



Supporting business adoption of eInvoicing

Submission

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Peppol
Access Point
CERTIFIED PROVIDER

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OZEDI – the company

OZEDI was formed in 2013 with the vision to build a single digital messaging platform for business to exchange documents with business and government; this was based originally on the technology adopted by the federal Government for Standard Business Reporting. Now OZEDI is an accredited SuperStream Gateway, a major Single Touch Payroll Sending Service Provider (SSP) and a Peppol Access Point accredited in both Australia and New Zealand.

Our primary market is software developers and their clients; this is a marketplace which Ozedi knows well:

- Over 20% of superannuation contribution data generated by payroll software is processed through the OZEDI SuperStream Gateway
- Over 40% of payroll software products use OZEDI as their Single Touch Payroll SSP
- OZEDI is engaged with over 80 software companies in the process of implementing eInvoicing

OZEDI's engagement with the software developers extends far beyond the commercial aspects of its business. One director, David Field, served on the ATO Software Developers Consultative Group from 1999 to 2015 and was the founding Chair of the Australian Business Software Industry Association (now DSPANZ). Another director, Ann White, is a current board member of DSPANZ.

Overview

eInvoicing has the potential to revolutionize business efficiency in Australia and New Zealand. Its adoption would increase productivity and cut costs for all businesses large and small. With the increasing digitization of business brought on by the pandemic, the time is right to introduce low cost, easily implemented eInvoicing. The question is how.

This document addresses the questions asked within the "Supporting business adoption of electronic invoicing" Consultation Paper prepared by Treasury. It also discusses suggestions for improvements to the plan to encourage uptake of eInvoicing.

Business eInvoicing Right

Business adoption of eInvoicing

1. Should a Business eInvoicing Right (BER) be introduced to accelerate business adoption of Peppol eInvoicing?

Perhaps it is a question of semantics, but is "Right" the most suitable word to use? Covid has caused endless and often acrimonious discussion around rights and perhaps other alternatives could be considered such as Entitlement (BEE) or Expectation (BEE) or Power (BEP)?

A BER will have an impact on uptake of eInvoicing only if the ground has been prepared in advance. You have a chicken and egg scenario - mandating adoption in any form requires both parties involved to be able to meet the expectations of the mandate. In this situation, adoption can only occur if the sending and receiving parties' accounting systems have been Peppol-enabled. And this enablement is the prerogative and responsibility of the software developers. Nowhere in the BER document are the software developers even mentioned – and yet nothing will happen until they have completed their Peppol integration.

The vast majority of businesses in Australia use packaged accounting software that generates and consumes invoices. Once a packaged product has been enabled for Peppol eInvoicing, all the businesses that use that product are able to be included in a BER. We estimate this to be over 95% of businesses in Australia.

Businesses will NOT change their accounting system unless there are very good reasons to do so. It is expensive in staff time and money to change systems and they won't change their accounting system because it does not support eInvoicing. Therefore, it is critical that the majority of packaged accounting and invoicing systems are enabled for Peppol eInvoicing prior to any BER.

Most large businesses use versions of packaged software or tailored systems – these are VERY expensive to change and often need enhancements performed one client at a time. This means any software development will be costly and slow to get done. In addition, many large businesses have already invested in traditional 3-corner EDI systems and are unlikely to want to change to Peppol eInvoicing.

You can't force software developers to enhance their products – and you can't force businesses to change accounting products because of eInvoicing. We suggest an incentive system to get as many software developers over the line with eInvoicing to speed adoption and to allow for the implementation of BER.

Refer to Appendix 1 of this document – Incentivising Software Developers.

2. Are there other regulatory methods that might increase eInvoicing adoption ?

Ozedi has long held the opinion that the simple answer to adoption is via Austender. Governments just need to adopt the long held policy of many large business using traditional EDI – “send us an invoice in our format or don't trade with us”

Adding an additional clause to all tenders that says the successful tenderer must send invoices in Peppol format will create the demand at Federal level.

