


ONCE 2007 Global Summit




Interoperable Networks and Electronic Invoicing

Successful Network Models

Bruno Koch

E-Invoice – just a common message?



STREAM A
Led by **Andreas Wenzel, Billentis**

11:30 INVOICE - THE QUEEN OF MESSAGES

- Demanding a common multi-national group
- Only focus on the electronic invoice or a big bang with closed electronic loop for all relevant messages?
- Make or Buy
- Challenges in the implementation and how to solve them - first experience

Ralf Kahre, Senior Manager e-solutions, BASF AG, Germany

12:00 E-INVOICING - THE FUTURE

- Evolution from E-Statement Presentation to E-Invoicing
- How to persuade customers
- E-Invoicing for cost reductions on issuer and recipient side
- E-Invoicing as a marketing instrument

David Byrne, Sales Support and Marketing, Stena Line Freight, Republic of Ireland

STREAM B
Led by **Bruno Koch, Billentis**

11:30 E-INVOICING OPERATORS' FORUM (PART 1)
(access restricted to E-Invoicing operators)

- Experience and perspective with international interconnection of networks
- Hear and discuss the stories and visions of
 - B2BE
 - TietoEnator

12:00 E-INVOICING OPERATORS' FORUM (PART 2)

- Meeting point: Search and find your future roaming partner

22.06.2007
page 2



Market status

E-Invoicing

22.06.2007

© Billentis, Bruno Koch - Reproduction is authorised provided the source is acknowledged.

page 3

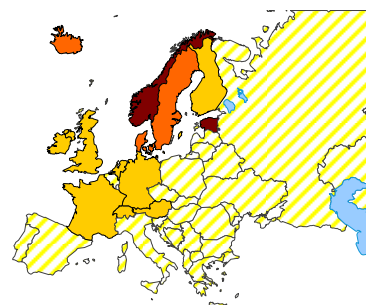
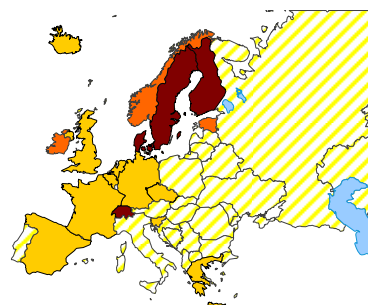
Market penetration 2007

(electronic share of total volume)



B2B

B2C



■ >10%

■ 3-10%

■ 1-3%

■ <1%

22.06.2007

© Billentis, Bruno Koch - Reproduction is authorised provided the source is acknowledged.

page 4

E-Invoicing & EBPP market figures



Europe	2006	2007 (E)
Participants	350,000 corporates 14.8 million consumers	630,000 (+80%) 18.6 (+25%)
Electronic vol. only	490 million	710* (+45%)
- B2C	- 250	- 290 (+16%)
- B2B	- 240	- 420 (+75%)
# Service providers	160	260 (+60%)

*) Roughly 400 million EDI invoices accompanied 1:1 by paper summary invoices not considered

22.06.2007

© Billentis, Bruno Koch - Reproduction is authorised provided the source is acknowledged.

page 5

Support through government initiatives



- 15 European countries actively pushing E-Invoicing

Table 6.1: Existence of an official government strategy (in writing) for introduction of electronic invoices?

Yes	No	No individual strategy but part of national e-government strategy
Finland	Estonia	Austria Portugal
Slovak Republic	Hungary	Czech Republic
	Malta	Cyprus
	Poland	Denmark
		France
		Ireland
		Lithuania
		Luxembourg
		Netherland
		Slovenia
		Spain
		Sweden

