



**CEN/ISSS eINVOICING WORKSHOP N 04-026**  
2004-10-13

**CEN/ISSS EUROPEAN WORKSHOP**

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**TITLE**                    **CEN/ISSS eInvoicing Workshop – Standardisation Work Programme and designation of the Working Teams to implement each individual task**

**SOURCE**                **CEN/ISSS eInvoicing Workshop secretariat**

**ACTION**                  **For action and information**

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## **CEN/ISSS WORKSHOP\***

### **INTEROPERABILITY OF ELECTRONIC INVOICING IN THE COMMUNITY**

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## Executive summary

The present proposal for a Work Programme for the European Standards Organizations (ESOs) defines a number of tasks related to the harmonisation of the implementation of electronic invoicing within the Community.

The submission of invoice data by companies as a legal requirement to record trade transactions for tax purposes considerably varies from one Member State to another. This situation is most critical for the flows of trade between nations and the economic growth of Europe.

The Council Directive 2001/115/EC recognises the legal validity of electronic invoices for VAT purposes and specifies the related required technical conditions.

## Introduction

To implement the goals of this Directive, the European Commission requested CEN/ISSS to prepare an overview on standardisation issues relating to electronic invoicing. CEN/ISSS set up an open “e-invoicing Focus Group”, and issued a report analysing requirements on standardisation issues relating to electronic invoicing resulting from the new VAT legal framework.

Following the agreement on this report, the Commission issued a standardization mandate to the ESOs (text included at **Annex B**). The principal objective of the mandate is to provide a background support to the ESO standards activities required to implement those recommendations of the CEN/ISSS Focus Group.

As CEN’s response to the mandate, a CEN/ISSS Workshop on “Interoperability of Electronic invoices in the European Community” has been established.

Phase 1 of the mandate requests the provision of a Work Programme for the European standards activities, and has been prepared within the Workshop. The Work Programme is currently subject to revision in the light of any additional requirements expressed by CENELEC and ETSI, which have yet to complete their consideration of the issues. However, since the core activity is envisaged for CEN, it was thought prudent already to submit the programme.

Subject to the views of the European Commission and EFTA on the proposed work items, Phase 2 of the mandate envisages actual standards activity. As far as CEN is concerned, it is proposed that the bulk of the work is carried out within the CEN/ISSS Workshop on eInvoicing. However, one specific activity has already been carried out in the CEN/ISSS Workshop eBES, as within that Workshop’s domain. As noted above, additional activities may be carried out in ETSI and/or CENELEC. The CEN/ISSS Workshop on eInvoicing will seek to ensure the relevant activities are carried out on a co-ordinated basis.

## Objectives

The basic objectives of the CEN/ISSS Workshop are:

- To take due account of the implementation of the relevant recommendations from the report produced by the eInvoicing Focus Group;

- To take due account to the provisions of the relevant EU legislation, decisions and recommendations such as the Directive on Electronic signatures and the EDI Model Agreement recommendation;
- To integrate already existing standardisation, where necessary and appropriate, especially as regards electronic signatures and electronic archiving/storage, and formats as regards EDI and XML.

The final aim of this Work Programme – when implemented - is to provide traders and tax-administrations with a common philosophy and a standardized environment in respect of value-added tax legislation.

## **Methodology**

The Work Programme has been established through three meetings including two working sessions and email exchanges and will be pursued in close coordination and cooperation with private industry and public administration.

## **Benefits to be expected**

Benefits of this workshop will be provided to standardisation on electronic invoices in Europe in general and as regards specific questions, which have been analysed and identified by the of the CEN/ISSS eInvoice focus group. This refers mainly to:

- the Interoperability of electronic invoices in the European Community;
- the use of electronic invoice processes across Member States;
- the different technical and practical solutions, and
- the development of good practices for e-invoices.