The federal government has already mandated that all departments must be able to receive eInvoices by 1s July 2022 with fast payment terms. The government could ensure it always received eInvoices by making it a tender requirement. Government project = government rules.

For Business-to-Business (B2B) invoicing, a different method is required. The BER as detailed in the Consultation Paper is unwieldy and probably unworkable for the following reasons:

- it does NOT address the problem of enabling invoicing software – see appendix 1 for suggestions
- it is aimed at BER for large companies first and, as stated above, these will adopt Peppol eInvoicing later than small businesses for the reasons given
- it has no solution on how to implement the sizing of companies into tiers (large, medium, small)
- it has no solution except self-reporting on how to determine if a business fits into which BER tier
- it has no way of policing or monitoring take up under BER rules. It is generally a bad idea to implement a regulation that you can't regulate

We suggest a combination of incentive and expectation (BER) works more effectively; i.e. carrot and stick. This allows businesses to take up eInvoicing because they see the benefits and their customers are demanding it; rather than because they are told they have to by the government.

Refer to Appendix 2 – Encouraging Early Adopters.

3. What key implementation challenges or issues would businesses face if the government introduces a BER?

Most businesses have been through the Single Touch Payroll requirements of government and most are going through (or about to go through) the rigors of implementing STP Phase 2. This update is onerous on businesses due to the requirement for additional data imposed in the new version. Software developers have spent hundreds of hours on software that their clients expect to be free of charge. If the government introduces BER as proposed, there will be significant pushback from both parties.

The Consultation document says it all when one question is headed:

Monitoring, compliance and enforcement, and protections for participants

The BER as proposed is coercive and demanding – this is not the way to achieve the goal. The goal should be to encourage take-up – this means focusing on the early adopters who set the pace and drag the rest of the market with them. New technology uptake has a tipping point where it suddenly goes viral with mass involvement. The object is to reach that tipping point as soon as possible.

We suggest the following:

- Incentives for software developers – capped and time-limited – see Appendix 1
- incentives for early adopters – capped and time-limited - see Appendix 2
- provision of tools for businesses
 - eInvoicing Software Product Register – register of products and readiness – refer to appendix 3 Product and Trading registers
 - eInvoicing Trading Register – a register of companies by ABN with their Peppol ID – refer to Appendix 3 Product and Trading Registers
- implement a BER when sufficient software products are enabled that it makes a BER workable

Who would be captured by BER?

4. Would Option 1 or option 2 be more appropriate to set the scope for participation in the BER and why? Are there other approaches that may be appropriate?

The broadest definition of an eInvoicing entity is required in order to capture as many entities as possible. If an entity raises a tax invoice and sends it to another entity registered for GST, then they should be included. If they receive a tax invoice they should be included. In all cases, they would come under BER if **their software is Peppol-enabled**.

Any entity should be included if (a) it is registered for GST on the ABR and (b) has lodged a Business Activity Statement in the 12 months prior to a date specified under the BER.

5. What, if any, exemptions would a BER need to include (e.g. for on-the-spot or point-of-sale business-to-business transactions, not-for-profit organisations, newly created businesses, entities supplying taxi travel, recipient created tax invoices (RCTIs))?

See response above. The proviso is always dependant on **their software being Peppol-enabled**. If it is, then there should be no exemptions.

Identifying businesses covered by BER

6a. Should the Government create a public register of businesses covered by the BER?

Yes, but it needs to be created automatically and updated automatically from regular reports provided by the certified Access Points. This data on both enabled software products and entities that are trading via eInvoicing provides an accurate picture of the eInvoicing market.