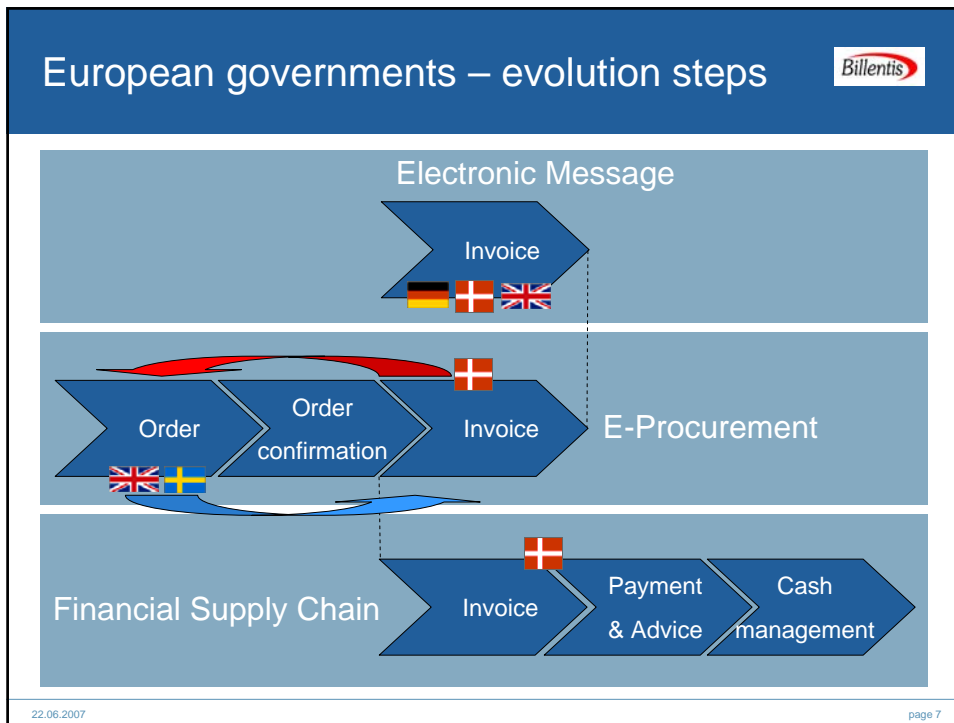
Source: Member State survey, 18 Member States participating

The table above demonstrates that most of the Member States have either included the use of electronic invoices as an objective in a national government strategy, but only two