



# Peppol Academy

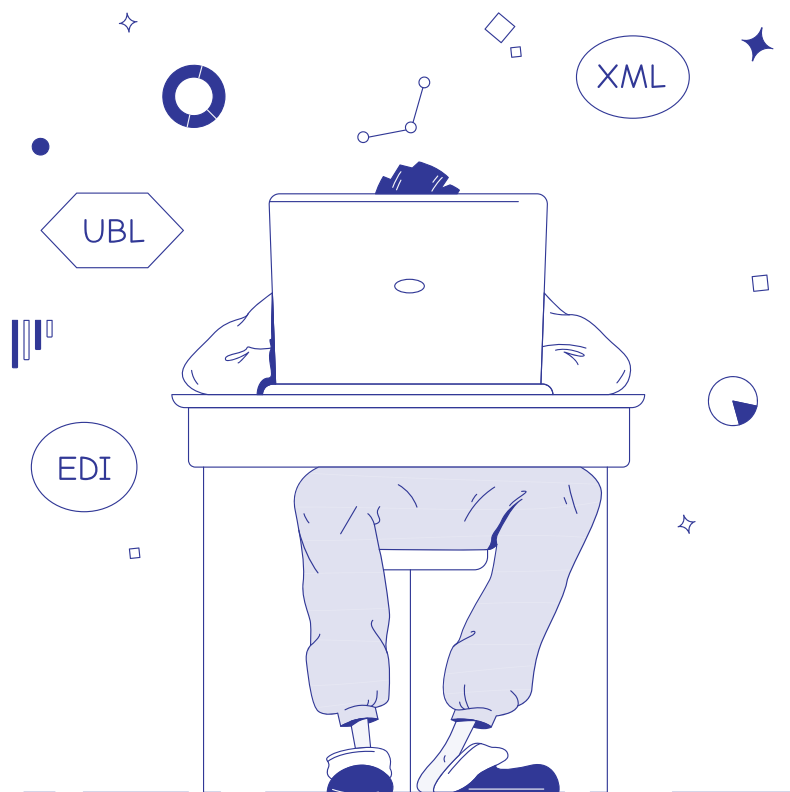
## Lesson 3

Learn about the Peppol network, its infrastructure, message types and what makes it different.

# Business messaging networks: the basics

For decades, operator networks have been the dominant infrastructure for the electronic exchange of e-invoices and other business documents between businesses and organizations.

These networks connect various service providers, known as e-invoice operators or Value-Added Network (VAN) services, facilitating access to business messaging. We call it the **closed network setup**.



## The closed network setup

The traditional closed network setup has been somewhat problematic, creating barriers to faster adoption of e-invoicing. Typically, companies have had to navigate through these steps:

1. Both the sender and receiver of the business message must have separate agreements with a VAN operator.
2. The sender's and receiver's operators must have an interoperability agreement to process their e-invoices.
3. The operators must set up, test, and maintain technical configurations to enable e-invoices and other business messages to be processed.

4. Additional format conversion is often required to allow further processing of the e-invoice within the company's ERP.

This gatekeeping by traditional operators has maintained a "closed network" structure, built barriers to innovation, and kept e-invoicing costs high for users. However, this practice is changing.



## How the Peppol network improves business transactions

The emerging open network Peppol enables companies and organizations to quickly exchange e-invoices and other business messages using their Peppol Participant Identifier (Peppol ID). This process is as simple as sending an email.

Peppol simplifies e-invoice and business message management for companies, organizations, and the public sector. It stands for Pan European Public Procurement Online and provides both an infrastructure for message exchange and standardized formats for procurement processes.

### Background

Peppol's message formats, called BIS, and open infrastructure promote digitalization in B2B commerce. Following an EU e-invoicing directive, many European

public entities now require e-invoices for new contracts.

Managed by OpenPeppol, the network is expanding globally, with countries like Australia, New Zealand, and Singapore joining. Messages are exchanged via Peppol service providers, using the recipient's Peppol ID to ensure delivery. The e-invoice format is called Peppol BIS Billing.

### The building blocks of Peppol

- **Standardized message formats** (BIS) for various parts of the procurement process, such as e-invoices, e-orders, e-catalogs, and response messages.
- **A common digital infrastructure** for sending and receiving messages between companies via their business and financial systems or specialized apps.
- **A central registry** that simplifies the identification of and contact with business partners connected to Peppol, showing how e-commerce can be conducted with them and what messages they can handle.
- **Common guidelines for cooperation** between business partners and their service providers, including rules for information and service levels.
- **OpenPeppol**, a European organization with a local presence responsible for the development, maintenance, and support of Peppol-related matters.

## Access and onboarding

### Getting access to Peppol

To exchange e-invoices within the Peppol network, business partners need to sign up at a certified Peppol access point, also called a Peppol service provider, often an e-invoicing solution or an operator of business messages.

