

A QUARTERLY E-INVOICING NEWSLETTER

engage.

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editor's note.

GEOK SEONG WAH
DIRECTOR OF E-INVOICE PROJECT OFFICE



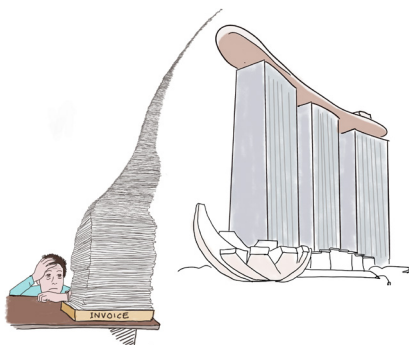
Dear readers,

We are thrilled to present our 3rd issue of ENGAGE on Going Green with InvoiceNow. "Going green" has been a buzzword for businesses of all sizes. With climate change making a real impact on the way we live, more businesses are taking decisive action to reduce their impact on the environment.

Can businesses embark on their digitalisation journey to improve process efficiency and save the environment at the same time? We know that's possible. E-invoicing is one clear example.

The amount of paper used for invoicing today is massive and minimising the use of paper would help to cut down the CO2 emission caused even in the paper production process.

To put this into context, a single large biller in Singapore can generate up to 2 million invoices a year. Using a simple calculation where 500 pieces of paper (1 ream) will mount up to approximately 5cm thick will quickly show us that 2 million pieces of papers when stacked up measures 200m which is equivalent to the height of Marina Bay Sands - and that is on the assumption that each invoice is only a single page in length!



Beyond just the saving of trees, this also promotes the Singapore Green Plan agenda to reduce CO2 emission. We used to think e-invoicing saves us from using paper. Now we know it goes way beyond that. Cutting down trees also mean having less to absorb the CO2 emission created by us.

The use of papers also mean the need for transportation, storage and additional use of technology like OCR to ingest the information, all of which contributes to CO2 emission. It is also likely that the receiving party would end up printing a hard copy or in the least, having to key in invoice information line by line into the system, when actually it was already in an electronic format in the sender's system.

You will find more related information in various articles in this edition of the newsletter.

An SME we spotlighted in this issue is Terra Sol, they are in the business of driving sustainable technologies by automating and improving waste disposal processes but has also adopted InvoiceNow to help reduce time spent on their manual invoice process.

From a large enterprise perspective, we have a guest article by Elvira Walis from SAP, sharing how the carbon footprint can be reduced in functions such as invoicing.

Since we are addressing the reduction of paper usage in this edition, it is appropriate that we also address the misconception that paper invoices are required for tax compliance purposes. We hope that our readers can be assured that adopting InvoiceNow helps companies be compliant and green at the same time.

Remember, digitalisation with Invoicenow not only benefits your business in improving efficiency and getting paid faster but also helps save the environment too.

See you in the next issue.

In the meantime - Stay Healthy, Stay Green!



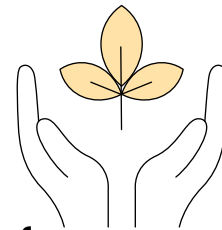
invoicing into a more sustainable future.

How businesses can play their part in saving the Earth by making a small change in the way they do their accounting.

DO YOU KNOW?

Paper invoices produce

3 times more CO₂ than e-invoices



making e-invoicing one of the easiest ways for companies to improve sustainable business efforts.

(Source: Federation of Finnish Financial Services)

Sustainability is often discussed within the context of environmentalism. However, corporate sustainability has become a growing concern among companies who are not only seeking economic profit but also social good. Many are starting to see how a sustainability strategy can add a competitive edge to their company's bottom line such as public goodwill and a better reputation.

LOOK INTO SMALL WAYS TO REDUCE YOUR CORPORATE CARBON FOOTPRINT

Recent research discovered that over 90% of businesses that receive invoices electronically still print them and process them manually (Why You Shouldn't Be Printing Invoices Anymore, oneposting.com).

If your company is still receiving paper invoices by mail or printing out a PDF invoice sent by email and then re-entering the information by hand into your accounting system - there is a better way to improve your processes and help reduce your carbon footprint: e-invoicing.

ALIGN PASSION AND PRODUCTIVITY WITH SUSTAINABILITY

Local technology company Terra Sol has a passion for driving smart and sustainable technologies. They brought in 'Bigbelly' bins that incorporated smart technologies such as the Internet of Things (IoT) and automation to improve waste collection processes.

