

THE **PAYPERS**  
**E-INVOICING MARKET GUIDE 2012**  
INSIGHTS IN THE WORLDWIDE E-INVOICING MARKET



With the release of the E-invoicing Market Guide 2012, The Paypers produced an extensive overview that helps the reader to understand the fragmented and dynamic market of e-invoicing and related service providers. The overview of providers is without doubt the most complete overview in the market, and the guide also provides valuable market insights from industry experts. A must read for professionals in e-invoicing and related topics.

*Jaap Jan Nienhuis, Financial Services Consultant*

**innOPAY**

# E-INVOICING MARKET GUIDE 2012

INSIGHTS IN THE WORLDWIDE E-INVOICING MARKET

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## THE BENEFITS OF THE FINANCIAL VALUE CHAIN INTEGRATION: THE ITALIAN EXPERIENCE THROUGH CBI

By Liliana Fratini Passi – CEO Consorzio CBI



*The article presents the experience gathered by CBI in Italy in creating financial services that allow interoperability and support the financial value chain. CBI enables the activation of document exchange, invoice financial request and payment orders, supports automatic reconciliation between commercial and financial data and supports e-invoicing in the Business to Government area.*

Liliana Fratini Passi is CEO of Consorzio CBI. She is also President of Financial Services WG-Ministry for Economic Development; domain coordinator of Finance & Payments under Supply Chain PDA by the UN/CEFACT; UN/CEFACT liaison with ISO TC 68; board

member of the ISO20022 RMG and of the IPFA.

Consorzio CBI develops certified standards and defines a reference regulatory framework, which allows his members (660 Financial Institutions) to provide their clients (over 900,000 – enterprises and public administrations) with innovative services, either in the collection and payment area (SEPA compliant), or in the document management area (e.g. e-invoice), according to main international standards (e.g. ISO 20022).

### The Italian CBI community

The CBI Consortium represents the Italian best practice in the field of the innovation and standardization of corporate banking services, intended for the business target (corporate clients and public administrations). To date, 660 financial institutions have joined the CBI Consortium (that accounts for more than 90% of all the Italian banking Community, Poste Italiane and Cartalis). In line with the PSD, the Consortium's associates will also include new Payment Institutions and foreign banking institutions in the future.

There are more than 900,000 enterprises, above all SMEs (December 2011 source) that use CBI functionalities offered by the relative Financial Institutions. Public Entities and retail are also part of the client target base.

Hence, the Consortium defines the technical and regulative standards of the CBI Service, on national and international levels, and manages a modern technological infrastructure in order to support the relations among the different parties of the CBI's community (institutions, public bodies, enterprises, trade associations, software vendors, service providers, etc.). This represents a guarantee for consortium members, who are able to provide their customers with innovative services, either in the core collection and payment area (SEPA compliant), or in the innovative area of document management (e.g. e-invoice), according to main national and international standards in line with ISO 20022.

In order to achieve the maximum alignment to international issues of the banking sector, the CBI Consortium takes part in several

ongoing international initiatives (EPC STF, CEN e-Invoicing WGs, UN/CEFACT Supply Chain PDA, ISO 20022 SEG and RMG, IPFA, CGI). In this way, the CBI Consortium has been the first submitting Italian organization to set standards for the Business Area Trade Services in the ISO20022 Repository, lodging the Invoice Financing Request service (in November 2007) and the Creditor Payment Activation Request (CPAR) service (in September 2010).

### The e-invoicing market

Over the last years, the issue of e-Invoicing has attracted considerable interest from most international stakeholders, which are recognizing the benefits it brings in terms of complete integration and dematerialisation of business processes.

The CBI Consortium collaborates with the Milan Polytechnic in order to support market analysis and studies about e-invoicing, enabling a wider spread of e-invoice "culture". The report of 2008, strongly supported by the CBI Consortium, demonstrates that the process costs can be reduced by about 25€-75€ as the integration and dematerialization level increases. The biggest the integration the highest the cost reduction achievable.

However, in Italy, the market of e-invoicing has yet to mature. Around 60,000 companies in Italy assimilate the e-invoicing principles on the Order-Payment chain, but the invoice document is involved in only 1 process.

The analysis of potential benefits and the actual state of adoption seem in partial contradiction, thereby creating the need to identify possible development factors. The actors commonly identified as crucial for a more widespread adoption of electronic invoicing are mainly found outside the company – the Legislative framework and the availability of clear technical standards and rules shared by all – and only rarely is emphasis placed on the importance of the management of internal change. This last factor, however, is crucial, as the risk is that its absence might impede electronic invoicing projects, or somehow prevent their full exploitation.