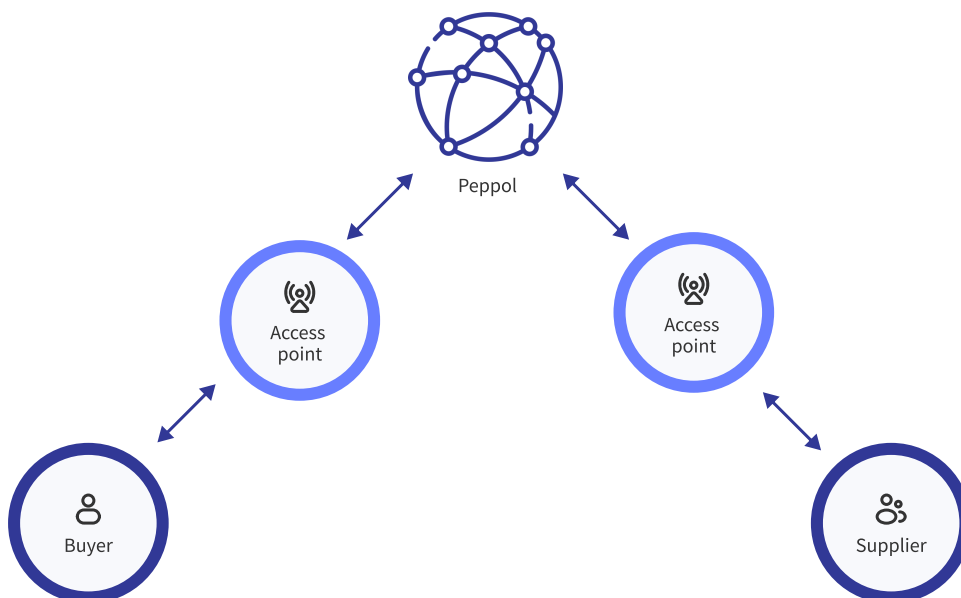
E-invoices and other business messages can be easily created and exchanged by integrating your ERP with an access point or using an online solution from a Peppol service provider.

**Unlike VAN, agreements or custom setups between access points are not needed; business messages can be exchanged across the network much more easily and cost-efficiently.**

The next step is to obtain a dedicated Peppol ID, required to receive Peppol e-invoices and other e-documents within the network. However, sending e-invoices within the Peppol network does not require a Peppol ID.

Depending on your setup, the operator may provide tools for managing messages, commonly through a web-based interface or integration into your ERP. Fees for registering and exchanging e-invoices may vary, but some providers, like Qvalia, offer free sign-up and transactions.

Free tools for small businesses are crucial for digitizing a greater part of the supply chain and support the digitization of all parts.





## Peppol ID: Your unique address

A Peppol ID consists of two parts: an initial four-digit code specifying the identifier type and a unique identifier number for a particular company or organization, divided by a colon. For example, the code for a Swedish organization number is “0007”, making Qvalia’s Peppol ID “0007:5567321707”.

Exchanges within Peppol can also use GLN numbers to direct e-invoices and other documents to the right recipient. For companies using GLN numbers, the code “0088” is followed by 13 digits, e.g., “0088:1234567891234”. These codes differ between countries.

With Peppol, there is no need for local network operators with Peppol Access Point status to make specific setups in advance. Most e-invoice operators today are access points, minimizing the risk of transaction issues.

## Benefits of Peppol

**Interoperability:** Seamless data exchange across different systems and platforms.

**Efficiency:** Simplified technical setup and no need for separate operator agreements.

**Cost-effectiveness:** Reduced maintenance costs and free transactions with some providers.

**Compliance:** Strict controls and validations ensure technical accuracy and compliance with EU invoicing rules.

## Message types in Peppol

### Peppol BIS Billing

The e-invoice format in Peppol. The message must include buyer reference or purchase order reference, and invoice lines can contain products or services, quantity, net amount, buyer accounting reference, time period, order reference, etc.

### Peppol BIS Billing Credit Note

The credit note/credit invoice message in Peppol. It is a Peppol BIS Billing 3 profile using negative amounts on a document level.

### Peppol BIS Invoice Response

BIS Invoice Response enables communication throughout the invoicing process, for example, informing about the status of an invoice.

### Peppol BIS Order Only

BIS Order Only is a profile for a simplified e-order message process. It can include information, for example, on products and services, accounting information, values and amounts, and VAT. In addition, the message supports inventory information when orders are based on catalogs.

### Peppol BIS Ordering

BIS Ordering is a profile for an extended e-order message process. It includes all capabilities of BIS Order Only but allows, for example, sellers to accept or reject orders or provide changes.

### Peppol BIS Advanced Ordering

BIS Advanced Ordering is the most advanced profile for sending e-order messages in Peppol, enabling two-way communication between customer and supplier.

### Peppol BIS Order Agreement

BIS Order Agreement enables agreements between suppliers and customers. Suppliers can provide documentation about a purchase or accumulate multiple purchases within a framework agreement. ated to business events.2

### Peppol BIS Catalogue With/Without Response

BIS Catalogue Without Response is a product and service catalog message. Suppliers can provide customers with pricing and product-related information such as descriptions, associated frameworks, packaging, and tax classes.

