



Peppol

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OpenPeppol AISBL 2022 Operational Plan and Budget

14th General Assembly
Background Document for Vote 6

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1 Introduction to this document and Voting Item 6

The 14th OpenPeppol AISBL General Assembly (GA14), gathered online on April 5th, 2022, is kindly requested to approve the OpenPeppol AISBL 2022 Operational Plan and Budget under Voting Item 6, which is item 4.e in the GA14 agenda.

This background document provides a consolidated overview of the following topics, each including a retrospective of the 2021 achievements and the 2022 projections:

- Operational Plan for the OpenPeppol AISBL (chapter 2)
- Operational Plan for the OpenPeppol Domain Communities (chapter 3)
- Operational Plan for the OpenPeppol Stakeholder Communities (chapter 4)
- Budget for 2022 (chapter 5)
- Vote 6 Decision Item for Approval of the 2022 Operational Plan and Budget (chapter 6)

2 Operational Plan for the OpenPeppol AISBL

2.1 Retrospective of 2021 – General Direction

In the following sections, the General Secretary and the Managing Committee provide an account and appraisal of what was achieved during the year 2021, compared with the goals and priorities approved by the 13th General Assembly that took place on June 15th, 2021.

2.1.1 Growth of the Association

2.1.1.1 Increase of Membership

In 2021 membership growth was about 5%. This is significantly lower than the projected range of 10-15%, which was considered a modest target to begin with.

The number of new members signing up was lower and, at the same time, the number of members leaving or terminated was higher.

Analysis by region shows growth levelling off in Europe and stopping or reversing in APAC.

Clean-up of older members not responding but also members failing to get accredited contributed to the acceleration of off-boardings.

2.1.1.2 Expansion into new Territories

In 2021 territorial expansion continued. Japan established a Peppol Authority, marking a huge gain for Peppol in bringing in one of the biggest economies in the world. In Europe, Portugal established a PA.

However, there are challenges in countries with Peppol Authorities, particularly in Europe, mainly brought on by CTC initiatives (Poland, Greece, and Italy). On the positive side, the development of the Peppol CTC concept provides new opportunities in countries like France and will be important for the next steps in Germany.

In the US, the Business Payments Coalition (BPC) have initiated a market pilot based on similar types of specifications as the Peppol Network and within the scope of the Global Interoperability Framework (GIF). OpenPeppol has contributed to the work and continues to follow the work on the market pilot as an observer.

2.1.1.3 Expansion into new Domains

There was little progress with new Service Domains, some progress made on logistics in the Nordics, but overall low stakeholder engagement and no margin for considerable efforts by OpenPeppol.

Expansion into CTC is a major milestone and it has a potential to contribute significantly to the growth of the Association when in production.

2.1.2 Implementation of the Peppol Interoperability Framework

2.1.2.1 Migration to the new Peppol Agreements

In 2021 the new Peppol Agreements were approved in October, and the migration started. TIA Termination notices were sent out before the end of 2021, with effect from 30 June 2022.

2.1.2.2 Introduction of new governance policies and procedures

The Agreements Revision Task Force was key to the approval of the new Agreements and the development of Internal Regulations, which contain the main policies needed for the agreements to function in a solid governance Framework.

The new Internal Regulations for the use of the Peppol Network were approved in November by the Managing Committee.

Operational Policies have been developed as drafts and will be completed in 2022 taking into account the experience gained from implementing the tools and practices needed for the operationalisation of the new policies.

2.1.3 Innovation

2.1.3.1 Continuous Transaction Control (CTC)

The CTC project was completed in June and the new CTC Community was established, with a new Leader elected in December.

A playground environment for testing and on-boarding of Service Providers and Tax Administrations was developed and has the capability to showcase particular CTC processes and country-specific requirements as they appear.

The CTC has drawn considerable interest from external parties and stakeholders, some of which have not been in Peppol before, and are now joining as Observers in order to follow the work.

2.1.3.2 International Invoicing

The PINT PoC project was launched in 2021 and made good progress throughout the year. A playground environment was developed to implement cross-regional transactions and understand the impact on receivers in various cases.

