



MINISTRY OF DEFENCE

Trading Partner Guide to the MOD's electronic purchasing process



Defence e-Procurement Services

Advantages of using the MOD's electronic purchasing process

FASTER PAYMENT

NO PAPER INVOICES

LESS BUREAUCRACY

ENVIRONMENTALLY FRIENDLY

LESS MANUAL INTERVENTION

ACCURATE AND RELIABLE

IMPROVED MANAGEMENT INFORMATION

Contents

Section	Page
Chapter one	
Overview of the MOD's electronic purchasing process	4-8
Chapter two	
Connecting to Defence Electronic Commerce Service	9-14
Chapter three	
P2P message set	15-18
Chapter four	
MOD contract terms & conditions applying to e Purchasing	19-20
Chapter five	
Standards and requirements to communicate with DECS	21-23
Appendix A	
Overview of the general EDI Interchange handling requirements	24-25
Appendix B	
Overview of the general XML Interchange handling requirements	26
Appendix C	
References	27-28
Useful contact details	29

Chapter one

Overview of the Ministry of Defence electronic purchasing process

Introduction

The MOD's electronic purchasing process has two main parts to it

- A secure electronic gateway for sending and receiving information between the MOD and industry called the Defence Electronic Commerce Service (DECS)¹
- An electronic purchasing system used internally across the MOD called Purchase to Payment (P2P)

Together, they provide a fully integrated electronic capability for generating orders within the MOD, sending those orders to industry and processing electronic invoices and payments

This chapter describes in more detail how the electronic purchasing process works

The Defence Electronic Commerce Service (DECS)

DECS is a managed service which provides a single e-business portal for trading between MOD and industry. Through a range of e-business services & connectivity options DECS enables the MOD to conduct business electronically across all industry sectors. Importantly, DECS presents a single 'electronic face' for the MOD to its trading community.

DECS is the key enabler in the creation of the Defence Community e-business environment. It is being continually developed, introducing

new & improved services to meet both MOD and trading partner requirements. DECS allows for an e-business environment where information is shared collaboratively with the MOD's trading partners for mutual benefit.

Purchase to Payment (P2P)

P2P is the MOD's electronic purchasing system. It enables electronic ordering, receipting and invoicing to take place with industry trading partners. It represents an important step in enabling the MOD and trading partners to meet e-commerce and e-business objectives.

P2P

- Provides a single purchasing process, with all orders recorded in a central orders database
- Captures demands from MOD users, converts them into orders and then routes them electronically via DECS to the appropriate MOD trading partner
- Enables trading partners to communicate electronically with the MOD via DECS by submitting order acknowledgements, shipping details and invoices
- Enables accelerated matching of invoices with orders and receipts allowing for quicker payment. The P2P system removes the need for paper advice notes e.g. Mod Form 640s & AG173s

¹ DECS also hosts other services such as the Defence Collaboration Programme (DCP)

- Provides visibility and use of electronic online purchasing catalogues (e-catalogues) across the MOD
- Provides the MOD with consolidated management information to support future procurement strategies and better management of trading partner business with the MOD

The MOD's electronic purchasing process

The electronic purchasing process is as follows:

- An electronic purchase order for goods or services is sent by the MOD to the trading partner who then sends back an electronic acknowledgement
- For many contracts, an advanced shipping notification is electronically sent in by the trading partner to the MOD when the goods are about to be despatched
- On delivery of the goods, or completion of the services ordered, an electronic receipt is recorded on the P2P system by the MOD
- An electronic invoice is then sent by the trading partner to the MOD
- The order, receipt and invoice are matched by the P2P system, triggering payment to the trading partner. This is known as the 3 way matching process

Note:

There is also a 2 way matching process, when required as part of the MOD's contract terms and conditions, which does not require a receipting function to be completed before payment is made. Payment is made just by matching the purchase order and invoice. This does not affect any of the other obligations of the contract, including the requirement to submit a shipping label in accordance with DEFCON 129J. Receipt details are still recorded by the MOD for audit purposes.

Also, the MOD has introduced 2 more electronic processes

- Request for Quotes (RFQ) – sent electronically from the MOD to a trading partner
- Electronic Quotation (Q) – sent electronically from a trading partner to the MOD in response to an RFQ

RFQ and Q are currently available to Trading partners connected to DECS via EDI/VAN and the HTTPS link.

Further information about the process and the information required to make it work effectively and correctly is provided in the rest of this chapter

Purchase order supplementary notes field

The "notes" field on the electronic order is to be used only with the prior agreement of the MOD and the trading partner. This supplementary notes field is to be used only for additional clarifying information or reference to additional clarifying information located elsewhere. This field cannot be used to change in anyway the contractually agreed terms and conditions. Trading partners may reject orders on the basis of unacceptable supplementary notes.

Advanced Shipment Notification (ASN)

The ASN is sent by the trading partner to provide details of the shipment including dates when consignments are to shipped and delivered. This advance notification is used to provide information to the MOD's logistic information systems to improve management of receipting, warehouse processes and consignment tracking processes within the MOD as well as providing MOD buyers with important information on order progress.

Certain contracts managed on P2P do not require ASNs. Trading Partners should check with their MOD commercial contact point to establish details of contracts that require the production of ASNs.



Use of the electronic (e) business delivery label/form

Label / form usage

The e Business delivery label / form, DEFFORM 129J, accompanies the package / consignment to which it applies. It may be attached as a label directly to the package surface, or as a form in a document envelope.

This label / form shall be provided by the Contractor for all deliveries of Articles and performance of Services where the original Order is raised under DEFFORM 30. Failure to provide this label / form will lead to greater resource effort, more input errors and delays in payment processes.

2 copies of the label are required, one with the goods and one in an attached envelope for easy receipting. Two copies are essential as it allows deliveries of heavy, bulky items to be made direct to the storage location.