We propose two registers;

- eInvoicing Software product Register – this identifies products that are enabled for sending and/or receiving Peppol eInvoices. All entities using their products come under BER
- eInvoicing Trading Register – this identifies entities by ABN that are trading eInvoices with their Peppol ID(s). This provides entities an opportunity to determine the Peppol address for trading partners **who are actually trading via eInvoicing**

This approach is covered in the following appendices:

- Appendix 1 and 2 – under Access Point Reporting heading
- Appendix 3 – eInvoicing Software Register and eInvoicing Trading register
- Appendix 4 - Identifying BER participants

6b. Are there any other approaches that would be appropriate to identify businesses covered by the BER?

Refer to response above.

Thresholds for business size under the BER

The only relevance to business size in this environment is how many invoices an entity sends and receives. We have one client which has a billion-dollar turnover but sends only 1 invoice a year. Conversely, we have another client which is also billion-dollar turnover but receives 90,000 supplier invoices EVERY month.

As previously mentioned, OZEDI has years of experience in dealing with a number of large entities and our experience is that generally, large companies are not the quickest to implement new systems. There are a variety of reasons for this including:

- Risk analysis and management
- Software development being done overseas
- Software development done overseas for Australia generally ranks low in the priority list
- Commercially competing priorities internally
- Rigorous testing and QA processes
- Change Management

7a. Would businesses be comfortable with being publicly identified as small, medium-sized, or large?

No. Absolutely not. It would be wielded like a weapon in the competitive marketplace.

7b. What key sensitivities or risks would such an approach present?

This approach requires disclosure of commercially sensitive information. It is not a good approach if you want to encourage take-up – this becomes a barrier.

8. Which of the potential approaches to create a register of small, medium-sized, and large businesses covered by the BER would be appropriate?

The definition of small, medium and large is a flawed concept and should be dropped. The question isn't the size of the company – it's whether they are enabled or not. And they are enabled if their software developer has completed and implemented their eInvoicing solution. All the business needs to do, regardless of size, is use the facilities provided within their product. That is what needs to come under BER. If your software is enabled, then you must use it.

9. What regulatory costs may be involved for businesses for these options?

Refer to answer above. There are no regulatory costs if you implement BER with an emphasis on capacity to send/receive eInvoices – NOT based on the company size.

Accommodating changes in business sizes

10. Should the BER apply to differently sized businesses at the different times?

No. Refer to answers above. It isn't the size of the company that determines if they have BER obligations – it's their capacity to send/receive eInvoices as determined by the software they use. Big or small, if your software is enabled, you come under BER obligations.

11a. Should turnover-based thresholds be used to differentiate business size under the BER? What alternative thresholds are available and would be appropriate and administratively feasible?

No. refer to answers above.

11b. What levels of annual turnover would be most appropriate to differentiate small, medium-sized, and large businesses under the BER?

Annual turnover should NOT be used.

12a. Would a framework for turnover aggregation and related grouping rules be required for the BER?

Annual turnover should NOT be used.

12b. If required, would a framework for turnover aggregation and related grouping rules like those in current tax laws be appropriate for the BER?

Annual turnover should NOT be used.

Phasing of the Business eInvoicing Right

13a. What would be the appropriate implementation timeframes for the BER?

Implementation requires a phased approach that is NOT based on company size. It must be based on the capacity of an entity to meet BER obligations. These phases follow these steps:

- Software developers enable eInvoicing in their products (see appendix 1) – incentivise
- Access Points report on software developers progress to eInvoicing capability to the ATO (see Appendix 1)
- ATO eInvoicing Software Product register (see appendix 3) informs **all users** of enabled software that they fall under BER obligations
- Users with enabled software begin sending/receiving eInvoices with enabled trading partners.
- Access Points report ABNs who are trading via eInvoicing to the ATO (refer to Appendix 2)
- ATO eInvoicing Trading Register (see appendix 3) allows users to check their trading partners for availability to exchange eInvoices and meet their BER obligations.

The BER acts as a goad to use their eInvoicing software. If a company's accounting software doesn't handle eInvoices, all the BER in the world will not get significant take-up and it will create a negative, non-compliant atmosphere around eInvoicing. This is to be avoided at all costs.

