

EU Parliament Suggestion to the EU Council on eInvoicing

Signatures remain an appropriate means for fulfilment of compliance requirements

Düsseldorf, 19th May 2010 - the current publication from the EU Parliament on 5th May 2010 on the subject of eInvoicing leads to uncertainty among several companies and service providers.

Many people are asking themselves whether signature solutions are suitable technology and a safe investment, now and in the future, for legal eInvoicing. The following statement therefore outlines the current status at an EU level. It hereby becomes obvious that the use of electronic signatures is required in eInvoicing in order to fulfil the European requirements.

For a comprehensive assessment, it makes sense to briefly look at the basis from which the current publication from the EU Parliament has been created.

In January 2009, the European Commission dealt with a suggestion for a change to the 2006/112/EC guideline (EU common system for Value Added Tax). The core points of the commission's suggestion were the waiver of the electronic signature as a common, internationally standardised means of safeguarding electronic invoices. Instead, the commission suggested non-standardised, internal checks. The commission forwarded its suggestion to both the EU Parliament and the EU Council.

The EU Parliament reacted on 5th May 2010 and commissioned its president to issue the parliament's stand point on the above matter to the EU Council. The parliament only agreed to the commission's suggestions with reservations and made its own suggestions in addition. It suggested that electronic and paper invoices should be handled in the same way. The consequence of this would be that the companies would personally have to prove, such as with extensive and expensive process documentation, that electronic invoices satisfy the legal requirements.

Both the EU commission and the EU Parliament have currently conveyed their suggestions on a change to the Value Added Tax directive. However, the decision on a possible change lies exclusively with the EU Council. The EU Council can follow the suggestions but is not required to do so.

Comment



The EU Council, made up of representatives from all member states, must unanimously agree to a directive in all tax-related issues. This means that the agreement of all member states is required for an amendment. A simple majority is not sufficient.

Based on this, and due to the fact that several states want to hold onto the signature requirements, it is questionable whether a change to, and simultaneous waiver of the signature requirement will follow. It is more likely that in eInvoicing in the coming years, a signature to protect against manipulations in electronic invoices will be required. Currently signatures are required for eInvoicing processes and many companies of any size are using them.

Impact on companies

Irrespective of the decision of the EU Council, companies should consider two possible requirement scenarios when selecting eInvoicing solutions.

Scenario 1: the EU Council agrees to suspension of the signature obligation against all expectations. Alongside the signature, it opens up the possibility of using non-standardised means such as individual process documentation for proof of the integrity and authenticity. In this case, the cost for individual process documentation can be significantly reduced through the use of standardised signature technologies.

Scenario 2: the EU Council does not agree to an amendment. The use of electronic signatures is still required for eInvoicing processes. Companies can use signature technologies now and in the future.

The scenarios show that eInvoicing solutions on the basis of qualified electronic signatures are a safe means for the future for fulfilling legal requirements. Through the use of signature solutions, companies can already optimise invoicing processes and reduce costs without foregoing investment security.

AuthentiDate offers the respective signature solutions for implementation in companies and as a web service. With the SIGNAMUS (www.signamus.com) service, the AuthentiDate eInvoicing solutions are also available as Software-as-a-Service (SaaS). This means that newcomers and companies that do not want to implement their own signature solutions can start practicing eInvoicing straight away.

Comment



More extensive information can be found on www.authentidate.de/legal_en

About AuthentiDate

AuthentiDate (www.authentidate.de) is the inventor of the central, qualified mass signature and it is one of the leading suppliers in the international signature market. The signature and IT security specialist provides cutting edge products for many years and shapes the market with its innovations.

More than 50% of the German health insurers and many domestic and foreign companies and organizations, such as DOW Chemical, EnBW, HAYS, John Deere, METRO Group/MIAG C.V., TÜV Rheinland, Universitätsklinikum Tübingen successfully use AuthentiDate signature products for many years.

AuthentiDate technologies meet the stringent requirements of the German signature laws and the EU signature guideline. The signature software SLMBC, tested and certified in accordance with the signature laws, is only available from AuthentiDate Deutschland GmbH. AuthentiDate International AG is a certification service supplier, accredited by the Federal Network Agency, and it operates a trust center in accordance with the German signature law.

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