Bar code symbology and print quality

The symbology to be used shall be Code 128 (ISO/IEC 15417 Information technology – Automatic identification and data capture techniques – Bar code symbology specification – Code 128), unless otherwise specified.

The barcode print quality shall be as defined in ISO/IEC 15416 (Information technology –

Automatic identification and data capture techniques – Bar code print quality test specification – Linear symbols). The Overall Grade shall be at least Grade B at point of printing and not less than Grade C at final point of receipt.

Certain contracts on P2P do not require the bar code to be included. Examples include many service delivery contracts. Trading Partners should check with their MOD commercial contact point to establish details of contracts that require the production of bar codes.

Delivery of goods and services

Goods, or services, are 'delivered' to the requested receiving points by the trading partner at which point they are either receipted into P2P manually with reference to the Unique Order Identifier (UOI)/Unique Receipt Reference Identifier (URRI), or alternatively information about the receipt is captured from the e Business Delivery label using Bar Code readers and then processed by one of the MOD's logistic information systems.

The e Business Delivery label includes key information, including the UOI or URRI for each purchase order shipment created. The UOI/URRI provides a unique identification so that purchase orders, invoices and receipts can be automatically linked and matched later in the P2P process.

Important information about the UOI and URRRI

The UOI has three parts to it:

- The purchase order number, a unique Purchase Order identifier generated by P2P
- The second part is the Purchase Order line number
- The third part is the shipment detail - the Purchase Order line shipment number

The URRRI is a unique reference, generated within P2P. URRRIs are ONLY produced for orders for items classified as Inventory items (i.e. have a unique identifier known as a NATO Stock Number (NSN))

- The P2P system generates a unique alphanumeric code for each purchase order line and shipment created
- Trading partners must ensure that part deliveries are identified by adding a suffix after the URRRI, A for the 1st consignment, B the 2nd consignment, and so on until the total shipment is completed

Trading partners must be able to identify the UOI and URRRI in their business processes, as the UOI and URRRI are essential references and must to be quoted in all electronic messages sent to P2P. Also the UOI/URRI must be reproduced on the **e Business delivery label** that accompanies goods sent to the delivery addresses provided on the purchase order.

Receipting

Details about deliveries from trading partners are captured by the MOD at various receipting points. This information is sent to P2P in 2 ways; manually – by simply updating P2P records online, or the data is captured on one of the MOD's logistics systems and sent to P2P electronically. Either way ensures that P2P is rapidly updated once the delivery has been received.

Where a 'Service' has been provided by a trading partner, rather than 'goods', then receipt details are entered manually into P2P by the authority within the MOD who ordered the service

Invoicing

Trading partners send invoices to P2P via DECS once the goods are consigned to the MOD (**invoices should not be input before the goods are despatched or the services have been provided**). The quantity invoiced must be equal to the quantity actually despatched in any shipment – any difference will result in a failure of the invoice matching process and delay payment whilst the discrepancy is investigated and resolved. This also applies to differences in the item price invoiced against the agreed contract item price.

On line credit notes

Trading partners will be able to submit electronic Credit Notes (CN) to the MOD from Summer 2010. This will be the MOD's preferred method of receiving credits for orders/invoices that have been generated and sent electronically between the MOD and its Trading partners.

Electronic catalogues (e Catalogues)

Important Information about electronic invoicing

Invoice information must include (amongst other data)

- Trading partner's GAX (contractor) code (see below)
- The Unique Order Identifier/Unique Receipt Reference Identifier
- Invoice quantity
- Gross invoice value
- Various VAT data items, including the trading partner's VAT registration number

The **GAX code** (contractor code) is provided by the MOD's Financial Management Shared Services Centre (FMSSC) Contractor Registration Team and the format must be 1234500, i.e. a 7 digit number, without any embedded spaces. Supplying an incorrect GAX code format will result in delayed payment. The first 5 numbers are the specific GAX code (DFM contractor Code) and the last two digits are the pay site identifier (address code). For Trading partners with a single pay site, the address code will normally be "00", but it should not be assumed to be so.

Trading partners unsure of their GAX code should contact their MOD commercial officer, or the FMSSC on 0151 242 2000.

Commercial style invoice numbering is supported, provided invoice numbers are unique within the trading partner/trading partner pay site (i.e. unique within the GAX code). When supplying an invoice reference number, trading partners should be aware that P2P will only retain the first 14 characters for UK Invoices and the first 10 characters for non UK invoices.

Invoice amounts should be entered to 2 decimal places.

Payment

The invoice, purchase order and receipt quantities and values are checked and matched in P2P and provided all the details matched up payment is made. (In some cases, just the invoice and purchase order details are matched up) Validated P2P invoices will be included within the overall payment made to a trading partner by the MOD, accompanied by a remittance advice containing details of all invoices covering P2P and non P2P payments.

The electronic catalogue service allows trading partner to provide their product catalogue in electronic form on the MOD's electronic purchasing system , P2P. This enables MOD employees to purchase these items online. Trading partners can update their e catalogue electronically – update prices, add additional items etc. The orders are channelled through P2P which enables electronic invoicing, thereby producing quicker payment and improved cash flow. Further details about how to use the e catalogue service can be found at the www.d2btrade.com website.

Chapter two

Connecting to the Defence Electronic Commerce Service (DECS)

Introduction

IMPORTANT

Prospective suppliers to the MOD must be registered as DECS trading partners **before** they can trade electronically with the MOD

**REGISTERING FOR CONNECTION TO DECS DOES NOT GUARANTEE
A CONTRACT WITH THE MOD**

This chapter provides information on the message standards used and the connectivity channels options available to trading partners for exchanging purchasing and payment information with the MOD electronically.