13b. How much advance notice would covered businesses need to be ready by their corresponding deadlines under the BER?

The concept of deadlines is unacceptable. A company can't become compliant if their software is not enabled. Refer to answer above regarding sequence of events and when a BER obligation kicks in.

The enablement of software of any type has been discussed extensively with Government for two decades. There are many factors which influence the ability of a software company to deliver a particular functionality including:

- Development budget
- Other government mandated software requirements – e.g. Single Touch Payroll Phase 2 is due on 1st July 2022 and is currently using a lot of software industry resources
- Better ROI on other functional enhancements
- Availability of overseas development resources
- Competition from bigger countries for development resources
- Lack of knowledge of the Peppol technology specifications

13c. What alternative timing approaches might also be feasible and appropriate?

Refer to 13a above.

Communications and record-keeping requirements

14a. What should a valid request to receive Peppol eInvoices involve or include?

Refer to previous responses regarding use of eInvoicing Trading Register (appendix 3). This would identify entities by ABN who are actually trading eInvoices (sending and/or receiving) and their Peppol ID (or IDs). A company would check their trading partners status on the Trading register and start sending and/or receiving eInvoices if they are registered.

If a trading partners is not registered, a query to the trading partner would elicit the software they use and the anticipated completion of eInvoicing enhancements based on the eInvoicing Software Product Register.

These registers are updated regularly from reports by Access Points to the ATO on actual usage and preparedness. Usage of the registers minimises the need for contacting businesses which, given the volume, is desirable.

14b. What communication and record-keeping requirements would the BER require for covered businesses, particularly in relation to communicating requests to receive eInvoices?

See response above. BER would kick in as soon as a software product is registered on the eInvoicing Software Product Register as enabled for sending and/or receiving. All users of that product would come under BER, regardless of their size. This is simple and does not require record-keeping except the registers – which are updated by mandatory Access Point reporting to the ATO.

Monitoring, compliance and enforcement, and protections for participants

15. What mechanisms should be put in place to protect businesses that choose to exercise their BER (e.g. whistle blower protections)?

This is not a recommended approach to encouraging take-up of eInvoicing. Businesses will take up eInvoicing when their product is enabled and their customers request/demand it. There is little incentive for sending eInvoices as the current emailing of a pdf is free and working, and eInvoices will probably incur some costs and change in processes. However, meeting customer requests is normal business activity – if your customer wants it, and your software product can do it, then the process is simple to meet expectations.

There will always be those slow to take up new technology. The aim should be to encourage early adopters, then progress to the majority of businesses. Eventually the laggards will come on board.

Further measures to support eInvoicing adoption and integration with existing business processes

Enabling Peppol-compatible EDI networks

16. What key factors does the Government need to consider in relation to enabling Peppol-compatible EDI networks?

The general and consistent feedback on EDI providers that we have received from both the software industry and end users is frustration. The software developers have long complained about the number of standards and variety of implementations of standards in the EDI industry. The end users complain about the cost (up to \$3 an invoice or more) and complexity. One client told us he is excited about eInvoicing because it will mean he does not have to explain to the board every month why they are paying a third party \$8,000 a month to send invoices to their customers.

As stated, these proprietary networks have vested interests in maintaining the status quo; ie

- The EDI service providers are operating a 3-corner network – this business model is threatened by the 4-corner Peppol network because the invoice sender can connect to an Access Point of choice and not pay anything to the EDI provider.
- The user of EDI services has paid, and is paying, for a service which is tailored to their needs and is working. They have no incentive to change.

The users of EDI services still have a software product which is managing their Accounts Payable into which the EDI invoices are being imported. This software product will become Peppol-enabled and then the user comes under BER obligations. We suggest that the EDI service provider will step in at this point and provide a capacity to ingest Peppol invoices as a way of maintaining their client and meeting BER requirements. They will register themselves either as an Access Point, or as corner 3.5 between an Access Point and the client software.

