SunTec®

camt.086: Unlocking the Value of Billing Data for Banking Customers

Introduction

Financial institutions (FIs) and their customers—particularly large corporate clients, SMEs, government agencies, and other FIs—are constantly looking for ways to improve their efficiency and transparency and automate business operations. The processing of invoices and the reconciliation of payments made against them have proved to be an Achilles' heel for large organizations with complex legal entity structures, multi-currency accounts, and account pooling requirements. This is complicated further because of multiple taxation schemes across the plethora of services availed by each of the legal entities, subsidiaries, and internal departments. Treasury departments of global organizations require an in-depth analysis of their relationship summary with the bank, and breakdown of service charges based on region, accounts, currencies, tax schemes, and service setup. They also require visibility into the rates used for computing these service charges to validate that negotiated rates have been accurately used for billing calculations and compare them with ongoing market rates.

Conventional paper-based invoices have already made way for digital statements that provide a comprehensive view of the service charges. But these digital documents (mostly in the form of PDF or Excel) are still fraught with limitations:

• Limited in Accessibility to Information

PDF statements contain only a limited level of information to prevent information creep and keep them readable. For instance, details of unitary pricing, particularly when the rate structuring is tiered or complex, is difficult to be represented in a PDF document. Similarly, aggregating views for relationship summary or customer groups, currency-wise breakup of accounts, and tax calculations may be difficult to comprehend through a PDF statement.

An EY Global Research[1] from 2022 highlights the lack of visibility among more than 80% of banking clients. Additionally, over 60% of organizations say that they are not satisfied with the clarity offered by banks for their charges.

• Lack of System Integration

The PDF format for billing statements of large corporates with multi-country operations and complex customer and account hierarchies could easily span across hundreds of pages. This would make it difficult for staff to analyze the statements and derive meaningful insights without relying on additional tools that extract relevant information. Corporates also require most of this information to be made available in their Treasury Management and ERP solutions for the invoice data to be accessible internally across their departments.

• Non-Standard Representation

While most banks and FIs represent similar set of information on their PDF statements, the layout of the respective details are not standardized, and placement of same sections vary from one bank to another. This makes it cumbersome for their corporate treasurers to extract specific details by parsing the PDF of different banks through their IDP applications. Sophisticated AI-powered solutions may reduce such issues to a minimum, but even the remote chances of error may result in huge reconciliation efforts.

Cumbersome Reconciliation Process

Finance teams need to integrate billing statements with ERP systems for reconciling service charges with the respective invoices, along with deductions made against them. This process can be improved if the billing statements are made available by banks along with invoice and collection related details. Similarly, reconciliation done against HSN and corresponding tax rates would be easier if the information for tax computation was made available at service line level. This requires additional information to be made available as part of the same statement structure. Additionally, with the number of services running into hundreds, the reconciliation may become significantly complex in the absence of structured data.

Support for Account Analysis Statements

EDI 822 has long been a standard reporting format for banks in the U.S. to provide details on balances, compensation, and earnings credit offset, along with typical service charges to their customers. However, the format remains limited in its ability to handle multi-currency accounts and tax details. Current systems are designed to primarily handle domestic AFP codes. This makes its usage limited on a global scale. This also requires most banks to provide a PDF version of the account analysis statement along with EDI 822.

TWIST BSB was conceptualized by the banking industry to address the above limitations and provide an electronic billing statement in XML format. This was later enhanced and replaced with **camt.086 Bank Services Billing** statement and brought under the ISO 20022 set of financial messaging standards.

SWIFT decommissioned the MT payment instructions by November 2025 and banks started moving towards ISO 20022 payments clearing and settlement messages (pacs) for cross border payments. And banks and corporate treasury operations are realizing the value of leveraging other ISO 20022 messages in cash management (camt) for greater automation, enriching and organizing data, and improving compliance.

Today, camt.086 is the global standard for banks and FIs to report and share bank fees and charges with their wholesale banking clients and other institutional customers. The comprehensive schema of camt.086 BSB also allows banks to provide additional dimensions of a billing statement. This covers tax computation, payment details, debit account, customer negotiated rates for a service categorized by common service codes (such as AFP or ISO 20022 Bank Transaction Codes), adjustments, earnings credit, balances used for computation, and currency exchange rates used for computation—in a structure that allows for grouping based on child customers and their underlying account relationship.

