Consorzio CBI
Customer to Business Interaction

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Consorzio CBI

Inaugural Meeting of ACCOP
Perugia, 20th March, 2013
Agenda

1 Consorzio CBI

2 CBI Standard Services

3 CBILL: the new CBI Service
The CBI in short

Our mission

Maintenance and update of the technical infrastructure designed to enable the connection between partners and their customers for the CBI Service supply, and also for definition of rules, technical standards and regulations of the Service, on national and international context.

Network Infrastructure

- Telematic solution for multiple bank accounts managing
- End to End Communication between different actors
- CBI Access Point

- 35 innovative functions in 3 different areas:
  - Payments /Collections
  - Document management
  - Information
- ~4,4 mld transaction/year

Extended Community

- Consortium Members
  - Financial Institutions: 630
  - Poste and IMEL CartaLis
  - New PSPs

- Customers
  - Enterprises: 870,000
  - CPA

- CBI Access Point between Central Public Administration and Banking System

- 3 Central Public Administrations

Standardization

CBI Access Point for C.P.A.
### International presence

**IPFA - International Payments Framework Association**
- Writing of “Riding the wave of global transaction services” report
- Integration analysis of international C2B standards with B2B IPFA standards

**EPC**
- Participation to SPS STF (SEPA Payment Scheme Standard Task Force) and SSG / SPTF EPC SPS EMTF (Standards Support Group / Security of Payments Task Force/ eMandate Task Force)

**CBI Consortium**
- The CEO coordinates the Supply Chain PDA - Finance & Payments domain, focusing on standard requirements for Finance

**ISO 20022:**
- Participation to RMG (Registration Management Group) and Trade Services e Payments SEGs (Standard Evaluation Group)

**CEN**
- Ended his activity in March 2012 to merge into the European Multistakeholder Forum on e-invoice. CBI Consortium’s CEO was nominated Country Information Manager (CIM) for Italy

**International Trade Hub:**
- Support to Financial Services WG and to platform related technical-economic analysis

**CGI - Common Global Implementation**
- Focuses on analyzing Financial Institutions and SWIFT, and improving financial communication standards of payments initiation

**EESPA - European E-invoicing Service Provider Association**
- Focuses on supporting implementation standards and international service models, helping the adoption of common e-Invoice solutions
Some figures

Enterprises using the CBI Service (Users)

Payment and Collection instructions

CBI Members (% of entire banking system)

Geographical Distribution

CAGR 7%

CAGR 1.1%

Northwestern
Northeastern
Central
Southern
Islands
Foreign
Agenda

1. Consorzio CBI

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The CBI Service

- The **Interbank Corporate Banking** (CBI) Service, established in **1995** as an inter-bank agreement to guarantee interoperability with the business world, enables corporates to communicate, using standardized electronic messages, **with all the banks with which they have accounts**, and to have a **single link** through which to transmit orders, effect operations and receive information. The benefits are many:

<table>
<thead>
<tr>
<th>Benefit</th>
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<tbody>
<tr>
<td><strong>Dematerialisation</strong> of financial services messaging;</td>
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<tr>
<td><strong>Sending</strong> and <strong>receiving</strong> instructions and informations <strong>promptly</strong> and <strong>efficiently</strong>;</td>
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<td><strong>Guarantee</strong> of <strong>service levels, confidentiality</strong> and <strong>data security</strong>;</td>
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<td><strong>Optimisation</strong> of accounting, financial, administrative and commercial management;</td>
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<td><strong>Lower running costs</strong>;</td>
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<td><strong>Integration</strong> of corporate ERP with the corporate banking systems;</td>
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<td><strong>Lower error frequency</strong> in filling out on-line forms, due to automated processes;</td>
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<tr>
<td><strong>Automatic reconciliation</strong> of payments with flows and accounting documents.</td>
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The CBI network
The new CBI Online Network

- **CBI Services**

- **New Online Services** (es. B2C)

- **Old Services**

- **Actual CBI Services**: Can be ported to the new Online Network to reduce costs and improve efficiency

- **C2B Services Evolution**: Improving of service levels is essential for Corporate Banking customers

