

Peppol Case Study: IMDA SINGAPORE

About IMDA

In an era of rapid digital advancement, the Infocomm Media Development Authority (IMDA) drives Singapore's transformation into a global digital metropolis. As Architects of Singapore's Digital Future, IMDA is building a vibrant, inclusive, and innovative digital economy.

IMDA fulfils three key roles in this transformation. As an economic developer, IMDA propels enterprise digitalisation, R&D, and talent development. In the capacity as a regulator, IMDA ensures a trusted digital ecosystem with strong data governance. Finally, acting as a social leveller, IMDA champions digital inclusion, ensuring everyone benefits from progress.

E-Invoicing as Part of The Digital Utility

E-Invoicing is part of the digital utilities to help businesses to participate in the vibrant digital economy in Singapore. E-invoicing (branded as InvoiceNow) aims to help Singapore businesses move away from manual invoicing, with fragmented single-sided non-interoperable solutions and at the same time be compliant to tax requirements.

Benefits of E-Invoicing

IMDA started its journey seeking to reap the benefit of e-invoicing for business digitalisation. On the surface, e-invoicing (described as electronic transaction between supplier and buyer exchanged between systems without human intervention) takes away manual effort and increases the efficiency of businesses. An e-invoice network can potentially serve hundreds of thousands of businesses in Singapore and around the region. At the start, we asked “How can we create a widespread network for this, for Business-to-Business financial document exchange?”.

Why Peppol?

IMDA adopted the Peppol Interoperability Framework as it allows direct transmission of e-invoices from one finance system to another finance system without human intervention. Peppol operates on an open network and thus is not limited by the accounting or invoicing package you choose, or the country you live in.

A key concept of Peppol is “connect once – reach all”. Once you are connected to one Peppol Access Point, you are connected to all Access Points on the network, both domestically and internationally, and can reach all businesses that use the services of a Peppol Access Point.

While Peppol remains the underlying framework for business document exchange, IMDA has rebranded Peppol to InvoiceNow to better relate with the Singapore businesses who are familiar with PayNow, the popular e-payment system used in the country.