More detailed information can be found on the DECS website www.d2btrade.com

The minimum requirements to allow secure electronic transfer of business documents between computer systems:

These are the minimum requirements for information transfer between e business systems

- A standard format for arranging and presenting the business data within the message. Examples include traditional Electronic Data Interchange (EDI) standards such as EDIFACT and emerging standards such as eXtensible Mark-up Language (XML)

- A communication mechanism for transporting the message between the parties, in a secure and reliable fashion. Examples include the use of commercial EDI network providers, or use of the internet
- Systems or procedures in place at each end to receive/translate/process and reply to messages. Examples range from manual procedures, for example, printing/re-keying message into back-end systems, to complex message transformation and brokering systems with automated interfaces into a range of enterprise systems

Message standards

DECS provides a number of connectivity options which utilise either the United Nations EDIFACT (Electronic Data Interchange For Automotive Commercial & Transport) standards, or XML Open Application Group Integration Specification (OAGIS) v9 standard as the basis for defining electronic interchanges with trading partners.

Security

Moving from a paper based process to an electronic purchasing process means that systems have had to be developed to meet the strict security requirements of the MOD

Connectivity overview

A communication mechanism for transporting a message electronically must provide:

- A network infrastructure connecting the systems
- A standard protocol for transferring the message itself between systems

Connectivity options

There are three routes for sending and receiving purchasing information from DECS:

1. Access via the Exostar Exchange service provider – internet and message based options are available;
2. A commercial EDI Value-Added Network (VAN) service provider e.g. Global eXchange Services;

3. Direct connection to DECS using HTTPS.

The choice of connectivity option depends on a number of factors; key ones being;

- Volume of transactions expected
- Location of users (co-located or spread over multiple sites)
- Cost of connectivity
- Desire/need to integrate DECS messages within trading partner's internal IT systems
- Existing infrastructure or capabilities

DECS connectivity options

Trading partners need to decide how they wish to connect to DECS whilst taking into consideration their e-business strategy as well as the type and volume of trade conducted with the MOD. A number of options are available, designed to provide accessibility dependent on size, budget and IT capabilities. Detailed information for each connectivity option can be found on www.d2btrade.com

Connectivity option	Features	Factors for trading partners to consider	Typical time to Implement
Exostar	<p>Internet-based connection to a leading commercial aerospace and defence trading exchange Enables e-business with the MOD and other Exostar subscribers via the same channel</p> <p>Ability to handle large transaction volumes (Machine Link service) or low/medium volumes (Supply Chain Platform (SCP) service) Ease of set-up (SCP) - a Microsoft internet web browser is required</p>	<p>Do you already have an Internet Service Provider subscription?</p> <p>Extent to which you trade with Exostar Buyer Members as well as the MOD</p> <p>Aspirations for Business2Business trade - which may include e-sourcing and buying - with other organisations in the aerospace and defence business</p> <p>Requirement to integrate with back-office systems (Machine Link)</p> <p>Single user interface and integration mechanism for all orders from MOD and other Exostar buyers</p>	2 - 4 weeks

Trading partners connecting via Exostar do not actually connect to DECS – Exostar is a service provider the trading partner signs up to a contract with Exostar.

Trading partners wishing to connect via Exostar should obtain an account via the DECS Service desk on 0870 241 3569.

Connectivity option	Features	Factors for trading partners to consider	Typical time to Implement
EDI	Exchange of structured messages via a Value Added Network (VAN) Proven technology Capable of handling large Volumes of transactions Reliable, resilient and secure Potential to integrate with Back office systems	Transaction volumes on MOD contracts Is EDI Part of your existing and/or future Strategy? In house or third party expertise required For message translation and processing Set-up and ongoing costs for VAN and other software	Typically 4 - 20 weeks depending on the specific solution adopted
XML/Hyper Text Transport Protocol Secure (HTTPS)	Exchange of structured messages via an HTTPS link Use of OAGIS v 9.00 XML messages Proven technology Capable of handling a large volume of transactions Potential to integrate with back-office systems	Connection will be via the internet Do you have the capability or are you already working with XML messages under OAGIS – can you undertake the work to create the messages as per the specifications? Could you have the capability to link via HTTPS? Do you already have an Internet Service Provider subscription? B2B connector software will be required to handle HTTPS Client and server certificates issued by Trustis are required The time frame can be long – does this fit in with the required target go live date? Can you provide a secure site to host the transactions?	Typically 8 - 20 weeks

Connectivity costs

Trading partners will have to decide the way in which they wish to connect to DECS. Various

options are available and will range from a few hundred pounds to several thousands, depending on the solution that is chosen. Some examples are provided below:

	EDI	Exostar Trading partner Membership	XML/HTTPS
Setup Charges	Depends entirely on internal costs to develop "in house", or to employ a third party service provider	None	Initial certificate costs (see below) plus internal costs to develop "in house", or to employ a third party service provider
Recurring Charges	As above	Transaction based charge ranging from zero to \$2,500 per annum per account. 0 - 24 Free 25 - 120 \$449 121 - 1,200 \$745 1,201 - 4,200 \$1,149 Over 4,200 - \$2,500	You will require a Trustis Server and Client Certificate. The cost of the Production certificates are: 1 year TLS certificate £275 2 year TLS certificate £470 3 year TLS certificate £615
Notes	Specialist companies exist that will provide EDI development services, if you do not wish to develop "in house"	Prices are per Exostar account, not per user. Transaction volume will be monitored for first 9 months after registration date to establish a 12 month volume – the following years will be priced based on previous 12 months transaction volume. Transaction Types included: Purchase Orders, Change Orders, Planning Schedules, Advance Ship Notices, Goods Receipts and Invoices. Machine Link, if required, is additional cost and can vary depending on complexity of implementation	Guidance on how to apply for the certificates will be provided by the Trading partner Take-On Team once you have registered



Summary of Exostar connection

Exostar Exchange Connection

Requirements:

- Register with Exostar via DECS service desk on 0870 241 3569
- ISP subscription
- Microsoft Internet web browser software
- Reasonably low volume of transactions (low 100s per year. System will permit unlimited number of transactions, but with too high a volume these become unmanageable for a user)
- Machine Link (for high volume users) – Discuss with Exostar individual business requirements to determine cost

