

**From:** [Andrew Stein](#)  
**To:** [eInvoicing](#)  
**Subject:** Response+to: +e-Invoicing+ (October+2018)  
**Date:** Friday, 16 November 2018 4:58:38 PM  
**Attachments:** [PastedGraphic-1.tiff](#)

---

The Payreq team has deep experience with technology developments in the working capital cashflow cycle. This includes payments streams, electronic channels, identity and authentication management, ERP and accounting system integration with payment and invoice delivery systems and networks in Australia and overseas.

Response to Question 2 and 3: The model of an incorporated, not-for-profit (our answer to Question 2) Digital Business Council-like entity comprised of not-for-profit associations' representatives is a good way to limit perceived commercial bias of the individual representatives. The DBC decides which NFPs are to participate and then each NFP nominates their representative. While the representative will often also have a "day job" for a commercial entity, the appointment by the NFP and their representation of the NFP in the DBC should mean the only perceived bias, if any, will be on behalf of their representative NFP. This bias is acceptable and in some ways, should be expected. Having representatives of commercial entities appointed on the DBC would weaken its independence. The Federal Governments should have representatives on the DBC and should be appointed by the respective Government.

Payreq is a member of the Australian Information Industry Association and, subject to reviewing the detailed engagement criteria, Payreq would be willing in principle to participate in the initial and proposed end-state governance model.

Response to Question 4: Funding of the operational aspects of the eInvoicing scheme should come from transactional fees paid for by Access Points noting:

- It will be up to each Access Points to recoup the fees from its customers however it see fit
- Access Points, as part of certification, must report the number of sent transactions and received transactions and the repressive sent to/received from Access Points. By having two Access Points report on the same number increases the integrity of the reported figures.
- The fees should be set as low as possible to encourage take up by all participants in the ecosystem.
- The Governments (AUS and NZ) should fill any gap between the fees raised and the operational budget. This gap will reduce as volumes grow.  
Fees should be only dropped as fee revenue grows and exceeds the operating costs of the governance entity; operating as a true not-for-profit
- To minimise the number of Access Points that do not operate and to cover the cost of yearly compliance checks, Access Points should be charged the greater of a fixed annual fee and the transaction fee total. The annual fee should be as low as possible (sub \$1000) to encourage SME Access Points
- The operational budget should include significant funding for marketing and education of eInvoicing

Response to Question 5: Other considerations:

- The operational functions and governance of the proposed central utility should support obligatory reporting and publication of a range of usage data, including, but not limited to access point transmission volumes, address lookups, failure rates, invoice values, document/file/message sizes, fraud and spam, de-identified but perhaps aggregated by state or economic sector (eg levels of govt, size of business, industry type etc) . Such data will inform marketing messages to the wider industry and, importantly, analysis necessary to inform and fund innovation in delivery across the eInvoicing ecosystem. In its absence, the participation is likely to be confined to larger, established sector participants/providers and the opportunities for agile disruptors will be handicapped due to a lack of market data.
- The operational functions of the proposed central utility should include significant education/marketing and branding of the vision across both Australia and NZ public and private sector enterprises in order to promote adoption and growth of eInvoicing.
- The Government and the eInvoicing governance entities should acknowledge and consider the impact of other digital invoice delivery schemes such as the existing BPAY View schemes, the proposed banking New Payments Platform Osko Service 3 request-for-payment and the SWIFT gpi cross-border scheme.
- Government as a user of eInvoicing should be clearly separated from its role of early governance leadership and funding. Once the transactional revenue covers the budget, the involvement of the Government in the operating entities should reduce; participation should reflect the Government funding required
- All activities and governance models and implementation should actively consider and continually be aware that the infrastructure change for eInvoicing participants will not be quick and so the benefits delivery, promotion of successful case studies and consequent increased adoption rates will be moderate. Public Policy will be better achieved if dominance of delivery of eInvoicing is not allowed be picked up by a small number of vested private interests before enough momentum and diversity of participation is achieved.

**Andrew Stein**  
Chief Executive Officer

Payreq Pty Ltd  
Canada: [REDACTED]  
Australia: [REDACTED]

[www.payreq.com](http://www.payreq.com)  
[www.payreq.ca](http://www.payreq.ca)