Regarding Government initiatives, politicians and interest groups are displaying a growing interest in e-invoicing. The European Commission is making efforts to evaluate and unlock the potential of electronic invoicing to boost the efficiency of the European economy. The background is the eEurope initiative (and its successors) launched as part of the Lisbon agenda. Moreover, the new Single Euro Payments Area (SEPA) is seen as an excellent platform for innovations in the payment process. And one of these is European e-invoicing.

The European Commission has set up various initiatives to support the wide adoption of e-invoicing in Europe, guarantying the interoperability between the European Members. The first step was the creation of the Expert Group on e-Invoicing in 2008, in order to define a European Framework on e-Invoicing.

In order to implement the important results of the Expert Group on e-Invoicing the European Commission adopted, on 2 December 2010, the Communication "Reaping the benefits of e-invoicing for Europe", as well as the decision to set up a European Multi-Stakeholder Forum on e-Invoicing, which was announced in the Digital Agenda for Europe, with the goal to make e-invoicing the predominant method of invoicing by 2020.

The "European Multi-Stakeholder Forum on Electronic Invoicing" brings together key players from the private and public sector of all Member States, to exchange experiences and best practices which can pave the way for a broad-scale adoption of e-invoicing at both national and EU level. Each Member State has to create its own National Stakeholder Forum, which in Italy started on 20 December 2011. The CBI Consortium participates in this Stakeholder Forum in order to represent the Italian banking system know-how and experience in the field of e-invoicing.

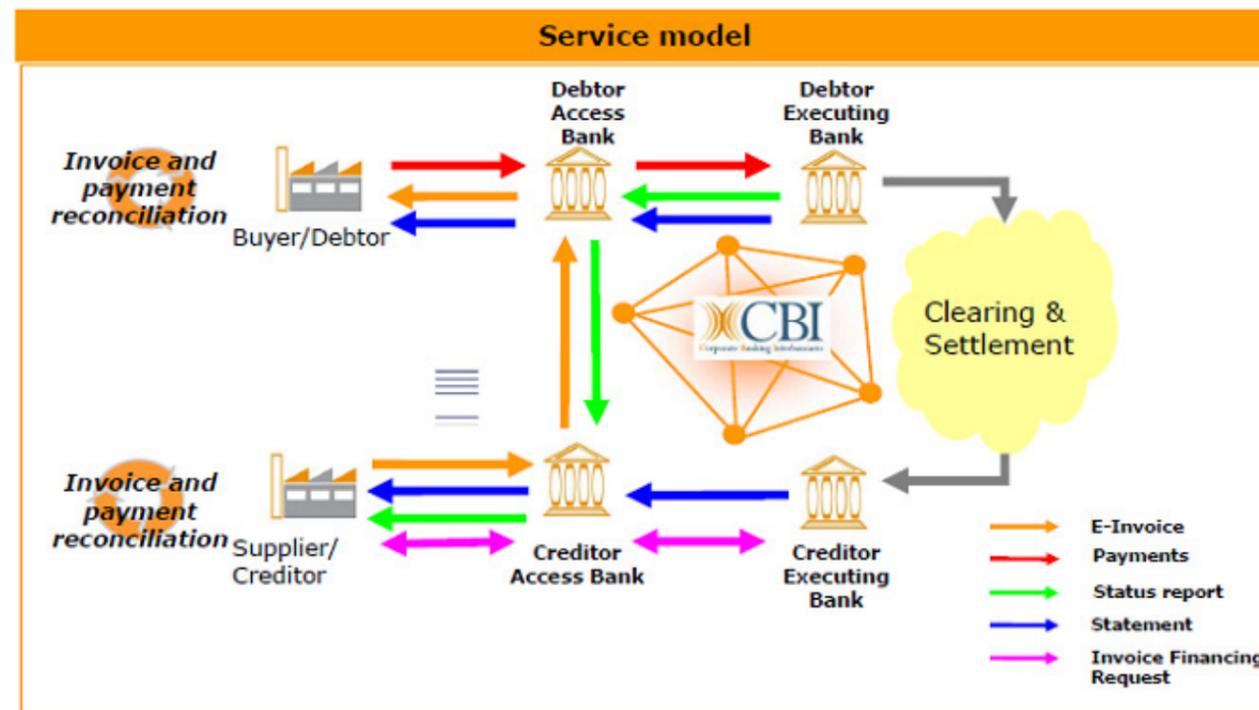
## How the CBI supports the integration of the financial value chain

In this scenario, the firms' increasing needs have driven the CBI Consortium to develop innovative services regarding e-Invoicing; in particular, value added services have been introduced to help banks develop advanced offers to their clients. On this common base, each single bank can develop value added and distinctive services in its competitive space: for example, the reconciliation service, or the support in the dispute process between seller and buyer, or the electronic archiving to ensure the legal validity of e-invoices.

