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e-Invoicing project in Croatia

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Agenda

- 1. Organisation of the Project
- 2. Main results
- 3. Open issues
- 4. Future plans
- 5. Questions & answers

Roots of the project

- Croatia has from the year 2007. an official e-Business Strategy
- One of the main e-Business projects specified in the Strategy was e-Invoicing
- e-Invoicing project has to cover three segments: B2C, B2B and B2G
- e-Invoicing project is a forerunner of other e-Business projects in Croatia

The Scene

General IT level:

- Interent use is increasing
- Broadband access augmenting
- Number of servers and workstations is going up
- IT education is covering allevels of education
- e-Banking used by almost all companies and 0,5 million citizens

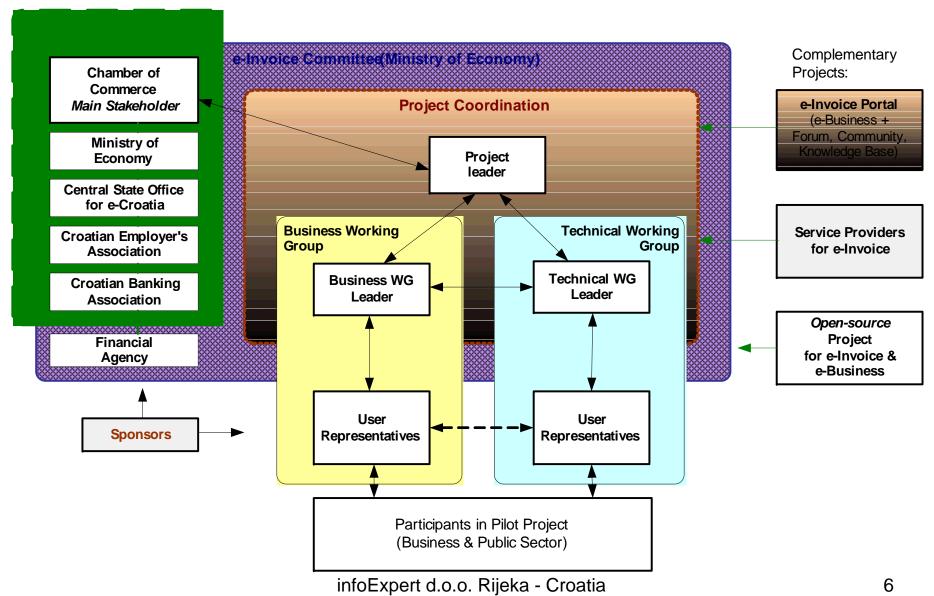
e-Business Level:

- ERP systems present only in big companies
- Web shops widely used but have small turnover
- Accounting software in widespread use (with SMEs) but with no e-Business capabilities
- Digital signatures used only for B2G applications

Organization

- Ministry of Economy has setup a permanent e-Invoicing Committee
- Inside the Committee the e-Invoicing project team was established consisting of:
 - Project team leader
 - Business working group with a leader
 - Technical working group with a leader

Organization (2)



Main activities

Business WG:

- Business requirements specification
- Minimum data elements in e-Invoice message
- Links to the whole supply chain

Technical WG:

- Technical standards evaluation for:
 - Message syntax
 - Data exchange
- Content standard for e-Invoice and other supply chain messages

Additional activities

- Link to the e-Payment processes
- Use of PKI infrastructure and digital signature
- Setting the information provides scene
- Preparing e-Invoicing pilot projects for:
 - B2C (including commercial banks)
 - B2B (including big companies) but bearing in mind the vast SME segment
 - B2G to boost adoption (as in Denmark case)

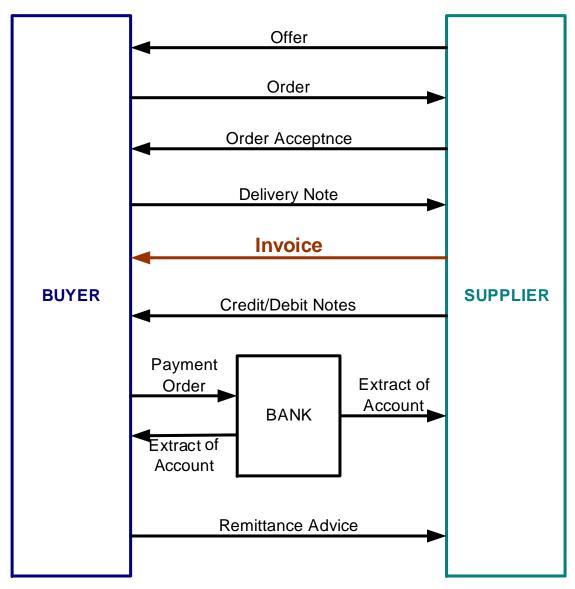
Projects

- Ministry of Economy has invested money in three important projects (all three completed):
 - e-Business Standards with Faculty of electrical engineering and informatics, Zagreb
 - includes e-Invoice standards
 - Software e-Modules (open source) at the Faculty of organization and informatics, Varaždin - includes e-Invoice modules
 - e-Business knowledge base at the Faculty of economy, Zagreb

