

Remittance Coalition High Priority Objectives: 2016

1. Continue B2B Directory Project

2016 Focus: Publicize results of technical Proof of Concept. Establish Directory Association. Take other steps to move the B2B Directory into the “pre-market” phase.

Description of Initiative: The Remittance Coalition has supported a B2B Directory Work Group since 2013. In 2015, the Coalition accomplished or expects to accomplish the following:

- a) Fully defined the data model for the B2B Directory – i.e., the Electronic Payment Identity (EPI).
- b) Fully developed the topology and distributed architecture design for the B2B Directory including the roles and responsibilities of the operating nodes and the federated access node.
- c) Developed the standard API and conducted a technical Proof of Concept through a Federal Reserve hosted test environment in which participants were able to request and receive EPI information about payees (note: the PoC is expected to be completed in November/December of 2015).
- d) Drafted “starting point” documents to establish a Directory Association, including a draft charter; suggested business model; suggested pricing structure; recommended categories for operating rules; description of roles and responsibilities of participants; and identification of compliance and legal issues.

2. Implement Phase Two of the Small Business Payments Toolkit

2016 Focus: Write, publish and promote second phase of small business payments toolkit with information on card payments, alternative payments, and more. Continue promotion of existing toolkit information on ACH and payment fraud.

Description of Initiative: In 2015, the Remittance Coalition published Phase One of its Small Business Payments Toolkit. The Toolkit focused on educating small businesses about overall payment trends, ACH options, and payment fraud in order to promote more adoption of electronic payments among small businesses. The Remittance Coalition has promoted the Toolkit through email, webinars and conference presentations, leading to over 10,000 downloads of the information. In 2016, the Toolkit Work Group will write, publish and promote Phase Two information, which will include information on card payments, alternative payments, handling exceptions such as returns, disaster recovery tips, fraud mitigation, and more.

3. Grow and Strengthen Vendor Forum

2016 Focus: Grow the number of Vendor Forum members and their level of participation. Promote adoption of relevant B2B-related standards. In particular, complete the industry segmentation work with food manufacturers/distributors. Also, if approved by Coalition members, establish a new work group to develop mapping tools and identify best practices that enable migration from EDI to ISO 20022 remittance formats by interested corporations (see #1 under “proposed priorities for 2016” below).

Description of Initiative: The Remittance Coalition’s Vendor Forum seeks to increase awareness and engagement by vendors/solution providers in efforts that promote automation and electronification of B2B payments and remittance information. In 2015, the Vendor Forum:

- a) Focused on recruiting AP providers, more than doubling their number.
- b) Published a paper based on interviews with AP providers that summarized their views on the existing use of remittance formats by U.S. corporations as well as corporate demand for newer payment and remittance standards.
- c) Published the results of interviews with food manufacturer/distribution companies about their existing use of remittance formats and standards, pain points and needs.
- d) Provided education on relevant standards (see #4 below).

4. Develop and promote standards that facilitate adoption of electronic payments and straight-through-processing of B2B transactions.

2016 Focus: Continue development and promotion of standards that facilitate adoption of electronic payments and straight-through-processing of B2B transactions, as listed below. In particular, publish and promote Retail Debit Balance Technical Report. Based on work of EDI to ISO 20022 effort (see #3), promote results.

Description of Initiative: Since its inception, the Remittance Coalition has collaborated with standards development organizations to develop and promote standards and technical reports that address specific “pain points” identified by corporations that process B2B transactions. Areas of focus included:

- a) Promotion of Core Adjustment Reason Codes Technical Report: (<http://x9.org/wp-content/uploads/2014/02/TR-42-2014-Core-Adjustment-Reason-Codes.pdf>)
- b) Promotion of Remittance Standards Inventory Technical Report: (<http://x9.org/wp-content/uploads/2014/02/X9-TR-44-2013-Final.pdf>)

- c) Promotion of Remittance Glossary: (<http://x9.org/wp-content/uploads/2014/02/TR-43-2013-Remittance-Glossary.pdf>)
- d) Promotion of Balance Transaction & Reporting Standard (BTRS) (<https://x9.org/standards/btrs/>)
- e) Promotion of ISO 20022 Stand-Alone Remittance Advice Messages (see https://www.iso20022.org/payments_messages.page)
- f) Promotion of use of ISO 20022 in the ACH Network: (<https://www.nacha.org/programs/xml-ach-remittance-xml-ach>)
- g) Development of Retail Debit Balance Technical Report (note: publication of Technical Report is expected in 2016)

5. New 2016 Priorities

- a) Form a new work group, under the Remittance Coalition's Vendor Forum, called "**ISO 20022 Education and Promotion Work Group.**" This group will collaborate with other industry groups to provide education about the ISO 20022 standard and encourage its adoption. The new work group will address the following tasks: Gather existing resources that provide information on the ISO 20022 standard, including tools that help with transitioning to the new standard (such as mapping tools and transition guides); Assess whether new resources are needed and develop additional educational materials in order to promote the standard; Document pain points in current remittance formats (EDI), including constraints for specific market segments and customer types; Determine if/how migration to ISO 20022 might address these pain points of corporate practitioners; Define the perceived challenges of corporate practitioners and their service providers related to ISO 20022 standards adoption.; Describe the value proposition to U.S. corporations and their service providers to support the transition to ISO 20022, through case studies and/or examples of positive impacts on ROI.
- b) Help implement recommendations from the Federal Reserve's white paper, to be published in early 2016, on the need for a standard **electronic invoice** and remittance processing platform.