Advantages:

- All orders (MOD and non-MOD) managed through a single interface
- Easy access
- Web access without Smartcards
- Low cost if low volume, through transaction based subscription
- Can offer high volume user option-Machine link
- Multiple and/or generic user account per subscription
- Allows trading with other Exostar buyers
- Produces Shipping label
- Secure

Summary of EDI VAN connection

Connection via EDI VAN

Requirements:

- VAN subscription (provides dedicated mailbox on VAN network).
- Communication software/hardware and communication link (e.g. dial-up) as required by VAN.
- VAN-interconnect arrangement if not subscribing to the GXS Trading Grid.
- Where Trading partners have integrated to their own systems they should have the capability to Re-invoice. They should also be able to "hold" and turn-round data items, e.g. unique order identifier

Advantages:

- Particularly suitable for existing EDI VAN subscribers
- Proven, widely-used technology
- Assured delivery
- Integration to Trading partner's own systems
- Good for high volume use (1000s + per year)
- VANs typically support intermittent / dial-up connections.
- Supports inventory requirements
- Secure

Summary of HTTPS connection

Connection via HTTPS

Requirements:

- ISP subscription
- Web browser software.
- B2B connector software will be required to handle HTTPS
- A client and server certificate issued by Trustis

Advantages:

- Easy access
- No subscription/3rd party involved
- Good route for high volumes
- Secure

Message security

For Exostar Exchange, a secure connection is in place between Exostar and DECS.

For the EDI VAN, the MOD have agreed that UK EDI VAN connectivity is secure and will not require further encryption. Requirements for delivery assurance are specific to the connectivity method adopted.

HTTPS connection will be via the internet using Trustis Client and Server Certificates. Trading partners must ensure that data transferred to/from DECS is hosted on a secure site. For more details please see document DECS trading partner HTTPS Connection Guide on www.d2btrade.com

Message translation/processing options

The electronic transfer of business documents requires systems or procedures in place at each end to receive, translate process and reply to messages.

Exostar Exchange has the systems/procedures in place on behalf of trading partners.

Trading partners who already participate in EDI networks will already have systems and/or procedures in place.

For those trading partners who do not have the systems/procedures in place, the range of possible approaches includes;

- Manually driven procedures for example checking a VAN mailbox via a dial-up connection using applications provided by the VAN
- Developing direct interfaces from Enterprise Resource Planning (ERP)/sales order/production systems to EDI VANs and HTTPS
- Utilising message transformation and brokering systems to connect multiple ERP/sales order/production systems to EDI VANs and HTTPS



Chapter three

The P2P message set

Introduction

This chapter provides an overview of the P2P message set. The full P2P message set consists of seven message types;

Purchase Order

Purpose: Conveys the MOD's requirements; Sent **from/to:** From MOD to trading partner.

Business Rules;

- Purchase Orders (POs) represent either an acceptance of a contractor's Offer or an Offer of Contract by the Authority to the contractor in accordance with the Terms and Conditions of the contract e.g. DEFCON 615A
- Purchase Orders can have multiple lines with multiple shipments per individual line, and the shipments could all be to different locations
- Certain information on the order needs to be returned to the MOD on the resulting invoice in the same format and case as sent – e.g. the Payment terms, and the Unique Order Identifier./URRI
- MOD has the capability to send "notes to trading partners" with the header, every line and every shipment on the order. These are 80 character free text fields (for line and shipment) and 240 characters for the header note in the P2P PO message. Trading partners will need to consider the practicalities of receiving orders with notes, particularly if they are integrating automatically to internal systems. MOD will

not use the notes fields to vary commercial terms but there could be important information held in these notes

- MOD also has the facility to supply large text fields formatted on a contract by contract basis (by agreement between MOD and trading partner)

Purchase Order change

Purpose: Conveys changes to the MOD's original requirements; sent **from/to:** From MOD to trading partner.

Business Rules;

- In accordance with DEFCON 503, Purchase Orders Amendments (POAs –also known as a Purchase Order Change Order) can represent either an acceptance of a contractor's Offer of Amendment to Contract, or an Offer of Amendment of Contract by the Authority to the contractor in accordance with the Terms and Conditions of the contract. Where Offer and Acceptance has already taken place outside of the P2P environment a PO message conveys to the contractor the information required to produce the e Business Delivery label and an Invoice message e.g. under DEFCON 615B arrangements. In all circumstances the **Terms and Conditions of the contract shall have precedence**
- When an order change is sent from P2P, the whole amended order is re-sent, not just the amended lines/items/data

Purchase Order Acknowledgment/ Negative Acknowledgement

Purpose: Response to a Purchase Order. Positive acknowledgment accepts purchase order. A Negative acknowledgment declines Purchase Order or parts thereof; Sent **from/to:** From trading partner to MOD.

Business Rules;

- Dependent upon the purpose of the order or order change, an Order Acknowledgement represents either an acceptance of an offer or confirmation of receipt of the message. **In all circumstances the Terms and Conditions of the contract shall have precedence.**

- Acknowledgement at Header level but applies to all line-shipments in the PO
- Use free text to identify reason for rejection or amendment (valid codes to be agreed with the MOD) and identify which line/shipment(s) are involved
- Some MOD contracts do not require acknowledgements at all, some only require negative acknowledgements and others require both positive and negative acknowledgements
- Notes should be provided if the line is not accepted
- For EDIFACT messages the Acceptance codes should be either 27 (Not accepted), 29 (Accepted without amendment) or 30 (Accepted with amendment) – see message 1290_DECS_P2P EDIFACT ORDRSP specification.doc for further detail
- For XML OAGIS messages the Acceptance codes should be either Accepted, Rejected or Modified – see message 2327_DECS_P2P Order Acknowledgement OAGIS v9 Message Implementation Guide.doc for further detail

Advance Shipment Notification

Purpose: Provides despatch advice;
Sent **from/to:** From trading partner to MOD.

