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Mapping a new world of business

How to remain compliant in the age of mandatory e-invoicing

Contents

The rising urgency within the electronic invoicing market

The phrase "digital transformation" has become common parlance within the modern business world. It is a phrase that is used to describe a range of activities and projects, but it essentially relates to the modernization of business. Companies are seeking to transition from legacy processes that rely heavily on paper documentation and manual labor towards digital, automated processes and document processing. Electronic invoicing has been viewed in the past as a quick start towards digital transformation but for many years the technology remained solely within operation amongst large-scale organizations.

It was 'Big Business' — companies that issue a vast number of invoices each year — that sparked the initial drive and rise of e-invoicing technology over 20 years ago. Those businesses saw that electronic invoicing brought in a range of easy benefits: a reduction in resources (paper, postage, overheads), the introduction of automation for document presentment and delivery, improved delivery rates, faster lines of communication, and more. What hindered the growth of e-invoicing was simply the cost and complexity of adopting an e-invoicing 'solution', particularly among smaller enterprises and SMBs. It became a question of cost against volume and scale, which many smaller businesses could not justify. Times have changed. The global e-invoicing market, according to independent market consultants Billentis,[1] consisted of around 55 billion invoices in 2019, roughly 10% of all global transactions. The market was valued at a combined estimate of EUR 4.3 billion at around that time. Since then, the market has swelled considerably. An Imarc group report has announced that the market was worth close to EUR 8.8 billion in 2021, doubling in value within 2 years.[2] They also forecast a compound actual growth rate (CAGR) of 21.5%, bringing the value up towards EUR 30 billion within 5 years. That is a dramatic rise for a technology more than two decades in use. Close to 50% of that growth is expected to come from European countries, so we can expect continued upheaval and acceleration within the market for some time yet.

Billtrust has been at the forefront of the global e-invoicing market for over 20 years. We deliver outbound invoices to over 150 nations worldwide and we have witnessed this radical shift in how the landscape operates first hand. The dramatic rise in e-invoicing adoption globally has been driven by a sense of urgency among businesses of all sizes, fuelled by several main factors. There are three main drivers influencing the global e-invoicing market today.

B2B e-invoicing continues to evolve

The first driver is an adaptation of the initial demand for e-invoicing.
Electronic Invoicing has, historically, been predominantly built around email
and PDF delivery. Companies would send a PDF copy of an invoice to their
customers via email, either to a personal or group (business) inbox. Larger
businesses have helped to fuel demand for e-invoicing technology further
by seeking to streamline the way their invoices are retrieved and processed
internally. The industry has seen significant growth thanks to the rise and
prominence of Accounts Payable (AP) partners, such as Basware, Coupa,
Tradeshift, Tungsten Network and others. These companies have built
technological solutions that help to funnel and control the inbound invoice flow
through an organization. This has helped to usher in a new wave of e-invoicing,
centred around structured data formats such as UBL 2.0 (Universal Business
Language) which is an open library of standard electronic XML (Extensible
Markup Language) business documents for procurement and transportation.
UBL is used for various documents including purchase orders, invoices,
transport logistics and waybills. This is a shift away from PDF documentation
and a move towards true electronic invoicing and data-centric processing.

**When using an AP provider, large businesses are enforcing their suppliers to
deliver invoices to them in a specific digital format and through the AP
provider's bespoke delivery portal or channel.** Each of the AP providers has
their own preferences and requirements, leaving suppliers with little choice but
to connect to these channels in one way or another. In many cases, suppliers
are forced to manually input data items into the AP provider's portal as their IT
environment can not meet the transformation and delivery requirements
necessary to generate an invoice in the chosen electronic format.

The COVID-19 effect sparks adoption race among smaller businesses

The second driver could simply be labelled The Covid-19 effect. The pressures of remote working and other issues that arose with the onset of the global pandemic forced many businesses, particularly SMBs (Small to Medium sized Businesses), to reassess their existing business processes. Companies that had been operating prior to lockdown in a traditional manner; for example, receiving printed invoices and operating from a central location, found themselves struggling to cope during the pandemic as staff were no longer operating from a central office. Post went unread, invoices could not be processed and, ultimately, payment flows suffered major delays. All these issues have sparked renewed interest and increased adoption for e-invoicing technology across this level of the market. While this document will focus its attention on the other drivers affecting the market in the main, it is worth noting the uptick in demand within the SMB sector. It will be interesting to monitor how this segment of the market evolves, as the third, and largest driver of demand within the e-invoicing market is responsible for additional disruption and increased adoption at this level of the market. We expect adoption rates among SMBs to rise dramatically in the coming years.

Government mandates drive unprecedented demand

The biggest demand within the e-invoicing market is the continued rise of mandatory e-invoicing. Government mandates are causing the most disruption within the market today, by far.

Government agencies operate in a similar manner to large-scale businesses, and they have similar needs for efficiency and cost-reduction. They are pushing to create government and public sector administrations that are paperless, data-driven, and data-focused. In Europe, we've seen this trend grow significantly in recent years, but movements in this direction started in Latin America around a decade or so previous, with Chile and Brazil being clear pioneers. There are now more than 100 government mandates already in action globally, with more to come. This somewhat recent rise in mandatory paperless invoicing, especially in Europe, has left many businesses scrambling to adopt solutions and install processes that can help them to remain compliant in their operating territories. One of the complexities here is that there are different types of mandate in operation and having clear information on what kind of mandates are in force, in which country, and to what market sectors they affect can be difficult to obtain. There are two main types of governmental e-invoicing mandates currently being enforced.

B2G

Business-to-Government is the most common type of mandate

Governments adopt e-invoicing to solve their own AP needs

The first, and most common type of mandate currently in operation affects Business to Government (B2G) transactions. In this instance, government agencies are acting almost exactly like large businesses and are trying to create efficiencies within their own inbound invoice flows. This type of mandate has become increasingly common across Europe.

In 2014, the European Union created a directive (EU Directive 2014/55/EU) that outlined a desire to build and recognize a pan-European standard for e-invoicing. This became known as the OpenPEPPOL (Pan European Public Procurement Online) project.[3] It also stated that mandatory use of the technology had to be in place across all EU member states by the end of 2018. It is estimated that over 100,000+ public administrations and agencies across Europe were affected by this directive.

This single mandate has forced all companies operating throughout the EU and who trade with those government and public sector agencies to find a means through which they can deliver compliant e-invoices to those agencies. The biggest challenge that businesses are facing from this directive is the sheer variety of approaches in operation across the continent. While the directive was created with a desire to build and recognize a pan-European standard for e-invoicing, that same directive allowed each member state to select their preferred channel and format, enabling them to determine their own preferred technologies and protocols. Regulations are now clamped and contained at a local level.

Tax collectors and the dawn of the Clearance age

While B2G mandates are the most common, the most disruptive type of mandates now in operation also stem from government legislation. **Tax authorities in many countries are seeking to use electronic invoicing technologies as a means to reduce their so-called "VAT gap,"[4]** which is the difference between the amount of tax revenue they expect to receive, and the actual amounts collected each year. This is of major concern to all governments and that gap is typically caused by a combination of tax fraud and inadequate tax collection systems. The VAT gap provides an estimate of the VAT revenue loss due to tax fraud, tax evasion, tax avoidance and optimisation practices, bankruptcies, financial insolvencies, as well as miscalculations and administrative errors. To combat this, some tax authorities have begun mandating electronic invoicing for all business to business (B2B) transactions, and in some cases business to consumer (B2C) ones too.

To simplify things somewhat, there are essentially two basic models which governments have adopted: the post-audit model and the clearance model.

THE TRADITIONAL POST-AUDIT MODEL

In essence, the post-audit model is mainly used by European and Commonwealth countries, and it requires that e-invoices are preserved and made available for audit by the tax authorities, after the invoice has been issued. The sender of the invoice must ensure that the authenticity and data-integrity of the invoice is maintained, either through digital signatures, EDI (Electronic Data Interchange) business controls, or other means. Here, compliance is registered and audited after the fact, and this model leaves companies able to choose their own preferred method of invoicing.

THE DISRUPTIVE CLEARANCE MODELS

Clearance models have a much more direct approach to monitoring and supervising transactions. **Clearance models force all companies sending invoices to third parties, in the countries where these mandates are in operation, to present invoice data in an electronic format to the tax authority for real-time validation and auditing through a centralized platform but that does not mean they all work in exactly the same manner.** Clearance models come coupled with a wide array of regulations and technical specifications on how invoices are to be exchanged. These can include:

— Highly-specific local invoice formats
   (such as XML/UBL, CFDI, PEPPOL formats, etc.)

