendment

Article 3a

Requirements to be met by the standard

1. The Commission shall require that the European standard for the semantic data model of the core electronic invoice be technologically neutral, and guarantee personal data protection in accordance with Directive 95/46/EC.

Or. de

Justification

Verbatim reproduction of the second subparagraph of Article 3(1).

Amendment 25

Proposal for a directive

Article 3 a (new) – paragraph 2 (new)

Text proposed by the Commission

Amendment

2. The European standard which lays down the semantic data model for the key components of the electronic invoice shall meet at least the requirements listed in the annex.

Or. de

Justification

Notwithstanding the provisions of the Standardisation Regulation (1025/2012), the proposal for a regulation lays down no requirements concerning the content of the standard. The legislator cannot be expected to approve a request whose content has not been laid down in the basic act.

Amendment 26

Proposal for a directive Article 3 c (new)

Text proposed by the Commission

Amendment

Article 3c

Maintenance and further development of the European standard

The Commission shall be empowered to adopt implementing acts with a view to upholding and maintaining the European standard for the semantic data model for the key components of the electronic invoice and clearing the way for the mapping of appropriate technical formats to the standard and ensuring their compatibility with that standard.

These implementing acts shall be adopted in accordance with the examination procedure referred to in Article 5a(2).

Or. de

Justification

Steps should be taken to ensure that the European standard continues to be brought into line with technical and legal developments and that the arrangements for mapping technical formats are clarified.

Amendment 27

**Proposal for a directive
Article 4 – paragraph 1**

Text proposed by the Commission

Member States shall ensure that contracting authorities and contracting entities ***do not refuse to receive*** electronic invoices which comply with the European standard whose reference has been published pursuant to Article 3(2).

Amendment

Member States shall ensure that contracting authorities and contracting entities ***accept and process*** electronic invoices which comply with the European standard whose reference has been published pursuant to Article 3(2), ***provided that no valid grounds for refusal exist.***

Or. de

Justification

Steps should be taken to ensure that contracting authorities and contracting entities must accept and process electronic invoices. This should of course not apply if valid grounds for refusal, e.g. in connection with contracts, exist.

Amendment 28

**Proposal for a directive
Article 5 – paragraph 1**

Text proposed by the Commission

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

Amendment

deleted

Or. de

Justification

The chosen wording is unclear. Instead, the article which gives rise to a contradiction between the two legal acts should specify which act takes precedence in the specific context. The general reference to the VAT Directive will be incorporated into the recitals.

Amendment 29

Proposal for a directive
Article 5 a (new)

Text proposed by the Commission

Amendment

Article 5a

Implementing provisions

(1) The Commission shall be assisted by a Committee. That committee is a committee within the meaning of Regulation (EU) No 182/2011 of the European Parliament and of the Council.

(2) Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

Regulation (EU) No 182/2011 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 powers (OJ L 55, 28.2.2011, p.13).

Or. de

Justification

Adjustment in keeping with the introduction of the implementing acts.

Amendment 30

Proposal for a directive
Article 6 – paragraph 1 – subparagraph 1

Text proposed by the Commission

Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive ***by 48 months following the entry into force at the latest.*** They shall forthwith communicate to the Commission the text of those provisions.

Amendment

Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive. They shall forthwith communicate to the Commission the text of those provisions.

Or. de

Justification

Many contracting authorities and contracting entities still do not use electronic invoicing systems. Implementing the directive will necessitate the adjustment and coordination of internal procedures and IT solutions in various areas. The implementation deadline should reflect this.

Amendment 31

Proposal for a directive

Article 6 – paragraph 1 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

Following publication of the European standard in accordance with Article 3(2), central government authorities shall have 18 months and sub-central contracting authorities and contracting entities 36 months in which to comply with this requirement.

Or. de

Justification

The implementation deadline for the Member States should be linked to the publication of the standard, not the publication of the directive. Furthermore, different deadlines should be set for central government authorities and sub-central contracting authorities and contracting entities. The latter should be given longer to integrate and apply the new standard, so that they have sufficient time to make the necessary internal, organisational and financial adjustments.

Amendment 32

Proposal for a directive Article 7

Text proposed by the Commission

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 **2023**. *Where appropriate, the report shall be accompanied by a legislative proposal.*

Amendment

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 **2020**.

Or. de

Justification

The review should be brought forward.

Amendment 33

Proposal for a directive Annex (new)

Text proposed by the Commission

Amendment

Annex

Requirements to be met by the semantic data model: key components of the electronic invoice

- 1. The date of issue;***
- 2. a sequential number, based on one or more series, which uniquely identifies the invoice;***
- 3. the VAT identification number referred to in Article 214 of Directive 2006/112/EC under which the taxable person supplied the goods or services;***
- 4. the customer's VAT identification number, as referred to in Article 214 of Directive 2006/112/EC, under which the***

customer received a supply of goods or services in respect of which he is liable for payment of VAT, or received a supply of goods as referred to in Article 138 of Directive 2006/112/EC;

5. the full name and address of the taxable person and of the customer;

6. the quantity and nature of the goods supplied or the extent and nature of the services rendered;

7. the date on which the supply of goods or services was made or completed or the date on which the payment on account referred to in points (4) and (5) of Article 220 of Directive 2006/112/EC was made, in so far as that date can be determined and differs from the date of issue of the invoice;

8. the taxable amount per rate or exemption, the unit price exclusive of VAT and any discounts or rebates if they are not included in the unit price;

9. the VAT rate applied;