In the subsequent sections we analyze how banks and FIs can leverage this standardized e-Invoicing format, ISO 20022 camt.086, to make post-invoice processing and payments reconciliation more efficient and effective. With SunTec® Xelerate® as their strategic partner, banks can move beyond traditional invoicing and offer multiple statement formats, including camt.086, EDI 822, as standard extracts to their customer base.

Billing Statements Structured on Account Relationships

Corporate treasury may benefit tremendously from the ability of camt.086 to provide a single camt.086 XML file that groups multiple statements based on different legal entities of an organization's hierarchical structure. Each of the *Billing Statement Groups* in camt.086 captures customer-specific details under the *Receiver* tag and its sub-tags, and Bank-specific details under the *Sender* tag. It also provides with additional tags to provide the individual contacts of customer and the bank, as required. Account-wise statement split is provided as a *Billing Statement* in each of these Billing Statement Groups.

The camt.086 Bank Service Billing statement supports capturing the charges and other details for multi-tiered account hierarchies in a structured manner. This is a significant value-add for global companies with multiple accounts across different regions and departments within a customer entity. It may be achieved by capturing *Account Level* tag for each of the accounts (for which the Billing Statement is presented in that Billing Statement Group), along with establishing the *Parent Account* of each of them.

A top-level summary may be aggregated for the underlying child accounts. This provides a consolidated view of charges at the level of the customer (through a notional account) in each Billing Statement Group. This also aligns with the Relationship Summary provided in the EDI 822.

The camt.086 specifications allow for flexibility in capturing the required details that align with the needs of Account-level grouping and reporting unique to each customer. They also allow organizations to present the information in a tiered and structured format that follows the same specifications language as other ISO 20022 standard messages.

SunTec Xelerate supports pricing at customer and account levels, and it can also group the pricing and invoicing at different levels in the relationship hierarchy of a customer. This allows SunTec Xelerate to assemble and aggregate the billing statements in a single camt.086 based on the unique requirements and entity structure of a business.

Multi-Currency Support

ISO 20022 messages, by design, provide support for specifying the three-character ISO Currency Codes as XML attribute for each amount field. The camt.086 specifications take this a step further by allowing multiple currencies to be supported as named tags for different amounts reflected in the statement. This is imperative for businesses dealing with accounts in multiple currencies (Account Currency), while having different currencies for pricing the business transactions (Pricing Currency). They also need to calculate taxes in a different currency of the tax region (Host Currency), with a different currency for settling or debiting the charges (Settlement Currency).

For instance, the *Total Charge* for a Service (including taxes) may be made available as *Host Amount, Settlement Amount,* and *Pricing Amount* in three different tags with the respective ISO Currency codes captured. camt.086 specification allows for an optional and repeating section for *Currency Exchange* to remove any ambiguity around currency, exchange rates used for conversion. This section allows for multiple combinations of source currency, target currency, exchange rate used, and quotation date to be passed to the corporate treasury. This makes it easier for them to reconcile the charges across different currencies.

SunTec Xelerate supports multi-currency pricing and manages different currencies at individual account level, while offering the flexibility to price, invoice, and settle in different other currencies. Our solution can configure and manage rounding off parameters at each currency level and also apply rounding templates during conversions. This ensures accuracy and integrity in data processing and presentation. Our application also offers out-of-the-box functionality to publish various sets of currency exchange rates in camt.086 that makes it easier for our bank's clients to analyze the converted charges.

Comprehensive Tax Reporting

The camt.086 schema definition allows for capturing the tax calculation method, tax region, and non-resident country at each account level. Support for multiple tax calculation methods allows a bank to compute the tax either at a service line level or group level in pricing currency. This can be translated into settlement currency at service line level or statement level. Alternately, the specifications also allow no tax and undefined tax scenarios to be defined through the same *Tax Calculation Method* tag.

This allows banks to determine the appropriate method to be used for computing taxes in a specific currency and at appropriate granularity. It ensures that it meets the rounding-off requirements of the bank, as well as adheres to the regulatory guidelines of the tax region. The statement allows up to three tax types and corresponding rates to be defined for each of the taxable services. This caters to specific requirements in certain tax regions where multiple taxes such as National VAT, Local VAT may apply.

