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WORKING PAPER

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From:	General Secretariat of the Council
To:	Delegations
Subject:	Working Party on Competitiveness and Growth meeting on 04 September 2025 – Commission presentation : Single Market implementation tools under the Single Market Strategy: eInvoicing and Digital Product Passport



Single Market implementation tools under the Single Market Strategy: **eInvoicing** and **Digital Product Passport**

*Directorate-General for Internal Market,
Industry, Entrepreneurship and SMEs
Unit G.2 Single Market Implementation Tools*

eInvoicing in Europe



- **Current Landscape**
- **Potential of eInvoicing**
- **Delivering on the Single Market Strategy**

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eInvoicing in Europe: Current Landscape

eInvoicing in the EU27: state of play

2014 eInvoicing Directive: All 27 Member States now accept in public procurement (above EU thresholds) eInvoices compliant with the **European eInvoicing standard**.

- **B2G: 21** MS impose an obligation on suppliers (partial or full)
- **B2B: 11** MS adopted or plan obligatory eInvoicing

Adoption of B2B eInvoicing

- Countries that have **obligatory B2B eInvoicing**: Italy (2019), Romania (2025)
- **Planned/Scheduled obligatory B2B eInvoicing**: Belgium, Croatia, France, Germany, Latvia, Poland, Slovakia, Slovenia, Spain

eInvoicing in the EU27: state of play

VAT in the Digital Age legislative proposal (ViDA), as of July 2030

- **Intra-Community transactions:** Mandatory eInvoicing and use of European standard for VAT reporting.
- **Domestic transactions:** Opt-out possible under certain conditions, risk of fragmentation as national standards are still allowed
- **Member States may use domestic eInvoicing formats but** must align with EU standard by January 2035 to ensure interoperability
- **No buyer acceptance required for eInvoices**, simplifying issuance and reducing administrative delays.
- **Since 2025, MS do not need to require anymore a derogation** in order to impose mandatory eInvoicing

eInvoicing in the EU27: 2024 evaluation findings*

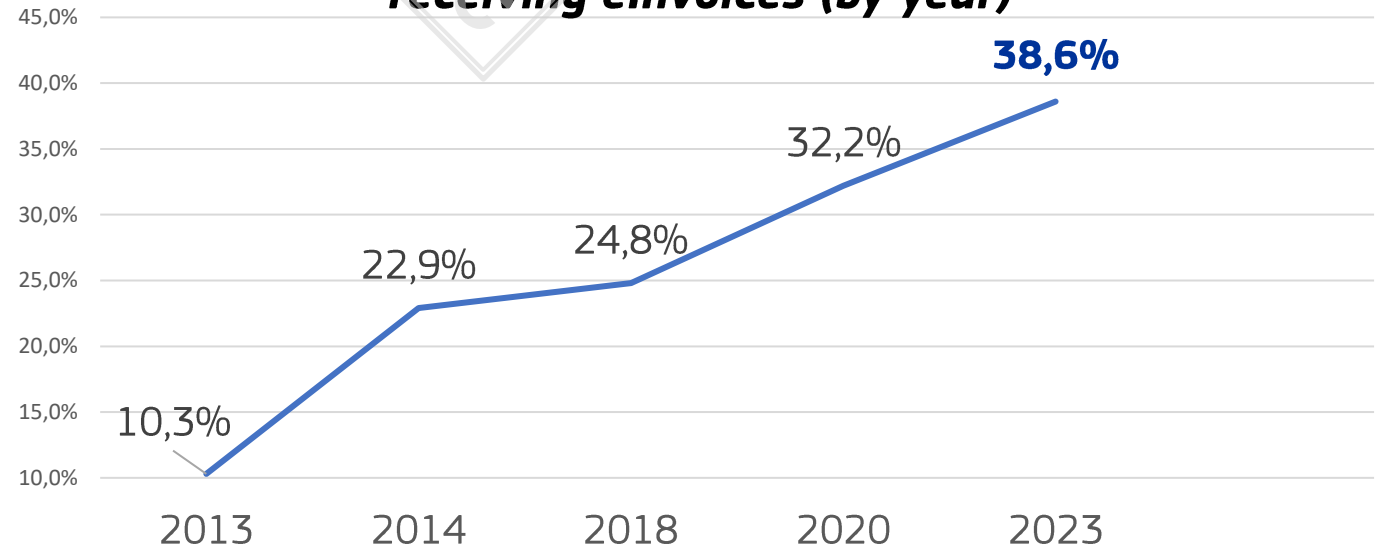
- The general uptake of eInvoicing in the EU (B2B and B2G) grew from 10.3% in 2013 to **38.6%** in 2023**
- There are differences between Member States – the percentage of enterprises sending or receiving eInvoices varies from***:

14.8% in Poland

97.5% in Italy

***Data from 2023

Percentage of enterprises in the EU sending or receiving eInvoices (by year)



**Source: Eurostat (data from enterprises with 10 or more employees)

* Report on the effects of Directive 2014/55/EU on the Internal Market and on the uptake of electronic invoicing in public procurement - European Commission

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Potential of eInvoicing

Driver for business digitalisation

- **Digitalisation of business processes**
- **Transparency across the value chains**
- **Increased accuracy**
- **Reduction of costs and processing times**
- **Alignment of data models**
- **Automated reporting**
- ...