Despite being in the business of sustainable technologies, Terra Sol's manual processes like invoicing were proving to be unsustainable - posing roadblocks to efficiency and taking up precious time employees could be using on other tasks. In a bid to throw out inefficient practices and welcome more productive alternatives, it made perfect sense for Terra Sol to make the switch to e-invoicing.

When e-invoices are directly sent across finance systems in a structured digital format, enables a more seamless verification process of the invoices and enables faster payments. Along with reducing paper use, companies that send and receive electronic documents also help cut down on fossil fuel pollution from mailing and shipping, thereby reducing their overall environmental impact of processing invoices.

CHANNEL TIME SAVINGS INTO OTHER BUSINESS PRIORITIES

"Since adopting InvoiceNow to send e-invoices to the government, our company has witnessed an approximate 30 to 50% in time savings," said Mr Jason Kumar, Chief Operating Officer at Terra Sol. These time savings allowed the company to dedicate valuable resources to pursuing their main business objectives such as expanding their offering of smart solutions to improve traditionally labour-intensive jobs such as waste management, sanitisation and even logistics.

Having experienced first-hand the benefits of e-invoicing, Terra Sol is now encouraging its business partners to embark on their own e-invoicing journey. Mr Kumar noted that the long-term gains of adopting e-invoicing will outweigh any initial technical issues that may arise with changing processes.

With e-invoicing firmly in its arsenal of digital tools, Mr Kumar has big plans for Terra Sol's future. In the next five years, the company hopes to grow the business significantly by broadening their customer base and providing more solutions to both existing and new customers. This will undoubtedly increase their invoicing volume but with e-invoicing in place, this is one less worry on their plate.

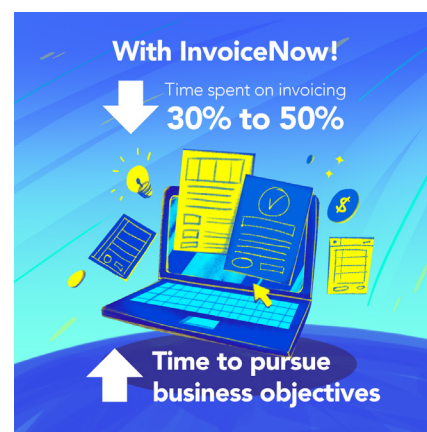
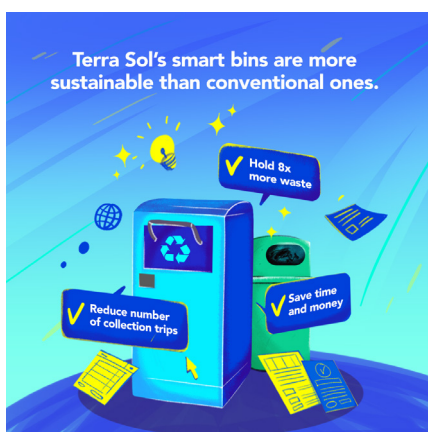


FEATURE ARTICLE

"If done properly and with the full engagement of our valued clients, e-invoicing can help us manage our increased administration needs with potentially minimal to no increase in resources."



**Mr Jason Kumar
COO, Terra Sol**



PURSUE THE BETTER AND GREENER WAY

It is time to make e-invoicing a part of your company's sustainability strategy. Help your company invest into a more sustainable future economically, socially, and environmentally - making a positive impact on your company's carbon footprint.

moving beyond compliance.



"Are you still keeping hard copy invoices for your tax filing?"

Many Singapore businesses liable to pay Income Tax and Goods and Services Tax (GST) are still under the impression that they need to keep invoices in hard copies to be compliant. There is, however, no need for that.

While it is a requirement to maintain invoice records for at least five years, the Inland Revenue Authority of Singapore (IRAS) has released the following guideline:



Businesses do not need to seek approval from IRAS to keep their records in an electronic format for tax purposes. However, businesses should ensure that proper internal controls are put in place to ensure the integrity, completeness, accuracy, availability and reliability of the electronic records, including all transactions executed electronically, where applicable¹.