The *Tax Designation* tag under each of the *Service* tags captures whether that specific service is exempt, zero tax or taxable, along with its tax region, and calculation based on the method specified. Details on the regional tax code, tax rate, taxable amount, and tax amount in host and/or pricing currencies are available at the finest level under *Tax Identification* tag. This makes it possible for the finance and taxation department of businesses to extract the details from the camt.086 statement and reconcile it for creating any downstream tax reports.

An extensive Taxation product within SunTec Xelerate computes taxes at line level based on the tax schemes defined at the tax region level. Services are tagged with appropriate tax codes in our Enterprise Product Catalog (EPC) product, and tax is calculated for each of the invoice lines based on the tax designation and rates in the tax scheme. Both the services charges and tax amounts for these services are available in pricing, invoicing, and tax region currencies in required tags in camt.086.

Standardized Service Codes

camt.086 allows each Service to be identified uniquely by a bank's internal service identification code. But businesses may expect a standard reference code for each of these chargeable service events to be additionally provided. This helps them to identify the same services across camt.086 statements of different FIs. This is where the *Common Code* and *Bank Transaction Code* tags may be leveraged to map industry-level codes that are commonly used across different banks and FIs. The *Issuer tag* specifies the organization or industry body responsible for assigning the common code. Domestic AFP Service Codes are used to capture the standardized services in the U.S. against the Common Code. A Bank Transaction Code is a combination of Domain, Family, and Sub Family codes. It has a dedicated section for each service in camt.086 that makes it possible for a transaction being billed to be identified through standard ISO 20022 codes.

The availability of standard service codes against each of the service charges allows for service harmonization. Companies with accounts in different banks can easily compare their consumption patterns and service fees across these financial institutions. They can also compare aggregate service charges for that service to optimize future usage of those services.

SunTec Xelerate offers out-of-the-box support for Domestic AFP Service Codes as part of our EPC product. It also allows for presentations of these codes and descriptions in camt.086, EDI 822, and Invoice PDF. Our application provides the capability to extend the service identification to other types of industry, regional, bank internal, and customer-specific service identifiers. This makes the statements extensible for seamless reconciliation with systems of bank's customers.

Transparency Around Rates and Consumption

The camt.086 statement is not just limited to publishing the service charges and tax details at a granular level; it goes a step further by providing a deeper analysis of the pricing setup of each of these services, along with service volumes. There is additional flexibility available in the *Price* section that allows different pricing models such as Unit Price, Tiered Pricing (up to 9 tiers), Flat Charge, List Price, Threshold Price, Zone Price, Balance Based, Minimum Price, Maximum Reduction to be specified with their unitary rates and corresponding consumption volumes.

Inclusion of these details in the camt.086 brings absolutely clarity to corporate clients on how the charges have been computed for each of the services. It also becomes easier for these customers to view and reconcile any agreed or contracted rates and ensure that banks have based the service fees on these rates.

The Deal Management product of SunTec Xelerate can setup negotiated rates for products and service. And the same negotiated rates are reflected in camt.086 statements along with the pricing of these services. Our application supports multi-tiered rate definitions, both at the standard product as well as customer levels. The Enterprise Billing & Statements Management product reflects these rates in various statements formats, including camt.086.

Modernized Account Analysis Statements

The richness of the camt.086 schema caters to Account Analysis requirements by bringing in additional sections to capture the *Rate Data*, *Balance*, *Compensation*, *Balance Adjustment*, and *Service Adjustment*. The ISO 20022 External Code Sets for Billing Rate Identification, Billing Balance Type, Billing Compensation Type map to the corresponding AFP Codes. This ensures that banks can generate the camt.086 without any loss of information already contained in EDI 822 specification of ANSI X12 transaction set.

Banks in U.S. market can augment their camt.086 with additional information for Earnings Credit (EC) Rates, different ledger or float balance types used for EC computations. They can provide total amounts for Earnings Allowance, Balance Compensable and Non-Compensable Services, Excess or Deficit Earning

Allowance, etc. through respective Compensation Type codes. They can identify service level charges as compensable or not and provide for any balance or service adjustments from prior periods. The Account Analysis offering from SunTec Xelerate furnishes the camt.086 with these additional capabilities, while still allowing access to multi-currency transactions and tax related information in the same message. This provides bank's clients with an opportunity to follow a common message format i.e. camt.086 BSB for their operations globally.

