

QR-Bill Instructions for Companies: Set Up, Processing, Synchronizing

1 Introduction

With the harmonisation of Swiss payment services, sustainable foundations for even simpler and more cost-effective processes are being created – taking advantage of long-term synergies in the value chain between payment service providers, financial institutions, and consumers. ISO 20022 serves as the basis that will further accelerate the development of digital payment services.

With the introduction of the QR-bill, it is easier to issue and pay invoices. The new format replaces the payment slips that have been used for over 30 years, including the red and orange payment slips. The QR-bill ensures that the entire process is more digitalised and that manual effort is reduced. Specifically, this means less susceptibility to errors during processing by the biller and during the scanning of invoices. But the QR-bill continues to be payable in paper form. All information contained in the QR Code of the new format are still readable with the naked eye.

Since 30 June 2020, businesses should be able to process the new invoice format. From invoicing to payment and notification, payment processes become easier and more cost-effective for businesses. This requires adjustments, especially in accounts payable and payment software. Reader and scanning hardware and software must also be prepared to process QR-bills.

1.1 Definition of QR-bill with QR reference

The QR-bill is:

- a bill with an integrated payment part, including a QR Code and receipt.
- a bill accompanied by a payment part, including a QR Code and receipt.

When using the procedure with the QR-IBAN and QR reference, the biller's goal is to automatically reconcile open accounts receivables upon receipt of payment using the indicated reference. The QR-IBAN requires that the payer enter the reference and that the payer's financial institution forward that reference. The two elements «Additional information» and «Bill information» are available for further information and can be used as needed.

1.2 Advantages for billers

- The QR-bill can be prepared directly in the invoicing solution.
- Invoicing is possible in CHF and EUR.
- The Swiss QR Code contains all information on the payer (e.g. name and address), which increases the quality of accounts receivable management.
- 26 (out of 27) of the digits in the QR reference can be defined freely, or existing reference numbers can be used.
- The biller can transmit structured information in the «Bill information» element to the bill recipient.
- Messages can be transmitted if the QR-IBAN is used.

1.3 Advantages for bill recipients

- All information necessary for the payment is contained in the QR Code and also printed in the payment part and can therefore be read without technical aids.
- All payment information can be scanned with a smartphone, reader, or similar device, and sent to the bank via Online / Mobile Banking. Manual entry or supplementation of data is minimised.
- The payment part can be used for many different payment channels (e.g. in person at the post office, payment order at financial institutions, Online / Mobile Banking).

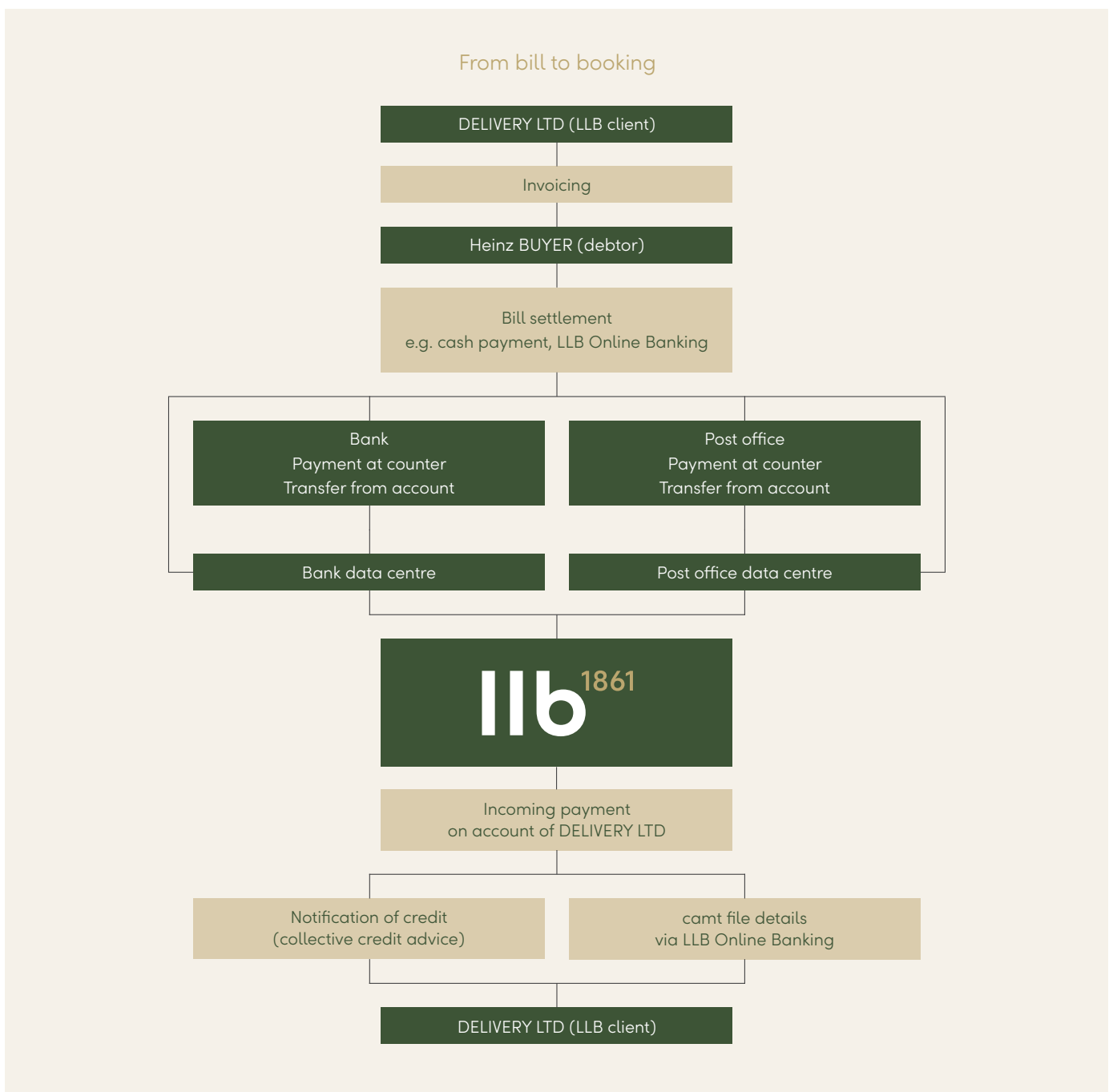
1.4 Advantages for accounts receivable management