## **Standardization Work Programme**

1. EDI and Business standards
2. Electronic Signature for eInvoices
3. Overall work items
4. Annex A: Timetable per task
5. Annex B: Standardization Mandate

## 1. EDI and business standards

### TASK 1.1

<b>RECOMMENDATION</b>	To bring Commission Recommendation 1994/820/EC October 1994 up to date with the requirements of Directive 2001/115/EC and present day e-Commerce practices.
<b>Purpose</b>	To prepare a draft new version of document 1994/820/EC including a generic and open definition of the term EDI
<b>Scope</b>	Legal aspects of electronic data interchange.
<b>Milestones</b>	<ul style="list-style-type: none"> <li>i) To receive current version from DG</li> <li>ii) Gap analysis</li> <li>iii) Revised version of the document</li> <li>iv) Workshop approval of the proposals</li> </ul>
<b>Man Days</b>	10 man days proposed as a Project Team
<b>Responsible body</b>	CEN/ISSS WS/eINV
<b>Other relevant groups/organisations</b>	European Commission DG Information Society
<b>Deliverable</b>	Proposals agreed by the Workshop, for transmission to the Commission as a suggested revised Recommendation
<b>Priority</b>	1
<b>Team</b>	Mike, Klaus, Mounir, Stefan. Anders, Dave (Sten Lindgren)
<b>Duration</b>	3 month

### TASK 1.2

<b>RECOMMENDATION</b>	To submit the invoice content details identified in the Directive for the creation of the relevant UN/CEFACT Core Components.
<b>Purpose</b>	To produce the list of invoice content details expressed as UN/CEFACT Core Components
<b>Scope</b>	To produce the list of the invoice content details (attributes) as UN/CEFACT Core components based on the UN/CEFACT Core Components Technical Specifications and the submission rules and procedures defined by UN/CEFACT - TBG17. This should result, based on the submission and the harmonisation work done by TBG17, in the UN/CEFACT standardised structure and naming of invoice content details.
<b>Milestones</b>	<ul style="list-style-type: none"> <li>i. To check the Business Requirement Specifications (BRS) already defined by CEN/ISSS – WS/eBES –EEG1 (Trade and Procurement) and make a gap analysis</li> <li>ii. To prepare the Business Requirement Specification (BRS) and the Requirement Specification Mapping (RSM) documents for official submission to UN/CEFACT</li> <li>iii. To produce the list of the candidate Core Components and the Business Information Entities reflecting the Invoice content details for the harmonisation process by UN/CEFACT – TBG17</li> <li>iv. Harmonisation work of TBG17 resulting in the official structure and naming of the submitted candidate Core Components</li> <li>v. To implement the official received Core Components of the Invoice content details</li> </ul>
<b>Man Days</b>	20 man-days proposed as voluntary effort
<b>Responsible body</b>	CEN/ISSS – WS/eBES/EEG1 (Trade and Procurement)
<b>Other relevant groups/organisations</b>	UN/CEFACT – TBG1 (Trade and Procurement) UN/CEFACT – TBG17 (Core Component Harmonisation)
<b>Deliverable</b>	CEN Workshop Agreement for submission to UN/CEFACT
<b>Team</b>	Freddie (to manage process)
<b>Duration</b>	10 months, for completion in September 2005

### TASK 1.3

<b>RECOMMENDATION</b>	To permit the use of <ul style="list-style-type: none"> <li>◆ organisation identifiers and</li> <li>◆ product identifiers standardised at community level in electronic invoices, where available, as alternatives to the name and address of an organisation or the description of a product or service.</li> </ul>
<b>Purpose</b>	Recommendation to allow identifiers as an alternative to the current unstructured clear text identifications.
<b>Scope</b>	Electronic Data Interchange
<b>Milestones</b>	i) List of international standardised organisation codes. ii) Sample implementation iii) To send them to taxation authorities) with a view to get the acceptance from all Member States to use these codes.
<b>Man days</b>	10 man-days proposed as a Project Team
<b>Responsible body</b>	CEN/ISSS WS/eInvoicing
<b>Other relevant groups/organizations</b>	EC DG Taxud + member states' tax authorities
<b>Deliverable (type)</b>	CEN Workshop Agreement containing Guidelines
<b>Priority</b>	1
<b>Team</b>	Dave, Anders, Mounir
<b>Duration</b>	3 months