The CBI e-invoicing services are characterized by relevant features, such as

- ISO 20022 XML compliance
- Multi-standard format
- System information on the transmission status
- Faster request elaboration
- Data security/integrity and quality

For the definition of the CBI e-Invoice standards, the CBI Consortium has developed gap analyses among the most important international standards and collected also the stakeholders requirements through the CBI Stakeholder Forum. Moreover the CBI



Consortium has completed the gap-analysis with the main international standards, so as to ensure the interoperability.

The CBI enables the activation of document exchange, invoice financial request and payment orders, and supports automatic reconciliation between commercial and financial data.

The model ensures financial institutions, connected to CBI network, to communicate directly, sending and receiving invoices in a non-structured modality too. This brings the best flexibility in the commercial relation, relieving the parties from compliance with rules for the structuring of reference documents.

## E-invoicing in Business to Government (B2G) area

Once realized how important e-invoicing is, several European countries have decided to implement a Roadmap to make e-invoicing compulsory in the B2G domain.

In Italy, the compulsoriness was introduced with the 2008 Budget Package, which introduced the obligation for suppliers of public sector authorities and national public institutes, to issue, transmit and archive invoices exclusively in electronic format. Consequently, the Public Administrations cannot process any payment for invoices issued on paper. Anyway the Italian Community is currently waiting for the issuing of the second decree, defining the technical, administrative and procedural rules aimed at making the aforesaid system effective.

In this scenario, CBI took part in the legislative procedure in order to strengthen the possibility of proposing CBI as a main interlocutor for B2G (Business to Government).

*A MUST-HAVE FOR ALL  
PROFESSIONALS IN THE  
E-INVOCING INDUSTRY*

**Company**  
 Website <http://www.goclio.com/>  
 Head office location US  
 Geographical presence US  
 Service provider type E-billing services provider

**Markets**  
 Primary target group in supply chain Buyers, Suppliers

**Proposition**  
 Facilitated processes in supply chain Invoicing

**Company**  
 Website <http://www.comarch.com/>  
 Head office location Poland  
 Geographical presence Poland  
 Service provider type Software vendor

**Markets**  
 Primary target group in supply chain Buyers, Suppliers

**Proposition**  
 Facilitated processes in supply chain Invoicing

**Company**  
 Website [www.cic.com](http://www.cic.com)  
 Head office location US  
 Geographical presence US  
 Service provider type E-Invoicing services provider

**Markets**  
 Primary target group in supply chain Buyers, Suppliers

**Proposition**  
 Facilitated processes in supply chain Invoicing

**Company**  
 Website <http://www.controlpay.com/>  
 Head office location The Netherlands  
 Geographical presence Europe, US  
 Service provider type Supply chain finance specialist

**Markets**  
 Primary target group in supply chain Buyers, Suppliers

**Proposition**  
 Facilitated processes in supply chain Invoicing, Payments, Supply Chain

**COMPANY**

Company Name Consorzio CBI  
 Website [www.cbi-org.eu](http://www.cbi-org.eu)  
 Service provider type Consortium of Financial Institution (Italian banks, Poste Italiane, Cartalis)  
 Head office location Italy  
 In which market do you provide your services? Italy

Contact details Consorzio CBI - Piazza del Gesù, 49 - 00186 Roma (Italy); ph. +39.06.6767459; mail: [info@cbi-org.eu](mailto:info@cbi-org.eu)

Active since 2001

Company description Consorzio CBI develops certified standards and defines a reference regulatory framework, which allows his members (680 Financial Institutions) to provide their clients (over 900,000 – enterprises and public administrations) with innovative services, either in the collection and payment area (SEPA compliant), or in the document management area (e.g. e-invoice), according to main international standards (e.g. ISO 20022).