Existing Technology



Existing Onboarding Process



Existing Access Points



Existing Community



Existing Users

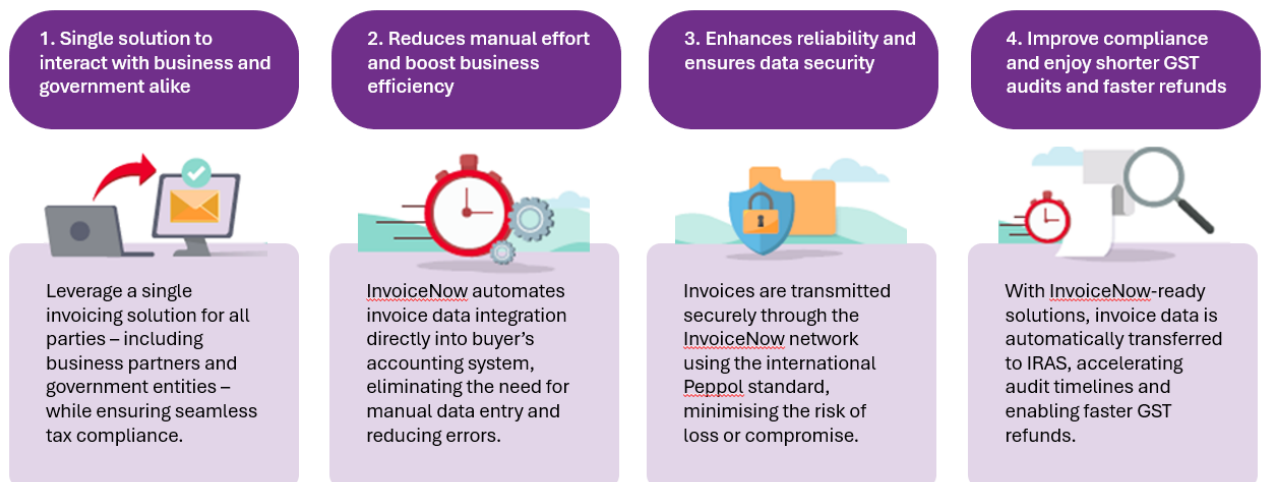


Existing Regional Network

What Peppol does for Singapore

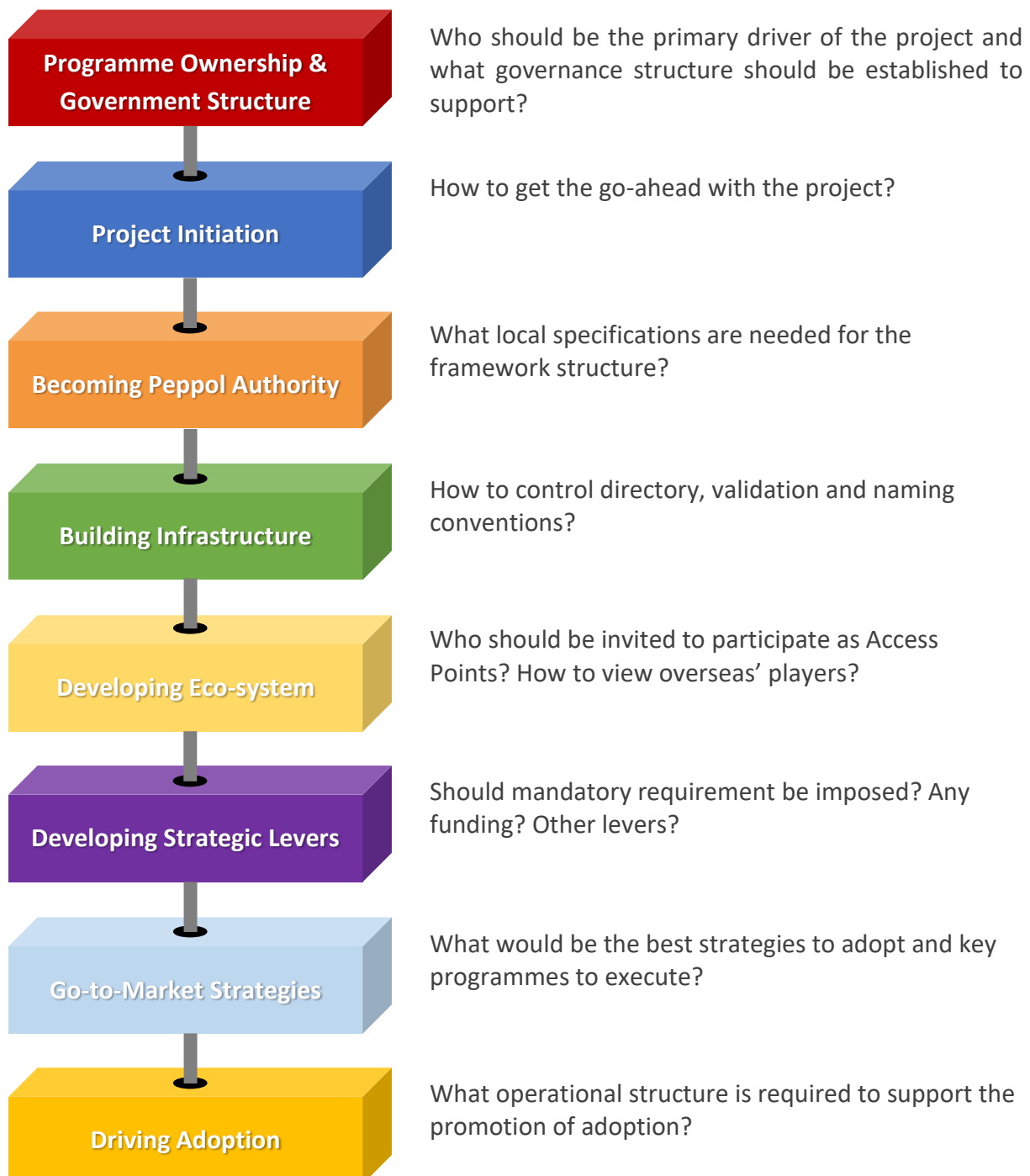
- Market enabler for interoperable eProcurement solutions
- Facilitates standards-based end-to-end electronic procurement processes
- Agreement framework for network trust, governance and compliance that enables multilateral cross-border interoperability
- Governance through a member-based non-profit organisation
- Enables a significant simplification and improvement of the on-boarding process
- Supports buyers and sellers to trade electronically and fulfil tax reporting obligations, while also achieving more benefits than we initially anticipated.