### TASK 1.4

<b>RECOMMENDATION</b>	Where the directive requires text, to develop codes, standardised at community level, to replace standard clauses (text) being inserted in invoice messages that usually do not require human intervention,
<b>Purpose</b>	To prepare a standardised set of codes with definitions to replace plain text in invoice messages
<b>Scope</b>	The code set/definitions are specifically intended to meet the needs of the Invoicing Directive, with regard to "indications" of: <ul style="list-style-type: none"> <li>• Supplies that are Exempt from VAT</li> <li>• Supplies that are subject to the Reverse Charge procedure</li> <li>• Supplies that are subject to Margin Schemes</li> <li>• Intra-Community supplies of New Means of Transport</li> </ul> <p>However, the code set/definitions may subsequently be added to, in the light of additional demand and EU-wide applicability – e.g. an indication that the invoice covers a "Triangulation" transaction.</p> <p>The final objective is an agreed and standardised list of codes/definitions that are portable across business sectors, which will facilitate both European business and tax administration alike.</p>
<b>Milestones</b>	i. Draft code set/definitions and covering explanatory paper to be circulated by the CEN Workshop to a wider European audience, for comment ii. To review/comment on draft code set/definitions to be received from organisations (see below).
<b>Man Days</b>	5 man-days proposed as a Project Team
<b>Responsible body</b>	CEN/ISSS WS/eInvoicing
<b>Organisations</b>	National and European standards organisations, business sector groups and tax administrations
<b>Other relevant groups/organisations</b>	National and European standards organisations, business sector groups and tax administrations
<b>Deliverable (type)</b>	CEN Workshop Agreement containing the list of codes and definitions
<b>Priority</b>	1
<b>Team</b>	Dave, Anders, Mounir
<b>Duration</b>	2 months



## TASK 1.5

<b>RECOMMENDATION</b>	To list the various ways of how data elements that are described in the Directive are being applied in each member state.
<b>Purpose</b>	To collect from each Member State the ways data elements are applied. Revise the existing list from the Focus group. Group, and propose a harmonised approach.
<b>Scope</b>	Applied standard of the directive
<b>Milestones</b>	<ul style="list-style-type: none"> <li>i. To receive input from each member state</li> <li>ii. Gap analysis</li> <li>iii. To update Focus group list</li> <li>iv. Proposal for harmonisation</li> </ul>
<b>Man Days</b>	40 man-days proposed as a Project Team
<b>Responsible body</b>	CEN/ISSS WS/eInvoicing
<b>Other relevant groups/organisations</b>	European Commission DG TAXUD and Member States' tax authorities
<b>Deliverable (type)</b>	CEN Workshop Agreement containing information and recommendations for harmonisation
<b>Priority</b>	1
<b>Team</b>	Anders, Stefan, local authorities (Klaus, Dave, Mounir, Johanna,..)
<b>Duration</b>	6 months

## 2. Electronic signatures for eInvoices

### TASK 2.1

<b>RECOMMENDATION</b>	Not to inadvertently restrict the use of advanced electronic signatures to natural persons to achieve authenticity and integrity of the electronic invoices as it may render current practice with automatic generation of invoices impracticable.
<b>Purpose</b>	To produce guidelines specifying how to apply digital signatures to companies; define exactly which certificates are necessary to use and the merits of a hardware solution such as HSM or a soft-token based solution for implementation.
<b>Scope</b>	Electronic signatures and electronic invoices
<b>Milestones</b>	<ul style="list-style-type: none"> <li>i. Draft format for signatures used by companies</li> <li>ii. Discuss with ETSI/ESI and any future CEN e-signature activity</li> <li>iii. Discuss with European Commission</li> <li>iv. Draft CWA</li> <li>v. Approve CWA</li> </ul>
<b>Man Days</b>	20 man-days proposed as a Project Team
<b>Responsible body</b>	CEN/ISSS Workshop eInvoicing
<b>Other relevant groups/organisations</b>	EC DG INFSO; ICTSB/EESSI; ETSI ESI; future CEN activity on e-signatures
<b>Deliverable (type)</b>	CEN Workshop Agreement (CWA)
<b>Priority</b>	1
<b>Team</b>	Simon, Jianbo Mao, Stefan, Johanna, Alain, Francis
<b>Duration</b>	10 months