The introduction of the QR-bill further simplifies payment transactions with debtors, because a clear reference in the payment message allows for a smooth and simple reconciliation of open accounts receivable items. The LLB electronically provides the data for the payments received. The accounting software of interested companies automatically posts and reconciles the incoming payments with the payments receivable.

1.5 From bill to booking

1. The QR-bill including the payment part is printed in a single step. A numerical, unique reference makes it possible to allocate the incoming payment to the corresponding customer receivable.
2. The biller sends the QR-bill with the payment part to the customer.

3. The customer can pay the QR-bill in cash at the post office or by a bank or postal account transfer. Payment can of course also be made via a voucherless payment system such as the LLB E-Banking.
4. The preferred bank or post office forwards the data to the data centre for further processing. During this process, the payments are transmitted to the LLB as a credit.
5. The LLB books the incoming payments on the biller's account and sends him a credit advice.
6. The biller can then download the camt file at any time via the online service of LLB Online Banking and process it further in his own accounting.



1.6 Preconditions for invoicing

The payment part of the QR-bill transmits considerably more information than the previous payment slips. The resulting added value benefits administrations, large and small businesses, as well as private individuals. To ensure that the QR-bill can be processed, the layout of the payment part with the Swiss QR Code and receipt must meet several conditions.

QR-IBAN

Payment parts with a QR-IBAN are recognised through a special financial institution identification (QR-IID) within the QR-IBAN. A QR-IID contains values exclusively in the range 30000 to 31999. The **QR-IID of the LLB is 30172**. The QR-IBAN is an account number which must be used to indicate the credit account when issuing invoices with a structured reference. The formal structure of this QR-IBAN follows the rules set out in the ISO 13616 standard.

In order to use the QR-IBAN, billers must first contact the LLB so that the assigned QR-IBAN can be issued or created. When issuing an invoice with a QR reference, the QR-IBAN must be used to specify the credit account. When a payment is received, the QR-IBAN is used as the basis for crediting the corresponding customer account.

Booking and notification of incoming payments

Details about incoming payments from payment parts with a QR reference are obtained via camt message (camt.053/054) in Online Banking or via EBICS / Connect interfaces. Companies that currently use ISR credit record type 3 for the electronic notification of incoming payments, will automatically receive notification of receipt via camt.054 when they switch to QR-bill. Notification via ISR credit record type 3 will no longer be possible for incoming QR-bills.

Invoice readers

Invoice readers are useful tools and support you in the efficient recording of payments. Crealogix as a partner of the LLB offers tools for recording payments that are tailored to the most common software and e-banking systems. Discounts for clients of LLB and more information can be found online at shop.crealogix.com

2 Setting up the QR-bill with QR reference

2.1 Process and technical requirements

Companies check the technical IT options and requirements with their software supplier.

The setup process

1. LLB clarifies with the company QR-IID of LLB, QR-IBAN of the company, and the organisational process.
2. The company concludes an Online Banking agreement with the LLB.
3. The company specifies the layout of the QR-bill with its bank-specific data together with the software manufacturer and the printing company.
4. The company creates five fully printed, uncut QR-bills including payment parts for an operational test by LLB.

