

## September 2012

## Mandatory e-commerce for certain government authorities

On October 1, 2012, changes in Regulation (2003:770) on government authorities' electronic information exchange enter into force. The changes involve an obligation for a number of government authorities to implement e-commerce, and from May 31, 2013 handle all of their orders for supplies and services electronically. In this article partner Kristian Pedersen and associate Ingrid Sandstedt present the new rules.

The trend today is for more and more orders for supplies and services to be handled electronically and public procurement is in this respect no exception. Public procurements have in recent years increasingly been conducted by electronic means, not just publication of contract notices, but in many cases submission of tenders and tender evaluation as well. More and more authorities are choosing to use electronic systems for orders from contracted suppliers and for processing invoices. The use of electronic means in most cases entails major benefits to society in general and for individual authorities and suppliers.

The new provisions of Regulation (2003:770) on government authorities' electronic information exchange mean that the authorities listed in the appendix to the regulation are obliged to manage their outbound orders for supplies and services electronically. According to the transitional provisions of the regulation, this obligation applies to orders placed May 31, 2012 or later.

Furthermore, the new provisions authorize the Swedish National Financial Management Authority to issue regulations on the handling of such orders and standards or other requirements common to all electronic exchange of information related to orders, delivery and invoicing of supplies and services.

The Swedish government estimates that by making electronic orders mandatory, it is possible to streamline the administration of the government authorities, using taxpayers money more efficiently and thereby save a total of SEK 3.2 billion over a period of nine years. As regards suppliers, the goal is to make it easier and cheaper to conduct business with the public sector.

In order to facilitate communication and to ensure that communication can take place securely, the Swedish Tax Agency has been commissioned to provide a common infrastructure for secure electronic messages from government authorities to



September 2012 Mandatory e-commerce for certain government authorities suppliers. For suppliers, it will be possible to connect to the infrastructure in order to communicate with the authorities.

The fact that the authorities listed in the appendix to the regulation will be obliged to manage their orders electronically means that the authorities in question already need to start planning for the introduction of electronic systems, in the event that they do not already have implemented such systems. The opportunity to get an exemption, however, will be available in some cases. The Swedish National Financial Management Authority may grant an exemption if necessary, pending an authority's accession to services for electronic orders provided by the Government Service Center or if there are other special reasons.

For suppliers, the new rules mean that all orders from the authorities in question will be made electronically and that the suppliers must be able to respond to orders electronically. Hence, suppliers to these authorities should contact the authorities for more information on how to prepare for the introduction of electronic systems.

The new provisions are just the first phase of the introduction of e-commerce among Swedish government authorities. Phase two of the implementation of e-commerce will be commenced later in 2013 and will mean that all government authorities with 50 or more employees are to meet the requirement that all orders must be made electronically by December 31, 2013.

The introduction of e-commerce is led and coordinated by the Swedish National Financial Management Authority, which also provides support and information to authorities and suppliers regarding the transition to e-commerce.



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