They can be summarised below:



Our Building Blocks in Implementing Peppol

There were many strategic and tactical decisions that were required at various stages of the initiative. Below are some of the key ones. IMDA started a project office to drive these activities.



Programme Ownership & Government Structure

As the government agency driving digital transformation of the economy, IMDA took on the role of programme owner and set up the E-Invoicing Project Office in 2018 to implement the Nationwide E-Invoicing Network, or InvoiceNow network.

Project Initiation

It was imperative that IMDA's project office worked in collaboration with various internal and external stakeholders right from the start in opening doors, leveraging capabilities and designing new levers to drive adoption. Internal stakeholders include other partnering agencies in the economic, tax and finance departments. External stakeholders are industry supporters from enterprises, service providers and associations.

Becoming Peppol Authority

IMDA became the Peppol Authority in Singapore in May 2018 and is responsible for approving and certifying Peppol Access Point Providers in Singapore.

As the Peppol Authority, IMDA takes the responsibility of specifying country specific rules and technical standards under the Peppol framework. To create a complete ecosystem of providers, IMDA started accrediting Peppol-Ready Solution Providers (PRSP) in 2019. PRSP evolved to InvoiceNow-Ready Solution Providers (IRSP) in 2024 to incorporate GST InvoiceNow Requirement.

IMDA also governs the compliance and promotes the adoption of Peppol framework in Singapore.

Building Infrastructure

As the e-invoicing network continued to grow, IMDA recognised the need for a robust registration process to enhance the trust on the network and deliver a better end-to-end onboarding experience.

In November 2021, IMDA introduced CorpPass KYC where new participant registrations require an authenticity validation through CorpPass Access Point authorisation.

Benefits of CorpPass KYC:

- Ability to validate authenticity of participant being registered and reduce conflicts
- Streamlined onboarding process that creates efficiency for all stakeholders
- Enhance data integrity by eliminating erroneous letter of authorisations

Developing Ecosystem

The InvoiceNow Ecosystem is comprised of the Access Point Providers, Peppol-Ready Solution Providers and a Service Metadata Publisher (SMP) serving a variety of business needs (divided between large/medium enterprises and small/micro enterprises) across the business community.

IMDA adopted a centralised Service Metadata Publisher model in Singapore and has appointed Singapore Network Information Centre Pte Ltd (SGNIC) as the SMP provider in Singapore.

The Access Point Providers connect to the Peppol Network for transfer of documents in the approved Peppol format and are responsible for the registration of participant IDs in the SMP.

InvoiceNow-Ready Solution Providers offers accounting/ERP solutions that are pre-connected to the Peppol Network so their customers can simply opt-in to register and transact on the Peppol Network. The InvoiceNow-Ready Solution Accreditation service accredits solution providers who want to offer solutions to the market where businesses can send and receive e-invoices through the Peppol Network and submit invoice data to the tax authority, the Inland Revenue Authority of Singapore (IRAS). There are over 200 InvoiceNow solution providers in Singapore. IMDA conducts an annual review and renewal process with the InvoiceNow-Ready Solution Providers.

Developing Strategic Levers/ Go-To-Market Strategies

IMDA undertook various strategies and initiatives to grow the network and increase e-invoicing adoption. Example initiatives include past incentive programmes such as E-invoicing Registration Grant, Digital Resilience Bonus, LEAD Connect and Transact, and Solution Uplift Grants. These successfully created numerous opportunities to engage and register interested parties, enabling them to set their solution capabilities to meet IMDA's requirements.