The PINT PoC was important in achieving the introduction of new Peppol specifications for Japan that are PINT-compliant. It is also the placeholder for developing Peppol-compliant specifications for the US, following the BPC Semantic Model.

2.1.3.3 Cooperation with innovators

Several initiatives appeared on the horizon, the most advanced of which has been an effort to use the Peppol Interoperability Framework for the development of new Digital Product Passport specification, in cooperation with an initiative supported by the European Commission. Cooperation with GS1 emerged as a good match in the context of this and similar initiatives.

Other prospects with members and non-members for the use of Distributed Ledger Technologies in CTC or supply chain traceability have not yet materialised.

2.1.4 Market Development

2.1.4.1 Branding and communication

No significant progress was made in this area. Work on the new website commenced with a planned launch in 2022. Social media presence did not increase noticeably.

Efforts to bring in new resources were not successful, until November when work was resumed with a target of April 2022 to deliver the new website.

2.1.4.2 Stakeholder engagement and recruitment

Engagement of stakeholders globally continued and intensified, despite the absence of much travel and meetings (exception the Exchange Summit in Vienna and Düsseldorf). CTC was the biggest driver of engagement and cooperation, with Peppol making its mark as a recognizable proposition in the domain.

Stakeholder relationships with the EC were slower but received a push at the end of the year and they will become closer in 2022.

Perhaps the most significant development of 2021 was the convergence with EESPA on interoperability and the initiation of a process to advocate and use a common interoperability paradigm based on Peppol and meeting additional SP requirements.

2.1.5 Operational Capacity and Capability

2.1.5.1 Organisational ability

In 2021 OpenPeppol was able to increase its use of resources to match the increased demand, driven by developing and starting to implement the new Peppol Interoperability Network.

Challenges remain with respect to critical skill sets that are needed to bridge between the technical and the business level, as well as market development. Lack of depth in execution continues to be a risk.

Overall, the organisation has grown and adapted but needs to improve in the coming period when the new policies and agreements will enter the operational phase.

2.1.5.2 Tools and Services

The delayed approval of the new agreements and policies meant the new tools and services started to be designed but implementation will complete in 2022.

2.2 Plans for 2022 – General Direction

The following priorities are set for 2022, with several objectives and activities that are expected to be in the scope of upcoming work:

1. Growth of the Association
2. Implementation of the Peppol Interoperability Framework
3. Innovation
4. Market development
5. Operational capacity and capability

2.2.1 Growth of the Association

2.2.1.1 Increase of Membership and Usage

In 2022 both market consolidation and old member clean-up will continue. In addition, member attrition is likely as a result of the new Agreements and the new fees could also be a contributing factor.

On the other hand, the Japanese market should be expected to contribute further to OpenPeppol growth as will be the increasingly close cooperation with EESPA.

A modest yet optimistic target could be to expect membership growth up to 10%.

In 2022 OpenPeppol will establish the capability to measure usage of the Peppol Network in terms of end users and transactions, thereby creating the possibility for new metrics in growth targets.

2.2.1.2 Expansion into new Territories

In 2022 Peppol Authorities are expected to be established in Finland and Luxembourg. There is progress in Asian countries such as Malaysia, Thailand and the Philippines. In Europe there are discussions with Croatia and Romania.

Significant effort should be devoted to working with France. The model there could either go the way of Italy, mostly centralizing the flow of invoices, or could be closer to Peppol CTC if the market pushes towards interoperability and the government supports them in this direction.

The new mandate in Belgium presents an opportunity for Peppol overall and Peppol CTC in particular. A closer path with Canada should be found.

2.2.1.3 Expansion into new Domains

No mature prospects are on the horizon so expectations should not be high. New global domains may be more likely if they come through alliances e.g. with GS1.

The establishment of the new national domains in Norway and the Nordic initiative on logistics should be followed up.

2.2.2 Implementation of the Peppol Interoperability Framework

2.2.2.1 Migration to the new Peppol Agreements

In 2022 the new Agreements have to be signed by all currently active Service Providers and those who enter the Association in this period. This is very important as any failure to reach this target will undermine the future of OpenPeppol.

