PEPPOL
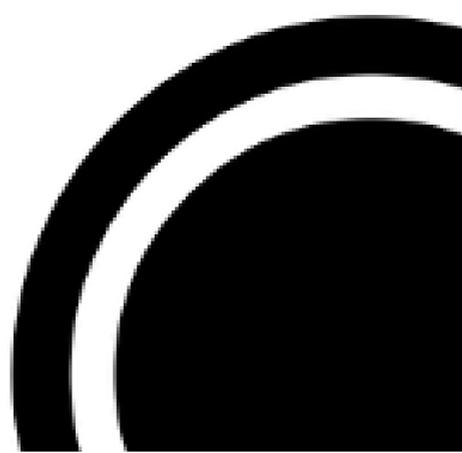# The New Standard in Public Sector Procurement

The New Standard in Public Sector Procurement

Introduction

The PEPPOL project aims to break down the barriers to seamless electronic communications across borders.

PEPPOL will help contracting authorities extend their supplier network internationally and public sector suppliers expand into wider markets. Both parties will benefiting from multiple trading efficiencies.

What is PEPPOL?

PEPPOL stands for Pan-European Public Procurement Online. It's part of the European Commission's Digital Agenda which aims to support seamless cross-border eProcurement in a single market.

PEPPOL was initiated in 2008 as a large scale pilot project to provide a standards-based IT infrastructure. It enables trading partners to exchange electronic trading documents over an open, standard network for ordering, invoicing and shipping.

Up to now, European companies and state organisations have incurred largely avoidable costs by not trading electronically.

PEPPOL grew out of a European Commission initiative to;

- Facilitate cross-border commerce
- Improve transparency in public procurement
- Deliver better value for tax payers
- Encourage paperless business
- Drive Europe towards a Digital Single Market

Since 2012, OpenPEPPOL, a non-profit organisation made up of both public sector and private members, has assumed responsibility for implementing PEPPOL specifications, building blocks and services across Europe. As a member of OpenPEPPOL since its initiation, Celtrino has been involved in defining the PEPPOL standard.

PEPPOL is a standards-based infrastructure for public sector procurement

The New Standard in Public Sector Procurement

Why it's Important

Public sector organisations have come under increasing pressure to be more efficient. PEPPOL is intended to remove process inefficiencies which arise when business documents are transferred.

It's estimated that eInvoicing, to remove paper from the purchase-to-pay process across the EU Public Sector, could save billions each year.

PEPPOL is designed to help public bodies drive down the cost of processing paper-based documents. It reduces the cost of essential goods, helping public entities easily expanding their pool of potential suppliers.

Maximum eProcurement benefits accrue from having a common standard that improves efficiency in supply chains.

PEPPOL defines a process for ordering and invoicing that:

- Reduces approval time from weeks to days
- Gives instant access to payments details
  and workflow
- Conserves resources and improves
- Transforms supplier management

There are huge efficiency savings to be made by adopting PEPPOL as a standard across the public sector. It speeds-up cash flow, eliminates errors, slashes administrative costs and generates supply chain efficiencies.

It is a common standard designed to improve efficiency in Public Sector supply chains

How it works

When adopting a single standard to exchange business documents, customers must connect to PEPPOL through designated Access Points. For both contracting bodies and providers, complexity and costs are reduced by accessing the PEPPOL network through Access Point Providers such as Celtrino.

One of the first benefits of standardising trading formats is that buyers & sellers don't have to use the same access point provider.

Documents like electronic invoices and orders are sent and received via the buyer's Access Point to the supplier via their Access Point. This model allows public sector buyers to trade with any supplier that's connected to PEPPOL.

Likewise, a supplier can trade with all public sector organisations on the PEPPOL framework.