Member States have concluded a strategy specifically aiming at electronic invoices.

22.06.2007

© Billentis, Bruno Koch - Reproduction is authorised provided the source is acknowledged.

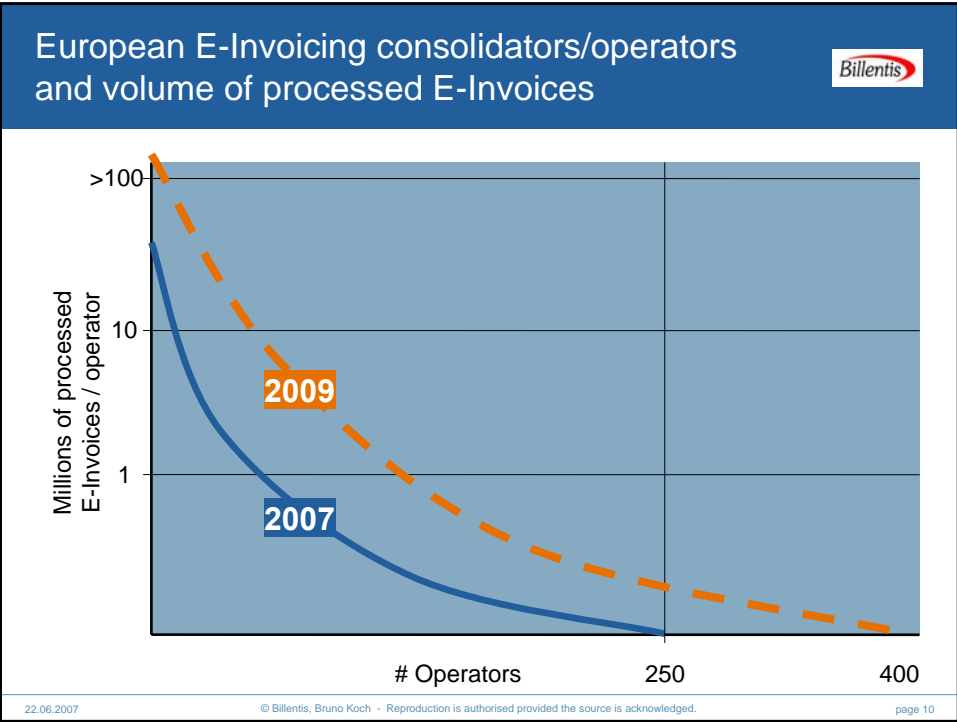
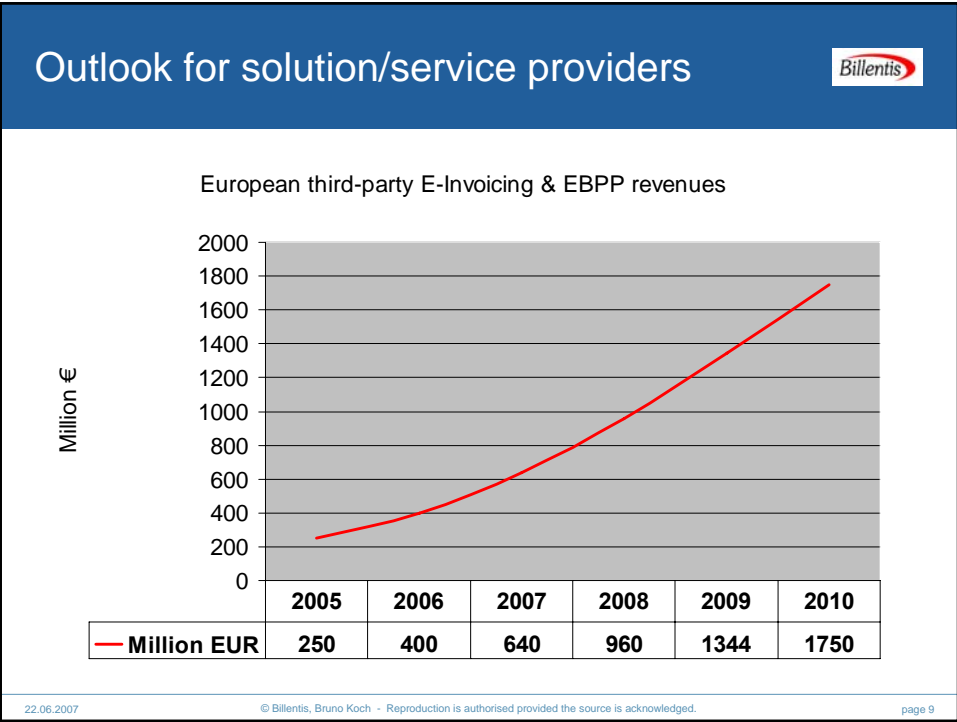
page 6