— Invoice approval before invoice issuance

— Buyer consent

— Buyer response message capabilities

— Specific archiving practices

— Mandated tax content

— Human readability specifications

— Routing of invoice documents to government servers
   that assign invoice IDs

— And many more

Real-time reporting

Reporting of transactional
data to CTC platform in
near-time to **exchange**

Supplier

Government

Buyer
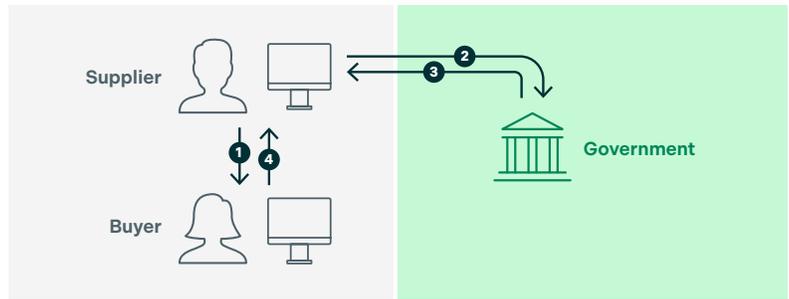
Clearance

**Validation by CTC
platform in near-real
time to exchange** and
validation post reception

Supplier

Government

Buyer
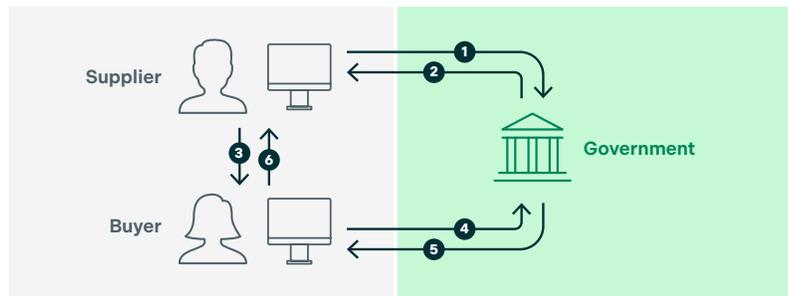
Centralized exchange

Transactions are
**validated and exchanged
by CTC platform**

Supplier

Government

Buyer
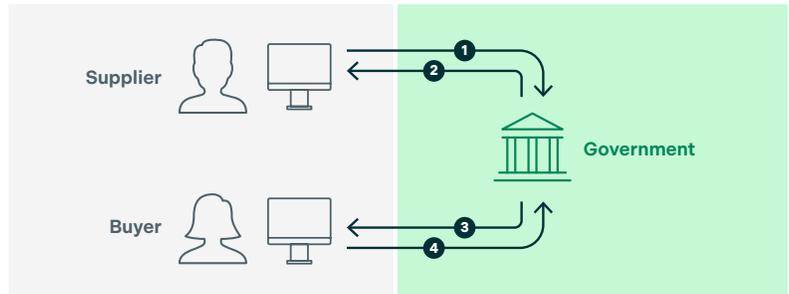
Decentralized CTC and exchange

**Decentralized exchange
with validations and
reporting** via network
of certified vendors

Supplier

Government

Buyer

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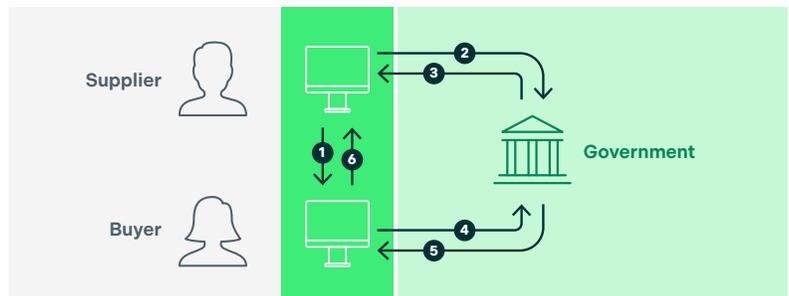
Clearance models are sometimes referred to as Continuous Transaction Control (CTC) models.[5] There are even different variations of these models in place today. Each with their own intricacies and peculiarities to decipher.

- A real-time reporting model, where transactional data is reported to the government agency at around the same time you issue an invoice to the receiver.
- A Clearance model, where your invoice has to be validated by the government authority on both the buyer and supplier side.
- A centralized exchange, wherein the Government acts as a kind of intermediary, validating and exchanging the data and invoice with the receiver.

And finally, the decentralized CTC and exchange model, which is by far the most complex, and can involve service providers on either side of the buyer/seller divide and thus end up with five different parties being involved in any one transaction.

For the purposes of brevity and simplicity, we will combine these different approaches into one in this article and refer to them jointly as clearance models.

Italy was the first European country to implement a clearance model, with its countrywide, mandatory B2B e-invoicing platform, SDI, launching in January 2019, but they were following Latin America's lead.

LATIN AMERICA LEADS THE WAY

Chile is recognized globally as the true pioneer in this regard, having introduced its VAT electronic invoice regime as far back as 2001, making it mandatory for most taxpayers by March 2018, but Brazil, arguably, has been the most high-profile and eye-turning example for many watching the industry.

By 2014, Brazil was already processing more than 90% of all B2B/B2G/B2C invoices electronically. Their country-wide project began as far back as 2008 and the infrastructure, while very complex, is one of the most mature and robust in operation. In 2019, 2.8 billion electronic invoices[6] were issued by the Brazilian Supply chain and an incredible 14.7 trillion electronic invoices were issued for Brazilian retail customers in the same year, giving the tax authorities direct insight into every sale or purchase of any goods and services across the country.

Other countries in the region have followed suit, including Peru and Mexico. In 2019 alone, there was a massive uptick across the region, with Argentina, Bolivia, Colombia, Ecuador, Paraguay and Uruguay putting mandates into action and Colombia estimated that they could gather 50% additional tax revenue by implementing a model similar to the one in operation in Brazil.

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And with figures like that, it becomes abundantly clear why the clearance model is becoming noted as the preferential invoicing model at government level.

EUROPE FOLLOWS SUIT

As mentioned earlier, Italy was the first country in Europe to adopt a clearance model, in a bid to reduce its VAT gap. In 2019, European Union (EU) countries had a combined VAT gap of 134 billion Euros.[7] Romania and Greece were the two biggest outliers in terms of the percentage of revenue, but in terms of overall money uncollected, Italy was the largest, with more than 30 billion Euros of uncollected tax in that year. The success of Italy's SDI platform has made other countries across the EU bloc sit up and take note.

Percentage of VAT revenues lost in each EU member state[8]
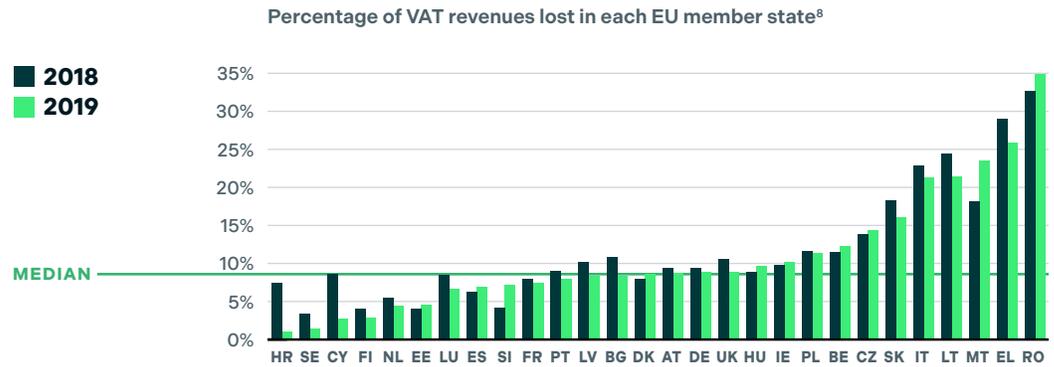
Germany had the 2nd highest VAT gap, in terms of money uncollected in 2019 (+23 Billion Euros), and discussions have taken place within the German parliament in recent months on the proposed benefits of introducing a clearance style model into the country. These developments will be monitored closely.

In November 2021, a draft bill was passed in Spain that paved the roadmap for mandatory B2B e-invoicing for companies and contractors there. Poland was due to introduce its own mandatory B2B e-invoicing platform in 2023, but, at the time of writing, we understand that this has been postponed until 2024, by which time B2B e-invoicing will become mandatory in Belgium also.

What's clear is that these are no longer isolated incidents. **These mandates are dramatically changing the landscape globally, rapidly, and are causing real complexities to companies throughout the ecosystem, even if these projects are bringing a range of benefits to the governments and tax authorities implementing them.**

The clearance model has gained such momentum because the invoice is the document which provides the most complete information for tax authorities.

Austria **2,895**	Belgium **4,444**	Bulgaria **508**
Czechia **2,835**	Croatia **77**	Cyprus **54**
Denmark **2,778**	Estonia **116**	Finland **646**
France **13,858**	Germany **23,443**	Greece **5,350**
Hungary **1,483**	Ireland **1,721**	Italy **30,106**
Latvia **237**	Lithuania **1,048**	Luxembourg **267**
Malta **287**	Netherlands **2,660**	Poland **5,379**
Portugal **1,609**	Romania **7,411**	Slovakia **1,313**
Slovenia **298**	Spain **5,840**	Sweden **597**
		United Kingdom **17,176**

EU-28 Total

€134.4 billion

The invoice document itself has become the catalyst and the central focus for much bigger projects.

Automating, streamlining, and accelerating the audit process helps those authorities move swiftly towards establishing a real-time, transparent tax monitoring system.

What we find interesting here is that it is the invoice document itself that has become the catalyst and the central focus for much bigger projects.

While the clearance model provides many benefits for the tax authorities, the clearance system is quite complex for all trading parties forced to deal with it. To ensure compliance, all companies need to have their own issuing certificate granted by the tax authority, which they use to electronically sign each document and just because the government demands an electronic invoice, that doesn't mean that the company's internal process efficiency is up to scratch, or that their means of communicating electronically with suppliers and buyers are sufficient, if they exist at all. The clearance model simply forces companies to play catch-up quickly.

In March of 2022, the European parliament called on the commission to set up a harmonised standard for e-invoicing without delay! This was a move to establish the role of e-invoicing in real-time reporting, but also to reduce the

cost of the creation of fragmented, different systems across the Member States. They also wish to explore the possibility of a gradual introduction of obligatory e-invoicing across the union by 2023. That is a short and ambitious timeframe.

This motion provides a recommendation to reduce the VAT gap across all Member States. The EU wants to simplify compliance with VAT obligations and receive data for monitoring and tackling tax fraud. They intend to design and propose a standard for the online reporting of data for (in the first instance) cross-border Union trade, preferably by using data from e-invoicing centralized/decentralized data processing for the detection of fraud. The data will replace all existing reporting requirements in this area and cause the overall costs of compliance to be reduced, notably for smaller businesses. Any data collected should be used with due respect for confidentiality and with consideration of all relevant data protection laws.