Through the incentive programmes, we have seen significant growth in the number of businesses registered on the network.

IMDA also recognised that government participation was crucial to ensure an uptake in e-invoicing adoption. Therefore, at the start of 2020, the Accountant-General's Department (AGD) provided government vendors with an additional channel to send e-invoices to the Government over the InvoiceNow network. Through the strong support from the Singapore Government, we have seen more government vendors registered on the network and we continue to see a steady growth in e-invoicing transaction volume with the Government. We are convinced that when more partners of the Government start transacting and benefitting from the network, it will create a network effect where more business partners start making the switch to InvoiceNow and experience the benefits of faster payments, smoother processes, and sustainable business practices for themselves.

Driving Adoption

In today's digital world, adopting e-invoicing and embracing the benefits is essential for companies to tap into new growth opportunities. Besides incentives programmes and government participation mentioned earlier, IMDA has also developed other customised outreach strategies with trade associations to drive adoption.

Peppol Adoption Timeline

In May 2018, IMDA became the first Peppol Authority in Asia, and 45 Government agencies and private sector entities expressed support for this nationwide e-invoicing initiative. Key steps that we have taken so far:

Operationalising the Peppol Authority

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| 2018 | Q1 | Announced the nationwide e-invoicing initiative |
| | Q2 | Established the Peppol Authority |
| | Q3 | Appointed the Service Metadata Provider |

Onboarding the Access Point Providers

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| 2018 | Q3 | Held industry workshop, supported by Peppol expert Opened Access Point applications and set up the Access Point Community |
| | Q4 | Certified and Approved Access Points Grew the local Access Point Community |

Driving Early Adopters

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| 2018 | Q4 | Started onboarding of large businesses |
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E-invoicing Go Live

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| 2019 | Q1 | Launched the Nationwide E-Invoicing Network in Singapore on 9th January 2019 |
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Engaging Public Sector

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| 2019 | Q2 – Q4 | Engaged the centralised platform owners to enable Government inbound invoices |
| | | Engaged the various Government agencies to connect their outbound invoice platforms |

Developing Market Awareness

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| 2019 | Q1 – Q3 | Prepared information on e-invoice website |
| | Q2 | Carried out print advertising and organised seminars |
| | Q2 – Q3 | Organised roadshows and meetings with large enterprises |
| | Q3 | Carried out digital marketing and conducted monthly business briefings |

Driving Adoption

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| 2019 | Q2 – Q3 | Helped large early adopters initiate project and test e-invoice exchange with their business partners |
| | | Pushed solution providers to get connected and on-board SMEs |
| 2020 | Q1 | Inbound invoicing for Singapore Government via Peppol went live providing suppliers to the Government another channel for e-invoicing the Government |
| | Q2 | E-Invoicing Registration Grant (ERG) was announced to incentivise businesses to join the network before 31 December 2020 |
| | Q4 | The Nationwide E-Invoicing Network was referred to as InvoiceNow |
| 2021 | Q3 | Three Singapore Government agencies, The Housing Development Board (HDB), Jurong Town Council |

(JTC) and Maritime Port Authority of Singapore (MPA) announced that they are connected to the InvoiceNow network and their customers can start receiving e-invoices from them

Enhanced Network

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| 2021 | <i>Q1</i> | Started piloting tax reporting |
| 2022 | <i>Q4</i> | Introduced e-Ordering and Invoice Response |
| 2023 | <i>Q4</i> | IRAS announced plan to use InvoiceNow for Tax Administration |
| 2024 | <i>Q2</i> | PINT-SG launched |
| | <i>Q4</i> | IRAS Sandbox for tax reporting went live |

Next Steps

More enterprises across all sectors beginning to start their journey to come on board the Peppol Network and to be ready to meet IRAS' GST InvoiceNow Requirement. IMDA continues to improve the network resilience, enhance the network and ecosystem capability to support tax reporting and use of additional Peppol documents. We will continue to enhance our test bed to explore new technology and new use cases. This initiative is one amongst many in support of Singapore's growth in the booming digital economy.

E-Invoicing Project Office
IMDA