

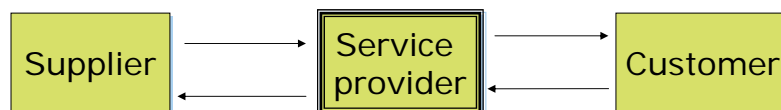
A case for €100 billion potential savings by solution re-usage

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Something Real for the Lisbon Strategy

Finland's EU Presidency Conference in
Helsinki 23-24 October, 2006
House of the Estates

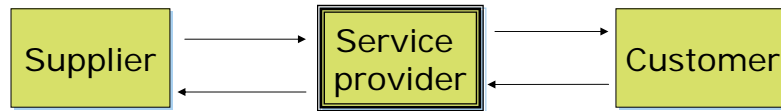
Erkki Poutiainen
Nordea Bank Finland Plc

Electronification & automation of external processes – source of savings and quality



- Some requirements for external interaction
- Counterparty identification
- Reachability (as many parties as possible)
- Standards for messaging
- End-to-end standards for contents
- Rules and responsibilities in the interaction

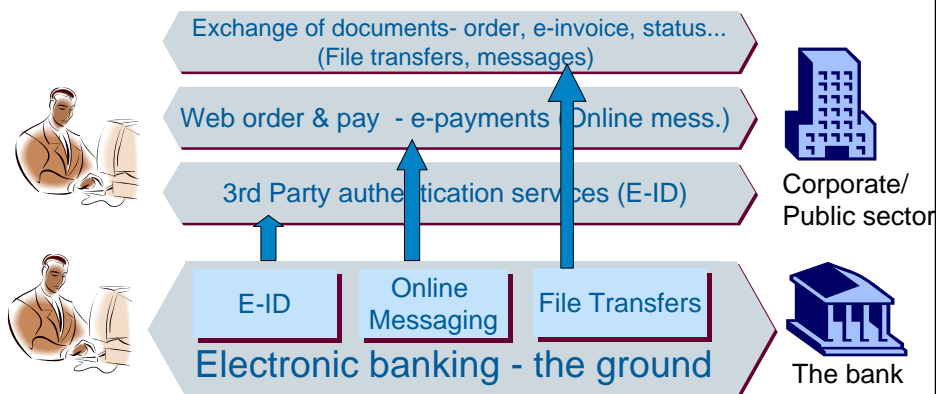
Examples of interaction and processes



- Service/sales information - catalogues
- Register in service
- Fill in, sign and send documents
- Agree/accept terms of delivery
- Order/commit to buy, confirm orders
- Invoicing
- Initiate payment
- Collect and reconcile information on received payments

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Re-using electronic banking infrastructure in E-services



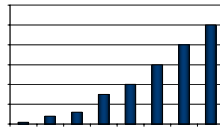
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Case Finland: Reality today

- Trusted electronic relationship - eBanking
- Distribution power
 - eCustomer base
 - All sizes of customers
- File processing and inter-bank infrastructure (secure, stable, huge capacity for volume and counterparties)
- **A scheme is necessary, common standard also important!**

Case: Finland

- 100% corporate, 75% consumers – unbeatable potential reach
- * National and SWIFT networks
- FINVOICE Scheme and standard for both B2B and B2C invoicing

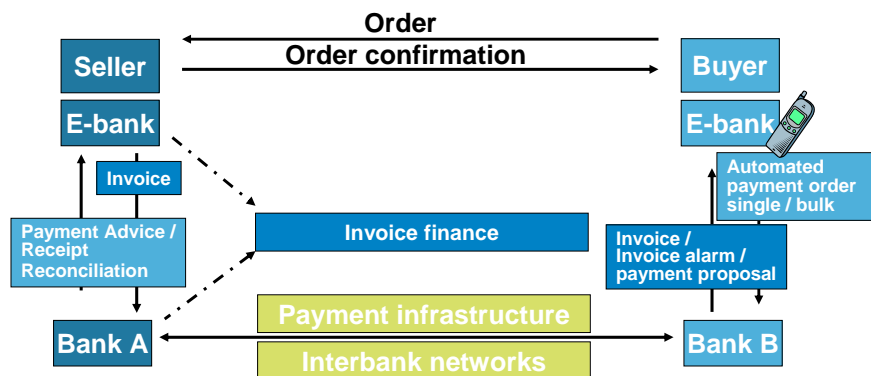


60 000 B2B Customers signed in 2 years

B2C e-invoicing take off 2007

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Example FINVOICE: Enabling electronic invoicing by re-using payment infrastructure