PEPPOL

Pan-European Public Procurement Online

The many different flavors of PEPPOL and the fragmentation of standards

For years, the EU has promoted and pushed the OpenPEPPOL (Pan European Public Procurement Online) Peppol project as a means of creating and enforcing standardization across the region. For some, including the EESPA (European E-invoicing Service Providers Association),[10] of which Billtrust is a member, this push for standardization has not gone far enough.

PEPPOL has established a large directory of contacts and companies, all linked via Certified Access points. As a business, you need to connect with an Access point, for example a service provider like Billtrust, in order to send your compliant invoices over the network to a receiver.

In 2020 the PEPPOL AS4 specification was launched.[11] This is the latest framework PEPPOL has created, which details the acceptable encoding and formatting that the PEPPOL network will accept. This replaced its former AS2 specification and became a mandatory acceptance requirement for every PEPPOL access point. While we think this update took a step in the right direction, Italy's clearance model subverted this push for standardization by requiring an additional set of mandatory data fields (Italy has outlined its own FatturaPA format[12]). This has fragmented the value of the PEPPOL standard, and Italy's move pays testament to the idea of standardization becoming locked at local levels, something PEPPOL was originally created to avoid. As we have already mentioned, the EU Directive 2014/55/EU was created with a desire to build and recognize a pan-European standard for e-invoicing. That directive, however, allowed each member state to select their preferred channel and format, enabling them to determine their own preferred technologies.

This PEPPOL fragmentation continues elsewhere. Singapore has joined the PEPPOL network. While this has its positives, including enhancing the reputation and acceptance of the PEPPOL framework globally, Singapore too has made its own iterations to the protocol. Australia and New Zealand have also decided to walk a similar path to Singapore and implement their own variant as well. So that will make four completely different variants based upon the PEPPOL standard. Where will it end?

The chances are that this is only the beginning. Singapore is moving fast. It wanted to eradicate PDF and paper invoicing in total in 2020 and make PEPPOL compliant invoicing the standard for all businesses. Only the pandemic has forced it to delay plans until later in 2022, and today we are witnessing many companies in Singapore having to scramble and arrange connections with a verified Access Point to ensure they can remain compliant.

This shines a light onto the main reasons that the global e-invoicing landscape is proving so complicated to navigate for global businesses.
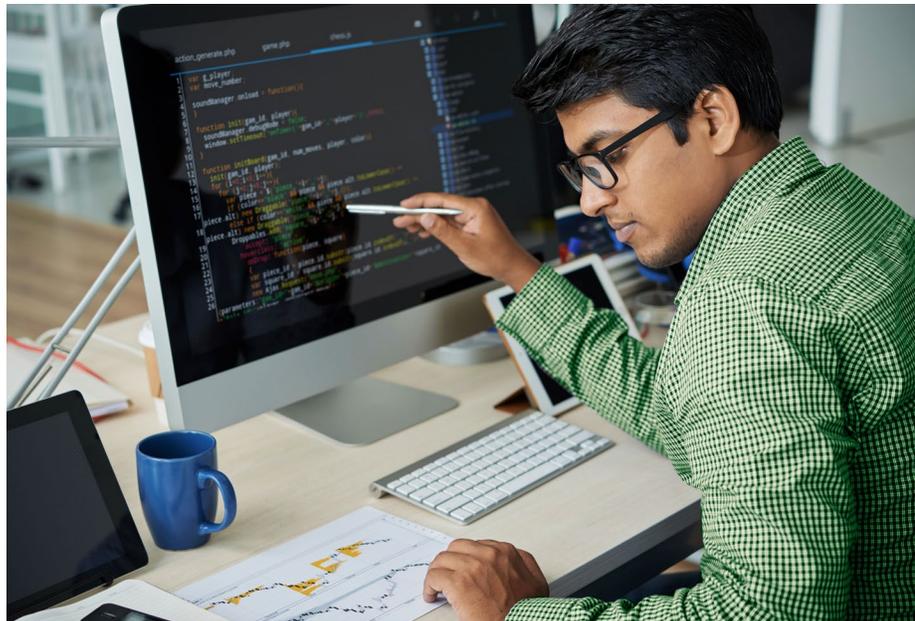
Too many solutions to one problem

The accelerating pace of change across the industry has left internationally operating businesses facing a perfect storm of technical requirements and stringent legislation that they are being forced to unravel and adapt to as best they can, without question.

There are a variety of service providers, offering differing levels of service, including domestic and international support and it is nigh on impossible to find a single service provider who can adequately support a full global rollout. There are multiple invoice formats and standards in operation. On top of formats chosen by governments and tax authorities, different industries have their own specific workflows and formats. And we cannot overlook the role that AP (Accounts Payable) channels play in this complexity. An international company's client base often works with a multitude of different AP partners and as such, as an invoice sender, they become forced into dealing with a multitude of these B2B channels as well.

GLOBAL E-INVOICING STANDARD FORMATS:

- ebXML
- OASIS UBL 2.x
- ISO/IEC 19845:2015
- UN/CEFACT
- PDF/A-3
- ISO 19005-3
- CEN/PC 434
- CEN/PC 440
- PEPPOL BIS 3.0
- Etc.

INDUSTRY-SPECIFIC INVOICE STANDARDS:

- ETIS (Telecommunications)
- GS1: EANCOM, GS1 XML and GS1 UN/XML (Various sectors including retail)
- ISO 20022 (Financial industry)
- LITIG/LEDES (Law firms)
- PIDX (Oil and Gas Industry)
- Rosetta Net (Automotive manufacturers)
- Etc.

COUNTRY-SPECIFIC INVOICING STANDARDS:

- Austria: ebInterface
- Belgium: BMF
- Czech Republic: ISDOC (based on UBL)
- Denmark: OIOXML (based on UBL)
- Finland: Finvoice
- Germany: ZUGFeRD
- Italy: BTW, FatturaPA
- Spain: facturae
- Sweden: Svefaktura, SFTI
- Switzerland: swissDIGIN
- Turkey: UBL-TR (based on UBL)
- Etc.

Suddenly, the streamlining and efficiency goals associated with e-invoicing can seem hard to obtain.

The truth is this: Standardization for e-invoicing has never been as straightforward as one would hope for. The fact of the matter is that **there are many different standards in operation globally and if your business is working internationally, the chances are very high that you will have to familiarize yourselves with a lot of these different channels and standards if you wish to remain compliant.**

Invoice channels work like highways. In theory they should make everything travel faster but there are several rules that need to be followed. If you're not careful, things can grind to a halt very quickly. Your documentation flow could end up stuck in a traffic jam and invoices that go undelivered don't get paid.

Also, what can occur far too often, in this case, is that the rules of the road can change from country to country, from AP platform to AP platform and from industry to industry.

Let's look at a few country examples.

In Germany, the B2G invoicing mandate that launched in November 2020 has two preferred formats: The XRechnung and the ZUGFeRD2.0 format, which the Federal agencies have been plugging for a couple of years.

A central portal was established, the E-Rechnungs-Portal which was to be used by all Federal institutions. However, the local regions, (Lander) have been allowed to determine how they wish to handle the matter. Some regions have stated that they will use the E-Rechnungs portal, others have said that they intend to build their own. Unravelling this complex situation could take some time.

Over in Brazil, you can encounter one of the most intricate setups currently in place. Every invoice is required to be cleared by the appropriate regional tax authority so one client invoice may have to be cleared in Sao Paolo, your

next in Buenos Aires, for example but all must go through a certified government-affiliated partner.

Hungary has been very active in this area in recent years. Hungarian businesses have been struggling to keep apace with the many changes and iterations the Hungarian government has made. In October 2020, for example, a new invoice format, the XML schema 3.0 XSD, was announced and scheduled to be introduced on January 1, 2021. That decision came only 3 months after they had implemented version 2.0 and gave them only 3 months to prepare. Companies, however technically advanced their operations may be, struggle to cope with such frequent updates, especially when they affect such critical business processes as order to cash.

>100
countries now mandate electronic invoicing

New mandates keep appearing

There are now more than 100 countries mandating electronic invoicing in one form or another. We have gathered information on each of those and will present an overview of them later in this document but the trend for mandatory B2B e-invoicing continues to rise.

So far in 2022, Paraguay has introduced its SIFEN, national e-invoicing system, the first step towards implementation of its mandate. Peru's B2C mandate was extended on June 1st to cover all companies earning less than 23 UIT (21 thousand euro), which we believe makes e-invoicing mandatory for all B2C transactions in the country.

Elsewhere, updates and new mandates have appeared, or are scheduled for launch in Australia, Vietnam, Japan, Panama, Kenya, San Marino and Italy have extended their mandate to now cover all cross-border transactions as well.

In Q4 of 2022, we're awaiting mandates to roll-out in at Belgium, New Zealand, Luxembourg and the Philippines, and moving into the start of 2023 we can expect big updates for Poland, Ecuador, Slovakia, Saudi Arabia, and Serbia.

France has announced that they want to make e-invoicing mandatory for all B2B transactions by 2023, and wish to have all invoices, across all sectors, sent electronically by 2025.

3x

e-invoicing industry growth anticipated by Imarc Group in the next five years

What lies ahead

The Imarc Group's e-invoicing market report expects the industry to more than triple in size and value within the next five years. Close to 50% of that growth is expected to come from the European region so we can expect continued disruption and an increased number of mandates to appear and drive this growth over the coming years. Elsewhere, there are some other interesting projects and developments occurring that are worth taking note of.