Record Keeping: "Guide for GST-registered Businesses"
Section 3.3.2 (b)

When sending an invoice using InvoiceNow, the invoice data is in an electronic form. Businesses can enjoy peace of mind in archiving and retrieving digitalised records with their InvoiceNow-ready solutions.

Upon completion of the invoice and payment process, InvoiceNow electronic documents are considered Electronic Transferable Record (ETR) which is legally recognised in Singapore under the Electronic Transaction Act (ETA)² and shall be recognised as an official business document by consumers, businesses and public agencies such as IRAS.

Physical copies of source documents would not be required to substantiate business transactions for tax purposes if the InvoiceNow's electronic documents are retained in accordance with the ETA's retention of electronic document's requirements.

Moving beyond compliance, businesses can now use InvoiceNow to reduce paper printing, save energy and reduce cost for storage of paper invoices. E-invoice records can also be easily retrieved for taxation purposes and presented as and when required.

The Singapore Green Plan 2030 (or the Green Plan)

A whole-of-nation movement to advance Singapore's national agenda on sustainable development. The Green Plan charts ambitious and concrete targets over the next 10 years, strengthening Singapore's commitments under the UN's 2030 Sustainable Development Agenda and Paris Agreement, and positioning us to achieve our long-term net zero emissions aspiration as soon as viable.



DO YOU KNOW?

If you convert 100 paper invoices to e-invoices a month, you can save approximately 12 reams of paper and 8 sqft of storage space a year!



Be part of the Green Plan and kickstart your environmental-friendly practice by switching to e-invoicing practice to reduce the amount of paper and energy used in your business today!

¹ Download the business guide on record keeping for GST & Non-GST registered businesses at <https://go.gov.sg/iras-gstguide>

² Refer to the details of the Electronic Transaction Act (ETA) here: <https://go.gov.sg/eta2010>

reality check.



Is sending PDF really eliminating the use of paper entirely?

It is quite clear that instead of printing invoices and mailing them, converting to PDF and sending it via email saves paper. However, this is only seeing what goes on at the sender's end.

In our dialogues with some enterprises, we learnt that some of them still practice printing PDF invoices they receive for processing. Some reasoned that they needed to cross check the information against other documents in paper form. Others mentioned that they require the original printed copy for tax filing purposes (a misconception we addressed in the previous article).

This is consistent with an article we found stating: **"Recent research discovered that over 90% of businesses that receive invoices electronically still print them and process them manually."**

(Source: Why You Shouldn't Be Printing Invoices Anymore, oneposting.com).

It is surprising that in our digital world today, many have moved to knowledge-based work using computers, having multiple monitors to view information all at one go and yet some still resort to printing their PDF invoices.



Why is it that we don't often hear about people printing emails to read?

Could it be because PDF invoices are a "representation" of the original copy of the invoice since it was created by the sender?

In reality, the invoice data that you receive in your solution sent by InvoiceNow is considered "Original Copy". As the data was transmitted over connected systems without human intervention, you can trust the data's integrity and work on it without printing it out.

For businesses who are still sending PDF invoices even if your customers are on the InvoiceNow network, you can start to positively influence their behaviour of printing their invoices by sending them an e-invoice over InvoiceNow instead. In recent months, many companies including telcos, document management companies and government agencies who send out large volumes of invoices every month have switched to sending them via InvoiceNow. You can do the same!

HOW TO COME ON-BOARD AS AN INVOICENOW BILLER?

Step 1 - Review and select an Access Point (AP) provider

View list of certified Access Point Providers who can assist you with the InvoiceNow registration and integration to the InvoiceNow network here: <https://go.gov.sg/imda-ap>

Step 2 - Standardise your invoices fields and map them against the Peppol standards

You can engage your selected AP to do this one-time invoice fields mapping on your accounting solution to that of the InvoiceNow Singapore BIS 3.0 template. You may also refer to our Peppol Technical Playbook for the full Singapore BIS 3.0 specifications and other useful information to help you with the implementation here: <https://go.gov.sg/peppolplaybook>

Step 3 - Integrate and connect to your AP

This can be done via (i) API over SSL/TLS secure channel or (ii) secure files transfer (SFTP) channel. Additional security measures can be deployed with the use of file encryption for the invoices.

Step 4 - Start sending e-invoices to others in the network

Look up your business partners who are already onboard InvoiceNow on the Singapore Peppol Directory, and you will be on your way to sending your first e-invoice to them!