Keywords corporate banking, e-invoice, e-billing, financial services, standardization body

**MARKETS**

Which side in the supply chain is your primary target group? Buyers and Suppliers

B2B, B2C and/or B2G (Government)? B2B, B2C, B2G

Target customer Consumers, micro SME's, SME 's, Corporates

Are you specialized in a certain industry? Generic (no specific industry)

**PROPOSITION**

Which processes in the supply chain do you facilitate? Supply chain finance, Invoicing, Payments, Reconciliation of order

Support interoperability with other service providers? CBI Consortium takes part in several international standard working groups (EPC STF, CEN e-Invoicing WGs, UN/CEFACT Supply Chain PDA, ISO 20022 SEG and RMG, IPFA, CGI).  
 Consorzio CBI defines communication protocols and standards, while each single financial institution (CBI's Member) develops its own IT platforms and applicative solutions in its competitive area defining also the pricing model.

Which pricing model do you mainly use? The CBI e-invoicing services are characterized by relevant features, such as

- ISO 20022 XML compliance
- Multi-standard format
- System information on the transmission status
- Faster request elaboration
- Data security/integrity and quality

The CBI e-invoice standard is based on a "double layer" approach, with two main information blocks:

Solution description	<ul style="list-style-type: none"> <li>- The header contains only the summary information about the invoice (not the entire document), comprising necessary data for the bank to grant its financing</li> <li>- The body contains detailed commercial information about the invoice</li> </ul>
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**SERVICES**

Consorzio CBI develops innovative services regarding e-Invoicing; in particular, value added services have been introduced to help banks develop advanced offers to their clients. On this common base, each single bank can develop value added and distinctive services in its competitive space: for example, the reconciliation service, or the support in the dispute process between seller and buyer, or the electronic archiving to ensure the legal validity of e-invoices. So Consorzio CBI doesn't offer directly the e-Invoicing service, because CBI architecture is based on a "shared model", where the CBI Consortium defines communication protocols and standards, while each single bank develops its own IT platforms and applicative solutions in its competitive area.

Purchase Order Flip	competitive area
Matching of related transactions	competitive area
Distribution of e-invoices	competitive area
Invoice presentment portal	competitive area
Legal compliance tools	Yes: it is supported
TAX/VAT compliance	Yes: it is supported
e-Signature service	Yes: it is supported
Finance & (reversed) factoring services	Yes: Consorzio CBI has been the first submitting Italian organization to set standards for the Business Area Trade Services in the ISO20022 Repository, lodging the Invoice Financing Request service (in November 2007) and the Creditor Payment Activation Request (CPAR) service (in September 2010)
(Dynamic) discounting	competitive area
e-Archiving	competitive area
Scanning of paper invoices	competitive area
Total invoice management, 100% paper to electronic	competitive area
Printing	competitive area
Workflow functionality	competitive area

Distribution of e-invoices	Yes. Tradex supports e-Invoice distribution in data and PDF formats as required.
Invoice presentment portal	Yes. Tradex provides a functionally rich portal that can be used by buyers and suppliers to manage transaction processing.
Legal compliance tools	Yes. Tradex business rules can be used to ensure specific compliance criteria are met.
TAX/VAT compliance	Yes. Tradex supports multiple VAT and Tax options for national and cross border e-Invoicing.
e-Signature service	This can be supported if required.
Finance & (reversed) factoring services	Yes. A supplier finance solution is available and integrated with the eInvoice exchange.
(Dynamic) discounting	This is planned as part of the finance solution.
e-Archiving	Yes. An archive output is a standard option and can be provided in XML or PDF formats as default.
Scanning of paper invoices	Yes - through a partner.
Total invoice management, 100% paper to electronic	Yes, using either portal or scanning options
Printing	No, although we are able to route documents to a printing bureau.
Workflow functionality	Yes. Single or multiple tier options available.
Direct integration with payments	No, although we are able to route information to a payment provider.
Accounts Payable management	Yes. Invoice details and status can be monitored on line with escalation options if required.
Accounts Receivable management	Yes. Invoice details and status can be monitored on line with escalation options if required.
Integration with ERP /accounting software	Yes. Full flexibility to integrate with back office applications.
Which standards do you support?	All. Common formats including XML, EDIFACT, Tradacoms, Flat File and CSV.

Conversion from or into various XML formats

Yes. A full mapping service is standard.

Content validation of incoming invoice data

Yes. Business rules can validate content for compliance, logic and user required content.