Firstly, South East Asia is catching up quickly. Demand across the region has increased dramatically in recent years and we have already seen mandates for e-invoicing and electronic tax reporting planned or come into force in Singapore, Australia, New Zealand, Japan, South Korea and Vietnam to name only a few.

There's a lot of activity happening in the Middle East and African regions including Egypt, which activated its B2G/B2B mandate in May of this year. B2B mandates are also upcoming within Israel, Kenya and Saudi Arabia as well.

Finally there are some very interesting developments happening in the United States of America, where some long-awaited projects are starting to take shape. While a B2G mandate has been in place for all Federal Agencies for some time, an in-market pilot program,[13] involving 73 organizations and run by the Business Payments Coalition[14] and the Federal Reserve's Fedpayments Improvement project, is of most interest. This pilot project runs throughout 2022 and aims to build an operational, nationwide e-Invoice exchange network, similar in approach to Europe's PEPPOL model. The organizations involved in the project each have extensive experience or expertise in sending, accepting or processing corporate invoices, knowledge of e-invoice exchange frameworks, open-source tools, access points and/or registry services. The group aims to establish an operational B2B invoice exchange framework for the U.S. market in 2023 which would be a massive milestone for e-invoicing across the United States. A further 42 organizations are assessing whether a similar exchange framework can facilitate electronic delivery of remittance information across all payment types. If these projects are successful, they could pave the way for a seismic shift in how B2B payments are handled across the nation. Billtrust will be monitoring developments in this area closely.

One size can no longer fit all.

A complex marketplace

Hopefully the reader can now understand how complex this landscape has become to navigate. And mapping an effective route through this landscape is no easy task. So how can a business begin to make sense of it all? Our advice begins simply: Do not be afraid to ask for help.

The level of complexity present within the global e-invoicing market is unfortunate and, in some cases, unnecessary but that does not change the fact that the complexity is there and must be countered.

A modern business must understand that its delivery requirements have changed and in many ways they, as a sender, are no longer in charge of that decision.

One size can no longer fit all. In-house systems need to become much more flexible and capable of communicating in different methods. Most ERP's and bookkeeping software packages are ill equipped to handle this sort of thing and are certainly not agile enough to make adjustments ad-hoc or in haste.

This complexity is why companies of all sizes are having to look towards service providers, like Billtrust and others. No matter how flexible their own internal business practices are, they simply need help to find a beneficial, cost-effective solution that's both manageable and adaptable. And one that can be turned around in a decent timeline.

Connecting to a channel is, after all, only the first step. Businesses should take care and attention to build a map and workflow for each receiver and try to adhere to all their requirements, where possible. A business must understand its delivery structure and regulations in exact detail: How many channels do they need, or are mandated to connect to? What channels would be helpful to connect to? Which countries are involved? Which formats must be supported? Are there any specific industry-focused standards that they need to support? How many additional customer requirements have they been asked to support? All of these questions and more must be answered.

A step-by-step guide to interoperability

At first building a connection does not sound complicated but in practice it can often turn out so. Some detective work is required to begin with. Let's take one of the many AP/B2B channels as an example.

1. **Make contact** with the preferred invoicing channel

2. **Examine delivery requirements** (e-invoicing format and legislation)

3. Ensure you can **replicate the format** required in your ERP/booking system

4. **Examine connection requirements**

5. Examine all **customer-specific (receiver) requirements** (additional field mapping)

6. **Build data connection**

7. **Test connection** (both sending and receiving)

8. **Schedule deliveries**

9. Monitor and maintain connection

Maintenance of these channels and connections is pretty much a constant, ever-running project. Establishing a data connection with an AP platform, or B2G invoicing network usually involves a trial-and-error system that requires a lot of testing and is a hefty IT exercise. Companies need to be sure they are prepared to handle these projects and would be wise to research and evaluate the delivery services of some of the global service providers, like Billtrust, to see if that could create a swifter, more cost-effective route to market.

Judging by the projects Billtrust has undertaken, and of those our customers and partners have made us aware of, it can take between 4 and 6 months to realize a connection to an AP platform and in some cases it can be longer. That is a costly endeavour, both in time and resources and it's almost always a project that is outside of normal budget and resource planning. These connections can cause a strain on a company's finances and, more importantly, the longer it takes to get the connection setup, the longer you're going to delay your business. You could end up stifling your order pipeline and if that continues for a length of time, no matter what business you're in, you're going to feel the impact of that.

Evaluating a service provider

The invoicing process is of critical importance to any business. Improving your connectivity will help you to focus on the business of doing business. Look for a provider who can help you to unravel this complexity. From an outbound invoicing point of view, make sure you do your own preparation well:

— Know your own environment

— Know your requirements

— Phase your project to make it manageable and achievable

And when looking for a supplier, search for a partner who is

— Focused on interoperability

— Can guarantee global compliance

— Supports multiple end points and delivery formats

Take time to understand the flexibility different providers offer. Your goal is to future-proof your invoicing process but you also need to provide continuous support to all receivers while you do that. Be aware of which channels and formats you want and need to support today and research which ones you need to add. Your invoice provider needs to be able to deliver invoices on your behalf across a range of roaming networks. An e-invoicing solution must enable you to satisfy the needs of your demanding customers by being able to deliver invoices in the format they request. This will make it easier for them to conduct business and in turn make it easier for them to pay you.

It may sound simple, but it's important to make sure you know the full extent of the options available to you and be sure to let your customers know which options are available to them.

Ideally your provider should work in a similar fashion to Billtrust.

Your company must oversee its own master data. It's your responsibility to deliver accurate customer and invoice data to the service provider. You must be able to present that data in an acceptable XML format but from there you can let the provider handle the rest of the technicalities, including:

— Data transformation and invoice presentment

— Complete audit trail tracking

— Roaming connectivity and maintenance

— Full archiving and payment tracking

— International payment options and acceleration features

Conclusion

The benefits of e-invoicing are real and valuable.

Business must tread carefully, however, because extracting the value from e-invoicing requires a lot of careful consideration and attention to detail. Interoperability is a key concern for any company implementing an e-invoicing project. The sheer number of e-invoicing mandates in operation globally, coupled with their differing rules of operation, integration and compliance enforces businesses to conduct in-depth research and preparation, in order to understand all of the requirements and legislation they must adhere to. Many companies are ill equipped or prepared for such an undertaking. Developing individual connections to B2B & B2G invoice networks is an extremely time-consuming, complex and costly process. As more and more of these platforms are created, so the complication grows.

Partnering with a service provider that is experienced with building channel connections and offers an extensive, global compliance service, with established connections to countries across multiple continents, would be a wise move for many international businesses to consider. Such a partnership would relieve them of a heavy IT project and alleviate many of the costs involved in setting up and maintaining such connections.

If a business can navigate this complex landscape of mandates and regulations effectively, they will be able to swiftly shift their entire invoicing process online; be able to process diverse payment types and integrate seamlessly into SAP or other ERP systems, payment platforms, and invoice channels. Crucially, they will also be able to remain globally compliant and rest safe in the knowledge that they can continue to conduct business in every market they wish to operate in. If a company can keep its interoperability in focus, E-Invoicing can enable the real-time, intricate management of the order to cash cycle a reality.

Also, businesses should remember to keep in mind how their invoice flow fits into their whole order to cash cycle. The invoice is the most important document in the entire cycle, ensuring that it is generated, presented, and delivered in a fully compliant manner can really help to improve your cash flow and improve satisfaction levels with all customers.

It can help you to conduct business faster, and more easily, worldwide. The global e-invoicing landscape is a complicated one to navigate, but if you can find a solution provider that is able to remove some of the complexity for you then hopefully you will be able to conduct business around the world in a seamless, hassle free manner, for both your company and its customers.

A reference guide for global e-invoicing mandates

> Close to 100 countries now mandate electronic invoicing in one form or another, and the list is growing.

These mandates differ in scope and intention from country to country. To help provide a basic overview of the currently active mandates (and some that are expected to arrive soon), we have curated the following country-by-country reference guide. While the guide is not intended to be exhaustive, it offers an insight into the differing standards and approaches to B2G e-invoicing that have been adopted globally.

The list has been collated by Billtrust's dedicated Compliance team, after having researched and detailed the information available as of September 2022. We have provided direct links to the relevant governing authorities and platforms where applicable.

If you encounter updates or amendments to any of the countries and requirements listed in this guide, or discover information about new mandates that you think we should be aware of, feel free to mail the information directly to us at <CONTACT EMAIL>. In this way, you can aid us in keeping this reference guide and other materials up-to-date with the most relevant and pertinent information.

For frequent updates, please check the Billtrust website. There, you can find an interactive B2G compliance map which provides a high-level overview of all e-invoicing mandates. This map is updated frequently. You can also contact us for more detailed information, including technical specifications and connectivity guidelines for many of the countries listed in the guide.

The Americas

Argentina

The Argentinian government introduced e-invoicing in 2003 but made it mandatory for all categories of companies, including for single-system taxpayers in April 2019. They allow the option of choosing the modality of issuing e-invoices and not using fiscal controllers. Personal property transactions are excluded from this regulation.

— **Mandate:** B2G, B2B, B2C

— **Model:** Clearance

— **Responsible Authority:** Administracion Federal de Ingresos Publicos (AFIP)

— **Platform(s):** No central platform has been established or selected at the time of writing. Taxpayers must first obtain the pertinent CAE or Electronic Authorization Codes from the AFIP.

— **Standard(s):** The e-invoicing system works with an XML file comprised of specific tax data as well as an electronic signature to verify document authenticity and integrity. The issuer creates the document in the format agreed with the client but must send invoice data using an XML based WebService to the AFIP. Companies issuing e-invoices with VAT must request a CAE number from the AFIP for each document. They must also inform the AFIP about the date at which they will start issuing electronic invoices at least five days prior to the date of issuance. In addition, mandatory QR codes are to be embedded within every e-invoice.

