



**COUNCIL OF
THE EUROPEAN UNION**



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PRESSE 231

Electronic invoicing in public procurement

The Council today¹ approved a directive aimed at spreading the use of new technologies in public tenders ([PE-CONS 21/14](#) and [8244/14 ADD 1](#)).

The directive will contribute to improving the functioning of the internal market by reducing the obstacles to entering the market, especially for SMEs, and by solving the problem of the compatibility of different e-invoicing systems in various member states. The processes will become faster and less costly.

Although most member states provide an environment for electronic publication of procurement, supply of tender conditions and offers of suppliers, these opportunities are still not fully used in practice. Currently, the uptake of e-invoicing across Europe is very low, accounting for only 4 to 15% of all invoices.

This new initiative is part of the on-going modernization of public administration sector in the member states, and particularly of the major overhaul of the EU public procurement directives that has just been achieved². Furthermore, it will contribute to the development of the European digital agenda, as well as to the establishment of a Single Euro Payments Area.

¹ The decision, which follows an agreement with the European Parliament at first reading, was taken without discussion at a meeting of the Agriculture and Fisheries Council. The German delegation voted against and the Bulgarian delegation abstained.

² [Official Journal of the EU L94 of 28 March 2014](#).

P R E S S

The business sector welcomed the initiative to uptake e-invoicing for public procurement and acknowledged that this would significantly lower costs for economic operators participating in cross-border public procurement, including costs stemming from multiple e-invoicing standards and systems.

It is expected that the wide use of e-invoicing in public tenders across the EU will generate savings of funds allocated for public procurement of up to 2.3 €billion a year.

Next steps

The directive provides for the development of a common interoperable standard on electronic invoicing by the European standardisation organisations¹, which will have to be adopted within 36 months after entry into force of the directive.

Following the publication of the new standard, central contracting authorities will have a maximum of 18 months to implement it. Local and regional contracting authorities will have the possibility to derogate from this deadline for up to 30 months after the publication of the standard.

¹ European standards are adopted by the European standardisation organisations, namely CEN, Cenelec and ETSI.