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VAT Reporting

- **Near real-time VAT reporting:** The principle of VAT Reporting based on eInvoicing is introduced by ViDA - structured eInvoice data allows automated, timely and accurate submissions of VAT reports
- **Cross-border legal certainty:** Harmonised data formats ensure consistent VAT treatment across Member States.
- **Reduction of administrative burden:** Standardisation based on the European eInvoicing standard simplifies compliance for taxable persons and national authorities.

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Sustainability Reporting

- **Study and pilot on sustainability reporting:** The Commission is exploring the reuse of eInvoicing data to link invoice information with environmental metrics, to reduce administrative burdens for SMEs through enhanced digital interoperability across the EU.
- **Automated reporting frameworks:** eInvoicing could enable integration with sustainability metrics and facilitates compliance with CSRD (Corporate Sustainability Reporting Directive) and taxonomy regulations.
- **Transparency across value chains:** Standardised eInvoice formats could improve data comparability and accountability in supplier reporting.

* Taking into account the results of the Omnibus I on sustainability reporting

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Digital Customs & Transport

- **Interoperability with the EU Customs Data Hub:** Standardised eInvoicing formats would enable integration with customs systems and the EU Single Window, streamlining cross-border data exchange.
- **Digital customs processes:** eInvoice data could be used in customs processes
- **Compliance with eFTI Regulation:** Structured eInvoicing would support reliability of freight-related data submitted to customs authorities, for both intra-EU and extra-EU movements through the EU Customs Data Hub.



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eInvoicing in the EU: Delivering on the Single Market Strategy

EU eInvoicing - the Single Market Strategy 2025



SINGLE MARKET STRATEGY

CHOOSE EUROPE:

*Fewer Barriers,
More opportunities*

In Single Market Strategy, the Commission announced the revision of **eInvoicing Directive** in public procurement by turning it into a Regulation and making the EU eInvoicing standard mandatory for public procurement.

- **Interoperability with EU Systems:** eInvoicing will connect with VAT, customs, and ESG reporting systems, enabling seamless data reuse and compliance.
- **Integration in EU Digital Ecosystem:** eInvoicing becomes part of a broader digital ecosystem, enabling end-to-end automation.
- **Simplification for SMEs:** SMEs will face fewer reporting requirements, lower compliance costs and benefit from certified, pre-integrated accounting tools.
- **Real-Time Automation:** eInvoicing will support faster, paperless, and more secure invoice exchanges, driving productivity and transparency.

eInvoicing in the EU27: Next steps

Single Market Strategy commitments:

- **Revision of the 2014 eInvoicing Directive:** obligation to use eInvoicing in all B2G transactions, mandatory use of the EU eInvoicing standard, transmission based on eDelivery
- Auditing the **national accreditation schemes**
- Upcoming recommendation on **eInvoicing module in accounting software**
- **Pilot eInvoicing data for sustainability reporting**
- **Study on eInvoicing and customs data integration**

Overarching objectives:

- **Mainstreaming the use of eInvoicing across Europe** (as a tool for digital innovation and admin burden reduction)
- **Ensuring interoperability** by:
 - Upgrading the EU eInvoicing standard
 - Transmission of eInvoices via eDelivery (EC technical specs based on open standards)
- **Promoting EU eInvoicing model internationally**