  • *For export documents, companies must request a CAE number and an official document number as specified by the AFIP.*

— **Legal Storage Period:** 10 years

Bolivia

The Bolivian tax authority had aimed to make e-invoicing mandatory back in 2019, building the e-invoicing system Sistema De Facturacion Electronica (SFE) to act as a central processing portal. However, the initial roll-out was difficult. The mandate was delayed to 2020, but the situation was deemed too complicated for the market to implement and so the mandate was revoked. The government reactivated the project in December 2021, with e-invoicing becoming mandatory for a specified list of major companies at that time. This is the first of 4 taxpayer groups to which the mandate will be rolled out to. E-invoicing became mandatory for the 2nd designated group as of August 1st, 2022.

E-invoicing remains optional currently, for the remaining groups and other taxpayers, but is being promoted as the preferred method. We expect e-invoicing to become mandatory for the 3rd and 4th groups in the coming months. For more details on the current situation, visit Impuestos - SIN

— **Mandate:** B2G, B2B (partial)

— **Model:** Clearance (proposed)

— **Responsible Authority:** Servicio de Impuestos Nacionales (SIN)

- **Platform(s):** Taxpayers must obtain a digital signature from the certifying entity, the Agency for the Development of the Information Society (ADSIB). The document then needs to be sent to the SFE portal for validation and registration. The SFE sends a response to the taxpayer in real time. The issue status for the invoice is immediately available on the SFE portal.

- **Standard(s):** All Electronic Tax Documents must be generated using the XML format version 1.0 UTF-8. There are 27 types of invoices recognized by the SFE portal, based on the service provided and the sector where the service is provided.

  - *Factura compra y venta (purchase and sale invoice)*
  - *Recibo de alquiler bienes inmuebles (rental receipt for real estate property)*
  - *Factura comercial de exportación (commercial export invoice)*
  - *Factura comercial de exportación libre consignación (commercial export invoice free consignment)*
  - *Factura de venta en zona franca (sales invoice in free zone)*
  - *Factura de servicios turísticas y hospedaje (tourism and lodging service invoice)*
  - *Factura de seguridad alimentaria y abastecimiento (invoice for food security and catering)*
  - *Factura tasa cero (Zero rate invoice)*
  - *Factura compra venta moneda extranjera (Foreign currency purchase invoice)*
  - *Factura Duty free (duty free invoice)*
  - *Factura sector educativo (education sector invoice)*
  - *Factura comercialización hidrocarburos (commercialization of hydrocarbons invoice)*
  - *Factura servicios básicos (basic service invoice)*
  - *Factura alcanzada ice (Invoices affected by ICE tax)*
  - *Factura entidades financieras (financial entity tax)*
  - *Factura hoteles (hotel tax)*
  - *Factura hospitales clínicas (clinic and hospital invoice)*
  - *Facturas juegos de azar (gambling invoice)*
  - *Factura de hidrocarburos (hydrocarbon invoice)*
  - *Factura venta interna de minerales (internal mineral sales invoice)*
  - *Factura comercial exportación de minerales (mineral export sales invoice)*
  - *Factura telecomunicaciones (Telecommunication invoice)*
  - *Factura prevalorada (pre-valued invoice)*
  - *Nota de crédito – Debito (credit-debit note)*
  - *Factura productos nacionales (national product invoice)*
  - *Factura productos nacionales alcanzados por el ICE (national products affected by ICE tax invoice)*

  - *Factura SIETE-RG (Siete-RG invoice)*

- **Legal Storage Period:** 10 years

Brazil

Brazil has one of the most established e-invoicing systems in the world. E-invoicing is obligatory for all companies and follows a clearance model, requiring prior validation by the SEFAZ before shipment of goods. The most common e-invoicing formats are the CT-e for shipping services and NF-e for purchased goods.

- **Mandate:** B2G, B2B, B2C
- **Model:** Clearance
- **Responsible Authority:** Secretaria da Fazenda (SEFAZ)
- **Platform(s):** Taxpayers must declare the Nota Fiscal Eletrônica (NF-e) and CT-e to the tax administration, SEFAZ, before shipping the related goods. The administration issues an authorization code that will be printed on the graphic PDF representation of each e-invoice (DANFE). As for NFS-e, these must be declared to their corresponding town hall (regional authority).
- **Standard(s):** Different e-invoicing formats are in use, all of them using XML formats but with different structures depending on the nature of the item to be billed:

  - *NF-e: Nota Fiscal Eletrônica, is used when billing for products.*
  - *NFS-e: Nota Fiscal de Servicios Electrónica, when billing for services.*
  - *CT-e: Conocimiento de Transporte Electrónico, when billing for specific freight services (e-Waybill).*

- **Legal Storage Period:** 5 years

Canada

Although there is no mandate in place at the present time, The Canada Revenue Agency is undertaking a feasibility study that aims to explore opportunities to improve the effectiveness of tax compliance by harmonizing tax reporting with financial/physical supply chain processes. While e-invoicing is not yet compulsory, the Canadian government strongly encourages businesses to start using electronic invoices. Companies can use the PEPPOL network to send and receive invoices. The Canadian government has mandated that all e-invoices be in the Universal Business Language (UBL) format.

- **Mandate:** B2G
- **Model:** Post Audit
- **Responsible Authority:** Canada Revenue Agency
- **Platform(s):** PEPPOL
- **Standard(s):** UBL
- **Legal Storage Period:** 6 years from the end of the financial year

Chile

Chile is recognized as the pioneering e-invoicing nation in Latin America, having introduced a voluntary e-invoicing system back in 2001. The gradual implementation of mandatory e-invoicing began in 2014 according to the size of companies and all B2B and B2C transactions were covered by 2018. Practically all Chilean businesses are now required to use e-invoicing.

- **Mandate:** B2G, B2B, B2C
- **Model:** Clearance
- **Responsible Authority:** Service de Impuestos Internos (SII)
- **Platform(s):** Factura Chile

— **Standard(s):** The Electronic Tax Document or DTE is a standardized XML document that specifies the information and data structure of each invoice.

— **Legal Storage Period:** 6 years

Colombia

E-invoicing is now mandatory for most businesses in Colombia. Their mandate for all B2B transactions came into force in 2020. In August 2022, the Colombian tax authority (DIAN) published a draft resolution proposing the introduction of a mandate calendar for the generation and transmission of the Electronic Equivalent Document (Sp.: Documento Equivalente Electronico). Other provisions for their invoicing system are also listed in the resolution.

The Project Resolution specifies that electronic equivalent documents, such as POS machine receipts, passenger transport tickets, toll tickets, cinema tickets, and show tickets, among others, should be implemented between February and July 2023.

At the same time, DIAN lists the 1.9 version of the technical information annex for its Sales Invoice (Sp.: Factura Electrónica de Venta) and a 1.0 version of its technical information annex for the Electronic Equivalent Documents. DIAN made this resolution open for public consultation and is expected to release more information on the results in the future.

— **Mandate:** B2G, B2B, B2C

— **Model:** Clearance

— **Responsible Authority:** National Customs and Tax Directorate (DIAN)

— **Platform(s):** Taxpayers wishing to implement the Colombian e-invoicing model must register with DIAN as e-invoice issuers. Solution providers must also be certified as e-invoicing providers. A unique software identifier will be assigned to these providers. From that identifier, a "software security code" will be generated that must be included in the electronic invoice. Safekeeping of the original electronic document is mandatory for issuers and recipients for the period laid down in the tax statute.

— **Standard(s):** The standard format defined by the DIAN is the XML, which uses UBL V2 (Universal Business Language).

— **Legal Storage Period:** 5 years

Costa Rica

e-invoicing has been mandatory for all Costa Rican taxpayers since December 2018. (Reference ruling DGT-R-012-2018)

— **Mandate:** B2G, B2B, B2C

— **Model:** Clearance

— **Responsible Authority:** Direccion General de Tributacion (DGT)

— **Platform(s):** The invoice must be digitally signed using a certificate issued by the Central Bank or generated on the Ministry of Finance website.

— **Standard(s):** Multiple electronic documents have been defined and developed in a structured XML format.

— **Legal Storage Period:** 5 years

Dominican Republic

The Dominican Republic refers to e-invoicing as the Comprobante Fiscal Electronico or Electronic Tax Receipt (e-CF). Their e-invoicing system is now in a voluntary phase (launched in Jan. 2020) and the country aims to make it mandatory for all businesses in the coming years. A recently announced project has set the timeline for implementation, which is awaiting approval by the Senate. That project outlines the mandate implementation as a gradual rollout with the following timelines:

— Large taxpayers – January to December 2023;

— Big and medium businesses – January to December 2024;

— Small and non-classified taxpayers – January 2025.

Companies and individuals can voluntarily adhere to the e-invoicing system and send electronic tax receipts (e-CF) to the local tax authority. The authorities have also developed a free invoicing system for SMEs and self-employed persons not possessing a proper e-invoicing solution and with lower transaction volume.

— **Mandate:** B2G, B2B (proposed), B2C (proposed)

— **Model:** Clearance (post)

— **Responsible Authority:** Direccion General de Impuestos Internos (DGII)

— **Platform(s):** No set platform has been communicated but it is expected that the Republic will adopt a Clearance CTC model. Taxpayers must be authorized as an electronic invoice issuer in order to have the sequential number generated for each invoice.

— **Standard(s):** The format used is XML under the UBL standard.