The signing of new Agreements comes with operational challenges for the Peppol Authorities but also for OpenPeppol itself. The on-boarding process must be executed efficiently and effectively.

2.2.2.2 Implementation of the new governance policies and procedures

In 2022 the new Internal Regulations must be implemented. Most challenging will prove to be the migration into the new Change Management Policy and the new Compliance Policy.

The setting and approval of the new PA specific requirements will be important, as will be the case for the End User Reporting mechanism.

2.2.3 Innovation

2.2.3.1 Continuous Transaction Control (CTC)

In 2022 the CTC Community will begin operations and will be a fertile ground for new ideas on how to promote tax-related reporting in ways that not only maintain, but actually increase business efficiencies.

CTC will be a major part of the OpenPeppol approach towards new jurisdictions, therefore CTC will play a very important role in business development and the expansion of Peppol into new countries.

2.2.3.2 Peppol International Invoicing (PINT)

In 2022 the PINT PoC project will be completed and decisions on the future of PINT and its introduction to the Peppol Network will be taken.

PINT-compliant specifications will be agreed and adopted for Europe, Japan, Australia – New Zealand, Singapore and USA and cross-regional interoperability will be enabled.

Decisions will be based on a solid understanding of the business and technical impact that the introduction of PINT brings to the implementers.

2.2.3.3 Cooperation with innovators

OpenPeppol realizes that technological progress, sometimes incremental and sometimes disruptive, is constant and will affect its future. In 2022 OpenPeppol should try to establish an approach and mechanisms for staying close to technological innovation.

Resources may be available for this purpose to the degree that the size and priorities of the Association allow, but more importantly alliances and cooperation with institutional

and market stakeholders should be sought in order to leverage the horizontal and non-profit nature of the Association and maximize its benefits as a potential adoption environment of innovative solutions.

The power of the Peppol Interoperability Framework and its flexibility can be harnessed to provide a breeding ground of efficient governance to new domains and efforts of interoperability in a regional and global scale.

2.2.4 Market Development

2.2.4.1 Branding and communication

In 2022 the new website will be launched and migration to Peppol.org will take place.

Presence in social media will increase and a regular flow of information to targeted stakeholders will be a reality.

The production of good supporting material to complement market presence efforts will intensify.

Branding policy will be made more coherent and comprehensive, as well as enforceable.

2.2.4.2 Stakeholder engagement and recruitment

Engagement with new countries and international organizations will continue.

A new agenda with the European Union will be pursued, in cooperation with the Peppol Authorities already forming a task force for this purpose.

Cooperation with EESPA and SP associations globally will become closer and organic.

2.2.5 Operational Capacity and Capability

2.2.5.1 Organisational ability

In 2022 OpenPeppol must increase efforts to recruit the skills necessary for its growth – namely in business analysis, project management, marketing, and also increase its technical capacity to develop and support new tools and services and create new specifications for interoperability.

The sourcing policy should be revised, aiming at a more stable organisation with employees, to the degree possible and relevant for the nature of the organisation.

Physical infrastructure will be established in its headquarters and possibly elsewhere depending on circumstances and financial ability.

2.2.5.2 Tools and Services

Existing tools and new services (such as the reporting mechanism) will be enhanced or developed in order to support the day-to-day operations of the new Interoperability Framework.

3 Operational Plan for the Domain Communities

3.1 eDelivery Community (eDEC)

3.1.1 Retrospective of 2021 – eDEC

Since the 13th General Assembly held in June 2021 the following activities have been carried out by the eDEC:

- Major version upgrade to the Peppol Codelist
 - 125 changes
- Updates to Annex 4 Policy documents
 - BusDoX Common Definitions – no longer used
 - SMP updated from v1.1.0 to v1.2.0
 - SML updated from v1.0.1 to v1.2.0
 - Peppol Policy for use of Identifiers updated v4.0.0 to v4.1.0
 - Peppol Secure Transport Policy updated from v1.0 to v 1.1.0
 - Peppol AS4 Profile updated from v2.0.0 to v2.0.2
 - Peppol SBDH Envelope Specification updated from v1.2 to v1.2.1
 - Peppol Directory updated from v1.1 to v1.1.1
- Support for International Invoicing and Continuous Transaction Control
- Improved the publication and transition arrangements for eDEC changes