The PEPPOL process supports:

eInvoicing - The automated process of issuing, sending, receiving and processing invoice data by electronic means.

eOrdering – It's possible to receive orders electronically and to respond to such orders.

eCatalogue - Suppliers can describe the goods and services they offer. Contracting authorities can source goods and services and obtain product or pricing details.

eSignature - Recipients of a electronic document confirm the identification of the sender and provide assurance that the document has not been modified in transit.

Suppliers can engage with any Access Point Provider they choose

The New Standard in Public Sector Procurement

Benefits for the public sector

- Streamline administrative processes
- Reduce transaction costs
- Improve cash flow management
- Speed up the approval process
- Give real-time visibility of the supply chain
- Eliminate manual processing
- Remove paper documentation
- Allow for collaborative purchasing
- Eliminate waste and errors like oversupply and perishable goods

As the biggest public sector organisation in the UK, the NHS employs 1.5 million people and is the largest purchaser in Europe. In 2014, the Department of Health committed to adopting PEPPOL across all Trusts that make up the NHS in England, Scotland, Wales and Northern Ireland.

PEPPOL adoption is part of a wider eProcurement strategy that aims to optimise and align e-Procurement practises across the entire NHS.

Before PEPPOL

Transaction costs
Manual processsing
Waste and errors
Lengthy approvals
Complexity
Lack of visibility
Too much paper

After PEPPOL

Multiple Trading Efficiencies

celtrino
Supply Chain Excellence

Benefits for suppliers

For suppliers, a key feature of PEPPOL is the ability to engage with any Access Point provider they choose to exchange electronic documents with any organisation in the PEPPOL network.

It offers access to a vast public procurement market, with more business opportunities, greater efficiencies and lower costs.

PEPPOL eliminates complex trading relationships with buyers. At the moment, a supplier trading with the NHS may have to accept purchase orders in as many as 150 different formats.

Through PEPPOL, suppliers can access a single purchase-to-payment process. This reduces the time, complexity and cost of complying with individual buyer requirements and many of the issues of dealing with public sector buyers.

PEPPOL streamlines and improves the visibility of supply chains, offering greater control of inventory and working capital.

It's a best practice solution that offers significant competitive advantages. It improves cash flow, by removing errors in the purchase-to-pay process to reconcile invoices faster for quicker payment.

Celtrino and the PEPPOL initiative

Celtrino is one of the longest serving members of OpenPEPPOL, the international non-profit association with members from the public and private sectors.

As the first Irish PEPPOL Access point provider in 2012, we process many thousands of invoices annually for the Irish Health Service Executive and its key suppliers.

Celtrino's combines vast experience of serving the eBuisness needs of the healthcare, retail and food services sectors with involvement in PEPPOL from its origins.

This makes us a dependable choice to implement PEPPOL and deliver the highest levels of security and performance.

The NHS PEPPOL Framework

Celtrino is an approved supplier of PEPPOL Access Point Services to all NHS trusts across the UK.

The NHS PEPPOL framework is also available to all UK Public Sector bodies who choose to avail of it. The framework and corresponding eGovernment and eProcurement initiatives provides the impetus for widespread adoption of PEPPOL in the UK.

Having been rigorously tested to ensure high levels of security and technical fit, Celtrino is well placed to bring the efficiencies of using PEPPOL to all public sector trading partners.

Conclusion

The PEPPOL vision is that any EU company can seamlessly and securely trade with any Government institution in the procurement process through an Access Point Provider.

The European PEPPOL network will continue to expand and ultimately, public sector trading partners will have to adopt the PEPPOL standard. Celtrino is perfectly placed to help both buyers and suppliers do this. We are PEPPOL experts with unrivalled experience of bringing PEPPOL efficiencies to all public sector trading partners.

Why wait? Join the PEPPOL revolution now. Begin the conversation here.

For more information contact: peppol@celtrino.com

www.celtrino.com

Celtrino – The Irish PEPPOL Pioneer

celtrino

67-70 Meath Street
Dublin
D08 XY53
Ireland

Tel: +353 1 873 9900
Email: info@celtrino.com

www.celtrino.com