1 Clarify technical options

2 Specify bank-specific data and process

3 Prepare print template

4 Operational test

5 Approve and order prints

6 Set up LLB Online Banking

2.2 Sample QR-bill

Frau
Pia Rutschmann
Marktgasse 28
9400 Rorschach



Robert Schneider AG
Rue du Lac 1268
2501 Biel

Telefon: 059/987 6540

Mobil: 079/987 65 43

E-Mail: robert@rschneider.ch

Internet: www.rschneider.ch

Datum: 01.07.2020

Sehr geehrte Frau Rutschmann

Für die Erledigung der von Ihnen beauftragten Tätigkeiten berechnen wir Ihnen wie folgt:

Rechnung Nr. 3139

Position	Bezeichnung	Menge	Einzelpreis	Gesamt
1	Gartenarbeiten	28 Std.	CHF 120.00	CHF 3'360.00
2	Entsorgung Schnittmaterial	1	CHF 307.35	CHF 307.35
Summe				CHF 3'667.35
MwSt.				7.7 %
MwSt. Betrag				CHF 282.40
Rechnungstotal				CHF 3'949.75

Ich bitte um Überweisung des Rechnungsbetrages innerhalb von 30 Tagen.

Mit freundlichen Grüßen

Robert Schneider

Empfangsschein

Konto / Zahlbar an
LI60 0880 0000 1234 1234 1
Auftraggeber AG
Beispielweg 5
9494 Schaan

Referenz
RF18 5390 0754 7034

Zahlbar durch
Auftragnehmer AG
Musterweg 53
9491 Ruggell

Währung Betrag
CHF 1 949.75

Annahmestelle

Zahlteil



Währung Betrag
CHF 1 949.75

Konto / Zahlbar an
LI60 0880 0000 1234 1234 1
Auftraggeber AG
Beispielweg 5
9494 Schaan

Referenz
RF18 5390 0754 7034

Zusätzliche Informationen
Auftrag vom 15.06.2020

Zahlbar durch
Auftragnehmer AG
Musterweg 53
9491 Ruggell

2.8 Prevention of erroneous payments

The following situations can cause payments to be credited erroneously:

Starting point

1. System is not QR-ready. Payment templates and master data are saved in the system as ISR payment for creditor.

2. System is QR-ready. ISR standing order for creditor saved in the system.

3. System is QR-ready with new QR input mask for manual entry of QR-bill payment

Error

Because the payment system is not QR-ready, the bank client must use the ISR input mask to make the payment, even though the client is trying to pay a QR-bill.

ISR standing order is updated with QR reference.

End user selects the ISR input mask for manual entry of QR-bill payment.

Consequence

QR-bill generates ISR payment and, as a consequence, **high risk of erroneous credit** to the **account of a different client**.

- **Rejections** result in **major clarification** burden on the **part of the payer**.
- Erroneous credits result in enormous **burden on the part of payer and beneficiary**.

Changes to master data

In order to prevent erroneous payments, it should be checked when receiving a QR-bill whether the master data has to be changed or updated. In addition to the account number (QR-IBAN/IBAN), the name, address and, where applicable, the reference must be checked and adjusted as needed.

Mass changes to master data (e.g. automatic calculation of QR-IBAN) in the accounts payable system should not be carried out, given that it is up to billers to decide when they want to switch to QR-bills. This is how erroneous payments can be avoided.

QR-bills cannot be paid as an ISR

When receiving a QR-bill with a QR reference, it is necessary to ensure that the biller bank's participant number is no longer used for the payment, but rather the beneficiary's QR IBAN, which can be found in the Swiss QR Code or on the visible section of the payment part.

3 Testing

3.1 Self-validation of payment parts Validation platform for QR Code

The validation platform can be used to upload and validate text files and images for the purpose of quality control of the content of the Swiss QR Code (qr-validation.iso-payments.ch). The detailed validation result is provided immediately for each file.

Grid sheet for QR placement

A grid sheet (PDF) is available for download at paymentstandards.ch to verify the layout of the payment part. In particular, the grid sheet can be used to check placement of the Swiss QR Code on the payment part.

3.2 Operational test

Clients may decide for themselves whether they would like to have an operational test carried out. If so, the LLB carries out operational tests:

- for the initial printing of slips,
- when software used for accounts receivable management is modified, and
- if a large number of slips would result in high modification charges.

The LLB checks the readability of the payment parts. This helps ensure correct processing of the data feedback in the system.

Operational testing process

1. The client prints five fictitious QR-bills.
2. The QR payment parts are sent to the LLB, team Service Direct, Städtle 44, 9490 Vaduz.
3. The team Service Direct carries out the operational test and informs the client of the test results. If the test results are negative, the client must submit new QR payment parts. If the test results are positive, the team Service Direct gives the client the OK for operations.

3.3 Ready to go

When test and final inspection are successfully concluded, the client can use the new QR-bill with QR reference for accounts receivable and send the new QR-bill to his customers.