Seamless Integration with Customer Systems

The camt.086 is published in XML format which is globally accepted and understood. This makes it possible for businesses and government institutions to easily integrate the transmitted files with multiple systems within their application landscape. This is also where the true power of the panoptic, multi-level structure of the camt.086 statement may be leveraged. Corporate ERP, treasury management solutions (TMS), and other reporting solutions can provide multifarious views to different teams and departments of these companies.

At the most basic level, banks and FIs can themselves generate the camt.086 as the golden copy of a customer's

billing statement and export it as PDF, HTML or excel file formats. Bank's customers may also build tools to ingest the received camt.086 and create different representations with only the pertinent information for specific teams.

ERP or TMS applications also allow import of these files to reconcile the service charges, invoice number, any payments made and post these details to accounting software at their end. This makes the process simple and straightforward and eliminates errors. Similarly, tax related reports may be extracted from the exhaustive tax related information made available in the camt.086, which makes the process more efficient and seamless.

Sophisticated Bank Fee Analysis and Reporting

Corporates can design a more advanced application specially developed to analyze the camt.086 statements from different banks. They can use it to check discrepancies in rates, inter-bank reporting and aggregation, identification of expensive and less-used services, trends on overall service usage, and rationalization of future service charges based on past consumption patterns. Companies with multiple divisions operating across multiple regions can gain from these tools as camt.086 allows them to compare usage patterns and service charges across their organization structures. They may also pave the way for automated monitoring and allocation of service charges, with alerts triggered in case of any anomalies or outliers. The tool could additionally verify whether disputes raised by customers have been successfully resolved, ensuring that *Service Adjustments* are accurately reflected through appropriate credits or refunds.

When combined with Account Analysis data from camt.086, such a tool can offer deeper insights. It can help identify optimal balance levels to minimize or offset charges, analyze trends in carry-forward earnings credits, and guide optimal use of excess credits in future periods.

camt.086 – a Powerful Instrument for Both Banks and Their Customers

The camt.086 statement does away with the deficiencies of paper and archaic electronic statements. And it also has the potential to become a relationship driver for banks by enhancing trust and transparency of their customers.

At a time when financial ecosystems are becoming more standardized, intelligent, and automated, banks offering the camt.086 to their corporate treasury clients may look at monetizing it as a value-added service. They can also get a ubiquitous view on their billing relationship with these customers. This will help in reducing friction in billing and payments and they can position themselves as their strategic partners in the digital economy.

By accessing enriched data from camt.086—including service charges, pricing models, tax details, and adjustments—corporates and wholesale banking customers can unlock significant value. It enables better invoice traceability, easier reconciliations, and more informed decision-making.

SunTec Xelerate offers a comprehensive feature set that span across product and service setup, pricing configurations, customer negotiations and preferences, and complex pricing computations through its various products. These capabilities come together to power an intelligent and intuitive Enterprise Billing & Statements Management product. It delivers holistic Bank Services Billing statements enriched with granular data—making them meaningful, insightful, and actionable for both financial institutions and their customers.

Unlock the full potential of camt.086 to simplify billing, track chargeable services, and ensure consistency. Write to us at contactus@suntecgroup.com to learn more.

References

1. How can optimizing bank fees fuel corporate success?- ey.com

About SunTec

SunTec is the world's No. 1 pricing and billing company that creates value for enterprises through its Cloud-based products. More than 150 clients in 45+ countries rely on SunTec to provide hyper-personalized products, offers, pricing, loyalty programs, tax compliance, and billing for over 400 million end-customers. SunTec products are based on our cloud-native and cloud-agnostic, API first, micro-services-based proprietary platform, Xelerate and are delivered on-premise, on private cloud and as SaaS. SunTec has global operations including the USA, UK, Germany, UAE, Singapore, Canada, Australia, and India. For more information, please visit us at www.suntecgroup.com or email us at marketing@suntecgroup.com

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