



Business Payments Coalition

## Business Payments Coalition Overview

### The Business Payments Coalition

The [Business Payments Coalition](#) (BPC) is a volunteer group of organizations and individuals working together to promote greater adoption of electronic business-to-business (B2B) payments, remittance data, and invoices. The BPC's goal is to support industry efforts to increase straight-through-processing across both the procure-to-pay and order-to-cash cycles. One current initiative is to develop the standards and requirements to enable the broad exchange e-invoices.

As of January 2020, the BPC includes more than 650 representatives from small and large businesses, industry associations, financial institutions, software vendors, payment processors and service providers, standards developers, and others. Participation is open to any individual or organization interested in the BPC's objectives. There is no cost to join or to participate in BPC efforts.

### Why Address Remittance Data?

While B2B checks are declining, they are not doing so as rapidly as are consumer checks, despite the benefits businesses report in using electronic payments. A number of studies have found that a lack of simple, easily adopted products, services, and standards that automate the reconciliation of payments and remittance data is a key barrier to higher adoption of electronic B2B payments.

Because remittance data is typically sent with a paper check, reconciliation and posting of paper payments is easy. However, with an electronic payment, remittance information may not be sent with the payment. When remittance data flows separately to the receiver, the receiver must re-associate the remittance and reconcile it to the payment. Too many alternatives for remittance exchange and too much variability in the way that remittance data standards are used by businesses makes it more difficult adopt electronic payments and remittance data and achieve straight-through-processing.

### Why Address Invoices?

The invoice is a vital bridge between the buyer and seller in the financial supply chain, and an electronic invoice (e-Invoice) is the first step to achieving straight-through processing for B2B payment transactions. E-Invoicing adoption has mostly been confined to larger businesses, who typically have the technical resources and financial incentive to invest in automation to enable electronic processes. Small and medium sized enterprises do not have the same capacity for investment and have expressed concern about the many incompatible systems in use.

### Goals and Objectives

The BPC addresses problems and barriers that make it difficult for businesses to use electronic alternatives to paper checks, remittance advices, and invoices. To achieve its objectives, the BPC conducts educational programs and undertakes a variety of initiatives.

Success in addressing the challenges identified by the BPC would lead to:

- Greater use of electronic payments by businesses
- Greater use of electronic methods to exchange invoices and remittance data
- Greater efficiency in the end-to-end process including invoicing, payment, and payment posting, including less exception processing and manual intervention
- Readily available technology solutions and standards to support automation

## Communications and Publications

As a member of the BPC including its Leadership Group, the Federal Reserve Bank of Minneapolis coordinates, tracks, and distributes information about BPC activities of interest to members. The BPC publishes meeting materials, papers, and other relevant information on its [web site](#). This information may include the names of participating individuals and organizations. We may also post presentations or other materials created by participants, with the relevant participant's consent. There is also a [LinkedIn BPC group](#) that is a source of information about the BPC.

## Meetings

The BPC conducts conference calls, in-person meetings, and webinars. Generally, in-person meetings are held in conjunction with other industry meetings or conferences that are attended by many of the members, making it easier for members to attend. Refer to the [web site](#) for details on upcoming events.

## Business Payments Coalition Initiatives

Many members volunteer to participate in workgroups formed to undertake BPC initiatives. Workgroups establish their own schedule for completing their assignment and provide updates on progress to the BPC during conference calls or at in-person meetings.

## How to Join

[Register](#) on the BPC web site. You will receive a welcome packet, be added to the BPC distribution list, and be invited to participate in specific Coalition initiatives of interest to you.

Contact us: [business.payments.smb@mpls.frb.org](mailto:business.payments.smb@mpls.frb.org)