

InvoiceNow Briefing for Government Vendors

Simpler tender process for SMEs, plus bigger sustainability focus

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Small and medium-sized enterprises (SMEs) will be able to bid for government contracts under a new category by end-2023 that comes with simpler and fewer conditions.

The new category, called Tender Lite, will allow more suppliers to participate in tenders with value higher than \$90,000 but below \$1 million. It is projected to cover more than 70 per cent of all government tenders that are currently awarded to SMEs.

"First, by simplifying govern-

ment rules and processes, we enable businesses to save time and money when they transact with the Government. Second, by helping businesses build capabilities to enhance their competitiveness and access new opportunities, both locally and abroad," said Senior Minister of State for Finance and Transport Chee Hong Tat in Parliament on Friday.

About 80 per cent of government contracts are awarded to SMEs annually, he said, adding that this helps the businesses build track records and develop capabilities to tap new growth areas.

Another change – businesses no longer need to resubmit the same



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financial statements and company profile when responding to different government quotations and tenders.

As part of improvements to GeBIZ, the government-wide procurement system, a supplier file repository will be introduced by the year end, said Mr Chee. About 3,000 firms stand to benefit.

The additions are part of changes to the government procurement process that the Ministry of Finance (MOF) will be rolling out, which also includes introducing sustainability considerations for large construction and information and communication technologies (ICT) tenders by 2024.

Up to 5 per cent of evaluation points for tenders will be allocated to sustainability-related considerations from next year. This will apply to construction projects with an estimated minimum value of \$50 million and ICT projects of at least about \$10 million.

The aim is to include environmental sustainability requirements and evaluation criteria in all government procurement within the next five years, Mr Chee said.

To drive businesses' sustainability reporting, he said public consultations will be held later this year.

"Businesses that can provide

good sustainability-related information can gain competitive advantage, expand into markets, and potentially access cheaper funds through green financing," Mr Chee noted.

He also urged companies to step up digitalisation as the government will use the electronic invoice submission channel, or InvoiceNow, for all its vendors in the next few years.

The e-invoicing network was launched in 2019 by the Infocomm Media Development Authority.

So far, about 55,000 businesses have adopted InvoiceNow, which is supported by 200 service providers.

In response to MPs Liang Eng Hwa (Bukit Panjang) and Saktiandi Supaat (Bishan-Toa Payoh GRC), who asked how the Government ensures fiscal sustainability, Mr Chee pointed to measures like audits and regular reviews.

The current government expen-

diture is about 18 per cent of gross domestic product (GDP). Even as expenditure exceeds 20 per cent of GDP by 2030, Singapore's government expenditure as a percentage of GDP is still significantly lower than most developed countries, Mr Chee said.

He noted that MOF conducts regular reviews of ministries' budgets to identify areas for improvement and ensures every ministry uses its allocated resources efficiently and effectively.

For example, some \$1 billion in savings was achieved in 2022 for major government infrastructure projects by using stringent cost-effectiveness evaluations, he said.

Other forms of savings include integrating different projects, like the upcoming East Coast Integrated Depot, as well as combining tenders for office supplies and catering services of various agencies.

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The Government will implement InvoiceNow as the default e-invoice submission channel for all Government vendors within the next few years. InvoiceNow will eventually replace the Vendors@Gov portal for registered businesses. All solution providers are to ensure that their solutions support its customers in e-invoicing the Government via InvoiceNow.

For guidelines on e-invoice submission to the Government via InvoiceNow, please refer to www.vendors.gov.sg.

If requested by the Authority, the Contractor shall submit to the Authority invoices **through InvoiceNow (strongly recommended)** or the electronic invoicing system maintained by the Authority and such other documents through such means and format as may be specified by the Authority for the purposes of making payment.

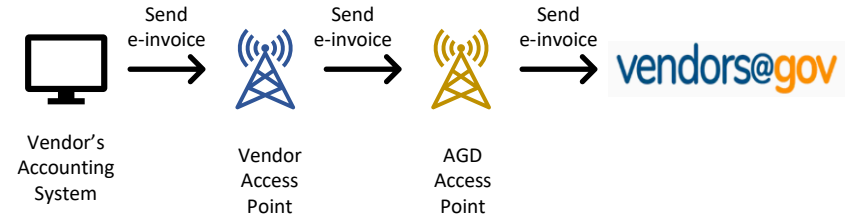
E-invoice Submission via InvoiceNow Network

VENDORS@GOV



E-invoice is manually submitted at Vendors@Gov Portal by logging in and doing manual entry

INVOICENOW



E-invoice is submitted via InvoiceNow directly from vendors' accounting system to Vendors@Gov without human intervention

What does it mean to you as a Govt Vendor?