— **Legal Storage Period:** 10 years

Ecuador

In Ecuador, the e-invoicing rollout process has been underway since Jan 2019. It is currently mandatory for two groups of taxpayers (those who carry out commercialization activity of heavy machinery and road equipment; and individuals or entities carrying out wholesale and retail operations of liquefied gas). The Internal Revenue Service (SRI) is making e-invoice issuance mandatory for some additional taxpayers from 30 November 2022. Taxpayers who have already adopted e-invoicing will be qualified as withholding agents by the Internal Revenue Service (SRI) and will have to start issuing the ATS (Simplified Transactional Annex) version withholding receipt by the same date. It is expected that e-invoicing will become mandatory for all remaining taxpayers at some point in 2023.

— **Mandate:** B2G, B2B, B2C

— **Model:** Clearance

— **Responsible Authority:** Servicio de Rentas Internas (SRI)

— **Platform(s):** SRI & yo

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- **Standard(s):** Invoices must be digitally signed. An XMLDsig format is used to sign the document electronically.

  - *The "COMPROBANTE ELECTRÓNICO" or electronic invoice is a document structured in an XML format standardized by the SRI. Other documents in addition to the invoice are regulated, such as the Credit Note, Debit Note, Remittance and Certificate of Withholdings.*

- **Legal Storage Period:** 7 years

El Salvador

In August 2022, El Salvador's parliament approved a decree and reformed the tax code that makes e-invoicing (Documento Tributario Electronico) mandatory nationwide. The parliament established that this is a crucial step in fighting against tax evasion and creating a fast connection between taxpayers and the tax authority. The Ministry of Finance estimates that all sectors will be required to implement e-invoicing in (approximately) 18 months.

- **Mandate:** B2G, B2B, B2C (upcoming)
- **Model:** Clearance
- **Responsible Authority:** Ministerio de Hacienda
- **Platform(s):** No specific platforms have been chosen at time of writing.
- **Standard(s):** No set standards at time of writing.
- **Legal Storage Period:** Unknown

Guatemala

Guatemalan Tax Authority (SAT) established its electronic invoicing system (FEL) in 2019. Since then, it has phased adoption across different taxpayer groups. As of January 1st 2023, companies in Guatemala will only be able to issue e-invoices. This will become the only way that tax compliant documents may be issued within Guatemala.

Taxpayers must apply as an electronic invoice issuer in the FEL system and contract the services of a certifier. The certifiers must register with the SAT to act as a DTE certifier. This authorization must be renewed annually. Digital signatures are mandatory for the authenticity of electronic invoices. The SAT will archive all invoices but issuers and recipients are also required to archive the XML documents for four years. Certifiers are also obligated to archive the XML's of certified DTEs and their corresponding acknowledgements.

- **Mandate:** B2G, B2B, B2C
- **Model:** Clearance
- **Responsible Authority:** Superintendency de Administracion Tributaria (SAT)
- **Platform(s):** FEL
- **Standard(s):** The DTE consists of an XML file standardized according to the specifications developed by the SAT.
- **Legal Storage Period:** 4 years

Honduras

e-invoicing is currently not mandatory, but approval from the tax authority is required for those voluntary adopters.

- **Mandate:** No mandatory invoicing at present
- **Model:** Clearance (voluntary)
- **Responsible Authority:** Dirección Ejecutiva de Ingresos (DEI)
- **Platform(s):** SAR
- **Standard(s):** XML
- **Legal Storage Period:** Unknown

Mexico

Mexico originally mandated e-invoicing (CFDI) and live reporting to the tax authorities in 2011 for large taxpayers. This was extended to all businesses in 2014.

- **Mandate:** B2G, B2B, B2C
- **Model:** Clearance
- **Responsible Authority:** The Mexican Servicio de Administracion Trinutaria (SAT)
- **Platform(s):** PAC. E-Invoices must be validated by the tax authority in this platform. It is also necessary for taxpayers to obtain a specific digital certificate (CSD) issued by the SAT to apply advanced signature to invoices.
- **Standard(s):** CFDI , file in XML format. The technical description can be found on the SAT website.
- **Legal Storage Period:** Minimum of 5 years.

In Mexico, it is compulsory to preserve the original e-document for at least 5 years (sender and receiver). All documents must be compliant with the country's NOM 151 standard, which outlines requirements that must be met for the storage of data messages and the digitization of documents.

Panama

Panama began the implementation of e-invoicing in 2016 with the establishment of the Panamanian Electronic Invoicing System (SFEP). The SFEP rollout started in August of 2020 when the Government of Panama enacted a new decree that required all taxpayers excluded from having to use electronic fiscal machines attached to their POS systems to start issuing e-invoices. The following taxpayers will be required to meet the regulations starting January 2nd, 2023: Private entities authorized by the Panama Maritime Authority; operations carried out in the stock market; international public passenger transport services by land, air, or sea; national public transport services by air; petroleum derivative cargo transportation services; hostels with less than seven rooms; leasing real estate under notarized contracts or registered with the Ministry of Housing by natural or legal persons managing their own assets.

- **Mandate:** B2G, B2B (upcoming), B2C (upcoming)

- **Model:** Post Audit
- **Responsible Authority:** The General Revenue Directorate (DGI)
- **Platform(s):** SistemaFE
- **Standard(s):** XML electronic format according to the Technical File established by the DGI. Issuers must apply a qualified electronic signature to the e-invoices, guaranteeing their legal validity by ensuring authenticity and non-repudiation.
- **Legal Storage Period:** 5 years

Paraguay

Paraguay began its rollout towards mandatory e-invoicing under SIFEN (the National E-invoice System in 2018. Companies that initially were part of the SIFEN e-invoicing pilot program had to start issuing e-invoices on a mandatory basis no later than April 1st, 2022.

With the new General Resolution 105, the Paraguayan Tax Authority (SET) has established a roadmap for other businesses to comply with the SIFEN e-invoicing regime. Implementation began on July 1st, 2022. Selected companies in Paraguay will have to join the e-invoicing regime during different phases until October 2024. Furthermore, as of January 1st, 2024, every newly registered business in Paraguay will only be able to issue invoices electronically, making them obliged to join the SIFEN regime from inception.

The lists of the businesses that will have to switch to e-invoicing can be found on the Ekuatia website. In addition, taxpayer groups in scope will be notified by the SET via Marandu Tax Mailbox.

- **Mandate:** B2G, B2B (partial), B2C (partial)
- **Model:** Clearance (proposed)
- **Responsible Authority:** Subsecretaria de Estado de Tributacion(SET)
- **Platform(s):** SIFEN
- **Standard(s):** XML
- **Legal Storage Period:** 5 years

Peru

The Peruvian Tax Authority SUNAT determined that, as of January 1st, 2021, Electronic Service Providers must now be certified under the ISO/IEC-27001 framework, and electronic users must begin to use the OSE and/or SOL Electronic Delivery System (SEE).

- **Mandate:** B2G, B2B, B2C
- **Model:** Clearance
- **Responsible Authority:** Superintendencia Nacional de Aduanas y de Administracion Tributaria (SUNAT)
- **Platform(s):** SUNAT has regulated the figure of the OSE (Electronic Services Operator), which will be responsible for validating the e-invoices before sending them to the SUNAT.

- **Standard(s):** The CPE (Electronic Payment Receipt) is implemented on the basis of an UBL (Universal Business

  - *Language format developed from XML structures.*

- **Legal Storage Period:** 5 years

Uruguay

Uruguay's e-billing system has been in force since 2012. e-invoicing (CFE) has been mandatory for all taxpayers as of Dec 1st, 2019. The issuer must first undergo administrative registration and a taxpayer certification process with the DGI.

- **Mandate:** B2G, B2B, B2C
- **Model:** Clearance
- **Responsible Authority:** DIRECCIÓN GENERAL IMPOSITIVA
- **Platform(s):** https://www.efactura.dgi.gub.uy/
- **Standard(s):** The latest version (20) of the CFE (Electronic Tax Receipt), a digital document created and electronically signed in an XML format defined and maintained by the DGI.
- **Legal Storage Period:** 5 years

United States of America

A B2G mandate has been in place for all Federal Agencies since 2018. This relates only to the receipt and processing of e-invoices. Multiple platforms could be in place as each Federal Agency can choose from one of two paths. First, they can outsource their procurement systems to an outside Federal Shared Services Provider (there are several already in existence) or they can implement a P2P system already approved by the OMB.

The Business Payments Coalition, an organization that advocates improvements in B2B payment-related issues, has been leading a multi-year industry effort to explore the feasibility of developing and implementing a standard, ubiquitous B2B electronic invoice and processing platform, based on the EU's PEPPOL model and Australia's public-private partnership. A pilot program is currently running through 2022, wherein the coalition are testing the exchange of e-invoices between a select group of businesses and establishing a secure e-invoice delivery framework between providers. The hope of the BPC is to make the network live for national use in 2023. We will keep a close watch on the results and further developments.

- **Mandate:** B2G
- **Model:** N/A
- **Responsible Authority:** Office of Management & Budget, Business Payments Coalition
- **Platform:** Unknown
- **Standards:** Unknown
- **Legal Storage Period:** 7 years

Europe

Albania

Albania initiated its new online billing system in 2020 with mandates coming into force throughout 2021 for different taxpayer groups. Taxpayers must use certified software to transmit e-invoices to a centralized invoicing platform in real-time. Invoices can be exchanged electronically or in paper form. There are two types of certified software in place, so-called fiscalization systems:

— For cash transactions (e.g. point-of-sale), invoices should be issued using approved fiscal devices with printing capabilities.

— For non-cash transactions, invoices should be issued through an approved software solution which can perform certain functions, including digital signing.

The implemented model provides more transparency for Albanian tax authorities and is also an important step towards membership in the EU Albania is striving for.

— **Mandate:** B2G, B2B

— **Model:** Clearance

— **Responsible Authority:** The Albanian National Agency for Information Society (NAIS)

— **Platform(s):** Unnamed, but the NAIS has built a central invoicing platform.

