Procurement Office
of the Federal Ministry
of the Interior

Electronic invoicing in the federal administration

Information about invoicing in public procurement

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Background

Electronic invoicing (e-invoicing) is a decisive step forward for Germany's public administration in its efforts to expand e-government. In addition to enabling the digitisation of business documents, electronic invoicing makes it possible to standardise and (partially) automate processes.

This publication contains information on invoicing in public procurement and the adoption of electronic invoices in the federal administration. This publication is intended for suppliers of goods and services to the federal administration.

Legal basis

The European Union's Directive 2014/55/EU on electronic invoicing in public procurement entered into force on 26 May 2014. It requires all contracting authorities engaged in cross-border procurement to be able to receive and process electronic invoices. To meet this obligation, Germany's E-Invoicing Act (*E-Rechnungsgesetz*), published on 10 April 2017, transposed the Directive into national law for federal authorities. The federal states are responsible for electronic invoicing at state level. The implementing legislation defines when public-sector agencies are required to accept electronic invoices and whether suppliers of goods and services are required to submit them. The Coordination Office for IT Standards (KoSIT) provides an overview of the status of implementation at state level. It is accessible via the website of XRechnung (in German only) of the KoSIT.

The E-Invoicing Act gave supreme federal authorities and constitutional bodies until 27 November 2018 to comply with the e-invoicing requirements. Other authorities and institutions of the direct and indirect federal administration, the "sub-central contracting authorities" referred to in the Directive, had until 27 November 2019 to comply.

The law first of all addressed the receipt and processing of e-invoices. The Directive also calls for streamlining administration with the help of seamless electronic processing.

The E-Invoicing Ordinance (*E-Rechnungsverordnung*, *E-RechV*) adopted by the Federal Cabinet on 6 September 2017 specifies the requirements of the Directive in further detail. In addition, it has required those submitting invoices to do so in electronic form since 27 November 2020. Section 3 (3) of the Ordinance makes exceptions to this requirement for direct contracts with a value of up to € 1000, for sensitive invoice data and for certain matters of the Foreign Service and other procurement abroad.

The Ordinance also specifies requirements for the invoice data model, which must conform to the XRechnung data exchange standard or another standard which complies with European standard EN 16931. Invoices must also contain information in addition to that required by the Value Added Tax Act (*Umsatzsteuergesetz*, *UStG*, section 14). This additional information is described in the section “Implementation in the federal administration”.

According to the Ordinance, invoices must be transmitted using a federal administrative portal. This applies to those submitting invoices and to those receiving them.

Advantages of electronic invoicing

Electronic invoicing provides advantages over paper-based invoicing and processing for both those submitting and those receiving invoices. These advantages are described below.

The process of submitting invoices to various federal authorities and institutions of the direct and indirect federal administration was simplified for invoice issuers through the consolidation of the two platforms ZRE and OZG-RE in summer 2025. Since September 2025, the OZG-RE has been operated as the sole federal invoice submission platform; the ZRE has no longer been available since Q4/2025. After a one-time registration, invoices can be submitted via the OZG-RE to all institutions of the direct and indirect federal administration without the need for bilateral agreements, such as those required in EDI procedures (electronic data interchange). For more information about the consolidation of the invoice submission platforms, please visit the Federal Government's information website at https://en.e-rechnung-bund.de/platform-consolidation/.

Enterprises which generate large numbers of invoices can significantly reduce their costs, as they no longer need to print or send invoices by post. For invoice issuers, switching to e-invoicing presents an opportunity to optimise and digitise other accounting processes as well.

With e-invoicing, it has been possible to demonstrate that government institutions need less time and fewer steps to process invoices, speeding up the processing time and enabling faster payment of contractors, thereby improving their liquidity.

Requiring e-invoicing has made it possible to process invoices electronically from start to finish, resulting in significant potential savings for the federal administration as well. Along with potentially reducing costs, e-invoicing and digital technology can also improve the quality of invoice processing. Making the entire process electronic from start to finish increases transparency and improves the ability to track invoices within the organisation.

Infobox: Advantages of e-invoicing

E-invoicing holds numerous benefits for enterprises and the public administration, including quicker, easier administrative and business processes and lower use of natural resources. Specific advantages for invoice issuers and recipients are listed below.