Users of EDI are usually large organisations who can afford the software and services of a proprietary system. They are a small percentage of businesses in Australia and do not account for a high percentage of the invoices exchanged every year. Uptake of eInvoicing should be focussing on the vast number of businesses that do not have the advantages of EDI; and leave the existing EDI solutions to be dragged into the Peppol network over time.

Almost all of the traditional EDI systems rely on the issuance of a purchase order to manage the workflow of the resultant invoice. They do not deal well, if at all, with invoices which do not have a purchase order and this is the majority of invoices issued in Australia.

17a. How could the Government target a potential intervention on the procurement functions of EDIs, without affecting or targeting the non-procurement functions?

Each EDI provider will have a different answer to this question. Any integration with Peppol eInvoicing requires work (design, development, testing etc) and potentially lower revenue – where's the incentive? The only pressure for change comes from the sellers putting pressure on the buyers to alleviate their costs by going Peppol. If the buyer is sensitive to the sellers' concerns, then a migration path will be investigated. Each solution will be different.

17b. What definitions or criteria would be required to limit any requirement to only those EDIs operated by businesses that the Commonwealth can regulate and EDIs that are only used in procurement?

See responses above.

Expanding eInvoicing into Procure-to-Pay

18. What are the key business considerations and impacts relevant to expanding from eInvoicing to a broader integrated P2P process (such as Peppol P2P)?

Most businesses in Australia do not use purchasing ordering and sales ordering software systems. The expansion of eInvoicing to include the Peppol procurement process will only be required by a small subset of businesses who use these products. Once eInvoicing and usage of the Peppol network is entrenched, the expansion to the ordering process will occur naturally for those who want it. The data formats are very similar to eInvoices and the transport mechanism is already in place. Software developers will expand their Peppol offerings to meet client demand. The first step having been taken, the following steps will be easier.

19. What are the barriers, if any, to businesses adopting more efficient and standardised P2P processes, including Peppol P2P?

The biggest hurdle is the time and effort required to implement and maintain an ordering software system (purchasing or sales). These systems are heavily integrated with accounts payable, inventory and project costing systems and require a fairly sophisticated business to run them efficiently. If a business is using software for these processes already, then implementing Peppol procurement systems will be another layer of sophistication to automate matching and mapping processes that are handled manually currently. If they are not using these systems currently, then they would need to be sold on the benefits of them first. This is the responsibility of the software provider. They are motivated to sell, install and support these systems.

20a. Would broader adoption of Peppol P2P as a standard in Australia help businesses adopt more efficient and interoperable procurement processes?

If the accounting software system that they currently use has procurement modules that could be implemented, then a user may decide to adopt a Peppol solution. They are unlikely to change accounting systems to install procurement through Peppol. Everything hinges on the existing system functionality and ease of implementation – and cost.

20b. What different approaches are available that may also be appropriate for Australia?

First things first – get large uptake of eInvoicing and then focus on increased efficiency through procurement solutions.

Integrating eInvoicing with payments

21. What is the level of impact on business adoption that the integration of eInvoicing and payments would have?

Invoice payments are made according to seller's payment terms and the buyer's willingness to pay and when. Instant payment is not standard practice for most businesses who protect their cashflow by paying as late as they can. The market is providing many options for payments which are separate to the Peppol eInvoicing network. These solutions are being integrated by software developers into their products as new features for their clients.

These payment/funding solutions are being provided to both sellers and buyers to increase their cashflow and protect their credit ratings. While these funding solutions are related to invoices, they do not impinge on the Peppol eInvoicing thrust into the market. If anything, they enhance the offerings a software developer can make to their clients; i.e. eInvoicing and payment/funding options.

Payment/funding options and eInvoicing are complimentary – but they are NOT dependant on each other.

22. Given the market is currently working to deliver solutions that enable integrated eInvoicing and payments, what (if any) further action or intervention is required to address any current barriers to greater integration and help drive this process?

Nothing – it's happening anyway.