— **Standard(s):** UN/CEFACT -Interindustrial Invoice (Schema XML 16B); ISO / IEC 19845: 2015 (UBL 2.1).

— **Legal Storage Period:** Unknown

Austria

B2G e-invoicing has been mandatory since 2014. It is mandatory for economic operators to the federal domain only in regards to the submitting of documents and for central authorities to acquire receiving and process documents.

— **Mandate:** B2G

— **Model:** Post Audit

— **Responsible Authority:** Federal Ministry of Finance

— **Platform(s):** Any platform can be used if connected to the authentication services of the Federal Service Portal (Unternehmensserviceportal – USP); E-rechnung.gv.at for e-invoicing Transmission.

— **Standard(s):** EbInterface (national XML standard); PEPPOL BIS (UBL-international). PEPPOL invoices and credit notes according to BIS 4A and BIS 5A can be received.

— **Legal Storage Period:** 7 years from the end of the calendar year.

Belgium

B2G e-invoicing has been mandatory from April 2019. This mandate requires economic operators to submit compliant e-invoicing and for central, regional, and local contracting authorities' entities to receive and process compliant e-invoices.

Additionally, suppliers of the Flemish government have been obliged to send e-invoices since January 1st, 2018. The Walloon Region in Belgium announced the obligation to create e-invoices for all B2G transactions as of January 1st 2022.

The Minister of Finance of Belgium, Mr. Van Peteghem, confirmed in 2021 his intention to make B2B electronic invoicing mandatory on a countrywide basis. Original plans to launch this in 2023 have been delayed. Currently, the government is aiming for a July 2024 – July 2025 rollout. PEPPOL is likely to remain as the country's preferred standard.

- **Mandate:** B2G, B2B (proposed)
- **Model:** Post Audit with view to adopt a Clearance style model in 2024/5.
- **Responsible Authority:** Federal Public Service Policy and Support (BOSA)
- **Platform(s):** Mercurius, a PEPPOL-aligned "emailroom", that can be used by any Belgian contracting authority to receive their invoices. It is made instrumental via a web portal, which provides all economic operators and contracting authorities with an integrated access to their B2G e-invoicing flow.
- **Standard(s):** PEPPOL BIS 3.0
- **Legal Storage Period:** 10 years from the end of the fiscal year.

Bulgaria

B2G e-invoicing is mandatory for central authorities, regional authorities, and local authorities to receive and process compliant e-invoices.

- **Mandate:** B2G
- **Model:** Post Audit
- **Responsible Authority:** Ministry of Transport, Information Technology and Communications
- **Platform(s):** Electronic Public Procurement
- **Standard(s):** XML-based standards; ISO 20022 (technical specification used voluntarily, mostly payment standard).
- **Legal Storage Period:** 6 years

Croatia

B2G e-invoicing became mandatory as of July 1st 2019, for central and sub-central authorities. It is also mandatory for suppliers of public bodies to send e-invoices.

- **Mandate:** B2G
- **Model:** Post Audit

- **Responsible Authority:** Ministry of Economy and Sustainable Development
- **Platform(s):** Servis eRačun za državu
- **Standard(s):** Cross Industry Invoice (CII); OASIS UBL 2.1; PEPPOL BIS Billing 3.0
- **Legal Storage Period:** 11 years after the end of the fiscal year.

Cyprus

B2G e-invoicing is mandatory for central authorities and sub-central authorities. Those agencies must be able to receive and process compliant e-invoices and as of January 12t 2022, all suppliers to those agencies must deliver compliant e-invoices.

- **Mandate:** B2G
- **Responsible Authority:** Ministry of Finance – Department of Electronic Communications
- **Platform(s):** Unknown. The government's central platform was scheduled to go live in 2022 but we have yet to see updates on this.
- **Standard(s):** PEPPOL BIS 3.0
- **Legal Storage Period:** 6 years from invoice date.

Czechia

B2G e-invoicing has been mandatory since 2016. All central authorities, regional authorities and local authorities must be able to receive and process compliant e-invoices.

- **Mandate:** B2G
- **Model:** Post Audit
- **Responsible Authority:** Ministry of Finance
- **Platform(s):** Národní elektronický nástroj (NEN)
- **Standard(s):** EDIFACT; UBL; ISDOC
- **Legal Storage Period:** 10 years from the end of the accounting year.

Denmark

B2G e-invoicing has been mandatory since 2005. All central authorities, regional authorities and local authorities must be able to receive and process compliant e-invoices.

- **Mandate:** B2G
- **Model:** Post Audit
- **Responsible Authority:** Danish Business Authority (Ministry of Industry, Business and Financial Affairs)
- **Platform(s):** NemHandel
- **Standard(s):** OIOUBL (National UBL2.0 standard) is mandatory, PEPPOL BIS 3.0 UBL is optional

- **Legal Storage Period:** 5 years from the end of the accounting year.

Estonia

B2G e-invoicing has been mandatory since 2017. All central authorities, regional authorities and local authorities must be able to receive and process compliant e-invoices.

- **Mandate:** B2G
- **Model:** Post Audit
- **Responsible Authority:** Ministry of Finance
- **Platform(s):** Billberry, E-arveldaja; Finbite, Telema AS, Unifiedpost
- **Standard(s):** The European standard on e-invoicing is fully implemented and mandatory under UBL, UN/CEFACT CII. EVS 923: 2014 (National XML-based Standard), PEPPOL BIS 3.0
- **Legal Storage Period:** 7 years

Finland

B2G e-invoicing is mandatory for central authorities and sub-central authorities regarding the receiving, and processing of compliant e-invoices.

- **Mandate:** B2G
- **Model:** Post Audit
- **Responsible Authority:** State Treasury
- **Platform(s):** Basware Supplier Portal; Post Network Service, Tieke
- **Standard(s):** TEAPPSXML3.0, Finvoice 3.0, PEPPOL BIS Billing 3.0
- **Legal Storage Period:** 6 years from the end of the accounting year.

France

B2G e-invoicing is mandatory. All economic operators must submit compliant e-invoices to central authorities, regional authorities, and local authorities. France is preparing to mandate B2B e-invoicing. It is expected that e-invoicing will become mandatory for large enterprises from July 1st, 2024, for medium-sized enterprises from January 1st, 2025 and for the rest taxpayers from January 1st, 2026. All sizes of companies in France will also be required to receive e-invoices from July 1st, 2024.

- **Mandate:** B2G, B2B (proposed)
- **Model:** Post Audit, Clearance (proposed)
- **Responsible Authority:** Ministry for the Economy and Finance (policy making); Agency for State Financial Information (AIFE) (implementation and maintenance)
- **Platform(s):** Chorus Pro
- **Standard(s):** OASIS UBL 2.1; CII UN/CEFACT; CIUS for Chorus Pro; CIUS for Factur-X, Basic profile; PEPPOL BIS Billing 3.0
- **Legal Storage Period:** 10 years

Germany

B2G e-invoicing is mandatory. On the federal administration level, the Federal Ministry of the Interior is responsible. On the federal state level, each regional state is responsible for e-invoicing. The current timelines for mandatory B2G e-invoicing within the German states is as follows:

— April 2023: Mecklenburg-Western Pomerania state: Suppliers are required to send e-invoicing (PEPPOL connected) to the state invoicing office.

— January 2024: Rhineland-Palatinate state: All invoices to public sectors must be sent as e-invoices.

— April 18th, 2024: Hessen state: Suppliers commissioned with public orders are required to send e-invoices.

Discussions have taken place within the German parliament in 2022 with regards to examining the potential of switching to a B2B e-invoicing mandate in a bid to reduce Germany's VAT gap. Billtrust will watch this development carefully.

— **Mandate:** B2G

— **Model:** Post Audit, Clearance model (proposed)

— **Responsible Authority:** Federal Ministry of the Interior (federal administration level); Länder (federal state level)

— **Platform(s):** A shared portal (E-Rechnungs-Portal) has been created at the federal level. Some federal states (Länder) use this shared portal too while others will build their own portal and the rest plan to use no portal or still have no planning.

— **Standard(s):** XRechnung (for Central authorities, Regional authorities & Local authorities due to a decision taken by the National IT Planning Council); ZUGFeRD2.0 (promoted by FeRD since 2019, developed in cooperation between the Federal Ministries of the Interior and for Economic Affairs and Energy and the private sector with the aim foster the use of e-invoicing in the public and private sectors). PEPPOL BIS Billing 3.0.

— **Legal Storage Period:** 10 years from the end of the booking calendar year.

Greece

Greece is mandating the electronic reporting of all B2B and B2G transactions through its e-book scheme but although the IAPR (Independent Authority of Public Revenue) uses e-invoicing language in its regulations and specifications, it seems that this is in fact a reporting obligation for accounting information, not e-invoicing. Under this scheme, an accredited e-invoicing service provider is just one method that taxpayers can use for reporting accounting entries to the myDATA platform. To our understanding, the regulations do not change the taxpayers' ability or obligations to issue or exchange invoices electronically.

These obligations have limited impact on the actual e-invoicing process, compared to existing regulations and business processes. Taxpayers should be able to continue using their preferred e-invoicing service provider whether accredited as myDATA Agent or not.

Greece's mandate came into effect on October 31st 2020 but enforcement was delayed due to the pandemic. Deadlines relating to this mandate have included

June 2020 for the electronic creation and reporting of sales invoices, October 2020 for purchase invoices not provided by domestic taxpayers and January 2021 for combined sales and purchase invoice reporting. Since April 2021, all documentation must be transmitted through the central myData platform. E-Invoices to Greek authorities must be issued by certified software companies located in Greece. These companies must also provide ISO certification and AADE registration.