On-boarding the InvoiceNow network

- Vendors have to join the network by using an InvoiceNow ready accounting system/solution or by engaging the services of an Access Point (AP)



E-invoice submission

- E-invoice submission to be done via InvoiceNow
- For e-invoices submitted via InvoiceNow, they should not be submitted again via Vendors@Gov as it would be considered a duplicate invoice
- For e-invoices submitted via InvoiceNow, there are requirements that need to be complied with, which subsequent briefings would address



Creation/Maintenance of vendor record

- No change to existing process – Vendors have to login to Vendors@Gov to create/maintain vendor records
- Creation must be done before sending e-invoices through the network, otherwise e-invoices will be rejected

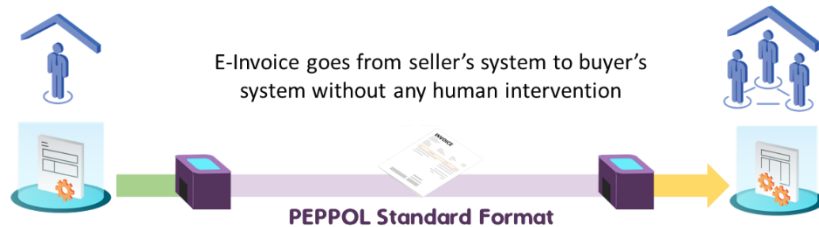


Payment

- No change to existing process – Vendors will receive payments based on bank details in vendor record registered with Vendors@Gov, and be notified of payments via existing methods

WHAT IS INVOICENOW?

The nationwide e-invoicing network aimed at connecting all active businesses to encourage digitalisation through direct transmission of invoices and other business documents in structured digital format from one finance system to another between suppliers and buyers. Network is based on International standard called Peppol.