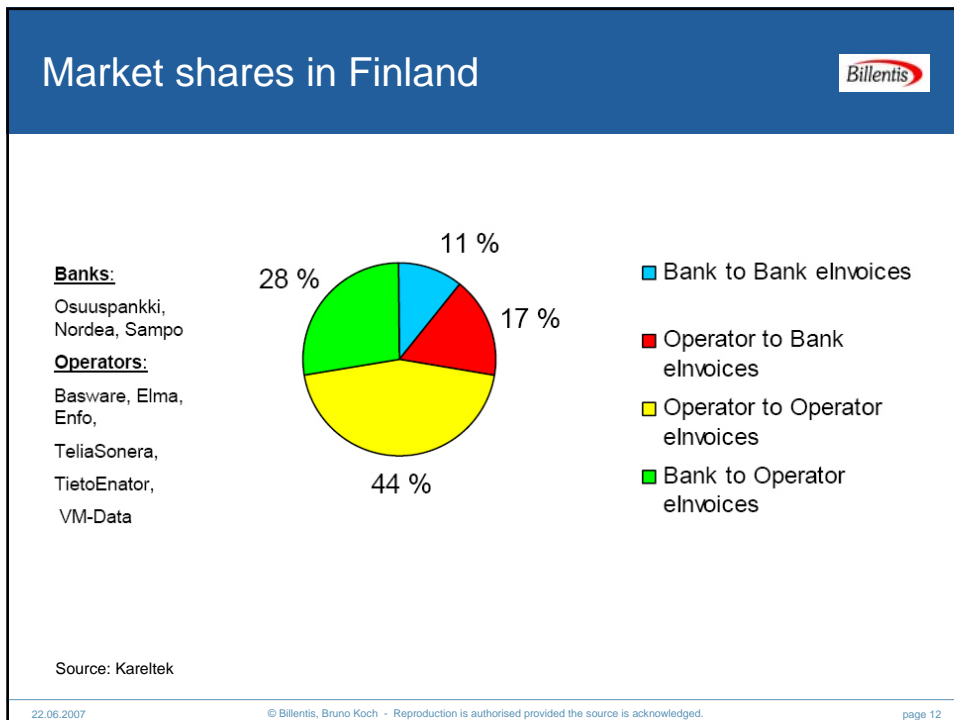
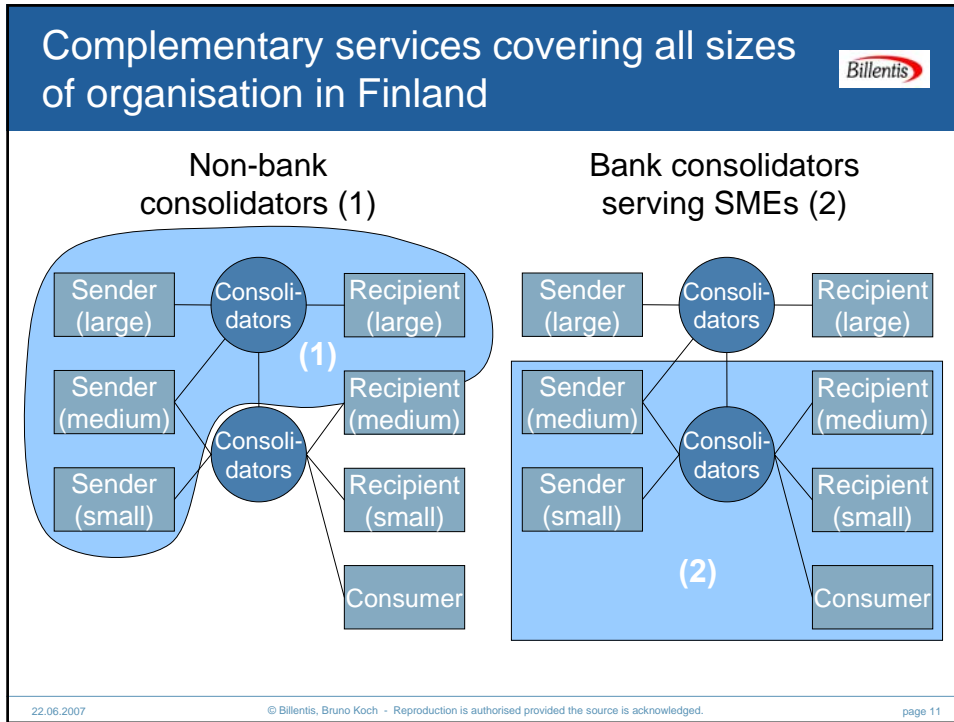