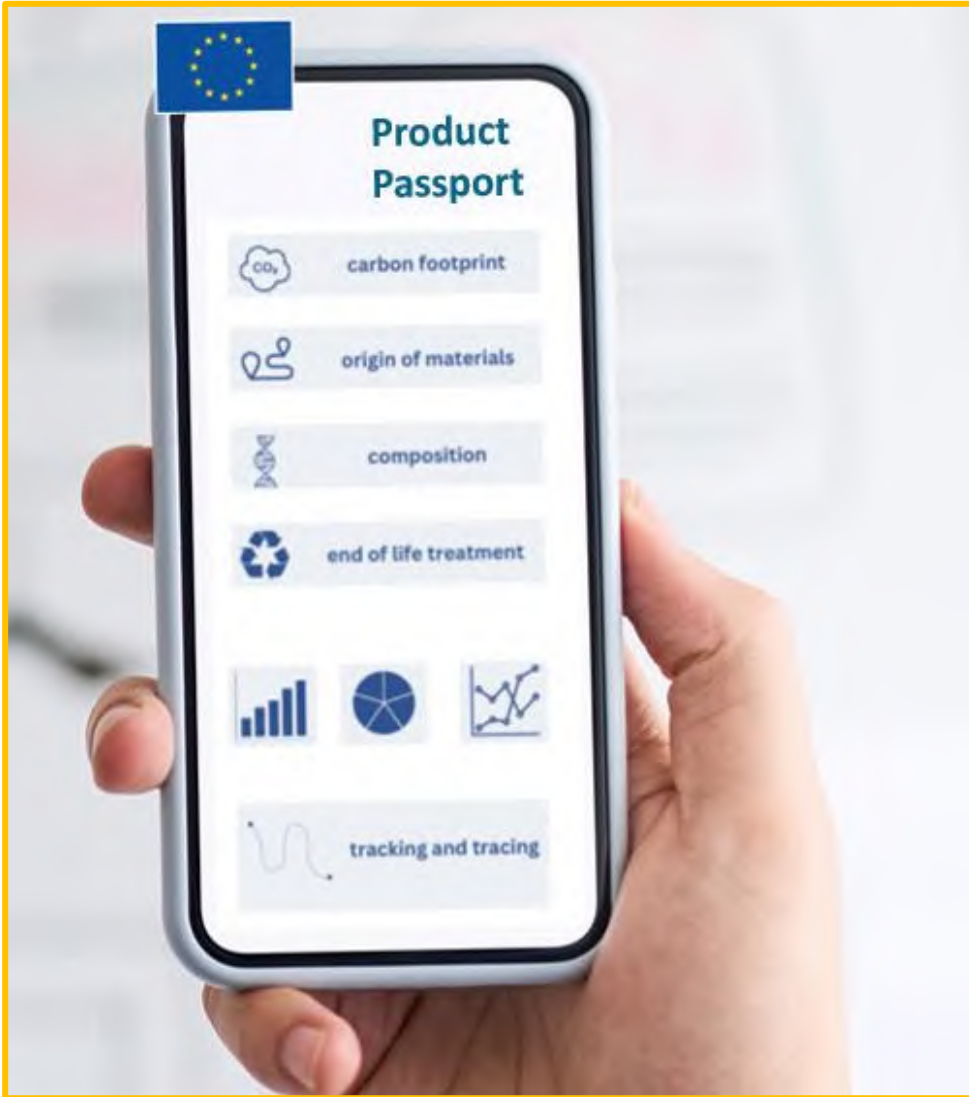
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Thank you!

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The Digital Product Passport



Agenda

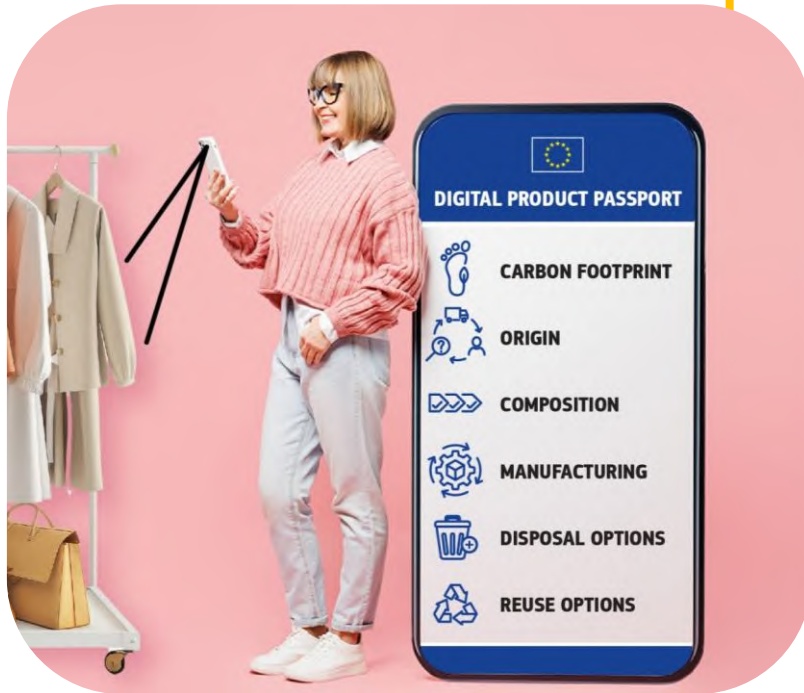
1. Digital Product Passport (DPP) - short introduction
2. DPP current legal framework
3. The way forward: avoiding legal fragmentation between different legal acts



1

Introduction to the Digital Product Passport

Digital Product Passport



A **Digital Product Passport (DPP)** is a digital container of product specific information.

