

Empowering SMEs through DCTR

Simon Foster

Xero, Global Director of e-Invoicing

OpenPeppol, Chair – Agreements, Policy & Procedures Board

Council of Small Business Organisations of Australia (COSBOA) – Board Member





Senator the Hon Mathias Cormann

MINISTER FOR FINANCE

18 September 2013 to 30 October 2020

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Government to pay e-Invoices within five days

JOINT MEDIA RELEASE

Senator the Hon. Mathias Cormann

Minister for Finance

Leader of the Government in the Senate

Senator for Western Australia

Senator the Hon. Michaelia Cash

Minister for Employment, Skills, Small and Family Business

Date

Thursday, 7 November 2019

From 1 January 2020, Commonwealth Government agencies will start paying e-Invoices within five days or pay interest on any late payments.



About Xero

Xero helps small businesses thrive worldwide

2006

Founded in NZ

4.6m

Customers

\$2.1b

Revenue

500k

Peppol
Registrations

xero

*your business
supercharged*

Nury Saenz, bookkeeper



E-INVOICING?!





Differentiating SME Complexity



Micro-Service Firms

Marketing consultants, solo designers, and retailers. Their systems are typically lightweight, service-focused, and domestic-centric.



Advanced Manufacturing

Mittelstand-style firms with 50–200 employees. They manage complex supply chains, B2B exports, and deep ERP requirements.



Mandates must account for these fundamental differences in "Natural Business Systems."



Natural Business Systems

Compliance within Workflow

- Portals introduce friction
- Embed DCTR directly into the finance systems SMEs are already using
- Innovative user experience rarely comes from mandatory govt systems





The Strategy Trade Off



Integrated software turns “SME Pain” into “Productivity Gains.”



Fostering Global Interoperability



Open Networks

PINT – Peppol International Invoice enables “any-to-any” connectivity across borders



Common Standards

The 5-corner model ensures tax authorities receive data without breaking commercial flows.



Integrated Quilt

Moving from a tangle of national systems to a globally integrated commercial network



Recommendations



Design for the Center

Prioritise SME user experience appropriate to the business complexity of your economy



Software is the Bridge

Leverage deep integrations with natural business systems to manage the burden of data collection automatically.



Align Incentives

When e-Invoicing helps businesses get paid faster, high-quality tax compliance happens naturally.



Embrace Open Standards

Use the 5-corner model to foster interoperability and cross-border trade



Digital Rails for Trade

Envision e-Invoicing as the highways and phone networks of the 21st century.

By building this digital infrastructure on open standards, we connect every business into a more efficient, trusted global economy.

Tax compliance then follows naturally.

