

## ANNEX

### TERMS OF REFERENCE

#### EXPERT GROUP ON ELECTRONIC INVOICING

##### 1. BACKGROUND

The European Commission (EC) has responded to the challenges of economic globalisation. In its “Broad Based Innovation Strategy”, launched in September 2006, the EC observed, “In this new economic order, Europe cannot compete unless it becomes more inventive, reacts better to consumer needs and preferences and innovates more.”

Two aspects, efficiency and certainty, emerge as the basis for improving European competitiveness in a global economy. Making value chains more efficient reduces cost; improving the certainty of the environment in which they operate makes them more competitive. Therefore, achieving value chain efficiency and certainty is a foundation for innovation.

Streamlining the flow of information in any value chain will reduce inefficiencies, improve certainty and reduce cost. As Europe moves to adopt the Single Euro Payments Area (SEPA), the business processes necessitating a vast majority of Business-to-Business and Business-to-Government payments should also be addressed. SEPA is expected to contribute significantly to the Lisbon Agenda.

The scope and objective of a European Electronic Invoicing (EEI) Framework is to provide the basis to achieve interoperability of e-Invoicing solutions in the public and private sector. It will derive a basis for interoperability through common business rules and technical standards. Assisting in strengthening the positive commercial incentives for electronic trade as a replacement to manual paper-based processes, the Framework will contribute to the removal of current barriers to the take-up and establishment of intra-community (cross-border) e-Invoicing solutions.

##### 2. MANDATE OF THE EXPERT GROUP ON E-INVOICING

The Expert Group ("the Group") will assist the Commission in the development and monitoring progress towards an agreed strategy for the creation of a European e-Invoicing Framework.

The Group's tasks shall be completed by 31 December 2009.

The Group shall fulfil the following particular tasks:

- (a) identifying shortcomings in the regulatory framework for e-Invoicing at Community and Member State level, which prevents the Community economy to exploit its full potential;
- (b) identifying e-Invoicing business requirements for an European e-Invoicing Framework and ensure their validation by key stakeholders
- (c) identifying relevant e-Invoicing data elements, especially for the linkage between the invoice and, at least, the procurement and the payments process, issues related to value-added tax, authentication and integrity, archiving and storage demands, as well as the need to ensure the validation of those elements by key stakeholders;
- (d) proposing responsibilities to be assigned to standardisation bodies and a time schedule for the development of common standard(s) based on the business

and data requirements of stakeholders to support a European e-Invoicing Framework;

- (e) proposing the European e-Invoicing Framework. The European e-Invoicing Framework is to establish a common conceptual structure, including business requirements and standard(s), and propose solutions supporting the provision of e-Invoicing services in an open and interoperable manner across Europe.

In carrying out its task, the Group shall take account of already existing work and solutions, in particular concerning business requirements and technical standards, in the domain of e-Invoicing in the public and private sector.

Where appropriate and necessary, the Group can identify responsibilities for the execution of specific work to sub-groups or external bodies and organisations competent in the domain of e-Invoicing.

The Group shall establish and communicate to the Commission a mid-term report summarising progress on the tasks and any recommendations as an input to reflection and discussion between the Commission and Member States and stakeholders, in particular industry associations. This report shall be made available to the public.

The Group shall establish and communicate to the Commission a final report describing the European e-Invoicing Framework. This report shall be made available to the public. The reports will not be considered as reflecting the views of the Commission services.

### **3. COMPOSITION AND OPERATION**

#### **3.1. Composition**

The Group shall be composed of up to 30 members.

The members shall be appointed by the Commission from specialists with competence in the area of e-Invoicing on the basis of applications from industry associations, public sector bodies and individuals representing the interests of all or part of public sector, enterprises and ICT, consumers, financial service providers and standardisation organisations in the field of e-Invoicing.

#### **3.2. Call for applications**

Upon the adoption of the Decision establishing the Group, the Commission will publish a call for applications from industry associations, public sector bodies and individuals representing the interests of all or part of public sector, enterprises and IT, consumers, financial service providers and standardisation organizations in the field of e-Invoicing.

