2014 Remittance Coalition Priorities

The Remittance Coalition has established three priorities in 2014. Each of these is described below, along with who to contact if you are interested in getting involved.

Priority Area 1: B2B Directory Project

Description

Since the inception of the Remittance Coalition (RC), members have been exploring through discussion and dialogue the value of developing an open, industry-wide directory to facilitate more adoption of electronic business to business (B2B) payments and remittance information exchanges.   At the end of 2013, the RC formed a small project team made up of financial institutions, small and large business practitioners, directory vendors, technologists and project management staff from the Federal Reserve Banks to develop use cases, outline specifications, identify and evaluate alternatives, and propose a framework for one or more secure B2B directory models designed to serve, in particular, small to medium size businesses. The project team will seek input from other RC members to tap select areas of expertise to advance the project.

Key Deliverables

1. Publish a white paper summarizing the project team's conclusions and recommendations, including next steps for pursuing a B2B directory.
2. Build interest and awareness in the industry by speaking about the B2B directory effort at national conferences.
3. Influence vendors to build the B2B directory.

To get involved in Priority Area 1, send an email to: katy.jacob@mpls.frb.org or ron.gafron@chi.frb.org

Priority Area 2: Promote Adoption of Selected Standards that Facilitate e-Payments and e-Remittance Exchanges

Description

Even though new "standards" and associated tools are available that would help facilitate more use of electronic payments, electronic remittance data exchange, and straight through processing, adoption of these new standards by businesses, financial institutions, and vendors is slow. So, in 2014 the RC will continue its efforts to promote selected new standards to key audiences.   The RC will seek in particular to promote new standards adoption to relevant software and technology vendors. This engagement will take the form of a dialogue—i.e., to understand from vendors how they decide what new standards to include in their solutions, how long their development cycles are, and so on.

1. Identify a manageable set of new "standards" and associated tools on which to focus promotion efforts. See Appendix A at the end of this document for a list of standards and technical reports that will be focused on in 2014.
2. Identify appropriate audiences, effective communication strategies, and venues to promote these standards.
3. Foster an ongoing dialogue with vendors through quarterly conference calls and/or in-person meetings. Address topics including updates and discussions on standards relevant to payments and remittance processing, generating ideas on making the business case for adoption of new standards—e.g., defining the "win-win" for both billers and payers, and identifying ways to improve interoperability among existing services and systems.

To get involved in Priority Area 2, send an email to: mary.hughes@mpls.frb.org

Priority Area 3: Continue Targeted Outreach and Education

Description

The RC will continue to use outreach and education to promote standards adoption, share and promote success stories, and encourage greater usage of electronic payments and electronic remittance data exchange and straight through processing. In particular, efforts will target small businesses and other industry segments (such as financial services/banking.) This effort will include an array of activities and tactics including presenting at in-person conferences, conducting webinars, and publishing and distributing written materials to RC members and its partnering associations.

Key Deliverables

1. Submit proposals and give presentations at conferences that target corporate practitioners, small businesses, software and technology vendors, and/or financial institutions that serve businesses. Present webinars to targeted groups on Remittance Coalition initiatives.
2. Develop and distribute publications designed to provide practical advice to help small businesses increase their usage of e-payments and e-remittance exchanges. This will include publications that offer tips for larger trading partners that they can use to encourage smaller businesses to adopt e-payments and e-remittance exchange, and publications targeted to the small businesses themselves.

To get involved in Priority Area 3, send an email to: mary.hughes@mpls.frb.org

Appendix A: Standards and Technical Reports

Standards
ISO 20022 Payment Remittance Messaging in the Automated Clearing House (ACH) Network *NACHA's XML-ACH Remittance Opt-in (XML-ACH) program allows participants to safely and securely transmit payment remittance information for B2B transactions in a standardized XML format via the ACH Network. XML-ACH data is available for use with ACH Network CTX (Corporate Trade Exchange) credit transactions among organizations that specifically opt-in to participate in this NACHA program.*
Balance Transaction & Reporting Standard (BTRS) *Establishes a common format for exchanging cash management account data provided by financial institutions daily to their corporate customers. Previously known as BAI2.*
Wire Format ERI: Fedwire Funds Service & CHIPS   *The Fedwire Funds Service Customer Transfer Plus (CTP) message and its CHIPS counterpart allow corporate originators of wire transfer payments to include about 9,000 characters of extended remittance information within a wire transfer payment order in either structured or unstructured formats.*
ISO 20022 Stand-Alone Remittance Advice Message *A new advice message that allows the originator to provide remittance details that can be associated with a payment. Once the ISO 20022 Payment Standard Evaluation Group (SEG) has completed its evaluation of this standard and approves it, the standard will be published in the ISO repository and available for use.*
Technical Reports
Simplified Deduction Codes /Core Adjustment Reason Codes Technical Report *The electronic data interchange (EDI) standards developed by X12 and included in the X12 820 standards define over 600 adjustment/discount codes (field "426" codes). The simplified deduction code project Identified about 70 of the 600+ EDI codes as essential or core for deduction processing. The Core Adjustment Reason Code list is a subset of the ASC X12 426 Adjustment Reason Code list and, thus, is fully compatible with ASC X12 EDI message transaction sets that use codes from the X12 426 Adjustment Reason Codes.*
Remittance Standards Inventory Technical Report *The Remittance Standards Inventory is intended to be a current, comprehensive inventory of relevant business-to-business (B2B) payment remittance standards. The intended audience of this payments remittance catalog includes B2B solution and service providers, and the corporations and organizations that must make use of these standards or implementations to facilitate the efficient reconciliation of their payments and remittance data. Standards bodies and other general interested parties are another target audience for this repository. This Remittance Standards Inventory provides introductory information on 16 remittance standards. It offers high-level attributes for each standard or implementation, including a description of each, the types of payments that it supports, how remittance may be sent, and information about the issuing organization.*
Remittance Glossary Technical Report *Glossary of terms related to remittance information exchanged on business-to-business (B2B) payments. It is intended to lead to improved communications among trading partners by offering a vocabulary and terminology that is clear, precise, and accurate. It is meant to benefit all parties involved in the exchange, processing, and reconciliation of electronic B2B payments and remittance information. This includes business practitioners (such as accounting, accounts payable, accounts receivable, procurement professionals, etc.), corporate bankers, software and technology vendors, payment service providers, standards developers, and other interested parties. The glossary focuses on terms related to payables and receivables processing, B2B payments, and remittance details. It has been prepared with the individuals who support small and medium businesses in mind, although the glossary will be helpful to individuals at companies of all sizes and industries.*