NES, Northern European Subset of UBL

- Why we work with UBL
- The result of our cooperation and our plans
- The importance of interoperability
- The Swedish e-invoice Svefakturan (Swed-invoice)

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UBL symposium
November 16, 2006, Copenhagen
NES (Northern European Subset of UBL)

- We have chosen UBL as a standard that fulfill our requirements
- UBL is global and open and was what we needed when we started with e-invoices in our countries a few years ago
- Cooperation between Denmark, Finland, Iceland, Norway and United Kingdom (OGC) since 2005 (NES, Northern European Subset of UBL)
- The goal is to give input to OASIS for UBL 2.0 and to define a subset of UBL 2.0 for our needs in Europe in order to make interoperability possible for the e-invoices between sellers and buyers in our countries.

Not only northern European countries, all countries are welcome!
NES (Northern European Subset of UBL)

- E-invoicing is growing national in our countries but
- E-invoicing between our countries in Europe and global is important!
- We cannot develop different standards in all countries-difficult to change all systems when it will be necessary
- I 2010 plan in Europe have goals to fulfill. E-procurement shall be possible to 100 % 2010 and 50 % really using it.
- E-procurement is the whole process from procurement to invoicing.
- Not possible electronic without using standards.

Standards to make interoperability possible is of high importance!
Northeuropean input to UBL 2.0

- OGC in UK
- Finland
- Denmark
- Norway
- Iceland

Nordic UBL 2.0 subset
NES-a subset of UBL 2.0

- We find that UBL fulfill our requirements very well
- But it is also important to work for a harmonisation with UN/CEFACT and we participate in TBG 1.
- We will continue with our work in NES and publish the subset.
- We have different schedules in our countries regarding implementation, but we participate all in the work
- New memberstates in EU are welcome to participate

A standard gives possibilities for the enterprises, especially SME:s!
NES—the European subset of UBL; our results so far and plans

- We have defined a subset of UBL 2.0
- Denmark is the first country to use it
- We have started with the invoice, now we continue with
  - order
  - catalogue
- We will continue with the migration work UBL-UN/CEFACT
- Implementation guides and other information on the web and by different activities
- Cross-border pilot tests
E-invoicing in public sector in Sweden

- Objectives for e-invoicing and e-procurement. Background.
- Cooperation of public and private sector for a standard
- Status governmental initiatives and implementation in local authorities and county councils
- How to put it successfully in practice
- First results and outlook
- Challenges and plans
Objectives for e-procurement and e-invoicing in public sector

Since 1995

- the Swedish Agency for Public Management,
- the Swedish Association of Local Authorities and
- the Swedish Federation of County Councils

have promoted the use of e-procurement and the cooperation still in force. Now, since 2005 also together with the National Financial Management Authority (Ekonomistyrningsverket)

- We have promoted the use of e-procurement (ordering-invoice process) by
  - recommending a standard, SFTI (Single Face To Industry).
  - education, SME-activities etc.
E-procurement in public sector, current situation in local authorities (municipalities) and county councils

According to a survey 2003:
- 75 of the 290 local authorities in Sweden have begun to use e-procurement
- 50 local authorities are planning to introduce e-procurement
- 72 local authorities can envisage introducing e-procurement over the next few years
- 1/3 of the county councils have started with e-procurement

Today:
Big interest in e-invoicing (alone or as a complement to scanning). Especially in governmental agencies
E-invoicing in public sector, current status and new strategy from the government

- The National Financial Management Authority (Ekonomistyrningsverket, ESV) made a preliminary study 2005 showing benefits for e-invoicing in governmental agencies (Report, [www.esv.se](http://www.esv.se))
- Now they are purchasing a solution for handling e-invoices; a portal to receive and send e-invoices and scanned paper invoices.
- They recommend Svefakturan (Swedinvoice) as standard
- and will provide guidelines, education etc
E-invoicing in public sector, current status and new strategy from the government

• The Government (Ministry of Finance) decided in June an E-strategy.

• This includes that it will be mandatory for governmental agencies to receive and send e-invoices from July 1, 2009.

• An important issue is also the procurement process; to get it possible electronically for an efficient administration (today many have started and there are IT-solutions for it, but the government will promote more use of e-procurement)
E-invoicing in public sector

• The e-strategy and decision about e-invoicing mandatory in governmental agencies and ESV:s portal is important also for the local authorities/municipalities and county councils. The enterprises, especially SME:s will have an incitament to start with e-invoicing.

• So far most EDI in local authorities and county councils, but an increasing interest for e-invoices.

• Standardisation has always been an important issue.