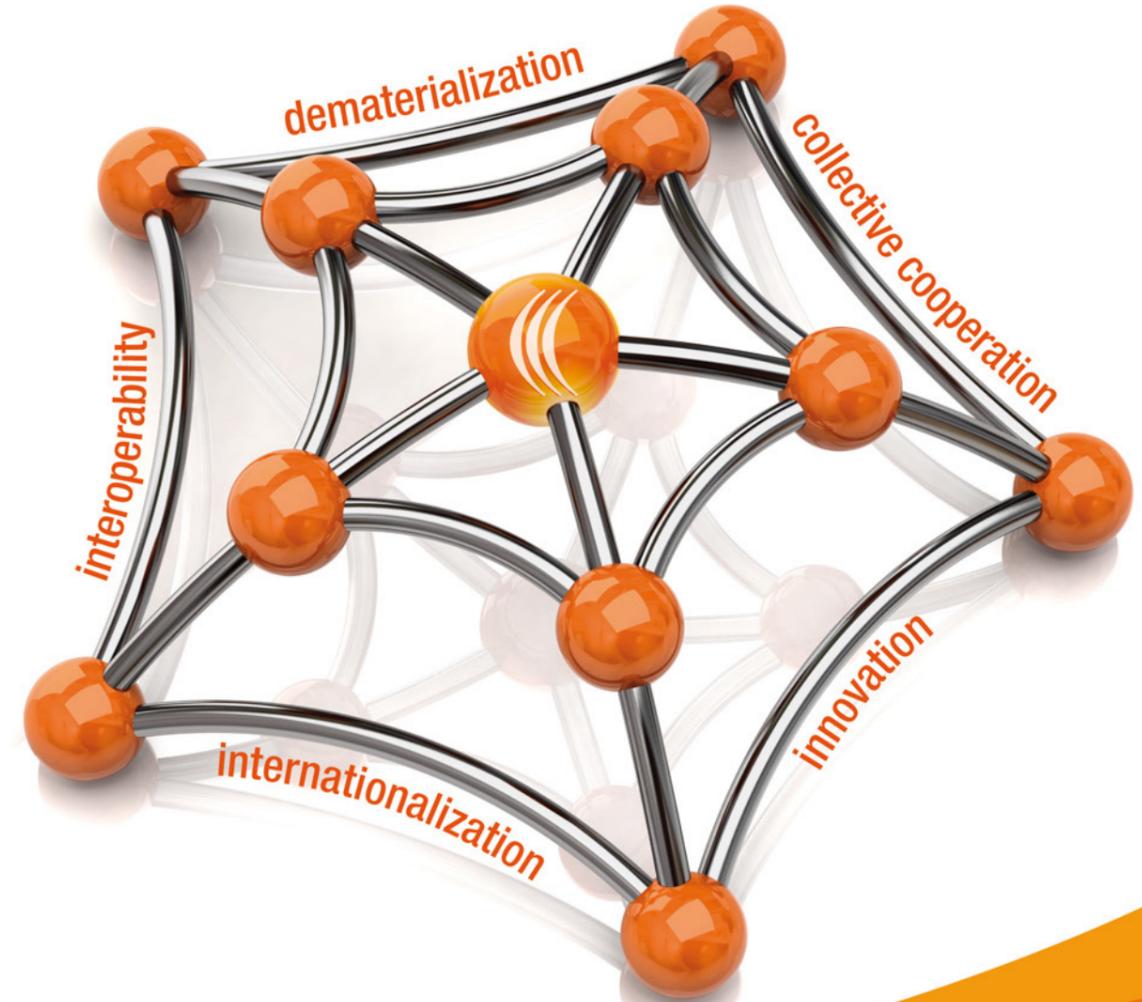
Facilitate customer onboarding

Yes. Tradex provides managed on-boarding for supplier and customer roll outs.

Other services

Training, Consultancy and related solutions, including: Document Management, Collaboration, Vendor Management Solutions and Carbon Management Software.

*A UNIQUE PERSPECTIVE ON  
THE WORLDWIDE E-INVOICING,  
E-BILLING & SUPPLY CHAIN FINANCE MARKET*



# CBI 2012

## Corporate Banking, e-Billing and e-Invoicing

The main Italian event that involves the international community of financial services and e-Invoicing operators

Rome | Palazzo Altieri | 22 | 23 November

More information can be found at [www.cbi-org.eu](http://www.cbi-org.eu) and [www.abieventi.it](http://www.abieventi.it)  
or by contacting our Secretariat: ph. +39 06 45504358/9 - email: [segreteria@gentil.it](mailto:segreteria@gentil.it)

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