

Submission template

Information for submitters

We welcome your written feedback. The deadline for submissions is **5:00pm on Friday 16 November 2018**.

Your submission may become publicly available information. For this reason, you should indicate clearly in your covering email if your comments are commercially sensitive or if, for some other reason, you do not consider that they should be disclosed. Any request for non-disclosure will be considered under relevant Official Information and/or Privacy legislation in the receiving jurisdiction.

We strongly prefer submissions using this template. Please open and save your own copy, make submissions on any of the proposals and email it to us at:

Australia: BRRSecretariat@ato.gov.au

New Zealand: e-Invoicing@nzbn.govt.nz

If you cannot use the template for any reason, you can email your responses to us. To help with our analysis, please clearly indicate which of the consultation questions your submission is responding to.

After the deadline has passed, we will analyse all submissions. The views expressed in the submissions will be considered when the final proposals are developed for and reviewed by the responsible Ministers.

Your name and details

Please type in your details in the table below. We suggest that you save a copy before emailing it to us.

Name of the person completing this submission	Gordon Parker
Name of the organisation you represent	Accident Compensation Corporation (ACC)
If your organisation has an ABN or an NZBN, please enter your ABN or NZBN here	9429041900253
Daytime phone number	██████████
Email	████████████████████
Postal Address	PO Box 242 Wellington 6140

Consultation questions

This submission template enables you to provide general feedback on the information in the October 2018 discussion paper *'Early thinking: Operational governance for trans-Tasman e-Invoicing'* and to answer specific consultation questions. Please type in your responses below each question.

QUESTION 1: Legal Considerations

What do you consider to be significant policy or legal barriers to the implementation of e-Invoicing in Australia and/or New Zealand (including nil confirmation)?

We have not conducted any significant study of limitations on the implementing of e-Invoicing across Australia and New Zealand, but our preliminary work has not identified any significant policy or legal barriers.

QUESTION 2: Legal personality, continuity and limited liability

What do you think would be the best legal structure for the operational governance body? Please explain your answer.

Our preliminary view is that a commercial incorporated entity would be the most appropriate structure for the governance body. We note the benefits identified in the discussion paper.

We would anticipate that the participants would include:

- The Governments of Australia (Federal) and New Zealand
- Relevant professional accounting bodies
- Representatives of the software industry
- User representatives from both major and smaller businesses

QUESTION 3: Government and industry participation in operational governance

3(a) Beyond the initial establishment phase, who do you think should lead the operational governance of trans-Tasman e-Invoicing; what functions and roles should the operational governance arrangement include? Please explain your answer.

Within the governance entity we would envisage a strong operational group whose responsibilities would include:

- Guardianship of the standardised Trans-Tasman interoperability framework
- Management of the future development of the framework
- Licencing of the framework to commercial software developers for supply to customers
- Accreditation of software suppliers
- Responsibility for funding the governing entity, and the authority to charge fees
- Education of intermediaries and end users
- Other administrative functions as identified in the discussion paper

3(b) Do you see sufficient incentive in our proposal for you to consider participating in the operational governance body?

ACC will potentially be a significant user of e-Invoicing, with diverse financial activities including invoicing levies to its over 500,000 business customers, making payments of over \$2 billion annually to providers of medical and support services, and for corporate transactions. Consequently, although the whole Trans-Tasman programme is at a very early stage of development, we have identified that in due course it may be mutually advantageous for ACC to be closely associated with the project through participation in the overall governance.

QUESTION 4: Operational sustainability

How do you think the long-term sustainability of the operational governance of trans-Tasman e-Invoicing, with appropriate cost allocations, can best be assured; and what funding models do you suggest? Please explain your answer.

The underlying justifications for e-Invoicing are the efficiencies and cost savings achieved by the system users (vendors and purchasers) so it seems appropriate that the ongoing costs of the managing the scheme should ultimately be met by those parties. For simplicity these payments might be part of the initial and annual licence fees paid to software suppliers (and subsequently passed through to the governing entity as part of an annual accreditation fee). Beyond initial set-up costs, it appears that the annual funding requirement might be of the order of 1% of projected cost savings.

QUESTION 5: A preferred option

Do you have any additional comments or information to help us with reviewing and further developing our early thinking and conclusions about a preferred option for operational governance of trans-Tasman e-Invoicing? If so, please provide your comments here and/or direct us to the additional information you would like us to consider.

Like many vendors, ACC has numerous situations where we invoice, or receive invoices from, different business units within the same entity. As the NZBN applies only at the entity level, it is not sufficiently descriptive to ensure that discrete business units are identified for invoicing or payment purposes. In these cases a lower-level secondary identifier is needed to ensure that transactions are directed correctly. Also, the segmentation of any such business may not be the same for each of its business partners – a lower tier “subsidiary NZBN” is unlikely to be an effective universal solution.