## TASK 2.2

<b>RECOMMENDATION</b>	In cases where communications are channelled through an intermediary service provider (e.g. in the context of a marketplace or a hub), and advanced electronic signatures are used, there may be a need for re-signing (or re-"stamping") the invoice between parties (to take this into account so that, if advanced electronic signatures are to be considered, the law allows the use of re-signed advanced signatures)
<b>Purpose</b>	To produce guidelines specifying how to apply digital signatures to multi-tier communications used by this "trusted third party" to sign the electronic invoices on behalf of the supplier, that is authorised by the VAT authority and accepted by biller and receiver of electronic invoices.
<b>Scope</b>	Third party electronic signatures
<b>Milestones</b>	<ul style="list-style-type: none"> <li>i. Draft format for signatures used by third parties</li> <li>ii. Discuss with ETSI/ESI and any future CEN e-signature activity</li> <li>iii. Discuss with European Commission</li> <li>iv. Draft CWA</li> <li>v. Approve CWA</li> </ul>
<b>Man Days</b>	15 man-days proposed as a Project Team
<b>Responsible body</b>	[CEN/ISSS WS/invoicing or ETSI/ESI]
<b>Other relevant groups/organisations</b>	EC DG INFSO; ICTSB/EESSI; ETSI ESI; future CEN activity on e-signatures
<b>Deliverable (type)</b>	CEN Workshop Agreement (CWA) or other to be defined
<b>Priority</b>	1
<b>Team</b>	Simon, Arnaud, Jianbo Mao, Stefan, Mike, Johanna, Alain, Francis
<b>Duration</b>	10 months

## TASK 2.3

<b>RECOMMENDATION</b>	To specify that additional work needs to be carried out to further detail the standardisation objectives of authentication for the purpose of using them in electronic invoicing.
<b>Purpose</b>	To detail standardisation objectives of authentication.
<b>Scope</b>	To define integrity, authenticity and signature authorisation and how the result can be documented.
<b>Milestones</b>	<ul style="list-style-type: none"> <li>i. Draft format for authentication</li> <li>ii. Discuss with relevant organisations CEN/ETSI and ICTSB</li> <li>iii. Discuss with European Commission</li> <li>iv. Draft CWA</li> <li>v. Approve CWA</li> </ul>
<b>Man Days</b>	10 man-days proposed as a Project Team
<b>Responsible body</b>	CEN/ISSS WS/eInvoicing
<b>Other relevant groups/organisations</b>	EC DG INFSO; ICTSB/EESSI; ETSI ESI; future CEN activity on e-signatures; CEN/ISSS WS/eAuthentication
<b>Deliverable (type)</b>	CEN Workshop Agreement
<b>Priority</b>	1
<b>Team</b>	Simon, Stefan, Jianbo, Johanna, Mike
<b>Duration</b>	10 months

### 3. Overall work items

#### TASK 3.1

<b>RECOMMENDATION</b>	To describe rules for storage of electronic invoices <b>within the member states</b> , including rules and guidelines for inspection.
<b>Purpose</b>	To prepare recommended archiving guidelines focused on rules and guidelines for inspection. This includes also the kind of data, and the traceability of commercial operations.
<b>Scope</b>	Storage and tax administration practice
<b>Milestones</b>	<ul style="list-style-type: none"> <li>i. Draft recommendations for storage</li> <li>ii. Discuss with relevant tax administrations</li> <li>iii. Identify common principles</li> <li>iv. Approve best practices</li> </ul>
<b>Man Days</b>	15 man-days proposed as a Project Team
<b>Responsible body</b>	CEN/ISSS Workshop eInvoicing
<b>Other relevant groups/organisations</b>	EC DG TAXUD and Member States tax authorities?
<b>Deliverable (type)</b>	CEN Workshop Agreement containing guidelines and recommendations/best practices
<b>Priority</b>	1
<b>Team</b>	<b>Simon, Dave, Stefan, Klaus</b>
<b>Duration</b>	8 months