3.1.2 Plans for 2022 – eDEC

eDEC plans for 2022

- Continue improvements to the change release process in line with the new agreement change processes including communication of change candidates
- Investigate possible upgrades of Peppol specifications taking into account newer versions of underlying standards from Oasis, such as SMP and XHE

- Improvements to the security and resilience of the Peppol network
- Continue support for International Invoicing and Continuous Transaction Control

3.2 Post-Award Community (PoAC)

3.2.1 Retrospective of 2021 – PoAC

Since the 13th General Assembly held in June 2021 the following activities have been carried out by PoAC:

- Continue to improve the Peppol BIS messages thereby strengthening stability and functionality in the network -> *Continuous work*
- Develop and maintain a Core Invoice Message Response specification in collaboration with EESPA -> *Communication ongoing*
- Support a Proof of Concept of the PINT proposition in collaboration with eDEC and the Stakeholder Communities -> *Started and ongoing*
- Deliver May and November releases -> *Done*
- Align the development and release process with the new agreement -> *Started and ongoing*
- Align the versioning of the specifications with the new agreement -> *Started and ongoing*
- Call for action/survey from the PoAC community to drive CMB decisions -> *Done for both releases*

3.2.2 Plans for 2022 – PoAC

PoAC plans for 2022

- Continue to improve the Peppol BIS messages
 - Strengthening stability and improve the functionality
- Review the use of business and message responses in the network
 - Mandatory or optional use
- Review the use of country specific rules
 - Which country identifiers to use
 - Rules on sender and receiver data
- Support the Proof of Concept of the PINT proposition
 - Collaborate with e-DEC and the Stakeholder Communities

- Deliver new releases
 - May and November
- Implement the new agreements
 - Implement the new development and release process
 - Survey the communities to drive CMB decisions
 - Align the versioning of the specifications

3.3 Pre-Award Community (PrAC)

3.3.1 Retrospective of 2021 – PrAC

eTendering workgroup

- May release 2021
 - Maintenance of profiles P001-P003.
 - Addition of new profiles P004 - Call for Tenders Questions and Answers, and P005 - Tender Clarification.
- November release 2021
 - New profile identifiers and specification identifiers
 - Scheme identifier migration for electronic addresses and parties used in BIS P001 - P005
 - Cross–community Interoperability / Aligned with POAC BIS 3
 - Addition of new profiles P006 - Search Notices, P007 - Tender Withdrawal, P008 - Publish Notice, and P009 - Notify Awarding.
 - Editorial changes in BIS P003 (use of UNCL1001)
- Alignment of PrAC specifications versioning with the new agreements.
- Alignment of eDEC codelists with PrAC new identifiers.

eForms BIS pre-study workgroup

- Finalised its work having as a result the pre-study report.

ESPD 3.0 BIS workgroup

- Work initiation pending – decision to wait for the results of INTERPROC CEF funded action on ESPD v3 BIS.

3.3.2 Plans for 2022 – PrAC

eTendering workgroup

- Development:
 - Guideline for Open Procedure
 - New profile: eTendering Message Response
 - New profile: Unsubscribe to procedure
 - New profile: Invitation to Tender
 - Guideline for Restricted Procedure
 - New profile: Contracting, with coordination with the work on pre-award Catalogue Request and ESPD 3.0
- Deliver May & November releases

ESPD 3.0 BIS workgroup:

- Assessment of the ESPD BIS proposal from INTERPROC CEF funded action to steer towards a formal Peppol ESPD BIS.
- Development of Peppol ESPD 3.0 BIS based on ESPD EDM.

