

## Implementing European standards in Sweden

### **1-What has been your experience implementing the standards, including any obstacles you may have faced and how you overcame them?**

The business functions covered by the CENBII-specifications are meeting the requirements from SFTI very well. This is not surprising, given that SFTI has been involved in the development since the very start of the work in CEN. This shows how important it is to participate in the standardization work.

Several of the specifications have been successfully implemented by buyers and sellers in Sweden. A major benefit is that the specifications are used not only in Sweden but also in other countries. Many of the ERP-vendors and service providers who are active in the Swedish market are also present in Norway, Denmark and other areas. This has resulted in a lot of positive feedback.

The CENBII-specifications introduce new possibilities for quality assurance and tools for test (such as schematron rules). This has caused a need for some actors to adopt new technology and to invest in trainings and capacity building. Even though this could be seen as an obstacle, the overall view so far is that it gives a lot of value for users.

The use of CENBII and PEPPOL by SFTI has led to an upgrade of the implemented of UBL version. All new recommendations are now based on UBL 2.1 which makes the use of the XML-standard more rational for the implementers.

### **2- What benefits have resulted for suppliers and for contracting authorities (including any quantifiable cost savings)?**

The usage of a consistent and well defined standard leads to cost savings for both contracting authorities and suppliers. The opposite situation - support for a variety of different standards and specific solutions are costly. CENBII provides all the necessary components for e-procurement, from the e-tendering phase to the ordering and invoicing.

An example of benefits from using standard messages for procurement can be found in the Municipality of Skövde. When they migrated from one e-procurement system to another, all supplier connections could be transferred in only a few days. Technically, all connections were transferred from one day to another. After a few days, all the orders, invoices and other related

messages were allowed to be sent between the municipality and the suppliers. At that time, it was a few years ago, appr. 35 % of all the orders were made electronically according to the standards recommended by SFTI.

The need for migration from one service to another will become more and more common as the e-procurement systems often are delivered as cloud-services and they are tendered and contracted for shorter period of time compared to the past where an in-house system was extremely hard to replace.

The use of standardized formats also opens the possibility for actors to provide services which need very few (if any) adaptations. This is beneficial for particularly SMEs which can buy of-the-shelf tools.

As the public sector in Sweden recommends the same standard for suppliers to both the governmental agencies, the county councils/regions and the municipalities it makes it easier and keeps the costs down compared to if there were different standards and formats recommended. It also facilitates simpler processes for e-archiving.

Usage of standards have facilitated the adoption of e-invoicing and e-procurement. Today, nearly 70% of the municipalities and 95 % of the county councils/regions receive and process e-invoices. 23 % of them receive 50-75 % of all their invoices electronically, 41 % receive 26-50 % of them electronically. The e-invoices are based on recommended standard

Contracting authorities in Sweden have achieved savings and other benefits when introducing e-procurement and e-invoicing. This has been investigated in a survey from 2013 within municipalities and county councils/regions.

Examples of benefits when using e-procurement reported in the survey are:

- better compliance with framework agreements and thus better prices for goods and services
- better statistics for monitoring and also planning new tendering processes
- more efficient purchase and invoicing processes

It has however been hard to estimate quantifiable savings relating specifically to the usage of standards. But it is obvious that the benefits and cost savings would not have been as clear if there were no standard in place.

**3- Going forward, what effect do you expect the adoption of the standards in your country will have on the level of business activity between businesses (particularly SMEs) and public authorities?**

The adoption of standard will be one of the crucial factors for the growth of e-procurement between businesses (particularly SME:s) and public authorities. We have also seen that the usage of, for example, the e-invoice standard has resulted in large adoption in also business to business relations. This is not surprising - if a small company has to send an e-invoice to a contracting authority, it is of great value if the same standard is used when an e-invoice is sent to a private buyer/business partner.

The usage of the e-invoicing standard in portals and not only peer to peer transactions/system to system in Sweden has been a success factor for SME:s and will pave the way to usage of the rest of the electronic messages, such as e-catalogues, e-orders and e-despatch advice. This means that it gives better conditions for an increased business activity between businesses and contracting authorities. And when the whole business process can be electronic, it gives benefits for both the suppliers and the contracting authorities.

With new regulation, such as the procurement directives, it will also be important with usage of standards. We work now for example with e-catalogue for also the tendering phase in Sweden and give input to the work in CEN/BII. The goal is that the suppliers can send an e-catalogue during the tendering phase and it can be reused in the ordering to invoice process. This “bridge” between the pre and post award phases will facilitate for both contracting authorities and suppliers.