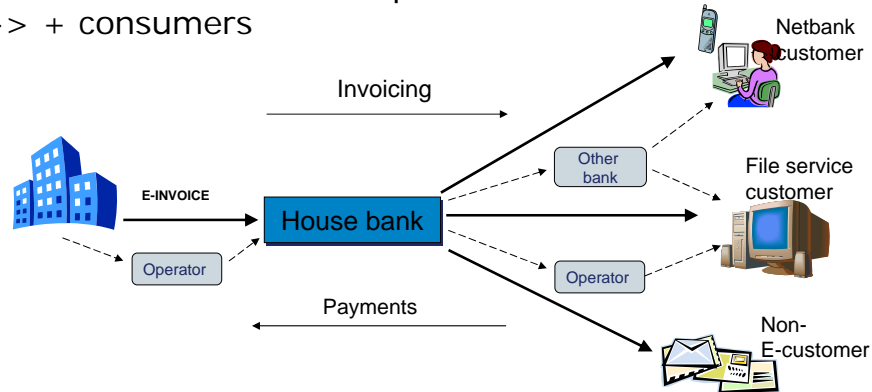
See example of a solution at stand
Procurement solution for City of Espoo



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Bringing in all counterparties - Example of sending invoices

Through one channel reach all (kinds of) counterparties
- In Finland – 232 000 corporate, 98% SME's
-> In EU – 25 million corporate 98%? SME's
-> + consumers



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Keys to success

- Be open to collaboration - Networked economy requires this to enable creation of new end-to-end services (standards, schemes)
- Collect synergy benefits from re-using payment infrastructure -> More customer value created
- Banks sales organization offers huge promotion power for faster take-off

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What can we do?



**Join forces to create 100 billion euro savings
For Europe**

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**EU cost saving estimate from e-invoicing:
€ 100 billion/year**

28 billion invoices + billions of other documents "

Finnish State Treasury:

cost estimate for incoming manual invoice € 30,
8€/outgoing

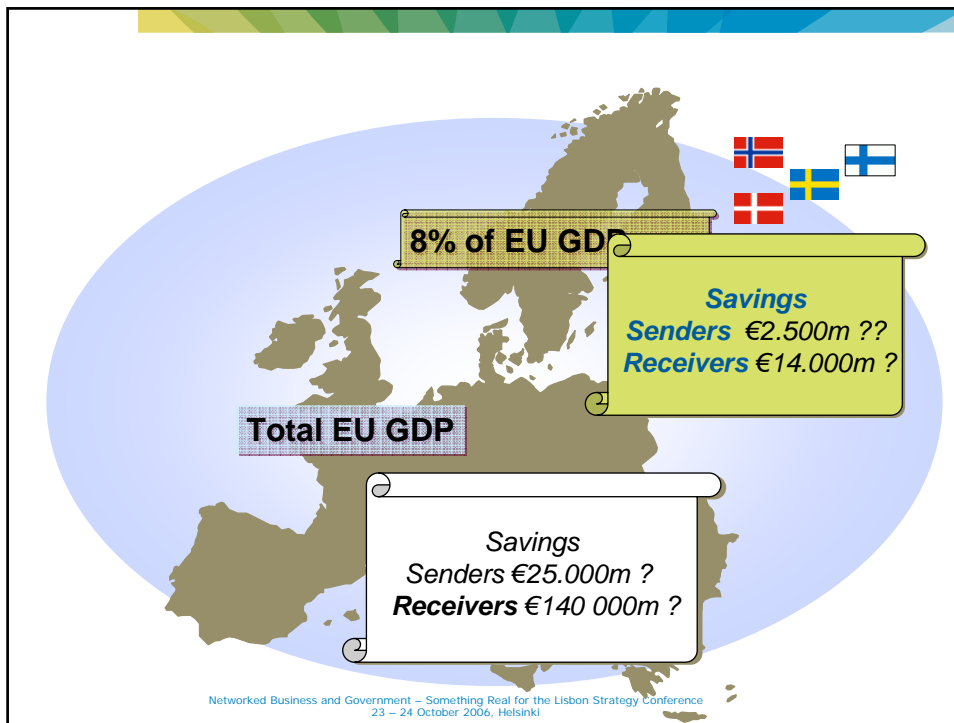
Confederation of Finnish Industries:

annual saving from b2b e-invoicing at 2,8bn€
(Finland 1,5% of EU GDP..)

**European Association for Corporate Treasurers
(EACT):**

is demanding actions from banks and software providers
- EU 100bn€ estimate seen as low.....

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Three (3) main obstacles slowing Europe's competitiveness down

- Obstacle 1: Lack of common vision
- Obstacle 2: Best practices rejected and 'ideal solutions' targeted
- Obstacle 3: Legal platform is rather a barrier than enabler.

Three (3) concrete measures to boost Europe's competitiveness

- Measure 1: Collect benefits of re-using bank infrastructure: Realize the e-invoice
- Measure 2: Create positive incentives for early adopters, use forcing measures in a selective manner
- Measure 3: Ensure availability of resources for addressing the key obstacles and enablers