



EUROPEAN COMMISSION

PRESS RELEASE

Brussels, 26 June 2013

E-invoicing in public procurement: another step towards end-to-end e-procurement and e-government in Europe

The European Commission has today proposed a draft directive on e-invoicing in public procurement, accompanied by a communication setting out its vision for the full digitisation of the public procurement process, so-called 'end-to-end e-procurement'.

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 Commission estimates that the adoption of e-invoicing in public procurement across the EU could generate savings of up to €2.3 billion.

Commissioner for Internal Market and Services Michel Barnier said: *"Ensuring that public administrations in the EU are modern and efficient is a priority for the European Commission. Switching to e-procurement, and particularly to e-invoicing, can bring significant savings and make life easier both for the governments and for the thousands of businesses active in the Internal Market. Switching from paper to fully automated invoicing can cut the costs of receiving an invoice from 30-50 euro to 1 euro. These are good and useful savings in the current economic climate. As the largest spender in the EU, the public sector should play a leading role in stimulating its uptake."*

Key elements of the initiatives:

E-invoicing

The draft 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.

End-to-end procurement

The Communication on end-to-end e-procurement places the draft Directive on e-invoicing in public procurement in a broader context and presents the Commission's vision on the digitisation of the public procurement process. It identifies the current state of play in the implementation of e-procurement and e-invoicing across the EU, and sets out the areas in which actions should be taken to achieve the transition towards end-to-end e-procurement:

- Making e-invoicing the rule rather than the exception in public procurement;
- Taking forward standardisation work;
- Devising national strategies for end-to-end e-procurement;
- Sharing best practice.

The Communication will serve as a basis for possible future initiatives on further digitisation of the public procurement process.

Background:

The [Digital Agenda for Europe](#), one of the pillars of the EU 2020 strategy, identifies e-government and the Digital Single Market as crucial elements of a modern and competitive EU economy. Within this framework, the Commission has undertaken significant efforts to digitise public procurement in the EU. At the end of 2011, as part of the modernisation of the public procurement legal framework ([IP/11/1580](#)), the Commission proposed to make the e-notification, e-access to procurement documents, and e-submission phases mandatory across the EU. Negotiations on that review of public procurement rules are in the final stages.

In April 2012, this was followed by the Communication "A strategy for e-procurement" ([IP/12/389](#)), which set out a strategy for the transition to e-procurement. In 2010, the Commission published a Communication entitled "Reaping the benefits of e-invoicing in Europe", which urged the Member States to adopt e-invoicing and to address the problems resulting from the lack of interoperability between existing e-invoicing systems. The Communication called for making "e-invoicing the standard method of invoicing by 2020". In 2012, the European Council called for measures to promote e-invoicing, and the European Parliament called for making it mandatory in public procurement by 2016. As a result of these calls and the benefits which it offers, in October 2012 the Single Market Act II ([IP/12/1054](#)) identified a proposal on e-invoicing in public procurement as one its twelve key actions.

The management of public procurement is of primary importance in the current context of fiscal consolidation. As public expenditure on goods, works, and services represents 19% of the EU's GDP, managing it more efficiently can significantly contribute to improving the overall efficiency of public expenditure. An effective public administration is a key element of the competitiveness of the EU economy. The modernisation of public administration was identified as one of the five priorities of the Commission's Annual Growth Survey in 2012 and in 2013. Reform of public procurement, digitisation of public administration, reduction of administrative burden, and increased transparency are all growth enablers.

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, facilitate innovation 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.

Next steps

The Commission's proposal on e-invoicing will be transmitted to the Council of Ministers and the European Parliament for adoption.

See also [MEMO/13/614](#)

More information on EU public procurement policy:

http://ec.europa.eu/internal_market/publicprocurement/index_en.htm

http://ec.europa.eu/internal_market/payments/einvoicing/index_en.htm

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