#### TASK 3.2

<b>RECOMMENDATION</b>	In furtherance of the objective of the EC Directive on Invoicing, to establish a number of common arrangements governing the use of electronic invoicing, it is recommended that the competent authorities in all EU Member States should consider further opportunities for implementing the Directive in a compatible way, in particular, for cross-border electronic invoicing.
<b>Purpose</b>	To contact relevant authorities in E.U.
<b>Scope</b>	Legislative practice
<b>Milestones</b>	<ul style="list-style-type: none"> <li>i. Contact tax authorities</li> <li>ii. Adapt focus group report to new developments</li> <li>iii. Publish info on website regularly</li> <li>iv. Compare different practices and enter into reference model (work item 3.4)</li> </ul>
<b>Man Days</b>	20 man-days proposed as a Project Team
<b>Responsible body</b>	CEN/ISSS Workshop eInvoicing
<b>Other relevant groups/organisations</b>	Member States tax authorities
<b>Deliverable (type)</b>	Summary of questionnaire; update of information; website info
<b>Priority</b>	2
<b>Team</b>	<b>1.5</b>
<b>Duration</b>	10 months

### TASK 3.3

<b>RECOMMENDATION</b>	To describe rules and guidelines for service providers, such as ASP and VAN
<b>Purpose</b>	<p>Service providers such as consolidators, VAN and ASP are key facilitators for the uptake and interoperability of e-invoicing: they play a critical role in transferring, translating, authenticating and storing data relating both to the transactions and their payment.</p> <p>This objective is to facilitate interoperability between customers, service providers and payment institutions as well as between different service providers, especially in an international environment (cross-border, invoicing and payment).</p> <p>A secondary objective is to get tax authorities' buy in, especially in questions relating to data integrity and data storage.</p>
<b>Scope</b>	To identify key service providers to facilitate the e-invoicing process and briefly describe their respective roles: ASP, VAN, consolidators, to invite key service providers and payment organisations to communicate issues and suggested approaches and/or solutions relating to their specific roles in the transmission and storage of invoice data.
<b>Milestones</b>	<ul style="list-style-type: none"> <li>i. To collect, structure and describe key problems and issues encountered.</li> <li>ii. To identify and describe root causes and suggested solutions</li> <li>iii. To meet with participating organisations to discuss suggested approaches;</li> <li>iv. To involve tax authorities and address their concerns;</li> <li>v. To draft guidelines on selected key issues;</li> <li>vi. To collect feedback on draft guidelines</li> <li>vii. To draft final guidelines</li> </ul>
<b>Man Days</b>	45 man-days proposed as a Project Team
<b>Responsible body</b>	CEN/ISSS Workshop eInvoicing
<b>Other relevant groups/organisations</b>	Service providers and payment organizations
<b>Deliverable (type)</b>	CEN Workshop Agreement containing Guidelines for third-party service providers
<b>Priority</b>	2
<b>Team</b>	Arnaud, Francis, Jianbo, Mike, Heiko, Simon, Jaap, Johanna
<b>Duration</b>	12 months

### TASK 3.4

<b>RECOMMENDATION</b>	To define an "e-Invoicing model".
<b>Purpose</b>	The Final Report of "CEN/ISSS e-Invoicing Focus Group" identified 5 use cases for e-Invoicing. It is suggested to specify an "e-Invoice Reference Model" encompassing all use cases needed for the intra EU e-Invoices, and detail each of them.
<b>Scope</b>	This specification should aim: <ul style="list-style-type: none"> <li>• To identify the actors (large companies, SMEs, e-Business providers, telecommunication operators, VANs, tax administrations, other concerned administrations, Third Trusted Parties, technical and juridical conformance services...) involved in the electronic invoicing process and to describe their roles;</li> <li>• To describe the functional modules comprised in the global service (exchange, self billing, format conversion, signature, various exchange formats, intra EU exchanges constraints, end to end control and tracing, storage, restitution, administration control module,...) ,</li> <li>• To describe the different Business Processes used;</li> <li>• To define the alternative architecture solutions (direct exchange from sender to receiver, intermediary service providers, storage in the EU and out of EU,...) and to propose standardised solutions using ebXML .</li> </ul>
<b>Milestones</b>	<ol style="list-style-type: none"> <li>Draft Model</li> <li>Public Review of draft model</li> <li>Final Model</li> </ol>
<b>Man Days</b>	60 man-days proposed Freddie, Project Team rules
<b>Responsible organization</b>	CEN/ISSS Workshop/eInvoicing
<b>Other relevant groups/organisations</b>	
<b>Deliverable (type)</b>	CEN Workshop Agreement containing a specification of the model
<b>Priority</b>	2 or 1
<b>Team</b>	Francis, Arnaud, Freddie, Heiko, Klaus, Anders, Stefan, Johanna, Mike, Dave, Mounir
<b>Duration</b>	9 months

### TASK 3.5

An additional task would be to record good ideas that have come up during the Workshop that should be put into other projects (either in a new phase of the present Workshop, or carried out elsewhere).