Market status

Services & interoperable networks

22.06.2007 page 8





Finnish E-Invoicing roaming landscape



Yhdysliikenne taulukon versio 1.0. (7.11.2005) päivittyä ja tarkentuu jatkuvasti.

Verkkolaskut
välittyvät

In operation
In test



Send E-Invoices to	Anilinker	Basware	Elima	Sampo	Nordea	Enfo	TietoEnator	WM-Data	Osuspankki	TeliaSonera	C3i	Elsa
Anilinker												
Basware												
Elima												
Sampo												
Nordea												
Enfo												
TietoEnator												
WM-Data												
Osuspankki												
TeliaSonera												
C3i												
Nämä operaattorit käyttävät yhteistyökumppaneita palveluidensa tuottamisessa asiakkailleen												
Elsa												

Source: Tiek

22.06.2007

page 13

Finland's directory service

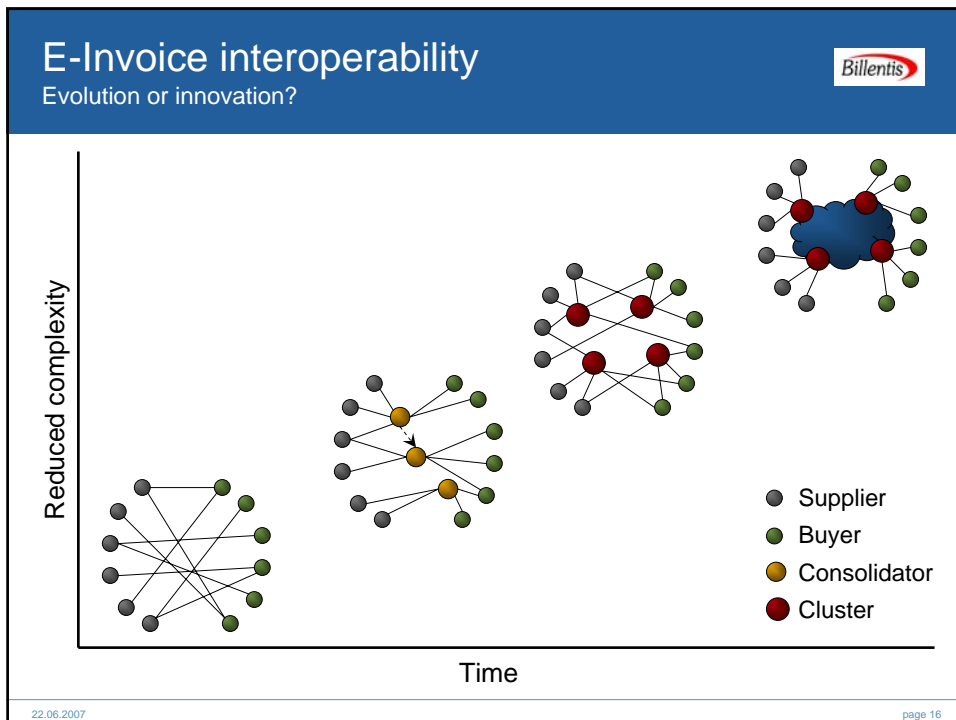
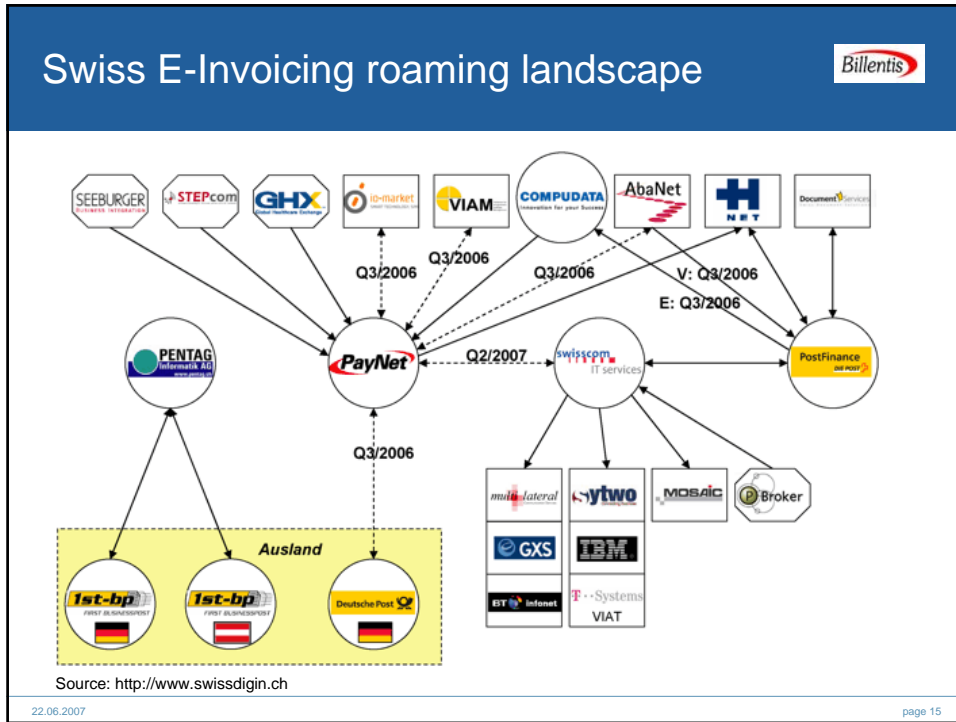