Business Rules;

- No limit to the number of shipments detailed in an ASN
- A maximum of 26 part-shipments can be made against a requirement, as Z is the final suffix available. Trading partners should contact the MOD to agree an order amendment where further shipments are necessary
- ASN's can relate to shipments from different Purchase Orders for a single contract

Invoice

Purpose: Requests payment from the MOD;
Sent **from/to:** From trading partner to MOD.

Business Rules;

- **In all circumstances the Terms and Conditions of the contract shall have precedence**
- There is no limit to the number of invoice lines per Invoice message but all lines must relate to a single Purchase Order
- Invoice quantity should match the delivery quantity
- Invoices should not be submitted until goods or services have been delivered
- Purchase Order shipments may be part invoiced

On line credit notes

Purpose: To make refunds for returned items or make corrections to previously submitted invoices

From/to: From trading partner to MOD

- A quantity correction Credit Note (CN) will allow the total quantity billed against an order shipment to be reduced or a full credit to be applied
- A price correction CN will allow the price billed against an order shipment to be reduced

- A CN for a combination of both part quantity and part price correction should not be submitted; this may result in the CN being processed but the invoice not. In these cases the original invoice will need to be cancelled and a new invoice submitted

More information is available on the www.d2btrade.com website.

Request for Quotes

Purpose: Request for a Quotation (RFQ);
Sent **from/to:** From MOD to trading partner.

Business Rules;

- In all circumstances the Terms and Conditions of the contract shall have precedence
- There may or may not be a target price
- The trading partner being sent the request must be capable of electronic trading with the MOD using DECS and have an existing contract

Quote

Purpose: Provides price 'offer' to the MOD against request for goods or services;
Sent **from/to:** From trading partner to MOD.

Business Rules;

- In all circumstances the Terms and Conditions of the contract shall have precedence
- Line and revision number must match the line and revision number on the RFQ
- Quote must be in response to a Request for Quote sent by the MOD

Which messages are available using the different connectivity options?

The table below summarises which messages are available using the different connectivity to DECS options

	Purchase Order	Purchase Order Change	PO Acknowledge PO Negative Acknowledge	Advance Shipment Notification	Invoice	Request ² for Quote	Quote.
Exostar	Yes	Yes	Yes	Yes	Yes	N/A	N/A
EDI	Yes	Yes	Yes	Yes	Yes	Yes	Yes
HTTPS	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Further information about the P2P message set

Trading partners will find full details on the EDIFACT and XML OAGIS message specifications on the www.d2btrade.com website.

Trading partners that use the EDI or HTTPS messages into their internal systems should incorporate all message fields. Certain MOD commercial departments and contracts may agree a limited message field set e.g. no Acknowledgement or Order Change messages, but trading partners developing their systems with restrictions should be aware that they

will be limiting their ability to trade with other MOD areas. The optimum way to maintain full flexibility is to implement processing for the full message set.

P2P e-Catalogue purchases use the same messages as all other P2P purchases.

MOD e-Catalogues used by Other Government Departments (OGDs) only use the Purchase Order and Purchase Order Acknowledgement messages – trading partners should agree with the buyer(s) in OGDs how they intend to bill for purchases made, as the P2P Invoice message will not be processed for these orders.

² RFQ and Quote messages are unavailable at this time on Exostar.

TaxCon Message

The TaxCon message is not required for electronic Invoice messages sent by trading partners to the MOD via DECS. If trading partners need to include a TaxCon message e.g. to be consistent with their other EDIFACT implementations, it will be ignored by the DECS EDIFACT interface software. In this case it would also be advisable to inform Capgemini so that unnecessary support calls do not get raised.

The e Business Delivery Label

The e Business Delivery label is specified by the MOD in DEFFORM 129J Edn 05/03 for use by trading partners responding to P2P orders for both goods and services. Trading partners may need software to produce the label and a range of commercial packages are available which can do this. It may be beneficial for trading partners to discuss this requirement with their MOD commercial staff as, there may be flexibility particularly for some ranges of goods and services depending on the nature of business and the contracts involved.

Although not part of the electronic message set, the e Business Delivery label is a very significant part of the end to end purchasing process, its use speeds up delivery processing within the MOD and also helps the MOD make prompt payment. To ensure full compliance with P2P trading rules, and to ensure that a trading partner does not limit their ability to trade with anyone in the MOD, the full specification as covered by DEFFORM 129J must be applied.

Full details on the label are available on the www.d2btrade.com website.



Chapter four

MOD contract terms and conditions applying to e purchasing

Purpose

This chapter covers the contractual conditions that must be adhered to before purchasing can take place between a trading partner and the MOD

In order to trade electronically, Contracts with the MOD must contain the following conditions

- **DEFFORM 30** – The Electronic Transactions Agreement – Stand alone document referenced in the contract.
- **DEFCON 5J** – Unique Identifiers
- **DEFCON 129J** – The Use of the e Business Delivery Form
- **DEFFORM 129J** - The e Business Delivery Form – There are commercial software packages available in order to produce the label to required specifications
- And either, **DEFCON 522J** – Payment under P2P

Or,

- **DEFCON 522JA** – Payment under P2P – Matching the Invoice and Order (Two-way Match)

Copies of the latest edition of each DEFCON and DEFFORM are available on the MOD's Acquisition Operating Framework Commercial Toolkit (AOF – CmT)

<http://www.aof.mod.uk/aofcontent/tactical/toolkit/index.htm>

The following provides a brief overview of each of the DEFFORMs and DEFCONs

DEFFORM 30 – The Electronic Transactions Agreement

The DEFFORM 30 is a model agreement which is essential to enable electronic commerce to take place between the MOD and a trading partner using the Defence Electronic Commerce Service (DECS). It sets out the terms that will govern the conduct and methods of operation between the MOD and the Trading partner in relation to electronic messaging, data security and performance standards

The agreement deals with issues such as security of data, authenticity of messages, acknowledgement of receipt of messages, storage of data, intermediaries, interruption of service and limit of liability.