Align the development and release process with the new tools for BIS creation (PDK)

3.4 Continuous Transaction Control Community (CTCC)

3.4.1 Retrospective of 2021 – CTCC

While CTCC did not exist in 2021, some important milestones happened in 2021:

- Successfully completed the Peppol CTC Project in June, which included:
 - Analysis of business requirements from tax administrations (TA)
 - Regular meetings with CTC Reference Group
 - Publication of the Peppol CTC [Reference Document](#) in September
- Deployed the first version of CTC playground, where the model can be implemented with actual message flows between C2, C3 and C5 using simulated endpoints
- Peppol CTC has been presented and discussed at various forums, incl. Exchange Summit event in Vienna, EESPA (European e-Invoicing Service Providers)

Association), IDSt (German Institute for Tax Digitalisation), Milan Politecnico (Designing a unified electronic invoicing for the EU)

- Provided feedback to public consultations on CTC initiated by France, Norway and Poland
- Established CTC Community in December, after a Managing Committee decision following the recommendations of the CTC Project
- Elected the CTC Community Leader in December

3.4.2 Plans for 2022– CTCC

CTCC plans for 2022

- Contribute to market development activities and supporting the recruitment of new Peppol Authorities and, more generally, the expansion of Peppol into new countries and territories where CTC is a relevant priority for the government
- Improve, enhance, and further develop the existing playground environment
- Further refine and develop some technical aspects of the Decentralised Peppol CTC model (DCTC), such as testing IRM (pending work in PoAC), TDD specifications and CTC SP certification requirements
- Subject to engagement of relevant stakeholders and resources in the Association, further refine and develop some additional aspects of the Peppol CTC model, such as cross-border, B2C, Centralised clearance scenarios (CCTC) and End-to-End encryption
- Contribute to the work of other communities, investigating whether an increased number of tax codes in Peppol BIS (and later PINT) needs to be introduced to improve the granularity from TA perspective

4 Operational Plan for the Stakeholder Communities

4.1 Peppol Authority Community (PAC)

4.1.1 Retrospective of 2021 – PAC

Since the 13th General Assembly, held 15th of June 2021, the following activities have been carried out by PAC:

- Objectives
 - Improving alignment, cooperation and knowledge sharing amongst the Peppol Authorities

- Supporting the growth of OpenPeppol by actively participating in workgroups and taskforces, in partnership with other stakeholder communities
- Improving the reliability of the security on the Peppol Network
- Specific actions:
 - Run fortnightly online roundtable meetings with all PA's
 - Continued support in completing the agreement revision and implementing the new agreements
 - Members of the PAC in all workstreams
 - PA roundtable meetings to support broader ad hoc discussion
 - Contribution to the review of policies supporting the new agreement framework
 - Contribute to Peppol communication and branding, increasing alignment/reuse with PA communications

4.1.2 Plans for 2022 – PAC

PAC plans for 2022

- Key objectives
 - Improving alignment, cooperation and knowledge sharing amongst the Peppol Authorities
 - Work together on specific topics in order to advise or facilitate OpenPeppol in her strategy for the (near) future
 - Improve the security of the Peppol Network
- Specific actions:
 - Run fortnightly online roundtable meetings
 - Continue support of implementation of the new agreements
 - Contribute to Peppol communication and branding, increasing alignment/reuse with PA communications

4.2 Service Provider Community (SPC)

4.2.1 Retrospective of 2021 – SPC

Since the 13th General Assembly, held 15th of June 2021, the following activities have been carried out by SPC:

- Community leader was re-elected for 2 years
- Regular meetings in every 5-6 weeks (except Summer period), usually around 70-80 participants
- Standard Agenda points in the meetings:
 - News from Management Committee
 - Market News
- Active participation in New Agreement Framework improvement
- SP has a position in future to negotiate agreement changes – members in Agreement CMB
- Better alignment of the Service Providers towards PA specific requirements
- MLR topic is up again
- SP has an activity group of people preparing the meetings and providing the content to the meetings

4.2.2 Plans for 2022 – SPC

SPC plans for 2022

- Key objective - Provide value to the members by creating the base to acquire important information and keep high quality discussions
 - Regular MC updates of membership and PA development
 - Emphasize the importance of different market news and country news to support international development of our members
 - Maintain the good quality meeting content
- Specific actions:
 - Improve the quality of Confluence page – to be more proactive
 - Ensure better onboarding of new service providers
 - Create a group with representatives from different jurisdictions
 - Support members with needed information on market developments (CTC, EESPA etc)
 - Encourage the members to execute kick-off groups for specific topics
 - Continue support of implementation of the new agreements