These are **NOT e-Invoices**



Emailing PDF



Optical
Character
Recognition



Extranet
Online
Portal

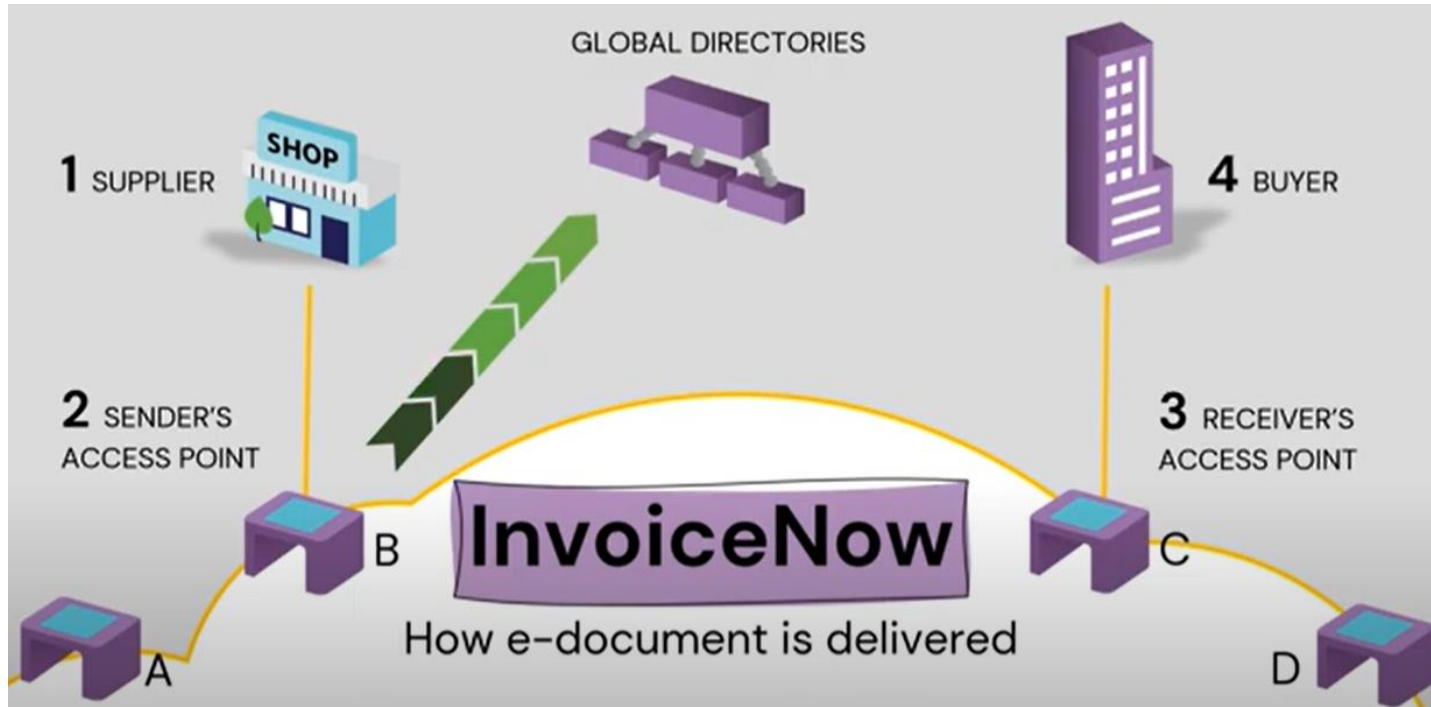
Activities Involved In Manual Invoicing

- Receiving mail or courier
- Categorizing it into various nature/groups
- Distributing invoices to respective department
- Human checking on the line items to match usage & price
- Scanning hardcopy into system using OCR and check
- Manually inputting into system for invoice recording
- Physically filing invoice and storing

\$8 per manual invoice
Processing 1000 invoices/mth will cost ~\$100K (2-3 staff)

*Source: Monitor Deloitte's Study on the impacts of E-Invoicing on Singapore's Economy (February 2018))

How does InvoiceNow Work?



1. In January 2020, AGD onboarded central govt systems onto InvoiceNow to receive incoming e-invoices on behalf of WOG
2. InvoiceNow is applicable to registered business entities



<https://go.gov.sg/4cornermodel>

DIRECTORY SEARCH

Find businesses on the Nationwide E-invoicing Network

[DATE REGISTERED](#)

SHOWING 2 BUSINESSES

Business Name	Peppol ID	Date registered ▾
> Accountant-General's Department	0195:SGTSTT08GA0028A	16/07/2021
> Accountant-General's Department	0195:SGUENT08GA0028A	12/11/2019

1. SG Peppol Directory (www.peppoldirectory.sg) provides a simple interface to search for SG registered companies that are on the Peppol network.
2. Bulk Search tool allows for uploading of CSV or Excel formatted file with the UEN of the company to check against the SG Peppol Directory

Benefits of InvoiceNow for Businesses



STREAMLINED PROCESSES

As invoices are transmitted directly into the system, avoid time spent to re-key data, also helps reduce errors and close books faster.