### Peppol BIS Despatch Advice

BIS Despatch Advice is a notification message in the transaction fulfillment process. The message enables information and activities for transport, ordering, and receiving goods. Scenarios with various endpoints and outstanding goods are supported.

### Peppol BIS Punch Out

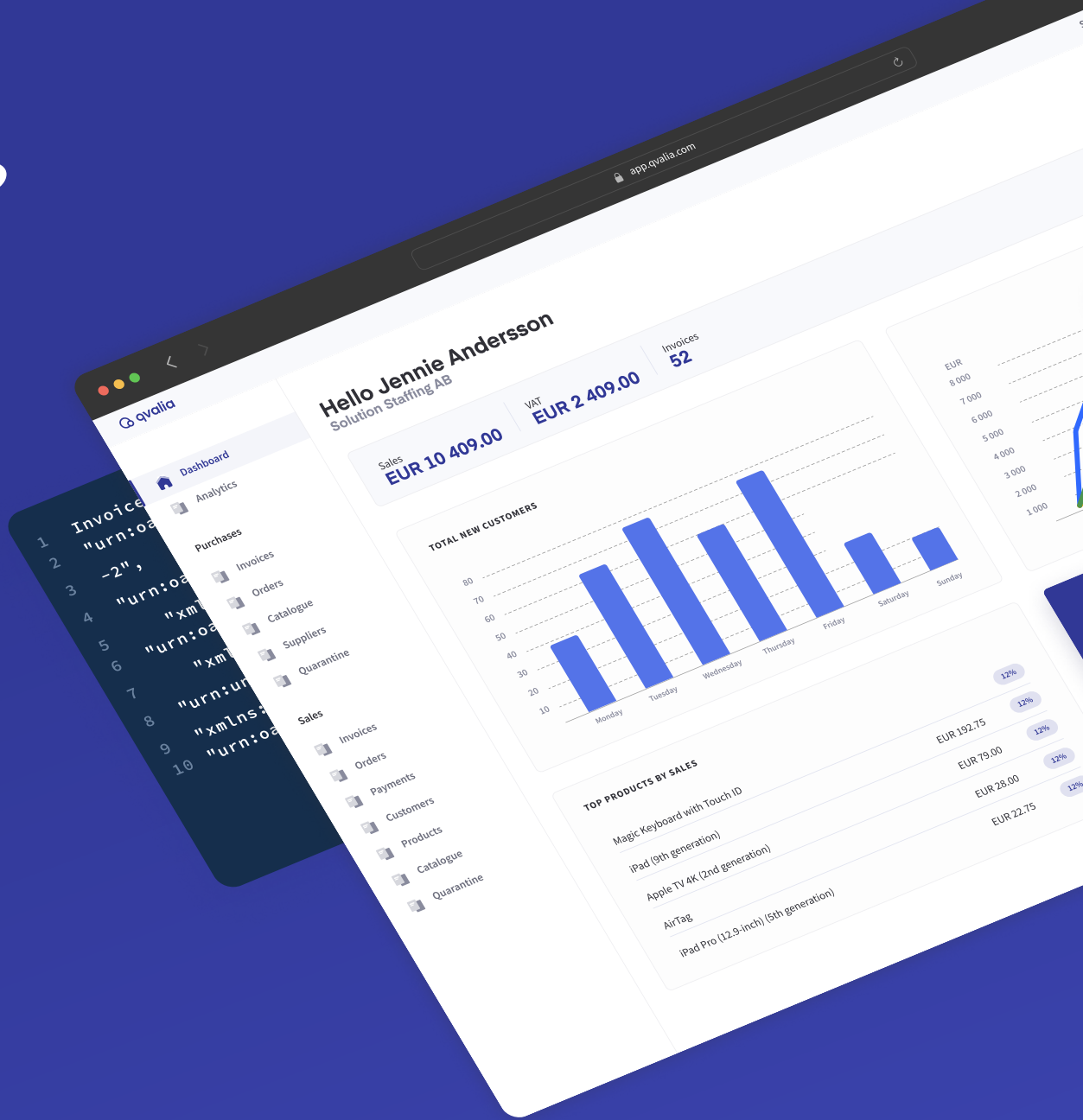
Punch Out is a dynamic shopping cart for B2B e-commerce transactions. Customers can add products and services to a cart from online catalogs, make configurations, and send an order to the supplier.

### Peppol BIS Order Agreement

BIS Order Agreement enables agreements between suppliers and customers. Suppliers can provide documentation about a purchase or accumulate multiple purchases within a framework agreement.

### Peppol BIS Message Level Response

BIS Message Level Response facilitates communication during a transaction. Parties can acknowledge process steps and inform about deviations or errors. The main message types are transport acknowledgments, responses related to the information of other messages, and responses related to business events.



# Efficient Peppol service provider

Get dynamic omnichannel transaction management.  
Gain full control.  
Automate processes.  
Integrate via API.

[qvalia.com](https://qvalia.com)

 **qvalia**