



# How is Europe Changing the Landscape for Invoicing?

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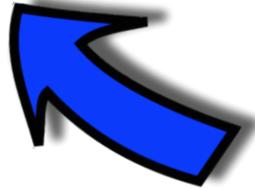
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# Introduction

- There are moves afoot in Europe that will affect how invoices are exchanged and therefore how software supports business processes.
- All part of moves towards an **interoperable world**.
- All relevant to application software developers!

# What is the BASDA connection?



**BIS**  
Department for  
Business Innovation  
& Skills



UK e-Invoicing  
Advocacy Group



# How is Europe Changing the Landscape for e-Invoicing ?

- **EU Digital Europe policy**  
to create a Digital Single Market for trade and payments, to achieve:
  - *greater competitiveness and cost savings*
  - *greater productivity*
  - *faster payment cycles*
  - *potentially alternative financing options*

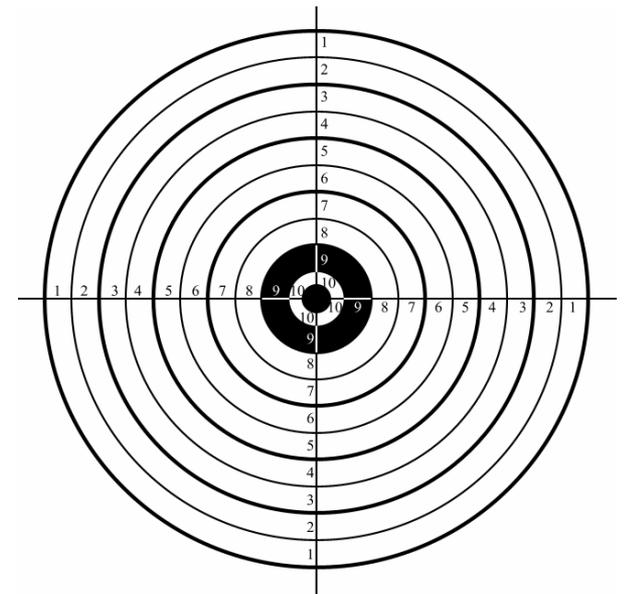
# EU intends

- Policy Target:

“The Commission wants to see e-invoicing become **the predominant method of invoicing** by 2020 in Europe”.

See

[http://ec.europa.eu/enterprise/sectors/ict/files/com712\\_en.pdf](http://ec.europa.eu/enterprise/sectors/ict/files/com712_en.pdf)



# Why?

- Potential EU government savings of €40 billion p.a.  
*Ref: Bilentis/Ricoh 2012*
- Commission actions to remove barriers to broad scale adoption include:
  - consistent legal environment
    - hence i.e. **simplifications to VAT regulations from 1 January 2013** to create equal treatment of paper and of e-invoices
  - EU pilot of its Pan-European Public Procurement On Line (PEPPOL) project to reduce EU public procurement costs by approx 5% and transaction costs by 10% annually.
  - Encouraging Member State National e-Invoicing Forums to input to the EU Multi-Stakeholder Forum on e-Invoicing – *“to achieve this target and create the right environment for the widespread deployment of e-invoicing”*

# Among Member States

- All but 2 now have a National Forum on e-invoicing
- All Nordic countries now mandate e-invoicing for the public sector – as do also Brazil, Mexico, US Treasury
- UK implementation of e-invoicing lags the EU average, and also German usage (ref EU Digital Scoreboard).
- So far, no UK central government pilots, unlike Ireland, Spain
- Missed opportunity for UK public bodies and commercial enterprises of all sizes save manual admin and postage costs, pay and be paid faster,
- **And to leverage public purchasing to improve suppliers' access to working capital**, facilitate transparency and auditing, and cut carbon - by replacing paper invoices with electronic invoicing.

# Hence ....

## UKeAG

- sponsored by the **Department for Business** – as a pro bono community of professional associations, solution suppliers, and supply chain finance providers.
- In Brussels, at the Commission, providing the UK's formal representation in the EU Multi-Stakeholder Forum on e-Invoicing, plus also leading the EU best practice work stream.
- In UK, promoting the benefits of electronic invoicing – to the private and public sectors.
- BIS actively supports promotion of e-invoicing in the UK, but experience of suppliers to the UK public sector generally is of slow, costly, paper-based systems, e.g. as with HM Treasury <http://www.basware.co.uk/news-and-events/news/central-government-still-a-long-way-off-efficiency>

**A thought, while UK Business Rates are rising.....**

- Potential UK public sector savings from e-invoicing estimated at €4.4 billion p.a. (Bilentis/Ricoh 2012)  
<http://www.finextra.com/news/announcement.aspx?pressreleaseid=44451> plus potential for ..
- UK public sector using e-invoicing to help cut the current £2.3bn p.a. losses from fraud in the public sector ...  
<http://www.homeoffice.gov.uk/publications/agencies-public-bodies/nfa/annual-fraud-indicator/>

# Closing Thought

- There is no going back
  - The move will be towards more eInvoicing
- In fact ..
  - UK Government has just announced an acceleration for eCommerce adoption
- eInvoicing saves time, money and helps improve cash flow
  - **All key objectives for a Government looking to achieve growth**