Advantages for invoice issuers:

- Simpler invoicing
- Shorter processing times
- Faster payment thanks to faster processing
- Potential to reduce postage costs

Advantages for invoice recipients:

- Increased efficiency through automated importing of invoice data
- Improved data quality
- Considerable savings on processing costs
- Decentralised processing of invoices possible

Implementation in the federal administration

As defined in Directive 2014/55/EU, an electronic invoice is an invoice that has been issued, transmitted and received in a structured electronic format which allows for its automated and electronic processing. An electronic invoice must therefore provide all relevant data in a structured format. Image files, PDF documents without integrated data, or scanned paper invoices do not meet these requirements; therefore, by definition, they are not e-invoices.

XRechnung standard

The XRechnung standard was developed in a joint project of Germany's federal administration and federal states. XRechnung is the national version of the European standard EN 16931, sponsored by the federal administration and federal states. Designed purely as a data format, the XRechnung standard enables invoice data to be imported into the processing systems directly and seamlessly. The structured XML data record is intended primarily to ensure machine-readability. XML viewer software can render the data record readable for human users.

The XRechnung standard is intended to standardise the handling of electronic invoices in public administration. It is an open-source standard maintained by KoSIT which is available free of charge and adaptable to future needs. Different standards for electronic invoicing may be used as long as they meet the requirements of the European standard, the terms of use for the invoice submission portals and the requirements of the federal E-Invoicing Ordinance. All necessary information about the XRechnung standard can be found on the KoSIT website (German only).

Infobox: Content of an electronic invoice

In accordance with section 5 of the E-Invoicing Ordinance (and in addition to what is required by section 14 of the Value Added Tax Act), an e-invoice must include **at least** the following information:

- the buyer reference (*Leitweg-ID*) of the invoice recipient
- the applicable terms of payment (or the date by which payment is due)
- the bank account details of the invoice issuer
- the invoice issuer's email address

An electronic invoice must also include the following information if it was provided by the contracting authorities when awarding the contract:

- the purchase order reference
- the seller identifier

A specific data field is provided for each item of additional information. The contracting authority and contractor can include in the contract any additional information to be provided in the invoice.

Please note: Information on the current version of the XRechnung standard is provided by the Coordination Office for IT Standards (KoSIT). Since 1 February 2024, the following BT fields (BT = business term) have been mandatory: "Business process type" (BT-23); "Seller electronic address" (BT-34); "Buyer electronic address" (BT-49). For more information, see the e-invoicing website.

Infobox: Buyer reference

The buyer reference (*Leitweg-ID*) is a unique identifier of the contracting authority. It ensures that the e-invoice is addressed to the correct recipient and sent automatically via the portals.

The contracting authority gives the invoice issuer the buyer reference when awarding the contract. The buyer reference can also be centrally accessed in the portal at any time. Invoice issuers do not need a buyer reference of their own.

Federal invoice submission portals

As part of the implementation of electronic invoicing, the German federal government provides the Online Access Act-compliant Invoice Submission Portal (OZG-RE) as the central electronic access point for the federal administration.

- Note: Since 20 September 2025, the OZG-RE has been the sole federal invoice submission platform; the operation of the ZRE was discontinued in Q4/2025. (For more information on the platform consolidation, please visit: https://en.e-rechnung-bund.de/platform-consolidation/)

The OZG-RE serves as the interface between invoice issuers and the federal administration. Use of the platform requires a one-time registration by the invoice issuer. Further information on how to register with the OZG-RE can be found in the attached *Supplier Information* and *OZG-RE User Guide*. After registration, the invoice issuer can select and store their preferred transmission channels within the platform.

The following sections describe the requirements for and advantages of using the different transmission methods.

Web submission

This method is especially suitable for enterprises which do not generate many invoices and either do not use software for outgoing invoices or use software which does not create electronic invoices compliant with the EU standard.

The invoice issuer enters the invoice data manually in a web form on the portal website and then sends the form to the recipient. The portal provides a valid e-invoice in XML format for the invoice issuer to download for archiving purposes.

Note: The portal OZG-RE does not provide an auditable archive for invoice issuers. However, the e-invoice must be archived in XML format by the invoice issuer.

Upload

This method is relevant for those who produce e-invoices compliant with the EU standard but cannot or do not wish to send them via the other transmission methods offered. The option of manually uploading an invoice requires users to activate this transmission method.

Email

Transmission via email requires that invoice issuers are able to generate a valid electronic invoice using their own software.

After the email transmission method is activated in the invoice submission portal, the invoice issuer is given the address to which the invoice should be sent.

Invoice issuers must also register their own address, as only messages from known senders can be processed.

Web service/Peppol

The OZG-RE portal offers the option to send invoices using the federal web service and transmission via the Peppol network.