Industry associations, public sector bodies and individuals wishing to participate in the Group are asked to apply in the form of a written correspondence, to be forwarded to the Commission not later than 30 November 2007.

Applications shall provide a duly motivated submission, stating reasons for the desired participation in the Group.

The Commission shall assess applications against the following criteria:

- (a) members must represent the key stakeholders (e.g. service providers, solution providers, public sector, enterprises, including small and medium-sized enterprises (SMEs), as well as consumers), and standardisation organisations;

- (b) members must have recent practical or operational expertise or experience with legal, administrative, tax-related, standardisation, commercial and/or technical challenges of e-Invoicing on a cross-border basis. In particular, members shall have relevant direct experience in business projects or matters which equip them with commercial or technical insights needed to develop solutions to the issues as set out in this Decision;
- (c) members must be in a position to contribute to defining or shaping the views of their administration, parent organisation, industry association or industry, or other stakeholder group in respect of the matters covered by the mandate;
- (d) members must be proficient in English at a level which allows them to contribute to discussions and preparation of reports.

Applications received from interested parties should be accompanied by material demonstrating that the proposed member meets the above conditions.

### **3.3. Final determination of Group composition**

The Commission shall decide upon the composition of the Group on the basis of proposals submitted in response to the call for applications.

When appointing the members, the Commission shall take into account the following criteria:

- (a) the required legal, commercial and technical expertise in respect of the matters covered by the mandate for the Group;
- (b) the expertise covering all relevant functions within the supply and demand side of e-Invoicing;

In addition, the Commission shall aim at ensuring a broad geographical representation and a balanced gender composition on the basis of applications received.

The members shall inform the Commission in good time of any conflict of interests which might undermine their objectivity.

The names of members appointed individually are published on the internet site of the DG or in the Official Journal of the European Union, series C, or both. The names of members are collected, processed and published in accordance with the provisions of Regulation (EC) No 45/2001.

Members shall be appointed for a twelve-month renewable term and shall remain in office until such time as they are replaced or their term of office ends.

Members may be replaced for the remainder of their term of office in any of the following cases:

- (a) where the member resigns;
- (b) where the member is no longer capable of contributing effectively to the group's deliberations;
- (c) where the member does not comply with Article 287 of the Treaty;

- (d) where the member has failed to inform the Commission in good time of a conflict of interests.

### **3.4. Chairperson**

The Commission shall appoint the Chairperson of the Expert Group, taking into account the extent to which the selected person represents the key stakeholder's interests, contributes to shaping the views of industry in respect of the matters covered by the mandate and possesses the required legal, commercial and technical expertise.

The Commission shall appoint the Chairperson for a renewable mandate of twelve months.

### **3.5. Operation**

The Commission shall organise the meetings of the Group, which will be chaired by the Chairperson.

In agreement with the Commission, sub-groups may be set up to examine specific questions under terms of reference established by the Group; they shall be dissolved as soon as these tasks have been fulfilled.

The Commission' representative may invite experts or observers with specific competence on a subject on the agenda to participate in the Group's or its sub-groups' deliberations.

Information obtained by participating in the Group's or sub-group's deliberations may not be divulged if, in the Commission's opinion, this information relates to confidential matters.

The Group and its sub-groups shall normally meet on Commission premises in accordance with the procedures and schedule established by it. The Commission shall provide secretarial services. Commission officials with an interest in the proceedings may attend the meetings of the Group or the sub-groups.

The Group shall adopt its rules of procedure on the basis of the standard rules of procedure adopted by the Commission.

The Commission may publish, or place on the Commission's internet, in the original language of the document concerned, any summary, conclusion or working document of the Group.

### **3.6. Reimbursement of expenses**

The Commission shall reimburse travel and, where appropriate, subsistence expenses for the Chairperson, members, experts and observers in connection with the Group's activities in accordance with the Commission's rules on the compensation of external experts.

The Chairperson, members, experts and observers shall not be remunerated for the services they render.

Meeting expenses shall be reimbursed within the limits of the annual budget allocated to the Group by the competent Commission department.