## Annex A

### Timetable



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## **Annex B**

### **EU/EFTA mandate M/339**

#### **Standardisation mandate to CEN, CENELEC and ETSI in support of interoperability of electronic invoicing in the Community**

##### **1 Title**

Mandate to CEN, CENELEC and ETSI in support of the regulatory framework for electronic invoicing, namely:

- Council Directive 2001/115/EC of 20 December 2001 amending Directive 77/388/EC with a view to simplifying, modernising and harmonising the conditions laid down for invoicing in respect of value added tax<sup>1</sup>.

This Mandate refers in particular to Article 2, point 2 that concerns the transmission and storage of electronic invoices.

##### **2 Rationale**

###### **2.1 Introduction**

At the time the Sixth VAT Directive was adopted (1977)<sup>2</sup>, it was not an absolute necessity to have one single set of rules regarding invoicing. Therefore, it was decided to leave it to Member States to fix most of the rules regarding the creation, transmission and storage of invoices. The Sixth VAT Directive contained only the obligation to issue the invoice itself, together with a minimum list of compulsory mentions.

Today in the Single Market the situation regarding the diffusion of e-business practices is completely different:

- It is now more common for traders to have to cope with different national invoicing requirements for taxable supplies in different Member States;
- Traders today often have a single invoicing centre which works for different establishments and issues invoices which are then submitted to different national legislations;
- With the adoption of e-business practices by both large and small enterprises and national tax administrations, electronic invoicing has become common practice. However, the burden lies with the traders to cope with the existence of 15 different legislations. In certain States they are required to have prior authorisation (or only notification) for issuing electronic invoices, and in others coping with different technical requirements causes problems. Furthermore, in certain cases the use of electronic invoicing is forbidden or very difficult, and often cross-border electronic invoicing is difficult due to the existence of incompatible legislation in certain Member States and the fact that paper copies are obligatory.

In order for the traders to fully benefit from the advantages of electronic invoicing, commonly agreed standards in support of interoperable service provision are a key prerequisite. The objective of this Mandate is to stimulate further standardisation work in this domain, with the view to supporting the effective implementation of the related Directive 2001/115/EC.

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<sup>1</sup> OJ L 15, 17.1.2002, p. 24

<sup>2</sup> OJ L 145, 13.6.1977, p. 1

## 2.2 The legal environment

From a legal point of view, traders will benefit from the Directive 2001/115/EC, which recognises at EU level the legal validity of electronic invoices for VAT deduction. This new Community harmonised legislation on invoicing including obligatory mentions, electronic invoicing and storage, will greatly improve trading. The new rules require:

- a harmonised list of ten mandatory general items and four specific items on information for every invoice;
- simplified arrangements for small companies or invoices for small amounts;
- a full acceptance of electronic invoicing by Member States' tax authorities, without any notification or authorisation system, on condition that the authenticity of origin and integrity of data are guaranteed, through the use of electronic signatures or Electronic Data Interchange (EDI). Member States can also accept that invoices may be sent by other electronic means subject to acceptance by the Member State(s) concerned;
- the possibility, under certain circumstances, of outsourcing invoicing operations to a third party or to the customer (i.e. self-billing);
- the free choice of the place and method of storage of invoices and acceptance of electronic storage.

The Directive 2001/115/EC which Member States are required to implement by 1 January 2004, sets down the time limits on harmonised rules on VAT invoicing. On electronic invoicing, at least two alternative methods will be accepted by all Member States:

a) the use of "advanced electronic signatures within the meaning of Article 2(2) of Directive 1999/93/EC of the European Parliament and of the Council of 13 December 1999 on a Community framework for electronic signatures; Member States may however ask for the advanced electronic signature to be based on a qualified certificate and created by a secure-signature-creation device, within the meaning of Article 2(6) and (10) of the aforementioned Directive" or

b) the use of "electronic data interchange (EDI) as defined in Article 2 of Commission Recommendation 1994/820/EC of 19 October 1994 relating to the legal aspects of electronic data interchange when the agreement relating to the exchange provides for the use of procedures guaranteeing the authenticity of the origin and integrity of the data; however Member States may, subject to conditions which they lay down, require that an additional summary document on paper is necessary".