TIP: Refer to the wave methodology diagram in our Peppol Playbook to plan your billing rollout.

neutralising our carbon footprint with green invoicing.

By Elvira Wallis, Senior Vice President and Global Head of SAP Globalization Services, SAP



GUEST ARTICLE:
SAP



Climate change knows no borders. Extreme weather events are disrupting national economies and altering lives around the world as weather patterns change and sea levels rise. Every ecosystem is affected by climate change.

The global lockdown resulting from the COVID-19 pandemic induced a large drop in emissions of carbon dioxide equivalent (CO₂e), with an unprecedented peak drop of 17% last observed in 2006 (United Nations Climate Change). However, to sustain a lower level of CO₂ emissions, further measures are required once the global economy returns to operate on all cylinders as it recovers from the pandemic.

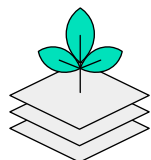
According to the World Bank Carbon Markets, approximately 50% reduction in CO₂e is needed over the next 10 years to reach a 1.5 degrees Celsius pathway in global temperatures. To make this happen, reducing the carbon footprint must be a priority on every CEO's agenda.



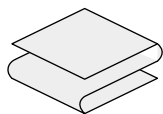
Carbon footprint can be reduced throughout the entire product lifecycle and extended to corporate functions, including finance.



Let's take invoicing as an example and do some calculations below:



1 tree produces 8,500 pieces of paper



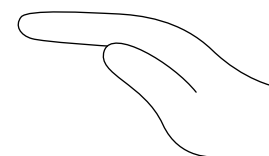
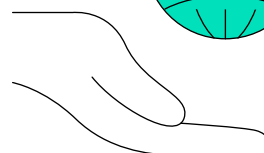
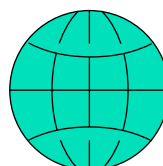
1 million invoices would require 118 trees



1 million invoices creates 36 tons of CO₂

Source: Payables Place, Global Source for ePayables News, Research, & Analysis

The global market is forecast to encompass



550 billion invoices annually by 2025.

Source: The E-Invoicing Journey 2019 - 2025 Report by Bruno Koch Billentis

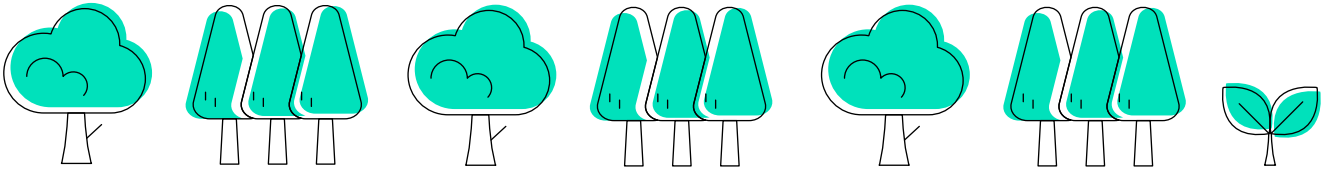
By moving these to electronic invoices, the world could **save up to 19 million tons of CO2** that would not be generated on the planet.



GUEST ARTICLE:
SAP

DO YOU KNOW?

Around 64.9 million trees are required to absorb that amount of CO2?



Besides contributing to the environment and reducing carbon footprint with less paper used and fewer trees cut, companies can adopt a greener approach for their accounting process through electronic invoicing – which is a key enabler for digitalizing accounts payable (AP) and accounts receivable (AR) processes.

Going green end-to-end from invoicing to statutory reporting, means a big step into business efficiency and sustainability. When electronic invoices are sent and received, costs from manual processing are saved and the payment process is accelerated. Additionally, preparation of statutory reports (e.g. submission of GST return) is made more efficient without the need for offline documentation.

This would mean that statutory reports can be submitted electronically and audits can be done digitally as well. With that, every part of the process is consistently connected, carbon footprint is neutralised and efficiency is maximised.

LET'S GO GREEN E2E FROM BUSINESS DOCUMENTS TO STATUTORY REPORTING

SAP Peppol-Ready Solutions with InvoiceNow capabilities:

1. SAP Business One

Manage your entire small business – from accounting and financials, purchasing, inventory, sales and customer relationships to reporting and analytics.

2. SAP S/4HANA Cloud

Establish consistent leadership for the top line, bottom line, and green line – with a complete cloud ERP system.