A copy of the DEFFORM including more detailed guidance and explanatory notes can be found on the AOF-CmT:

<http://www.aof.mod.uk/aofcontent/tactical/toolkit/content/defforms/defelec.htm>

It is the intention that all DEFFORM 30 Agreements are signed by a trading partner at the corporate level, and individual contracts refer to that one agreement.

Information on whether a corporate DEFFORM 30 already exists between your organisation and the MOD, or how to go about signing up to one, is available from the MOD's trading partner Co-ordination team

Telephone: 01225 828690
E-Mail:
mailto: www.DES-DePS-BusSpt1a@mod.uk

DEFCON 5J – Unique Identifiers

This replaces DEFCON 5 (that continues to be used for contracts that are not managed under the terms of the DEFFORM 30 agreement). The Condition refers to Unique Order Identifiers (UOI) and Unique Receipt Reference Identifiers (URRI) which uniquely identify a specific transaction. It is a vital element of allowing offer and acceptance to take place and to allow electronic receipting and invoicing to take place.

This Condition applies to the supply of both Articles and Services; though Clause 4 is only applicable to Articles.

DEFCON 129J – The Use of the Electronic Business Delivery Form

This replaces DEFCON 129 (that continues to be used for contracts that are not managed under the terms of the DEFFORM 30 agreement) and makes the use of the eBusiness Delivery Form mandatory. It requires that the form shall be provided by the trading partner for all deliveries of articles and performance of services where the original order is raised under the DEFFORM 30 agreement

The Form shall accompany the package/consignment to which it applies. It may be attached as a label, directly to the package surface, or as a form in a document envelope.

Failure to provide this label/form will lead to greater resource effort, more input errors and delays in the payment process.

This DEFCON calls up DEFFORM 129J – The Electronic Business Delivery Form.

What is the difference between DEFCON 129J and a DEFFORM 129J?

DEFCON 129J is the contractual condition that requires the use of the Electronic Business Delivery Form, whereas DEFFORM 129J is the Electronic Business Delivery Form itself.

DEFCON 522J – Payment under P2P

This condition details the payment obligations for contracts using e commerce . It states that in order to obtain payment the contractor shall, upon completion or performance of the Contract (or of any part of the Contract for which the trading partner is entitled to payment), submit an e Business Delivery Form in accordance with DEFCON 129J. This will enable the MOD to receipt the delivery of the articles or confirm performance of a service. The trading partner will then be required to submit an invoice. The MOD's P2P system will then match the original purchase order, the receipt for the goods or service and the invoice. Once a match is made payment is authorised.

This condition also details the MOD's responsibilities pertaining to the 'Late Payment of Commercial Debts (Interest) Act 1998'

DEFCON 522JA – Payment under P2P – Matching the Invoice and Order (Two-Way Match)

This condition is an alternative to DEFCON 522J, and details the payment obligations for P2P contracts where a Two-Way Match has been agreed.

Chapter five

Standards and requirements to communicate with DECS

Introduction

This chapter provides an overview on the standards and requirements for communicating with DECS ,

System operations

All trading partners should test and maintain their equipment, software and services necessary to effectively and reliably connect to DECS.

A Microsoft Internet Web Browser is required for connection to DECS via the EXOSTAR service provider

DECS change and configuration management

A comprehensive configuration and release management process is used to manage changes to the DECS environment. Changes and upgrades to DECS components are subjected to a controlled release cycle, moving through a number of environments and platforms before being applied to the live environment. All key components of the live DECS environment are continuously monitored for failure via an enterprise systems management tool, which raises alerts if exceptions occur. Any reported faults are recorded, and their resolution tracked through the standard DECS service desk tools and procedures.

DECS availability

The DECS agreement between Capgemini and the MOD includes a Service Availability Schedule, setting out availability targets for various aspects of the DECS service. For the message delivery service this is 98% of operational time where operational time is 24x365 less any planned down time. No distinction is made between service availability to the MOD or to the trading partners.

From time to time, planned down-time will be required to carry out essential work not possible whilst the service is operational. There is also a housekeeping window booked every month, normally the second Tuesday of the month between 18:00 and 22:00. This has been agreed with the MOD in order to carry out routine maintenance tasks and hence the service will be unavailable during this period. This will not be subject to notification as it will happen every month and so does not fall under the planned downtime for notification. Such non-availability of systems will, wherever possible, be scheduled outside of the normal working day. Except in an emergency such non-availability will be agreed with the MOD in advance.

Details of planned downtime will be notified to trading partners – either via details published on the DECS website at www.d2btrade.com and/or by direct communications (email or

telephone) with the Trading partner contacts nominated during the DECS registration process. **Trading partners need to ensure their contact details are kept up-to-date.**

Trading partner validation testing

Each trading partner connecting to DECS will go through a validation test prior to live trading, as part of the take-on process. Trading partners should make available the appropriate systems, resources and personnel, as required, to undertake this validation testing in a timely fashion. Trading partners developing their own software to receive and process P2P messages will be expected to fully test this before entering into a final test stage with Capgemini. Testing guidelines and generic test data can be made available to the Trading partner, in line with the P2P EDIFACT and P2P HTTPS XML Message Implementation

Trading partner training

Trading partners connecting via the Exostar Exchange should refer to www.exostar.com where they will find downloadable documents such as user or training guides as well as detail of any computer based self-teach training that is on offer.

EDI and HTTPS XML trading partners are expected to be interfacing DECS messages to their own systems and so are assumed to already have documentation and training materials for these systems.

Trading partner system changes & availability

If, at any time, a trading partner is unable to trade with the MOD via DECS, the Trading partner is responsible for ensuring that the MOD is informed accordingly and advised of any impact on their business.