4.3 End User Community (EUC)

4.3.1 Retrospective of 2021 – EUC

Since the 13th General Assembly held in 15th of June 2021 the following activities have been carried out by EUC:

- Community leader was re-elected for 2 years
- Started regular meetings in every 6 weeks
- Standard Agenda points in the meetings:
 - News from the Peppol world
 - eBilling focus
 - eOrdering focus
 - Other BIS focus
- Started to collect issues from the end users and seeking ways to solve them
- Tries to spread practical advice on how Peppol can benefit a day-to-day business for the end user regardless of being private or public entities
- Continued support for Cross Community initiatives such as International Invoicing and Continuous Transaction Controls

4.3.2 Plans for 2022 – EUC

EUC plans for 2022

- Continue to encourage end user interest in specific subjects, such as
 - Billing
 - Ordering
 - Other business documents
 - Use of identifiers
- Have “deep dives” into topics of special interest for the end users
- Continue to support the end users with day-to-day practical issues they raise
- Continue to spread practical advice on how Peppol can benefit a day-to-day business for the end user regardless of being private or public entities
- Continue to support adoption of Peppol, especially for private companies
- Continue to support Cross Community initiatives such as International Invoicing and Continuous Transaction Controls

5 Budget 2022

5.1 Introduction

In this section we present the 2022 Budget for OpenPeppol and the methodology that was followed.

This is done in two steps:

- The Baseline Budget is the minimum scenario, assuming income is based on the membership size as it is at the start of the year, without taking into account growth in the number of members
- The Target Budget is the expected scenario, including an income uplift that is the result of membership growth. For 2022, the expected uplift estimate is a conservative 5%.

The 14th OpenPeppol General Assembly is invited to approve the Target Budget and the distribution of the uplift into certain expense categories, as described below.

5.2 Baseline Budget

5.2.1 Overview

Every year, OpenPeppol produces a baseline budget for the next accounting period (calendar year). Expenses in this budget are based on the experience of previous years, taking into consideration that 2020 and 2021 were heavily affected by the impact of Covid-19, whereas in 2022 parts of the expenditure may return to the levels of 2019.

Each cost item takes into consideration the actual expenditure in previous years, the reason behind the figures, and the budget needed to support the 2022 focus areas of the organisation. Since OpenPeppol is established as a Not-For-Profit Association, the aim of the budget is to be balanced to avoid a significant surplus at the end of the year.

As Covid-19 restrictions continued throughout 2021 but are expected to ease from Q2 2022 onwards, spending is expected to return to 2019 levels and even more, as travel and events are generally more expensive due to the post-pandemic economic conditions and the recent increases in energy costs due to the war in Ukraine.

Baseline Budget Calculation for 2022	2021 Year-end Result	2022 Baseline Budget
Income	1,402,034	1,553,899
Membership Fees	1,329,846	1,536,425
Income carried forward from previous year	24,292	26,281
Doubtful Accounts Previous Year Reversed	48,471	56,695
Allowance for doubtful Accts. Current Year	-56,695	-65,502
Previous Year Income Deferral - unused	56,120	
Income deferred to next year	158,020	
Expenses	1,217,734	1,526,623
Domiciliation	3,135	28,135
Fees/Accounting/Tax/Legal	59,494	80,000
Professional fees - Operations	1,045,962	1,087,000
Professional fees- Consumables	89,531	107,031
Fees & Subscriptions /memberships	1,100	1,100
Travel Cost	2,758	49,913
Annual fairs and Exhibitions	14,935	111,256
Marketing expense	0	61,187
Bank and Financial Charges	819	1,000
	26,281	27,276

5.2.2 Income considerations

In terms of income, the increase in membership fees, effective January 2022 is also taken into consideration with an increase in fee income of 15.53% reflected in the baseline budget.