Conclusion

Incentives always work better than enforcing obligations and expectations. This document is not a comment on the BER as proposed – it is an alternative to the BER. Rather than spend government funds explaining, enforcing and monitoring a BER, we believe the money would be better spent as incentives over a short 1-2 year period to get the eInvoicing market off the ground. It would also be welcomed instead of being viewed as government intrusion in running a business.

Contact

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Appendix 1 – Incentivising Software Developers

Motivation for Change

As with any change in business processes, there is inertia to overcome. Change inevitably costs money in time and effort and business is currently coping with what we hope is the aftermath of the pandemic. How do we get mass take-up of new technology from a cohort still reeling from the massive changes they have already had to bear?

Forcing Change

Some believe no amount of incentives will get businesses to take-up eInvoicing and that mandates are required to change behavior. This has been successful in the case of Single Touch Payroll with the ATO. But it hasn't been popular and it has cost the software industry huge sums to comply with the legislation.

Incentives for Change

Often ignored in discussions about the Peppol 4-corner model and how to support the uptake of eInvoicing are the **solution providers**. Unless the business software is enabled for sending and receiving eInvoices, then nothing will happen. Businesses are loathe to change their accounting systems due to the disruption to their business and the cost – it is essential that the software developers are encouraged to develop eInvoicing solutions for their clients. This removes a major hurdle for a business adopting eInvoicing.

The best form of incentive is money – specifically cash, not tax breaks. Solution providers need to develop two applications; sending eInvoices and receiving eInvoices. Each development should be provided with the following incentives individually as they may be done at different times to suit product development schedules:

Sending eInvoices

- \$10,000 when registering with Access Point to begin development
- \$10,000 when development is completed and registered for production
- \$5,000 when clients begin processing invoices

Receiving eInvoices

- \$10,000 when registering with Access Point to begin development
- \$10,000 when development is completed and registered for production
- \$5,000 when clients begin processing invoices

Access Point Reporting

Access Points know their solution provider clients and work with them to get into production. They can report to the ATO monthly a list of solution providers and their current status; i.e.

- Solution provider ABN and trading name
- Product name
- Sending – date registered for testing
- Sending – date registered for production
- Sending – date invoices first sent in production from a business client
- Receiving – date registered for testing
- Receiving – date registered for production
- Receiving – date invoices first received in production for a business client

This report can trigger payment of the incentives by the ATO using company tax information for banking details when claimed.

Time limited and Capped

These incentives for developers should only be available for 1 year to encourage action sooner rather than later. If the incentives are no longer available, then there is incentive to get into production prior to the end date. We suggest July 2022-June 2023 with retrospective payments for early adopters.

We also suggest that there is a cap of 1,000 software developers to receive the incentive funds – first in, best dressed. There are hundreds of accounting systems and invoicing systems which will need to become eInvoicing enabled. Money is better spent on getting software enabled and clients using it – rather than compliance, reporting, monitoring and administrating the proposed BER.

Claiming the Incentive

Solution Providers will submit a claim for the incentives, nominating the Access Point they have registered with. This will allow the ATO to verify the claim using the Access Point reporting. This type of process has already been successfully performed by the ATO for businesses claiming Jobkeeper subsidies. The numbers of software providers is a small fraction of the businesses that claimed Jobkeeper.

Multiple Access Points

If a Solution Provider has registered with multiple Access Points to give their clients choice, then incentives for each Access Point after the first is 25% of the incentive paid for the first Access Point. This recognizes the fact that the Access Point is the messenger and that most of the development is within the application itself and does not need to be repeated for additional Access Points.

Appendix 2 – Encouraging Early Adopters

Businesses

Every business in Australia will incur some costs when changing their invoicing processes to implement eInvoicing. There is additional data to be collected and entered plus staff training on new processes. This needs to be acknowledged and the best way is via cash. Large businesses won't care about a small amount of cash but small to medium businesses will gladly take up these incentives.