At SAP, we are committed to helping businesses cope with and take advantage of the challenges of digitalization and become sustainable intelligent enterprises.

With SAP Document and Reporting Compliance, SAP customers can digitalise invoicing processes with seamless transition from periodic statutory reporting to continuous transaction controls.

Stay tuned for more updates about SAP Document and Reporting Compliance in the coming months!

events & outreach.



Community highlights - just in case you missed out

CSIS 6th CSP Conference (29 & 30 Jul 2021)

Discussions on emerging stronger from the pandemic with over 300 attendees.

IMDA was delighted to moderate a panel session on the topic: What does digitalisation really mean to CSPs and how InvoiceNow plays a part. David Lim Tien from Beaufort Corporate Services and Venus Siang from Dandelion Consulting were invited to share their views as established CSPs. We discussed how corporate services has evolved extensively from book keeping with collection of receipts and paper invoices to the current way of reconciliation through useful tools, software and how InvoiceNow network has helped to optimise the process with the ease of sending or receiving invoices directly from and to different accounting software.

Let's Invoice Together! (9 Aug 2021)

Over 80 InvoiceNow Service Providers came together to put together a message for Singapore.

Just slightly more than a month ago, Singapore celebrated its 56th birthday with the theme Together, our Singapore Spirit. The IMDA E-Invoice Project Office came together (virtually) with the Service Provider Community to celebrate by singing along to the theme song: The Road Ahead. Every effort counts as we join hand to build Singapore Digital Future and harness the benefits of InvoiceNow. IMDA and more than 35,000 other businesses show how a small change such as switching to InvoiceNow can lead to large impact on business sustainability.



Scan QR code to watch our NDP Invoice Together video.

Or visit: <https://go.gov.sg/invoicetogether-2021>

Accounting and Finance Show Asia (21 & 22 Sep 2021)

Making time for what truly matters with InvoiceNow.

On day 2 of the event, IMDA opened the session with a keynote speech on 5 main reasons why you need to join InvoiceNow. The keynote underlines how remote working being the norm will eliminate paper driven processes such as paper invoices and to encourage businesses to start digitalising before its too late where business process are slowed down due to ever changing situation of the pandemic. [Catch the keynote session here: www.youtube.com/watch?v=juxznsAW5Ek](https://www.youtube.com/watch?v=juxznsAW5Ek)

IMDA also moderated a panel session with 2 end user business, SimplifyNext and FirstCom who are both avid users of InvoiceNow. Isac from SimplifyNext commented that: "Nobody goes to work just to spend all their time sending invoices. If there is a faster and more accurate way to ensure the invoices reached the other party so that time are spent on other activities such as delivering our services to clients, that's what matters the most." Similarly, Lynn from FirstCom shared that InvoiceNow has freed her employees from manual and tedious paperwork and they don't have to worry about their invoices getting lost in the mail. [Watch the panel session here: www.youtube.com/watch?v=gDfU1SM_-iA](https://www.youtube.com/watch?v=gDfU1SM_-iA)

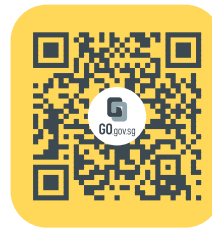
Look out for more of these events over at: <https://go.gov.sg/invoicenow-upcomingevents>

company spotlight.

Stories of InvoiceNow transforming businesses around us

Make Time For What Truly Matters.

Watch the sweet success story of You Tiao Man's Co-Founder Audrey Chew who embraced InvoiceNow to make her work smoother, quicker and better.



Scan QR code to watch You Tiao Man's feature video.

Or visit:
<https://go.gov.sg/ytm-video>

E-INVOICING
RESOURCES

free resources.

Access all e-invoicing related resources here



A curated list of digital resources related to the Peppol E-Delivery Network:

- SG BIS 3.0 Specifications
- SG Peppol Directory
- Important Notes on SG BIS 3.0
- How to send a test e-Invoice
- Transacting with Partners
- Sending e-Invoices to Government
- Validex Tool

Access it here: <https://go.gov.sg/peppolplaybook>



About InvoiceNow

<https://www.imda.gov.sg/invoicenow>



SG BIS 3.0 Specifications

<https://www.peppolguide.sg>



InvoiceNow Video

<https://go.gov.sg/invoicenowvideo>



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