



## E-remittance Exchange Pilot General Information

The purpose of this document is to provide preliminary information to commercial enterprises interested in increasing efficiency and decreasing manual processing in their payment cycle. This information is suitable for businesses of all sizes whose remittance cycles lag behind their payment cycles, regardless of payment method.

### What is electronic remittance?

- Electronic remittance is remittance information that has been digitized into a standard data file format and sent over an Exchange Framework network.
- Remittance information sent via email is not considered electronic remittance because it still requires manual intervention to integrate with a business's AP/AR system.

### What problem does electronic remittance solve?

- It improves efficiency by providing a standard way to exchange complete remittance information, aiding in payment matching.
- It reduces fragmentation and portal fatigue, as current proprietary solutions do not communicate with each other.
- It increases the speed of the payment cycle, including reconciliation, by utilizing a single framework for exchanging payment information.
- It is payment agnostic.

### Who is behind this project?

- The Business Payment Coalition (BPC) ran an E-remittance Exchange Pilot with support from the Federal Reserve, utilizing an exchange network managed by the Digital Business Networks Alliance. This pilot completed in June of 2024.

### How do I get my organization to use electronic remittance?

- Visit the Business Payments Coalition Website to access educational materials, including general information about the data and exchange model, business use cases, implementation guides, and template documents for starting internal and external conversations.
- Talk to your clients, software providers and financial institutions, to check their interest in, or determine whether they are already participating in an electronic document exchange network for remittance information.