10. the VAT amount payable, except where a special arrangement is applied under which, in accordance with Directive 2006/112/EC, such a detail is excluded;

11. in the case of an exemption or where the customer is liable for payment of VAT: reference to the applicable provision of this Directive, or to the corresponding national provision, or any other reference indicating that the supply of goods or services is exempt or subject to the reverse charge procedure;

12. supplies of new means of transport carried out in accordance with the conditions specified in Article 138(1) and (2)(a) of Directive 2006/112/EC; the details referred to in Article 2(2)(b) of Directive 2006/112/EC;

13. in the case of the application of a special rule for travel agencies: reference

to Article 306 of Directive 2006/112/EC or to the corresponding national provisions or another reference to the act that this rule was applied:

14. in the case of the application of special arrangements to second-hand goods, works of art, collectors' items and antiques: reference to Article 313, 326 or 333 of Directive 2006/112/EC or to the corresponding national provisions or another reference to the act that one of these arrangements was applied:

15. where the taxable person is a tax representative within the meaning of Article 204 of Directive 2006/112/EC: VAT identification number within the meaning of Article 214 of Directive 2006/112/EC, full name and address of the tax representative.

Or. de

Justification

Adjustment in line with the introduction of a basic set of requirements to be met by the European standard.

EXPLANATORY MEMORANDUM

I: Introduction:

The proposal for a directive aims to facilitate interoperability in electronic invoicing in public procurement.

This is a most welcome aim.

The proposal constitutes a further step on the road to paper-free public administration. The use of electronic invoicing in public procurement should, like the promotion of electronically-based procurement procedures, be supported. In its decision of 20 April 2012, Parliament highlighted the danger of a fragmentation of the market as a result of the growing number of national provisions governing electronic invoicing and pointed to the need for interoperable solutions. The Council also stressed, in its recent Conclusions, the importance and urgency of making progress with a user-friendly digital internal market, where electronic invoicing in public procurement would also be used.

There are numerous incompatible standards on electronic invoicing in the individual Member States, and this causes problems for cross-border invoicing in such areas as public procurement. Many Member States and large enterprises have developed technical solutions based on their own or on national standards; however, these are not compatible with other Member States' solutions.

The many different requirements, standards, networks and rules governing electronic invoicing are excessively complex for enterprises and give rise to legal uncertainty, as it cannot be assumed that an electronic invoice will be accepted in another Member State. The absence of a common European standard forces enterprises to comply with a different standard for each market. This leads to an increase in operating costs and subsequently to higher prices.

II: Directive

The current difficulties constitute an obstacle to market access which should be removed. The lack of interoperability between the different systems means that enterprises prefer to avoid cross-border procurement procedures; the result is less competitiveness and a negative impact on the functioning of the internal market.

The various technical solutions arrived at by the Member States make the problem of interoperability more acute. The aim of this proposal to solve the problems of interoperability in cross-border invoicing by developing a European standard, in accordance with the legal basis of Article 114 TFEU, represents a targeted measure to facilitate cross-border invoicing. Since the Directive does not impose a binding European standard but provides for linking of the national standards by means of the new standard, and since interoperability cannot be achieved at national level, there will be no violation of the principles of proportionality and subsidiarity.

The Directive does not require complete harmonisation of the national systems for electronic invoicing. These should be maintained, and the development of national data models should not be impaired.

1) The Directive provides that the Commission shall, in line with Standardisation Regulation 1025/2012/EC, instruct the European Standardisation Organisation to draw up a new European standard for a semantic data model for electronic invoicing.

The aim of the European standard for a semantic data model is to bring the different national standards into line with each other. This will enable the communication and classification of the content of invoices (terms and their meanings) between the different systems of electronic invoicing to take place.

This in turn will enable contracting authorities and contractors in public procurement procedures to exchange invoices at minimal cost and with minimal complexity.

2) The Directive also provides that the Member States will ensure, four years after it comes into force, that contracting authorities and contracting entities are able to process electronic invoices which conform to the European standard. Application of the standard should simply oblige the receiver of an invoice to accept and process it. The issuer of an invoice will be free to decide whether and on the basis of what standard to issue an electronic invoice or send a paper invoice.

Member States should provide the contracting authorities and contracting entities with all the support they need in applying the new European standard. Plans should also be made for training for enterprises and in particular for SMEs, as these are best placed to benefit from the simplifications introduced by the Directive.

III: Amendments

The procedure to draw up the new European standard is based on Regulation 1025/2012/EU on European standardisation. This states that the requirements governing standards must be laid down in the relevant harmonisation legislation of the Union. The proposal for a directive does not, however, contain any requirements for the content of the standard which would form the basis for applying standardisation procedures. It would not be reasonable for the legislator to approve a mandate without specific requirements regarding content.

Accordingly, the core elements of electronic invoices are specified in the new annex, along the lines of the provisions of the VAT Directive.

A period of 30 months for the standard to be set up should also be stipulated.

Following that, the practicability and user-friendliness of the standard will be assessed in a test period to find out, in particular, if it works, is easy to use and can be installed at minimal cost by contracting authorities and contracting entities. The agreement of the Member States must also be obtained.

Only then should publication in the Official Journal of the EU take place.

The Commission should be empowered by means of implementing acts to maintain and safeguard the standard in future and to specify how it can be mapped to suitable technical formats.

The implementation deadline of the Directive should be linked to the publication of the standard. In order to allow sufficient time for the necessary technical, organisational and financial adjustments, it would be advisable to provide for a phased implementation period of 18 months for central government authorities and 36 months for sub-central contracting

authorities.