It serves as a digital identity for the product, enabling traceability and transparency throughout its value chain.

DPP can contain different types of information:



How does it work?



DPP is accessible via a **data carrier** and supported by **technical systems** (web-portal; registry).

DPP data is **product-group specific** (toys, textiles, detergents etc.) and defined through **secondary legislation** processes.

Unlocking Single Market Potential

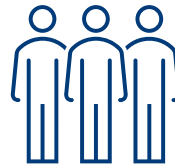


Digitalisation through the DPP is an opportunity to fundamentally transform single-market processes for:



Businesses

- Increased Supply Chain Transparency & Access to New Business Models
- Simplify Compliance



Consumers

- Enables Informed Purchasing
- Increased Trust in Product Information



Regulatory Authorities

- Improved Market Surveillance
- Streamlined Trade & Enforcement

The DPP will foster a more transparent, sustainable, & circular economy across the entire product lifecycle.



2

Digital Product Passport legal framework

Legal framework



- DPP's original legal basis can be found in the **Ecodesign for Sustainable Products Regulation (ESPR)**.
- It will be **complemented through product specific delegated acts** (*textiles, steel and aluminium, tyres, furniture, ICT, energy related products...*).
- **Other EU Regulations/Directives** may include DPP provisions.

DPP across sectoral legislation

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Regulation	Status	DPP Implementation
Batteries and waste batteries	In force	Battery passport via QR code
Marketing of construction products	In force	Construction digital product passport system
Packaging and packaging waste	In force	Harmonised labelling system
Safety of toys	Proposal	Information on compliance, declaration of conformity, CE marking ...
Detergents and surfactants	Proposal	Technical requirements to be established via implementing acts

DPP secondary legislation



The DPP secondary legislation, which aims to complete the operational framework of the DPP, is planned for **adoption by mid-2026** and includes the following:

- 1 A **delegated act** setting out the requirements for DPP service providers, as well as a certification scheme to verify their compliance with such requirements where appropriate;
- 2 An **implementing act** setting out procedures to issue and verify the digital credentials of economic operators and other relevant actors;
- 3 An **implementing act** setting up requirements for the Central Registry;
- 4 A **delegated act** establishing rules & procedures on the life cycle management of unique identifiers & data carriers.



3

The way forward

Milestones



The **public consultation** for the **delegated act setting out the requirements for DPP Service Providers** closed on 1 July.



The **EU Harmonised Standards** undertaken by CEN-CENELEC is due to be completed by **early 2026**.



Launch of the **DPP registry** in **July 2026**.



Certain types of big batteries are the first product category for which the DPP becomes mandatory in **February 2027**.



The DPP is being introduced for a **wide range of other products, specified in ESPR Work Programme**, from **the end of 2027 onwards**.

Priority products set out in the ESPR Work Programme **

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Final products included



Textiles/Apparel

2027*



Furniture

2028*



Tyres

2027*



Mattresses

2029*

Intermediate products included



Iron & Steel

2026*



Aluminium

2027*

Products included under the transition rules



Energy-related products

2027*



ICT products

2029*

* indicative timeline for adoption

** Document 52025DC0187, COM/2025/187 final

Avoiding legal fragmentation



The Challenge

- DPP provisions are to be integrated across a wide range of **sectoral legislation**.
- Aims are **multi-faceted**, serving varied objectives from consumer empowerment to circular economy and efficient market surveillance.

How are the challenges being addressed



The underlying DPP system will **operate uniformly**, regardless of the product sector;



Standardisation work is also being undertaken by CEN-CENELEC to **ensure interoperability** between different elements



The Commission coordinates internally to ensure a good **alignment** between different Commission legislative proposals



The opportunity to integrate **horizontal provisions** through the New Legislative Framework is being analysed

DPP as part of the **New Legislative Framework**

The New Legislative Framework (NLF): provides a blueprint for product harmonisation legislation aligning 30 EU legal acts.



The DPP can support this framework in several ways:

- Reuse of DPP for regulatory compliance
- Moving from paper to digital
- Reinforcing support for Market Surveillance Authorities
- Reducing legal fragmentation

Supporting businesses along the implementation

The Commission intends to develop:

- Technical guidance documentation for DPP registration and the use of the DPP registry;
- Open-source tools to help companies (incl. SMEs) to create DPPs and validate their DPPs structure.

In designing the overall DPP system simplicity and cost-effectiveness for SMEs are the important considerations.

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Thank you!

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