It should also be noted that the electronic signature is only requested for the technical security it gives to documents (authenticity of origin and integrity of data).

## 2.3 The standardisation environment

The new VAT legal framework refers to already existing definitions, such as EDI, advanced electronic signature, qualified certificate, secure signature-creation device, electronic data interchange, for which standardisation work is ongoing. Therefore, accelerating and broadening the standardisation work in these domains will enhance the potential benefit from Directive 2001/115/EC, taking due account of the legal requirements for electronic invoices.

A report has been published by CEN/ISSS that analyses the standardisation requirements resulting from the new VAT legal framework.

The overall conclusions of this report can be summarised as follows:

- With e-business being established in large and small enterprises, there is an urgent requirement from business and tax administration to have a standardised approach to electronic invoices, which

meets the needs of all business and tax administrations and is of central importance for the success of e-commerce. This approach should also include consensus on business best practice.

- Although standards on EDI and on electronic signatures are available to a certain extent, too many issues on interoperability surround especially cross border electronic invoicing and VAT, and too diverse legislation on electronic signatures and VAT in Member States prevent business and administration to make adequate use of European harmonisation in electronic commerce.

### **3 Scope of the Mandate**

The Mandate shall be executed in two phases.

The objective of the first phase is:

- To prepare, based on the results of the aforementioned CEN/ISSS report and taking into account current work at European and international level, for a detailed standardisation work programme in support of electronic invoicing. The work programme should reflect the technical requirements and the required levels of interoperability as defined by the legal framework, bearing in mind the electronic means that are specified in the Directive 2001/115/EC (i.e. advance electronic signature or EDI) as well as the other electronic means that Member States choose to accept. The work programme shall, in particular, define clear objectives, task assignments and timetables for the delivery of the required standards (e.g. EN, TS, CWA) or guidelines. The work programme shall be presented to the Commission not later than six months after the acceptance of the Mandate.

The objective for the second phase is:

- To implement the standardisation work programme as agreed in the first phase, in addition to a consultation with the Member States organised by the Commission. The execution of the specific standardisation tasks shall be carried out in close co-operation with all relevant stakeholders.

### **4 Modus operandi and co-ordination aspects**

The objective is to further advance the standardisation work in support of the legal framework, taking into account that the Member States shall implement the legal and administrative provisions necessary to comply with the Directive 2001/115/EC with effect from 1 January 2004. CEN, CENELEC and ETSI are invited to establish adequate and efficient co-operation mechanisms in view of achieving widest possible consensus amongst all parties concerned. In addition, arrangements shall be made to establish relevant international co-operation. In this respect, the following principles shall be followed:

- Close co-operation with relevant industry fora and consortia (e.g. OASIS) shall be established, as appropriate.
- International co-operation shall be ensured, in particular with IEC, ISO, ITU, UN/CEFACT and UN/EDIFACT, as appropriate.
- Results of relevant EU research projects shall be taken into account.
- Particular attention shall be given to the involvement of national organisations and authorities concerned with the implementation of the Directive 2001/115/EC.

### **5 Execution of the Mandate**

5.1. Within two months of the date of acceptance of this Mandate, CEN, CENELEC and ETSI shall present a report to the Commission setting out the arrangements they have made for the execution of this Mandate. Particular attention shall be given to the involvement of all relevant parties and to the working arrangements with relevant industry fora and consortia.

5.2 Within six months of the date of acceptance of this Mandate, CEN, CENELEC and ETSI shall present the proposed work programme (with the definition of the objectives, target dates, and performance criteria) to implement the recommendations of the CEN/ISSS report.

5.3 Subject to the acceptance of the proposed work programme by the Commission, CEN, CENELEC and ETSI are invited to execute the work. Adequate monitoring mechanisms for the work will be put in place as soon as possible.

5.4 With acceptance by CEN, CENELEC and ETSI of the Mandate the appropriate standstill period in accordance with Article 7.1 of the Directive 98/34/EEC as amended will start.