Results

- Business WG has prepared Business Requirement Specification (BRS) document with inputs for technical WG
- Idea about 'simple' e-Invoice was abandoned (after much discussions)
- Technical WG has prepared draft national standards for e-Invoicing
- Documentation for starting national pilot projects is ready

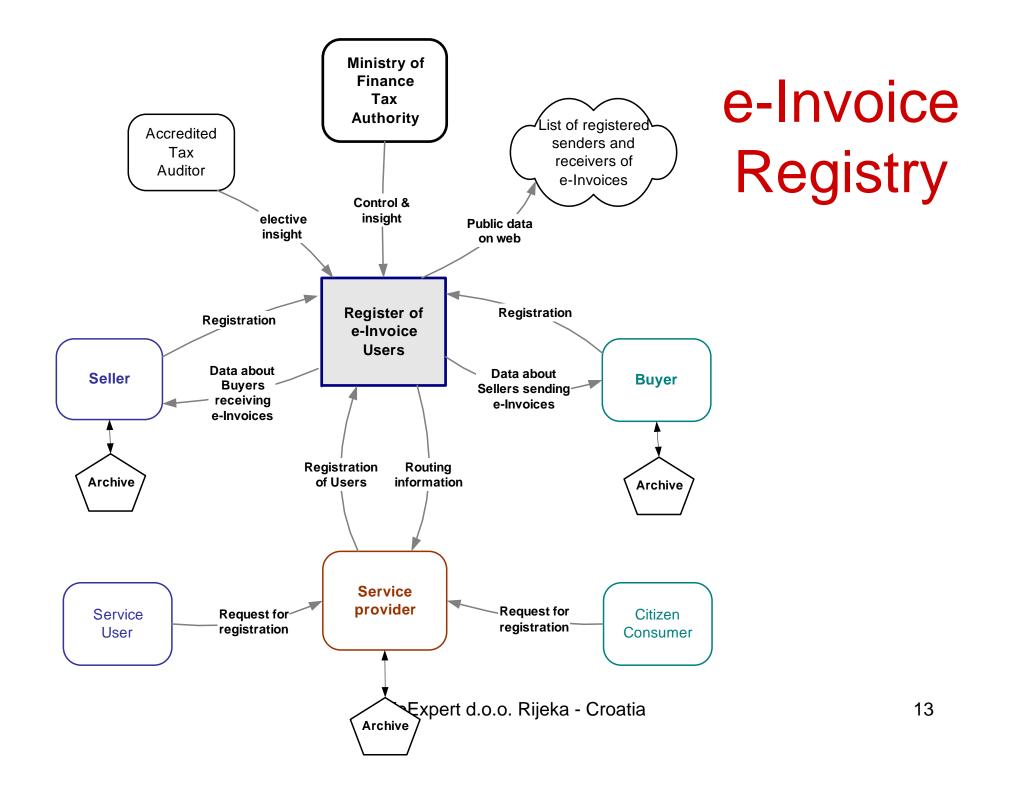
Business Scenario



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Proposed standards

- The Croatian e-Invoice message structure is based on OASIS UBL 2.0 specification
- The OASIS customization guidelines were strictly followed
- The UN/CEFACT Cross Industry Invoice (CII) version 2 was also considered but it was decided that it is not yet mature
- The web services (WS) standard was chosen as a principal way of transport (others are also possible)



Open issues

- VAT legislation is still not fully in place since Croatia is still aligning legislation with EU directives
- Tax authorities are not yet ready to put in place an effective audit & control on VAT e-Invoicing process
- e-Invoice information providers have not yet established an interoperability scheme

Future plans

- The pilot project which will include companies of all sizes and also public sector is planned
- (Voluntary) interoperability rules among e-Invoice service providers - based on CEN CWA 16059
- Extension of e-Invoice project to whole supply-chain and towards automatic e-Payments

Questions?