5.2.3 Expenditure considerations

Some estimates have been made to calculate the Baseline Budget in the table above, in the following expense categories:

- Domiciliation expense has been increased to include a provision for physical offices in the second half of 2022.
- Fees/Accounting, Tax, Legal, has been increased to cover additional legal support for the preparation of new Statutes and the extension of Internal Regulations to cover governance inside the Association, as there is a need to align with the new Belgian Companies Code.
- Professional Fees – Operations has been increased to reflect the continuation of key projects such as the finalization of the PINT PoC, the new testbed including jurisdiction-specific environments, the new Reporting mechanism and other tools

and services for the implementation of the new Policies and Procedures related to the new Agreements. At the same time, more resources need to be assigned to market development and to business analysis underpinning internal projects, impact analysis of changes and requirements from new geographical jurisdictions and new Service Domains.

- Professional Fees – Consumables has been increased from the 2021 level to include accounting/billing system development following the PwC Belgium system upgrade from MS Navision to MS Business Central at the end of 2021.
- Travel expense has been increased back to pre-pandemic levels, as conditions continue to improve into 2022.
- Annual Fairs and Exhibitions has also been increased back to pre-pandemic levels as F2F meetings and events are expected to resume after Q1 2022. Since this is the year of the 10th anniversary, there will be increased spending in this category.
- Marketing expense has been increased for the development of new branding materials, videos, etc. to resume in 2022. It would be good to return to the 2019 levels when the new brand was launched.
- Bank and Financial Charges has been increased to reflect the ongoing increase in both inbound and outbound payments.

5.3 Target Budget

5.3.1 Overview

2022 BUDGET CALCULATIONS FOR GA14 APPROVAL	2021 Year-end Result	2022 Baseline Budget	Income Uplift of 5% due to growth	Uplift distribution to expense categories	GA14 Target Budget 2022
Income	1.402.034	1.553.899	73.546		1.627.445
Membership Fees	1.329.846	1.536.425	76.821		1.613.246
Income carried forward from previous year	24.292	26.281			26.281
Doubtful Accounts Previous Year Reversed	48.471	56.695			56.695
Allowance for doubtful Accts. Current Year	-56.695	-65.502	-3.275		-68.777
Previous Year Income Deferral - unused	56.120				
Income deferred to next year	158.020				
Expenses	1.217.734	1.526.623	73.546	100%	1.600.169
Domiciliation	3.135	28.135			28.135
Fees/Accounting/Tax/Legal	59.494	80.000			80.000
Professional fees - Operations	1.045.962	1.087.000	44.128	60%	1.131.128
Professional fees- Consumables	89.531	107.031			107.031
Fees & Subscriptions /memberships	1.100	1.100			1.100
Travel Cost	2.758	49.913	11.032	15%	60.945
Annual fairs and Exhibitions	14.935	111.256	11.032	15%	122.288
Marketing expense	0	61.187	7.355	10%	68.542
Bank and Financial Charges	819	1.000			1.000
	26.281	27.276			27.276

5.3.2 Uplift Estimate and Allocation

The 2022 budget is based on an expectation of increased membership of 5 – 10%, in line with a 2021 growth in membership that was just over 5% while the income increase was just under 12%.

The 2022 Target Budget assumes a more conservative 5% income increase as an uplift above the Baseline Budget, as a result of membership growth. To align the spending of 2022 to the target income, a month-to-month rolling budget, based on a percentage uplift of the January 1st baseline for each budget item will be used. Consequently, real increases in income throughout the year are allocated accordingly.

For 2022, 60% of the income uplift figure of 73,546 € is expected to be spent on Professional Fees – Operations. The remaining expected income growth will be allocated to the following expenses: 15% to Travel expense, 15%, to Annual Fairs & Exhibitions, and 10% to Marketing expense. An increase in the 2022 end-of-year Doubtful Accounts accrual is also calculated in the rolling budget throughout the year based on increases in income over the baseline budget.

5.4 Detailed descriptions, clarifications, and comments

Below you will find the details related to the individual items in the 2022 budget.