Incentives Capped and Time Limited

We suggest a one-off amount per entity for sending eInvoices and for receiving eInvoices. We suggest the incentives be phased out after two years. This allows time for their accounting product to be Peppol enabled and released into production.

Sending eInvoices

- \$500 – paid after sending eInvoices has begun and over 10 invoices have been sent

Receiving eInvoices

- \$500 – paid when receiving eInvoices has begun and over 10 invoices have been received

Is it enough? Our experience with providing rebates is that any amount will be claimed as soon as possible. Even rebates of \$18 have resulted in invoices being raised immediately to claim this small amount. The incentives above will be significant for small to medium businesses, especially in cash.

We suggest a cap of 100,000 entities receiving incentives.

Large Businesses

Large businesses move slowly when changing processes and procedures. They may already have traditional EDI solutions in place and have no incentive to move to eInvoicing. They are invested in EDI or they may have application solutions that are expensive to modify. Given that less than 5,000 businesses in Australia have more than 100 employees (WGEA statistics), we believe that these organisations can change to eInvoicing when they perceive some advantage for them – of if pressure is put on them by their trading partners who object to the costs of traditional EDI solutions. The focus needs to be embedding eInvoicing in as many businesses as possible.

Access Point Reporting

The Access Points can report which businesses are sending and receiving invoices monthly to the ATO; i.e.

- Business ABN and trading name
- Business Peppol ID (not necessarily their ABN, and there could be more than one if using GS1 or Dun's numbers for routing purposes)
- Number of eInvoices sent this month to other Access Points
- Number of eInvoices received this month from other Access Points
- Number of eInvoices sent AND received within its own Access Point

These statistics provide valuable information on take-up and they are supplied by the Access Points as normal reporting requirements. These details form the basis of the eInvoicing Trading Register as well as incentive payments.

Claiming the Incentive

Businesses will submit a claim for the incentives annually, nominating the Access Point they have registered with. This will allow the ATO to verify the claim using the Access Point reporting.

Appendix 3 – Product and Trading Registers

eInvoicing Product Register

Using the reports provided by the Access Points, the ATO can maintain and update monthly a register of software solution providers and their readiness for businesses to trade using their products (sending and/or receiving).

eInvoicing Trading Register

Using the reports provided by the Access Points, the ATO can maintain and update monthly a register of business ABNs who are trading on the Peppol network (sending and/or receiving). This register will be useful for companies looking to trade with customers and suppliers – currently one of the barriers to take-up.

The major advantage of this is that it is updated monthly and it doesn't matter if an ABN changes Access Point. The ATO would be aware of ABN by Access Point but this would not be generally available information as it is commercially sensitive.

NB It also does not cross reference the ABN using eInvoicing to the product they use. This would result in user lists which are commercial in confidence and would be rejected by software providers.

Appendix 4 – Identifying BER Participants

Who is a BER participant?

Instead of attempting to classify businesses by their corporate entity type or their size of business, we suggest an alternative means of identifying BER participants.

A BER participant is a government or business entity that uses invoicing software that is Peppol eInvoicing-enabled.

This means that every Xero and MYOB user instantly becomes a BER participant. And every software product that is enabled brings every one of their clients into the “BER participant” definition. This is the fastest way to define who can send and who can receive. It will result in the largest number of businesses becoming BER-ready in the shortest time.

How do I know what software my customer/supplier uses?

Sometimes this question is already answered by the existing invoices received by email; for example, an email received from **messaging-service@post.xero.com**. Sometimes the software brand is embedded in the email details or sometimes in the PDF prepared.

Alternatively, a query between trading partners will identify software products, and reference to the **eInvoicing Product Register** will identify if the products are enabled for sending and/or receiving eInvoices.

How do I know my trading partners' Peppol ID

A simple query between trading partners will identify Peppol IDs if they are enabled. Alternatively, reference to the **eInvoicing Trading Register** (see Appendix 3) will identify if the entity is currently sending and/or receiving eInvoices and their Peppol ID.