If a trading partner's system is unavailable – such that the trading partner will not be able to receive or respond to DECS messages in their usual timescales – the DECS service

desk should also be informed accordingly. Similarly, trading partners should inform the DECS service desk, in advance, of any significant changes to the trading partner systems that might impact or alter their ability to transmit or receive messages to/from DECS.

The DECS service desk can be contacted on 0870 241 3569 or by email to decs.servicedesk@capgemini.co.uk

Once a trading partner has successfully undergone the validation testing for connection to DECS and been declared “DECS Ready”, the responsibility for ensuring continuing compatibility with DECS rests with the trading partner. If a trading partner wishes to repeat the DECS validation testing, the trading partner may be expected to bear the costs of such tests.

Security procedures & services

The www.d2btrade.com website describes the security measures built-in to DECS and specifies the general security obligations upon the trading partner. This section sets out additional information and technical requirements.

Trading partners are strongly recommended to apply the security controls specified in ISO 27001 to ensure that their systems are not misused in a manner which could disrupt, or attempt to disrupt the provision of the DECS service.

In particular, industry best practices should be adopted to ensure that:

- All messages destined for DECS are free of viruses
- Any systems connecting directly to DECS via the Internet are secured from the Internet by the use of firewalls and other devices installed to industry best practice
- No attempt is made to connect to systems or services within the DECS infrastructure other than those agreed to when establishing the connection

Message processing

Trading partners should check for and process messages from DECS in a timely fashion. Where response times are defined in business agreements between the parties (i.e. MOD and Trading partners) these will take precedence. However, as a minimum, it is recommended that DECS messages should be processed at least once per day, Monday-Friday.

Exception handling

Notification

The DECS Service Desk should be contacted by a trading partner experiencing an exceptional interruption to normal service – including, for example:

- Significant hardware, software, system or network failures
- Failures of third party services used by the trading partner (e.g. VANS, Internet Service Providers)
- Loss or corruption of data
- Security breach
- Denial of service attack
- Virus infection

Similarly, trading partners will be informed of any exceptional interruptions to the DECS services – either via details published on the DECS website at www.d2btrade.com and/or direct communications (email or

telephone) with the trading partner contacts nominated during the DECS registration process. **Trading partners need to ensure their contact details are kept up-to-date.**

Recovery and contingency arrangements

Comprehensive recovery and contingency processes have been developed for the DECS environment, to address potential failure of any of the DECS components. However, certain failure scenarios could result in the following occurrences:

- **Duplicate messages sent from DECS.**
Trading partner systems and processes should be capable of recognising a duplicate message (e.g. Purchase Order) and handling this in an appropriate fashion
- **Requests for re-transmission of messages to DECS.**
Trading partners may be asked to re-transmit messages to DECS. Trading partners should ensure that copies of sent messages are retained in a manner that allows re-transmission

Trading partners should ensure that they have recovery and contingency processes in place for their interactions with DECS. DECS is capable of recognising and processing duplicate messages received from trading partners. If a trading partner requires a message to be re-sent from DECS, this can be requested by logging a call with the DECS Service Desk.



Appendix A

Overview of the general EDI Interchange Handling Requirements

General EDI interchange handling requirements

This section sets out the specifications for certain technical and procedural requirements for use of the P2P service.

EDI message standards

DECS uses the UN/EDIFACT standards for electronic data interchange with P2P.

EDIFACT directories

The UN/EDIFACT directories used are Version D, Release 99B and Release 02B.

Syntax and character set

The application-level syntax is the EDIFACT default level A (UNOA) version 1. However, note that DECS additionally supports (and will send)

both UPPERCASE and lowercase character sets. The case in which a field is sent can be significant

The following characters are reserved for use as control characters within the UNOA character set and their use in data elements should be avoided if possible. If their use within data cannot be avoided, the Question Mark (?) character can be used to “escape” any separators that are part of the UNOA character set.

' (Apostrophe) segment terminator
+ (Plus sign) segment tag and data element separator
: (Colon) sub-element separator
? (Question mark) release character

Message set

The following messages are used. Refer to the relevant Message Implementation Guide for full definitions of the usage of each message.

P2P Document	EDIFACT Message Type	Message Implementation Guideline
Purchase Order	ORDERS	1287_DECS_P2P EDIFACT ORDERS Message Implementation Guide
Order Acknowledgement	ORDRSP	1290_DECS_P2P EDIFACT ORDRSP Message Implementation Guide
Purchase Order Amendment	ORDCHG	1288_DECS_P2P EDIFACT ORDCHG Message Implementation Guide
Advance Shipment Notice	DESADV	2212_DECS_P2P EDIFACT DESADV Message Implementation Guide
Invoice	INVOIC	1289_DECS_P2P EDIFACT INVOIC Message Implementation Guide
Request for Quote	REQOTE	2216_DECS_P2P EDIFACT REQOTE Message Implementation Guide
Quote	QUOTES	2217_DECS_P2P EDIFACT QUOTES Message Implementation Guide

EDIFACT envelope

Interchange envelopes (also known as Service Segments) enclose all EDIFACT data segments being sent to the same destination. The envelope contains the identity and electronic mailbox address of the sender and the receiver and holds a count of the number of transactions taking place.

The P2P interchange does not handle combinations of messages from a Trading partner within an EDIFACT envelope. Individual files must be created i.e. one for invoices and another for order acknowledgements, for each party the messages are to be sent to.

Refer to the P2P EDIFACT envelope specification for full implementation details – see document **1291_DECS_P2P EDIFACT Envelope Specification**.

EDI address

Both DECS and Trading partners are required to supply an Interchange Identifier or “EDI identifier” which uniquely addresses their particular organisation, and optionally, a specific system within the organisation.