There are two different ways to submit e-invoices using Peppol:

1. with an existing Peppol service provider (subject to a fee)
2. by joining OpenPeppol (subject to a fee) and setting up your own Peppol access point

To be able to track the status of invoices submitted using Peppol, the Peppol transmission method must be activated in the OZG-RE user account, and the Peppol participant ID used to transmit the invoice must be saved and verified in the system.

Further information on the Peppol transmission method can be found in the Guidelines on using Peppol to submit invoices to the federal administration.

Infobox: Peppol

Pan-European Public Procurement OnLine, or Peppol, defines an infrastructure that is well established across Europe and increasingly internationally for the secure exchange of documents between different systems. Standardised processes, a standardised “business language” and technical specifications ensure the necessary interoperability between enterprises and authorities for the electronic processing of purchasing, delivery and tendering.

In technical terms, Peppol is based on a 4-corner model. By connecting to any Peppol access point, an invoice issuer can join the network and communicate with all other participants. The sender makes up the first corner of the model. The same principle applies to all parties in the network: the potential recipient of a message becomes the next corner. The recipient must also be connected to an access point. The two access points constitute the remaining corners and are responsible for the secure transmission of the information.

A list of all access points can be found on the official Peppol website.

Annex

Choosing a transmission method in the federal invoice submission portals

The document “Choosing a transmission method in the federal invoice submission portals” can be found on the e-invoice website as an accessible version.

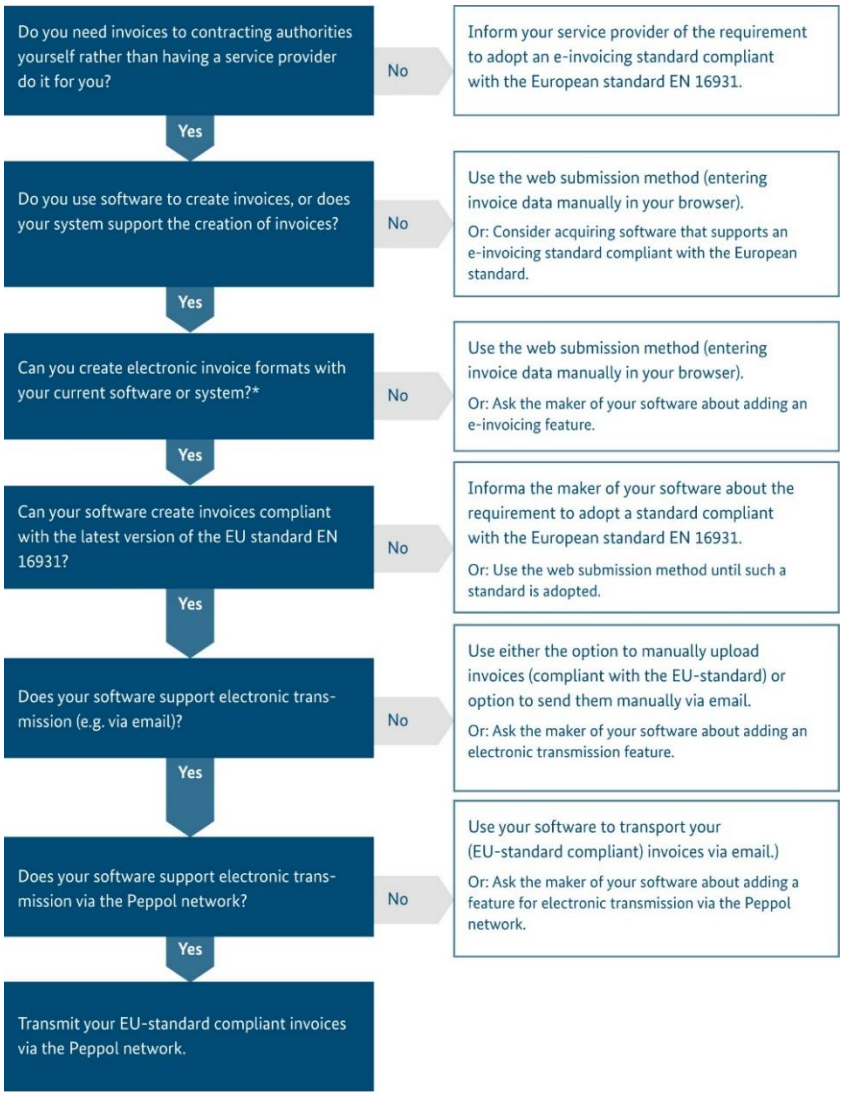

Figure 1 Choosing a transmission method in the federal invoice submission portals

* The electronic invoice formats refer to data formats containing structured invoice data.