Yrityksen nimi	Y-tunnus	Operaattori	Lähetää	Vastaanottaa	Vastaanotto-osoite	Muokattu
10-Tarvike SA-HE Oy	0772754-4	Nordea	Kyllä	Kyllä	F1611586300017321 IBAN:	02.12.2005
1792601-0	1792601-0	Nordea	Kyllä	Kyllä	F17412693000623544 IBAN:	02.03.2005
247 Images Oy	0800558-6	Nordea	Kyllä	Kyllä	F15713863000204509 IBAN:	18.10.2004
2ndhead Oy	1592801-2	BasWare Oyj	Ei	Kyllä	003715928012 OVT-tunnus	03.09.2004
3 Astetta Oy	1917868-5	Nordea	Kyllä	Kyllä	F16215723000405019 IBAN:	04.10.2004
3C Asset Management Oy	1541191-0	BasWare Oyj	Ei	Kyllä	003715411910 OVT-tunnus	17.02.2006
3C Asset Management Oy	1541191-0	Sampo Pankki Oyj	Ei	Kyllä	003715411910 OVT-tunnus	16.02.2006
3C Business Services Oy	0848610-5	Nordea	Ei	Kyllä	00370848610510 OVT-tunnus	06.10.2005
3C Business Services Oy	0848610-5	Sampo Pankki Oyj	Ei	Kyllä	F12380001579260648 IBAN:	01.09.2005
3C Europe Oy	1859938-1	Nordea	Ei	Kyllä	00371859938190 OVT-tunnus	06.10.2005
3C Europe Oy	1859938-1	Sampo Pankki Oyj	Ei	Kyllä	F15180001170954649 IBAN:	01.09.2005
3d Arts 'n Magic Oy	1620206-1	Elma Oyj Electronic Trading	Ei	Kyllä	003716202061 OVT-tunnus	07.06.2006
3D Render Oy	1929166-1	Elma Oyj Electronic Trading	Ei	Kyllä	003719291661 OVT-tunnus	17.03.2006
3D-System Oy	0935521-1	Sampo Pankki Oyj	Kyllä	Ei		20.08.2005
3rd Rail Music Oy	1601877-4	Nordea	Kyllä	Kyllä	F13615723000404129 IBAN:	25.01.2005
3Step IT Oy	1083672-5	Elma Oyj Electronic Trading	Ei	Kyllä	Verkkolaskutit	26.04.2005
4pleasure	1871139-6	Nordea	Kyllä	Kyllä	F13714433000107695 IBAN:	17.05.2005
5-Huolto Oy	0937584-5	Nordea	Kyllä	Kyllä	F13520131800010448 IBAN:	21.02.2005
A & A Consulting Oy	1730759-4	Nordea	Kyllä	Kyllä	F18212203000229944 IBAN:	27.12.2004
A & A Estates Trading Oy	0988857-9	Nordea	Kyllä	Kyllä	F1591583000220980 IBAN:	10.10.2005
A & D Automation Oy	0971213-5	Nordea	Kyllä	Kyllä	F14110383000303329 IBAN:	03.12.2004
A & E City Clean Oy Ab	1042511-7	Nordea	Kyllä	Kyllä	F18821531800040270 IBAN:	29.09.2004
A & E Wendelin avoin yhtiö	1972756-8	Sampo Pankki Oyj	Kyllä	Kyllä	F16880001271091226 IBAN:	15.09.2005
A & T Vision Oy	0586990-1	Nordea	Kyllä	Kyllä	F19210913000330466 IBAN:	03.12.2004
A ja T Myrsky Oy	0399669-1	Nordea	Kyllä	Kyllä	F15710403000333595 IBAN:	02.03.2005
A Pro Solution Oy	1898689-1	Nordea	Kyllä	Kyllä	F13411073000642581 IBAN:	26.11.2004
A Tempo Oy	1059618-6	Nordea	Kyllä	Kyllä	F18310653000219091 IBAN:	08.08.2005
A&V Insinööri Oy	0682207-2	Nordea	Kyllä	Kyllä	F18815283000011044 IBAN:	01.06.2005
A.I.M Studio Kjell Lolax	1006388-1	Nordea	Kyllä	Kyllä	F16524522100019194 IBAN:	13.05.2005
A.K.E. Studio Asko Eerola Ky	0801526-6	Nordea	Kyllä	Kyllä	F13121621800064329 IBAN:	04.11.2004

Source: Tiek

22.06.2007

page 14



Some E-Invoicing clusters



- **Domestic connections in Belgium, Finland, France, Germany, Norway, Sweden, Switzerland**
- **Cross-border, up-and-running**
 - Hub Alliance
 - PayNet – Deutsche Post
 - Player from Nordic countries
- **Others, planned**
 - “Top European Community”, names to be announced in July
- **Supplier and buyer clubs**
 - OFS portal

22.06.2007

page 17

Current interoperate basis



- **Message standards**
 - Domestic standards, e.g. Finvoice in Finland
 - International standards, e.g. Twist for Huballiance
 - Future?
- **Use of same operator technology, e.g. PayNet, Deutsche Telekom and Deskom**
- **Bilateral connections (any-to-any data formatting)**