FASTER PAYMENT

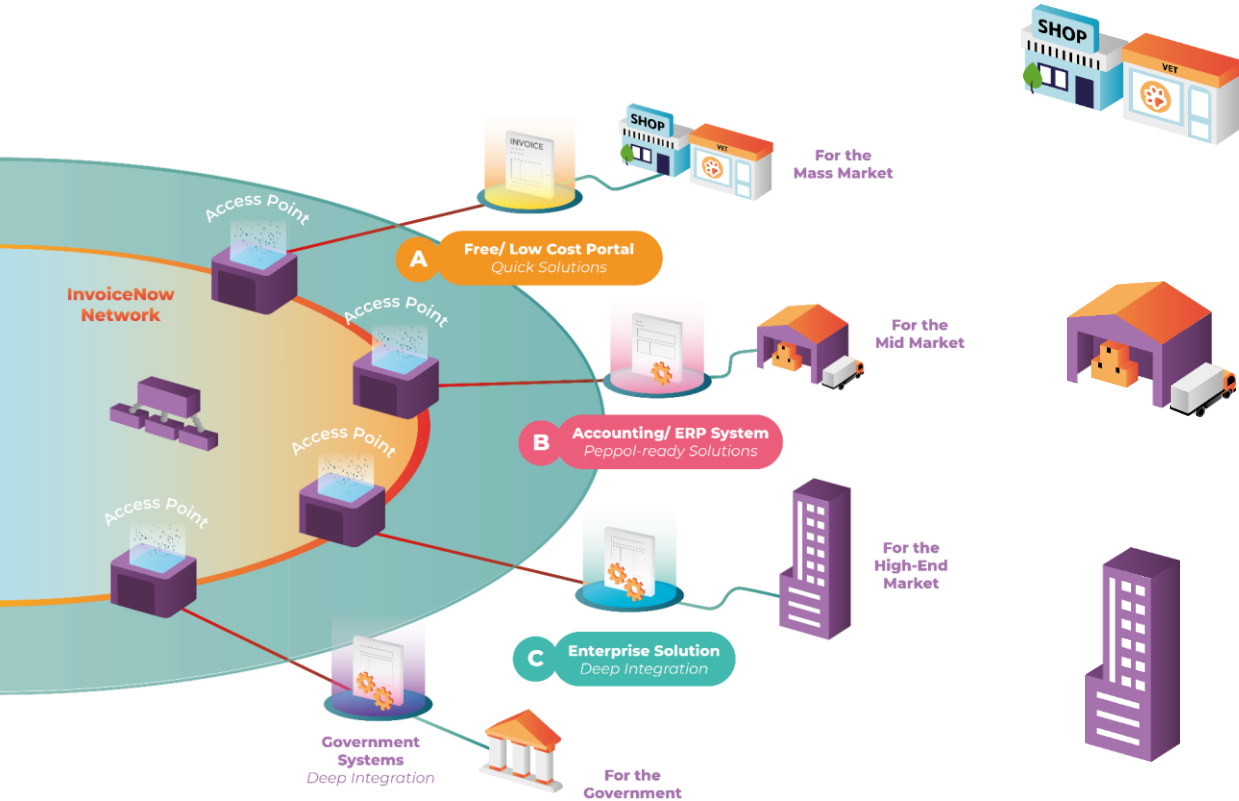
Speed up validation across financial systems through simplified data matching and unique UENs.



A GREENER BUSINESS

InvoiceNow reduces the use of paper and plays a part in mitigating climate change.

InvoiceNow Ecosystem



A Free/ Low Cost Portal Quick Solutions

If you are not using any existing finance or accounting solution, consider FREE solutions with basic InvoiceNow capabilities.

B Accounting/ ERP System Peppol-ready Solutions

Adopt a solution from any IMDA-approved Peppol-ready solution provider and activate the InvoiceNow feature on your solution.

C Enterprise Solution Deep Integration

Engage an IMDA-certified Access Point provider to help you connect your finance/ ERP system to the InvoiceNow network.

InvoiceNow Transaction Bonus

Grant Amount: \$200 per business

Applicable to all businesses on the InvoiceNow network

Eligibility Criteria

1. Businesses who send a total of 10 e-invoices on the network within 12 months from the 1st e-invoice will receive a bonus payout of \$200.
 - Send first e-invoice: receive \$50;
 - Send remaining 9 e-invoices: receive another \$150;
2. No application or claim form required.

Steps

1. Complete a one-time registration at this form to receive payout status and other InvoiceNow related matters from IMDA: www.go.gov.sg/register-itb
2. Find your business customers on the SG Peppol Directory and retrieve their Peppol ID information (www.peppoldirectory.sg).
3. Send an e-invoice directly from your solution to your business customer on the network.
4. Receive your bonus via PayNow Corporate, no claim is required.

Next Steps

1. We will be sending a short survey to understand the accounting/ERP solutions that vendors are using, to provide direct assistance or organise targeted sessions to assist vendors. **Please participate in the survey.**
2. We will organise detailed sessions to guide vendors to register on the network and send e-invoices via InvoiceNow to Government agencies.
3. We will continue to work with Finance teams across Ministries and Statutory Boards to support adoption of InvoiceNow.
4. Stay tuned for email invitations for future sessions.

How to Come On-Board

*E.g. Xero, ABSS,
Quickbooks*



Check and activate InvoiceNow feature

*E.g. Datapost,
OCBC, DBS*



Consider any of our free Peppol-ready solutions providers

*e.g. SAP, Oracle,
MS Dynamics*



Get in touch with an IMDA-approved Access Point provider

Full list can be found on:

www.imda.gov.sg/invoicenow

Thank You

Queries on InvoiceNow : invoice@imda.gov.sg

Feedback/issue on e-invoicing Government using InvoiceNow : Vendors@Gov AGD Helpdesk