• SFTI (Single Face To Industry) is a sector standard for e-procurement (ordering-invoice process) now e-invoice as a complement
E-procurement in public sector

SFTI—Single Face To Industry, our work today:

- Standard business processes, different scenarios, mostly EDI; cooperation with GS1 Sweden (EAN)
- New public procurement directives will influence SFTI
- Promote Software implementation
- Awareness creation
- Best practices
- Supplier contacts
- Some specifications also for the procurement phase
E-commerce in public sector;
SFTI so far

<table>
<thead>
<tr>
<th>Procurement process (2 reports)</th>
<th>Ordering-invoice (standards)</th>
<th>Invoice (standards)</th>
</tr>
</thead>
</table>

Branch standard SFTI so far, for benefits:
- improved compliance to framework agreements and increased price awareness
- reducing invoice processing time
- improved financial control
- better and easy available statistics
Standardisation-background and status now

- Cover business process, software, security, messages etc
- Specifications for different business scenarios
  - Scenario 6.1 Subordering against framework agreements
  - Scenario 6.5.1 Sub-ordering against framework agreement
    /on buyers webb etc
  - Scenario 6.5.3 Sub-ordering against framework agreement,
    by chosing one supplier (like punch out)
  - Scenario 9 Periodic invoicing
  - Electronic invoice

www.ehandel.skl.se
www.sfti.se
Example, SFTI / ESAP Sc 6.1 Subordering from frame work agreements
E-procurement in public sector;
lessons learnt so far with implementing e-procurement (order-invoice process with EDI)

• Business needs must rule, not technology
• High level management acceptance crucial
• Process view is necessary
• “Change” of process is the real difficulty
• Important involve buyers, suppliers and IT suppliers in standardisation and other work
• Standard with a few messages is crucial
• Focus of the benefits and see how you can change the work to be more efficient

• We saw a need to develop a standard for an e-invoice as
  - a complement to EDI and
  - a complement/alternative to scanning
Example from a Swedish municipality.
Background to the need for Swedish e-invoice, Svefaktura (Swed invoice)

<table>
<thead>
<tr>
<th>Suppliers</th>
<th>Invoices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Framework agreements (EDI poss.)</td>
<td>150</td>
</tr>
<tr>
<td>Suppliers with periodic invoices (energy, telephone) (EDI possible)</td>
<td>100</td>
</tr>
<tr>
<td>Other suppliers (e-invoices?)</td>
<td>5,000</td>
</tr>
<tr>
<td><strong>Invoices</strong></td>
<td><strong>5,250</strong></td>
</tr>
</tbody>
</table>
E-invoicing in Sweden and Svefakturan/Swedinvoice

- International standard för e-documents necessary.
- When we needed a standard for an e-invoice January 2004 our choice was UBL
- UBL-invoice version 1.0 had most of what we needed. We also made some change requests to OASIS.
- The Danish OIOXML invoice also based on UBL is very positive.
- Important to have an e-invoice which makes interoperability between the countries possible.
Electronic e-invoicing in Sweden—a cooperation for a standard

- A working group was established in May 2003 under SFTI
- with representatives from
  - buyers and sellers and
  - approx. 25 IT companies (software industry with ERP systems, purchasing systems, work flow etc and
  - banks
- Cooperation also with other initiatives in Sweden

The goal: to have only a few standards in Sweden (there will be more than one, depending on different business proceedings)
Cooperation for standard for an e-invoice; first result and outlook

A co-operation which gave result:
- a standard now since 2004, “Svefaktura” (Swed-invoice)
- an open standard
- not only for public sector—also business to business
- an invoice with some structured information and the rest as freetext, but with possibilities to have more information structured
- implementation continues by some of those who have participated in the work (IT-providers and banks) but also other IT-providers
- a list with IT-providers that has implemented the SwedInvoice www.svefaktura.se
E-invoice standard. Challenges

Lessons learnt and challenges:
• Implementation takes time! Coordination after demands but also to fit into new versions and releases of ERP systems etc.

• Marketing and support is necessary.

• Many standardisation initiatives and solutions can make confusion.

• Having a standard does not mean that the market starts to send e-invoices solutions directly!

We have to continue information about benefits of e-invoicing to both public and private users, especially SME:s.
E-invoicing in Sweden and UBL

• The northern European cooperation, NES (Northern European Subset of UBL) is very important for us.
• We will continue with this cooperation and welcome other countries that might be interested to participate!
• We will continue with more than e-invoices;
  - order
  - catalogue etc
• The goal is to migrate UBL with UN/CEFACT and we participate with in this work in TBG1
Thank you!

- More information:
  - www.svefaktura.se
  - www.ehandel.skl.se
  - www.esv.se
  - www.verva.se

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UBL International 2006

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Source for presentation slides (updated 2006-11-24):

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UBL International 2006 is running its inaugural event in Copenhagen Denmark (Scandinavian Trade Building in Allerød) the week of November 13-17, 2006.

UBL International is a training summit bringing together worldwide Universal Business Language expertise to deliver full-day and half-day lectures and hands-on courses from commercial training companies, and a full day of free symposium presentations, this year marking the launch of UBL 2.0!