- **B2C – G2C Services**: The new e-Billing Service, retail-oriented, demands new online communication standards
## Main functions

<table>
<thead>
<tr>
<th>Document Management Area</th>
<th>Collections Area</th>
<th>Payments Area</th>
<th>Information Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sending XML invoices end to end</td>
<td>MAV – (notified payments) - MAV payment request - MAV cancellation; - MAV payment request return flows: reversals, paid and accounting notes</td>
<td>Payments – Credit transfers - Ordinary and urgent payment instructions (e.g. pensions, salaries, transfers, fund transfer, issuing of bank drafts) - Foreign credit transfers - Advice to initiating party</td>
<td>Reports - Daily detailed account statement - Periodic detailed account statement - Financial requests statement - Portfolio statement.</td>
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<tr>
<td>Sending XML non structured documents end-to-end</td>
<td>Ri.Ba. – (electronic bank receipt) - Ri.Ba collection request. - Ri.Ba. cancellation - Ri.Ba collection request return flows: unpaid, reversals, paid and accounting notes. - Ri.Ba collection request submitted by non resident clients</td>
<td>Tax return forms (F24) - F24 form instructions - Acceptance/rejection advice - Receipt advice</td>
<td>Notification and payment of bills - Notification of bills - Payment of bills - Notification of unpaid bills</td>
</tr>
<tr>
<td>Sending XML PA invoices*</td>
<td>RID – (direct debit) - RID collection request - RID cancellation - RID collection return flows: unpaid, reversals, paid and accounting notes - RID collection request submitted by non resident clients</td>
<td>&quot;Freccia&quot; payment slip - Payment of a &quot;Freccia&quot; bank payment slip - Confirmation of the received payment and accounting note</td>
<td>Free structure flows</td>
</tr>
<tr>
<td>XML Invoice Financing Request</td>
<td>Electronic alignment of archives - Electronic alignment of RID archives - Electronic alignment of IBAN archives</td>
<td>XML payment instructions - SEPA compliant payment instructions (e.g. pensions, salaries, transfers, fund transfer, issuing of bank drafts) - Advice to initiating party - Advice to beneficiary</td>
<td>XML notifications - Bill collection advice - Foreign credit transfer advice - Bank slip advice</td>
</tr>
<tr>
<td>XML Invoce Financing Request - Invoice Financing Request - Financing Advice</td>
<td>XML SEPA Direct Debit collections - SEPA Direct Debit Core collection instructions - SEPA Direct Debit B2B collection instructions - Advice to Initiating party</td>
<td>XML foreign payment instructions (ordinary and urgent) *</td>
<td>SEPA/non SEPA credit transfer advice and XML instructions - Funds received and instruction request notifications - Sending of instructions</td>
</tr>
<tr>
<td>XML SEPA Direct Debit collections* - Sepa Electronic Database Alignment</td>
<td>XML Creditor Payment Activation Request *</td>
<td>XML portability information services - Credit transfer portability information</td>
<td>XML reports* - XML daily detailed account statement - XML periodic detailed account statement - XML intraday detailed account statement</td>
</tr>
<tr>
<td>Pension Funds – XML standard Payment Slip</td>
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The Business to Government (B2G) area

Obligation introduced


National institutional workgroup: completion of the second Revenue Agency Decree to the coming into force of the Financial Law → Next to Government approval

The model and the CBI as value added channel to send e-invoices

Public interchange system (SDI)

Internet

Other channels

Public Administrations

The CBI network infrastructure:

- represents a value-added channel for the e-Invoicing transmission in the B2G domain

- has been identified by the national workgroup as one of the available transmission channel in order to send e-invoices to Public Administrations
The Electronic Invoicing represents the link between administrative and financial processes, offering **full integration** of the entire **order-delivery-invoicing-payment cycle**. The adoption of Electronic Invoicing can help drive organizations to **high-level efficiency** and **competitiveness** reducing costs and generating an overall improvement in the effectiveness and quality of processes.
The CBI Access Point enable already several **Central Public Administration** to receive information from the entire **banking system** and to instruct payments to executing banks.