22.06.2007

page 18

Challenges



- **Intention of operators: Still too many players believe that they could conquer the world by themselves**
- **Connect existing and future clusters**
- **Technique & operation**
 - Transfer/process sets of messages
 - Handle different message content; exchange standards
- **Law & regulations, especially for cross-border invoices**
- **Architecture: any-to-any connections or chains**
- **Contracts and SLAs**
- **Unique identifier**
- **Pricing**
- **Market transparency and marketing communication**

22.06.2007

page 19

Helsinki Manifesto (Nov 2006)

Initiatives to flatten the (European) world



The 12 most supported measures

1. Implementation of a European Network of Living Labs, a user-centric platform for products and services in co-creation processes
2. Reap the benefits of re-using bank infrastructure: realize e-invoicing with interoperable standards
3. Break down internal borders for ICT services (keywords: roaming, ICT-interoperability, eID, secure pan-European e-services)
4. Renewing of the European innovation system
5. Creation of a market for innovative products and services supported by sufficient resources for R&D and innovation
6. Focus on services innovation, and establish services science, management and engineering as an academic discipline for driving innovation in services throughout Europe
7. Concrete funding and support for technology start-ups; an enabling entrepreneurial environment with both government and private sector funding available, commitment of early buyers beyond the project scope
8. Ensure data integration between IT-solutions to enable productivity in service provision
9. Intensify integration of retail banking market with full and prompt implementation of the Payments Services Directive (realise a single market in payments) and integration of key financial market infrastructure (Target2-Securities)
10. Implementation of European wide compatible e-invoicing system – common standards and definitions
11. Move from an organization-centered system to a citizen-centered system
12. Bring people actively to the information society (good basis for great PPP initiative – for example to give ICT skills to 10 million adult people in Europe over a 3-year period)

22.06.2007

© Billentis, Bruno Koch - Reproduction is authorised provided the source is acknowledged.

page 20

Initiatives/projects & their objectives (1)



- **EU Commission**

ICT standardisation roadmap for E-Business and E-Government; i2010 plan

- **EU supported working groups & projects**

- Task force → the future of E-Invoicing, “European E-Invoicing, EEI” (establish an E-Invoicing framework within the EU member states for interoperability at the business and technical level); establish steering committee mid to late 2007
- CEN WS/INV2: compliance, authenticity, integrity, emerge network infrastructure of invoice operators throughout Europe, drafting of CWAs, develop registry criteria for certification of operators, ...
- Single European Payment Area (SEPA)
- CEN/ISSS WS/ePPE): Implementation of electronic public procurement in Europe
- ...

- **NES**

UBL subset for E-Invoicing, E-Ordering, E-Catalogues; migration work UBL – UN/CEFACT; Implementation guides; cross-border pilot test; all countries invited, but currently driven by partners from Denmark, Finland, Iceland, Norway, Sweden, UK

22.06.2007

page 21

Initiatives/projects & their objectives (2)



- **SELIS**

Deploy an E-Invoicing service, evaluate the feasibility and extent of its market exploitation and demonstrate the effectiveness and benefits of the use of standardised electronic invoicing among SMEs in EU; initial deployment in 2006 and full deployment by 2009; partners from Greece, France and Romania

- **CAST (EACT)**

- Aim is to find solutions to “general problems” which hinder development of the e-economy
- Define rules and service level requirements (sample contract for interoperable E-Invoicing)
- Identify a set of data elements of an “Extended Remittance Advice” that, in conjunction with major ERPs, will STP the e-reconciliation of invoices
- Identify/propose models/criteria for interoperability of identity systems and electronic signatures in order to ensure verification and control of digital certificates at international and EU level

- **E-Invoicing operators’ forum**

- Bring together the leading operators from the field
- Network and exchange information

22.06.2007

page 22

Outlook



- **Around 50 operators (15% of total) could also connect their networks for cross-border invoice exchange by end of 2008**
- **The cross-platform traffic is likely to be very poor, but operators are meeting the demands of the largest multinational companies**
- **Most working groups will follow with standardisation and harmonisation recommendations by the end of 2007 or by mid-2008; leading operators are not sufficiently involved**
- **Adoption/migration could take several years**

22.06.2007

page 23

Questions?



Bruno Koch

+41 71 911 60 32

www.billentis.com

22.06.2007

© Billentis, Bruno Koch - Reproduction is authorised provided the source is acknowledged.

page 24