

Presentation on the first meeting of the European Multi-Stakeholder Forum
on Electronic Invoicing

National Multi-Stakeholder Forum on Electronic Invoicing – Czech Republic

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Brussels, 2011-09-13

ICT Union, 80 ICT firms in The Czech Republic

comment on TASK 1

Monitoring e-invoicing uptake in Member states and EU Level

The Czech Republic belongs to the countries, where the question of electronic invoicing is at the **forefront of public and private sector**.

We use **global UN EDIFACT formats**, subsets EANCOM and ODETTE, in the retail and automotive sector. These systems are used by thousands of clients.

Furthermore, in Association of IT industry "ICT Union" a **structured XML format called ISDOC** was developed in 2009. Format was **derived from UBL2.0** and is intended primarily for use in SME sector. Its spread now is thousands private and public entities and this figure is rapidly increasing. Format supports the Working group of the ICT Union and it is **currently implemented by 38 software houses**, including local subsidiaries of SAP and Microsoft.

And finally, **no small set of companies** and government offices uses **unstructured data format – PDF** as an electronic invoicing. But this way is gradually being replaced by the structured formats as quick as we are able to explain their advantages over unstructured one.

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comment to TASK 2

Exchange of experience and good practices

Exchange of experience is carried out by **ICT Union** as well as by The **Czech Chamber of Commerce (FITPRO)**. Both organizations hold events to promote experience with electronic invoicing and demonstrate "good practice" in this case.

The Chamber of commerce organizes an **Annual symposium of electronic invoicing**, ICT Union announced in 2008 the **Declaration of support of electronic invoicing**, aiming to expand mainly in the SME segment, and the government and companies have joined this. In 2010, ICT Union made a **press release** which stated that more than **1 million electronic invoices had been issued** in the ISDOC format.

Support for electronic invoicing is also expressed by the government. The **current draft of Public Procurement Law** puts forward an **obligation to make an electronic invoice**, when the supplier is involved in **public procurement**.

We hope, that this law will come into force as soon as possible.

comment to TASK 3

Propose appropriate solutions for remaining cross-border barriers

The **largest barriers** to expansion of electronic invoicing that we have identified are :

- 1) application of the **law is unclear** in the part of **archiving of electronic documents**, especially in relation to their **origin authentication** and **integrity of the content** (re-signing of electronic signature, time stamps, etc).
- 2) **insufficient knowledge** of this technology by **financial authorities** and due to **fear of using** this technology for SME sector.
- 3) **obligation** imposed by law to **have an approval** of the recipient **in advance** with electronic form of invoice before sending the first electronic invoice. Just as it is not required in the case of paper invoice, so even in this case the **law should leave it up to the agreement of the parties only**.
- 4) **cross border invoicing** has a main barrier in an **inaccurate implementation** of international standards and in the resulting **problems with the content of data items**.

comment to TASK 4

Migration toward a single e-invoice standard data model

In this case a **basic comparison** with formats CII v2 has been made so far only.

Intermeddling with the **adoption of the CII format** currently does not take place in the Czech Republic, but **we intend to commence with that**.