If connecting over a VAN, the VAN provider can issue the EDI identifier to the Trading

partner. Existing VAN users will use their existing identifier. It is also possible for both parties to mutually define their own named ID to represent themselves. This would apply for Trading partners not using a VAN (i.e. connecting via the Internet) or if for some reason the VAN provider is unable to provide the identifier.

P2P Purchase Orders and Purchase Order Amendments will include a “routing address” or “sub-address” element (EDIFACT composite/element S002/0008) to distinguish between orders sent from P2P or EBC. Return messages sent to DECS by the Trading partner must include the same “routing address” or “sub-address”.

Refer to the P2P EDIFACT envelope specification for full details of the identifiers used and required – see document **1291_DECS_P2P EDIFACT Envelope Specification**.

Further information

For general information on the EDIFACT standard message types, refer to the United Nations Directories for Electronic Data Interchange for Administration, Commerce and Transport, which can be found at <http://www.unece.org/trade/untdid/>.

Appendix B

Overview of the general XML Interchange Handling Requirements

General XML interchange handling requirements

This section sets out the specifications for certain technical and procedural requirements for use of the P2P service using XML.

XML message standards

DECS uses the XML OAGIS v9 standards for electronic data interchange with P2P.

Message set

The following messages are used. Refer to the relevant Message Implementation Guide for full definitions of the usage of each message.

P2P Document	XML Message Type	Message Implementation Guideline
Purchase Order Purchase Order Amendment	ORDERS ORDCHG	2329_DECS_P2P Order OAGIS v9 Message Implementation Guide.doc
Order Acknowledgement	ORDRSP	2327_DECS_P2P Order Acknowledgement OAGIS v9 Message Implementation Guide.doc
Advance Shipment Notice	DESADV	2326_DECS_P2P Advance Shipment Notification OAGIS v9 Message Implementation Guide.doc
Invoice	INVOIC	2328_DECS_P2P Invoice OAGIS v9 Message Implementation Guide.doc
Request for Quote	REQOTE	2330_DECS_P2P RFQ OAGIS v9 Message Implementation Guide.doc
Quote	QUOTES	2331_DECS_P2P Quotation OAGIS v9 Message Implementation Guide.doc

XML envelope

All OAGIS v9 XML messages must contain a header (or envelope) known as the Application Area, which directly precedes the message content (known as the Data Area).

Refer to the P2P XML envelope specification for full implementation details – see document: **2332_DECS_P2P Envelope OAGIS v9 Message Implementation Guide.doc**

Further information

For general information on the OAGIS standard message types, refer to <http://www.openapplications.org/global/intro.htm>

Appendix C

References

The following documents comprise the complete hierarchy of documentation for the P2P service, which are referenced within this document or provide important related information. All of the documents can be found via the www.d2btrade.com website, or on request via the DECS helpdesk.

When a Trading partner registers and selects a connectivity option they will be sent the appropriate reference documents.

DEFFORM 30

Before the MOD trades electronically with a trading partner, contracts between the MOD and Trading partners for the provision of goods and/or services must contain an “electronic agreement (Defform 30) reference number. This will cover the commercial aspects of trading using e business processes it will be signed at corporate level. On rare occasions due to exceptional circumstances an individual contract level Defform 30 will be agreed upon.

Message Set Version 201 for EDIFACT messaging and Message Set Version 3.1 for XML/HTTPS messaging is covered by Defform 30 Edn 01/07 (Electronic Trading Agreement)

The DECS website

www.d2btrade.com Provides up to date news and information on DECS, also contains *Frequently Asked Questions* on a number of topics. Web **Browser and PC Specification**

It provides an outline recommendation on the specification for the Microsoft Web browser and PC, for use with each Service provided by the DECS.

P2P Message Implementation Guides (MIG's)

It provides detailed technical specifications on the implementation of the DECS P2P messages. Copies of these technical specifications are available on the www.d2btrade.com website.

E Business delivery label specification

It provides details of the accompanying hard copy information that trading partners may need to provide for any item delivered where the originating purchase order was raised through P2P. Speak to your MOD contact in the first instance for details and requirements on labelling for your contract(s). The DECS website www.d2btrade.com links to external documentation that MOD has provided regarding Delivery Label specifications (e.g. e Business Delivery Label – DEFFORM 129J, DEFCON 129J and DEFCON 5J).

DECS P2P EDI connectivity guidance for Trading Partners

It provides detailed guidance for trading partners choosing to connect to DECS with EDI, particularly those wishing to integrate the DECS message set with their own internal systems. This can be found on the www.d2btrade.com website.

DECS P2P EDI Connectivity – Testing Guidelines

It is a companion document to the EDI guidance above to assist in the testing phases of the implementation.

DECS Catalogue Trading Partner Engagement Guidance Document

Provides technical detail for Trading partners wishing to provide electronic catalogues for the MOD to purchase from via P2P. Please refer to www.d2btrade.com for further information on catalogue functionality.

Third Parties involved with DECS Connectivity

Exostar provides proprietary software that allows connectivity to DECS. Click Commerce (formerly known as Requisite Technologies) provide catalogue content management technology and services. Outline information on these organisations can be found via the www.d2btrade.com website, and more detail can be found directly from the organisations at;

www.exostar.com

www.clickcommerce.com

Useful contact details

www.d2btrade.com

- To register on line for the Defence Electronic Commerce Service (DECS)
- For information and guidance on DECS and the electronic services it offers.
- For frequently asked questions and answers area which you may find useful
- For an online copy of the Trading Partner Guide.

The DECS Helpdesk – 0870 241 3569

- For advice on DECS registration, queries arising using DECS, changes to your company name & contact details

The MOD's Financial Management Share Services Centre (FMSSC)– 0151 242 2000

- For payment queries

DE&S DePS business support – trading partner take on - 01225 828690

- For trading partner general guidance on DECS electronic trading via P2P

Go to: Other useful websites

- EXOSTAR www.exostar.com
- Click Commerce www.clickcommerce.com