1. Membership fees are calculated based on the annual fees to be invoiced in 2022 for all members approved by the end of Dec. 2020, taking into account the fee increase effective Jan. 2022, plus a 5% increase in income from fees to be obtained through the expected growth in members.
2. Income carried forward is the surplus from last year's activities as presented in the 2021 Accounts. The surplus is a result of new members joining in the last quarter, providing an income not yet allocated to activities in the rolling budget.
3. Allowance for doubtful accounts is a reserve, to cover a possible reduction in income due to members leaving the organisation. It is set at the level off-boarding experienced in 2021, plus a 15.53% increase in line with expected baseline income. An additional 5% has been included in the target budget, in line with the projected increase in income.
4. Previous year income deferral – unused, is the amount of the 2020 deferred income which was not fully spent in 2021 and reversed back into income, as the pandemic restrictions led to further cancellations of events and other planned project activities.
5. Domiciliation expense reflects the actual amount expensed in 2021 for the virtual office in Brussels and associated administrative costs. An increase in the baseline budget has been included to provide for physical offices in the second half of 2022.
6. Fees – Accounting/Tax/Legal, are based on the actual amount expensed in 2021, plus an increase of 35% in the baseline budget to cover additional legal support for the updating of the Internal Regulations and changes in the Statutes required to align with the new Belgian Companies Code and in line with the new Peppol Agreements.
7. Professional fees – Operations, are the Consultant costs – for the Operating Office individuals who handle the day-to-day operations, administration, and centrally assigned support functions, including the provision of technical resources dedicated to the Domain and Stakeholder Communities, Work Groups and other development and maintenance procedures and projects. Cost of Operations also includes work on business and market development, policy development and enforcement, business analysis and institutional support. In 2022, 60% of the uplift income will be allocated to this expense category as needs have increased due to the implementation of the new Agreements, Policies and Procedures as well as the expansion into new jurisdictions such as Japan and increased cooperation with other stakeholder groups such as EESPA and the GIF WG.

8. Professional Fees – Tools and Consumables, covers costs related to service agreements, software licenses, PKI certificates and other third-party hosting services. These provide for centralised support, such as the Peppol Service Desk, the Testbed, Peppol Directory, the website, net-meeting/webinar tools, and real time GA Meeting/Election facilities. Also the Atlassian suite of products (Jira/Confluence) which provide workflow for technical support, change management, and sharing of information. An increase has been included for further development of the accounting/billing system, following an upgrade at the end of 2021.
9. Fees – Subscriptions and Memberships covers the annual cost for OpenPeppol to participate in CEN/TC 440 and CEN/TC 434 committees. No additional membership fees are expected in 2022.
10. Travel expense has been adjusted in the baseline budget as costs are expected to return to pre-pandemic levels from Q2 2022. An additional 15% of the income uplift is included in the growth budget to account for expected costs for travel to additional meetings and events, including the OpenPeppol 10th year anniversary.
11. Annual Fairs and Exhibitions has also been adjusted back to pre-pandemic levels in the baseline budget to cover member meetings and external events. As with travel costs above, an additional 15% of the income uplift has been included to cover additional events, including the OpenPeppol 10th year anniversary.
12. Marketing expense has been increased in the baseline budget for the development of new branding materials and videos, plus an additional 10% of the income uplift has been included for the development of new marketing materials for external events, including the OpenPeppol 10th year anniversary.
13. Bank and Financial Charges has been adjusted in the baseline budget to reflect an increase in both inbound and outbound payments.

6 Vote 6 – Decision Item:

Approval of the OpenPeppol AISBL Operational Plan and Budget for 2022

The 14th OpenPeppol General Assembly, gathered on the 5th of April 2022, hereby approves the OpenPeppol AISBL Operational Plan as described in Chapters 2, 3 and 4 of this document and the Budget for 2022 as seen below, further elaborated in chapter 5 of this document.

2022 BUDGET CALCULATIONS FOR GA14 APPROVAL	2021 Year-end Result	2022 Baseline Budget	Income Uplift of 5% due to growth	Uplift distribution to expense categories	GA14 Target Budget 2022
Income	1.402.034	1.553.899	73.546		1.627.445
Membership Fees	1.329.846	1.536.425	76.821		1.613.246
Income carried forward from previous year	24.292	26.281			26.281
Doubtful Accounts Previous Year Reversed	48.471	56.695			56.695
Allowance for doubtful Accts. Current Year	-56.695	-65.502	-3.275		-68.777
Previous Year Income Deferral - unused	56.120				
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