

# **ITPWG-TBG15 Project**

## **Revision of Recommendation 6 to accommodate electronic invoicing**

Draft 9 December 2004/Rev1

### **1. Objectives**

#### **1.1 Foreword**

Widespread use of electronic, paperless, invoicing delivers significant benefits to users, service providers and public administrations, including lower costs of invoice handling, more fluid trade procedures, better corporate governance and accountability and a reduction of the “grey economy”. In addition, the use of electronic invoices could well pave the way towards the further migration to paperless trade.

In recent years, private companies have invested substantially to provide the technical infrastructure for e-invoices, while governments have approved the relevant laws and regulations designed to provide the necessary legal infrastructure. In the European Union (EU), for example, Directive 115/2001 was approved to permit and regulate electronic invoicing. This Directive has been executed in all Member States. Similarly, the Russian Government is considering introducing electronic invoicing starting 1/2006 to fight grey market schemes.

At the moment, a number of barriers exist to reaching a harmonised usage of e-invoices. These include:

- The lack of usage of common international standards for both the layout and data elements required;
- Differences in the local implementation of existing directives and recommendations.

#### **1.2 Purpose**

The purpose of the project is to revise UN/CEFACT Recommendation 6 to ensure that it contains the elements required to exchange information electronically, from the point of view of the user, the service provider and the legislator.

#### **1.3 Scope**

The Revision of UN/CEFACT Recommendation 6 to accommodate electronic invoicing will:

- Add the data elements necessary to cover the requirements of a commercial invoice from both a business and governmental perspective. This data set should be driven by and based on the commercial records and systems operated by trade to conduct legitimate business transactions. It should also cover the Governmental requirements consistent with best business practices.

- Define the electronic signature requirements of the electronic invoice necessary to cover the needs of the business community and the regulatory authorities.
- Layout and Data Model to be compatible with and coordinated by UN/CEFACT's work on UNeDocs

## **2. Deliverables**

The project's deliverable will be a revision of Recommendation 6 and could include one or more recommendations for the implementation of electronic invoicing. This set of recommendations will be coordinated with the UNeDocs International Document Set (IDS).

## **3. Functional Expertise**

The development of the Recommendation requires legal, tax, technical competences tied to digital signature technology, and competences in trade facilitation. To a large extent the Recommendation can be developed from the work of experts that have already spent considerable time studying the reasons why electronic invoicing has not gained any significant momentum.

## **4. Geographical Focus**

The geographical focus is global, with initial scope on EU member states, neighbouring countries and Russia.

## **5. Initial Contributions**

Several private sector companies have signified their willingness to contribute the result of their studies to the project.

## **6. Statement of Resource Requirements**

Participants in the project shall provide for their own participation. The existence and function of the project shall require support from the UNECE secretariat in the form of project inputs and contributions. The project team will meet under the auspices of the ITPWG-TBG15 meetings and via audio conferencing and additional physical meetings.

## **7. Time Frames and Completion**

The first meeting of the project Group will take place in January 2005. A preliminary result should be presented at the UN/CEFACT International Forum in the end of June 2005.

## **8. Project Leader and Team Members**

The team members are Jari Salo, Bjorn Aasheim, Gordon Cregge, and Alex de Lijster.