The use of available and widespread infrastructures on the banking market therefore allows the Central Public Administration to gain access to payment initiation and information bank services alone, namely acting as a gateway for its users.
Agenda

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3. CBILL: the new CBI Service
Service Overview

Service Objectives

• The service enables:
  - **Bills’ data visualization** of CBI Billers (CBI Companies, LPAs and CPAs)
  - **Multichannel payment** (Home Banking, Corporate Banking, ATM, Mobile, ...) of selected bills with the release of a receipt certifying the payment
  - **Payment notification** for the Biller, containing information for reconciliation processes;
  - Integration of additional **VAS (Value Added Services)** on a competitive level by individual banks

Who is it for?

• **Debtors**: Customers of retail / corporate banking with e-Banking
• **Billers**: CBI Companies and Public Administrations

Assets

• **CBI Financial Institutions** can contractualize CBI Companies and PAL
• **CBI Access Point** can contractualize big creditor subjects (eg. Central PAs), acquiring their timetables and their customers
• **Multichannel**

Consorzio CBI offers the service since **February 1st, 2013**

In order to ensure the service circularity, banks will join mandatorily in the role of Debtor’s Bank within the **second quarter of 2014**

Banks of CBI Council, which hold ~90% of the market share, will join in the role of Debtor’s Bank by the **fourth quarter of 2013**
What differences with mono-bank e-Billing services?

Mono-bank solutions

- Based on direct agreements of **individual bank A** with **single biller A**: only allows the bank A’s customer to pay the bills of biller A

CBILL Service

- Based on the use of a **common infrastructure**: allows users to pay bills of all billers contractualized by Consortium members
CBILL Service model
Advantages for involved actors

Banks

- Maintaining **direct relationship** between biller/ PA – citizen/ debtor
- Increase of **service accessibility** both on debtor side and on Biller side (co-operation with other banks)
- **Integration possibility** with retail/ corporate competitive offers
- **Time-to-market** for new offer development

Biller/PAs

- **Standardization** and **improvement** of **collecting processes**
- Improving of **service level** for customers
- Reaching a **higher number of online debtor users** (retail and corporate)
- **Reuse** of CBI functions (eg reporting) and **investment minimization** for service access
  - Support for **advanced multi-channel** (eg mobile, mobile information services, ...)
- **Payment management** in line with other banking services
- **Electronic payment outcome** availability as for other banking services

Users (Citizens, Enterprises)

- **Greater value** provided to Consortium members and Corporate users of CBI services and CBI Access Point
- CBI channel’s **attractiveness increased** for the CPA

Consorzio CBI

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Thank you

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BACKUP
The permanent nature of CBI Consortium activities allowed the Consortium itself to gain a **reference role** in domestic and international context.

The Consortium must then supervise these activities in a continuous mode in order to ensure adequate support to banks in the evolution of services and at the same time keep the development process of standards and new services through participation in international meetings.

Here below, in brief, the functional areas managed by the Consortium:
CBI Consortium Functional Areas

**Directorate General**: it defines the strategic objectives and the operational steps necessary to achieve them, coordinating the activities of the Consortium itself.

**Secretariat**: it supports the Consortium in administration and organization tasks, such as scheduling meetings, facilitating external relations and managing document storage.

**Diligence and Compliance**: it assists the Consortium in juridical and governance issues and in contractual schemes.

**Business and Operations**: it ensures the development of new CBI services and Access Point services; it runs the ongoing projects, as well as the projects being devised.

**Standard and Architecture**: it runs the activities the CBI Consortium must provide to its users, ensuring an adequate performance and functioning of the several infrastructure elements (standards, network, directory, CBI Gateway).

**Marketing and Communication**: it deals with communication activities, manages the contents of the web portal and web 2.0 and organises events and congresses.
CBI Remote Banking F24 Payment

CBI F24 Payment Service allows taxpayers with a web access to their own Financial Institution to make tax payments and receive payment proof via remote connection.
CBI Service as a white label for financial institutions

- Mandatory Message standards
- Communication protocols
- Service rules
- Institutional representation
- Business models

COMPETITIVE AREA

- IT platform
- Applications
- VAS
- etc

COOPERATIVE AREA

- IT platform
- Applications
- VAS
- etc