Further information can be found on the IAPR website.

- **Mandate:** B2G, B2B
- **Model:** Post Audit
- **Responsible Authority:** Independent Authority for Public Revenue (IAPR) of the Hellenic Republic
- **Platform(s):** MyDATA
- **Standard(s):** PEPPOL BIS 3.0
- **Legal Storage Period:** 5 years from end of accounting year.

Hungary

B2G e-invoicing became mandatory as of April 19th, 2020 for central, regional and local contracting authorities.

For B2B, Hungary has introduced real-time electronic reporting (RTIR) of domestic B2B sales invoice data. The anti-VAT fraud reporting measure applies to all VAT registered businesses, resident or foreign. This RTIR obligation includes domestic B2C transactions, the B2B intra-community supplies of goods and services and other export sales.

Instead of sending an invoice to customers and simultaneously reporting the data to the tax authorities, companies can exclusively report the XML file to the NAV portal, which is then made available to customers as an electronic invoice. It is still possible to exchange invoices via hard copy or PDF invoice and at the same time report the data electronically to the NAV system.

- **Mandate:** B2G, B2B
- **Model:** Post Audit
- **Responsible Authority:** National Tax and Customs Administration (NTCA)
- **Platform(s):** NAV
- **Standard(s):** XSD version 3.0 (XML), based upon PEPPOL standards.
- **Legal Storage Period:** 8 years from annual financial statement.

Iceland

As of Jan. 2020, all public entities on national and sub-central levels have been required to be able to receive and process e-invoicing.

- **Mandate:** B2G
- **Model:** Post Audit
- **Responsible Authority:** Ministry of Finance and Economic Affairs, Directorate of Internal Revenue, State Accounting Office (Fjársýsla ríkisins)

- **Platform(s):** Sendill; Advania; InExchange; PEPPOL

- **Standard(s):** EN 16931 CIUS. Compliant with Peppol BIS 3.0 with additional country rules applicable in domestic trade.

  - *B2G: Economic operators have to send eInvoices to the contracting authorities using UBL 2.1, They also have the possibility to use Peppol-BIS when using the Peppol network*

- **Legal Storage Period:** 7 years from the end of the financial year.

Ireland

B2G e-invoicing became mandatory as of April 2020 for central and sub-central/local authorities. For economic operators, it is voluntary to submit compliant e-invoices but currently there's no requirement on suppliers to submit e-invoices. This decision was taken in order to avoid additional costs or burden on enterprises, including SMEs, and to allow public bodies to gradually gain maturity in processing e-invoices.

All public bodies are expected to be able to receive and process e-invoices via the PEPPOL network; The Office of Government of Procurement has established a national framework agreement with a number of service providers for the provision of e-invoicing and PEPPOL networking services and solutions;

Financial Management Shared Services systems are expected to be the main e-invoicing processing points across the public sector as they are rolled out over the coming years.

- **Mandate:** B2G

- **Model:** Post Audit

- **Responsible Authority:** Office of Government Procurement

- **Platform(s):** PEPPOL

- **Standard(s):** UBL; PEPPOL BIS 3.0; EDIFACT

- **Legal Storage Period:** 6 years from invoice date.

Italy

B2G e-invoicing has been mandatory since 2014; B2B e-invoicing became mandatory as of January 1, 2019. The Italian state offers the exchange system (Sistema di Interscambio) for eInvoicing processing. This system formally checks eInvoices before forwarding them to the public entities. There are multiple ways to submit an eInvoice to government administrations through SDI. These include:

- Certified Electronic Mail (CEM);

- the web – through the Revenue Agency Website (authentication required);

- SDICoop - Web Service;

- SDIFTP - File Transfer Protocol (Technical specifications).

Each method for submitting eInvoices has its own specific requirements, which relate to the means of connecting to the e-invoicing platform and the e-invoice's file size.

Each Italian e-invoice has a parameter describing its type – TipoDoumento. When issuing an invoice without VAT, Italian taxpayers must now provide a reference and a relevant explanation. For example, a supply may be exempt from VAT or subject to a local reverse charge regime.

The Fattura & Fattura PA formats contain special fields dedicated for providing a reason behind no VAT invoices – Natura. EN compliant eInvoices may be accepted for domestic B2B invoicing as further development.

The Sistema di Interscambio processes close to 2 billion B2B eInvoices per year. Mandatory B2B e-invoicing is helping achieve important goals in tackling VAT evasion and the simplification of administrative and fiscal processes and has boosted the growth of the market of services.

The Revenue Agency has put in place free services to support the onboarding process of SMEs and to facilitate the process of transmission and archiving of eInvoices. The Revenue Agency developed a dedicated smartphone application, which allows SMEs to create and transmit e-invoices.

— **Mandate:** B2G, B2B

— **Model:** Clearance

— **Responsible Authority:** Ministry of Economy and Finances, supported by the Revenue Agency

— **Platform(s):** The Sistema di Interscambio (SDI)

— **Standard(s):** FatturaPA

— **Legal Storage Period:** 10 years from invoice date.

Latvia

B2G e-invoicing became mandatory for central and sub-central/local authorities in April 2020.

— **Mandate:** B2G

— **Model:** Post Audit

— **Responsible Authority:** Ministry of Finance (policy maker) in collaboration with State Revenue Service of the Republic of Latvia, State Treasury of Latvia and State Regional Development Agency of the Republic of Latvia (implementation and maintenance of technical solutions only in the CEF project area).

— **Platform(s):** latvija.lv

— **Standard(s):** XML

— **Legal Storage Period:** 10 years from end of accounting year.

Liechtenstein

B2G e-invoicing is mandatory for central and sub-central/local authorities.

— **Mandate:** B2G

- **Model:** Post Audit
- **Responsible Authority:** Ministry of General Government Affairs and Finance
- **Platform(s):** No specific platforms have been selected.
- **Standard(s):** B2G e-invoices should be sent by email to info.lk@llv.li in XML or PDF format.
- **Legal Storage Period:** Unknown

Lithuania

B2G e-invoicing is mandatory for central, regional and local authorities, (to receive and process) and for economic operators to submit.

- **Mandate:** B2G
- **Model:** Post Audit
- **Responsible Authority:** Ministry of the Economy
- **Platform(s):** eSaskaita
- **Standard(s):** UBL v2.1; XML; PEPPOL AS4
- **Legal Storage Period:** 10 years from invoice date.

Luxembourg

B2G e-invoicing is mandatory for central and sub-central/ local authorities (to receive and process) but currently it is only voluntary for economic operators to submit e-invoices.

- **Mandate:** B2G
- **Model:** Post Audit
- **Responsible Authority:** Ministry for Digitalisation & Government IT Centre (CTIE)
- **Platform(s):** PEPPOL
- **Standard(s):** No mandatory standards at time of writing but de facto e-invoices sent to the Government have to be compliant with the e-invoicing standards PEPPOL-BIS 3.0 and UBL 2.1
- **Legal Storage Period:** 10 years from invoice date.

Moldova

Moldova has a partial B2G mandate in operation. In the main, all invoices sent to government authorities need to be issued via e-invoices. This does not apply to the supply of electricity, heat, natural gas, electronic communications services, and communal services.

- **Mandate:** B2G (partial)
- **Model:** Clearance
- **Responsible Authority:** Ministry of Finance of Republic of Moldova
- **Platform(s):** e-Factura (state-owned e-invoicing system)
- **Standard(s):** XML, Fişierele XML (vezi Figura 31) and Facturi noi (vezi 5)

— **Legal Storage Period:** Unknown

Montenegro

B2G: e-invoicing to public administrations is not mandatory.

B2B: e-invoicing is allowed but currently not mandatory. It is highly recommended to consult the tax administration before issuing e-invoices.

— **Model:** Post Audit
— **Responsible Authority:** Tax Administration of Montenegro
— **Platform(s):** Unknown
— **Standard(s):** PEPPOL BIS 3.0
— **Legal Storage Period:** 5 years after the end of the year in which the invoice was issued.

Malta

B2G e-invoicing became mandatory as of April 2020 for central and sub-central/local authorities (to receive and process). It is still voluntary, however, for economic operators to submit e-invoices.

— **Mandate:** B2G
— **Model:** Post Audit
— **Responsible Authority:** Ministry of Finance
— **Platform(s):** There is no central e-invoicing platform in place at the time of writing. The Treasury Department, together with the support of the Malta Information Technology Agency (MITA) is currently in the implementation process of a Corporate Financial Management Solution (CFMS) which will also incorporate the processing of e-invoices across central government. Latest updates can be found at https://finance.gov.mt/en/eInvoicing/Pages/default.aspx
— **Standard(s):** Applicable European standards (read PEPPOL).
— **Legal Storage Period:** 10 years after the end of the calendar year in which the invoice was issued.

The Netherlands

B2G e-invoicing has been mandatory for central government agencies to send, receive, and process since Jan. 2017. Local government and all other contracting authorities are also required to receive and process e-invoices. B2B e-invoicing is currently not mandatory.

As of Oct. 2020, the Ministerie van Binnenlandse Zaken en Koninkrijksrelaties (BZK) took over the role of framer and supervisor of the national digital infrastructure of e-invoicing from Simplerinvoicing. They have established the Dutch PEPPOL authority. https://peppolautoriteit.nl/

— **Mandate:** B2G
— **Model:** Post Audit

- **Responsible Authority:** Ministerie van Economische Zaken en Klimaat
- **Platform(s):** Dutch PEPPOL authority
    - *Multiple public and private platforms are available; the Management of the Dutch substandard NLCIUS:STPE; National Form on e-procurement policy: NMBF*
- **Standard(s):** NLCIUS for EN 16931-1; UBL-OHNL (national UBL); SETU (HR-XML); SI-UBL; PEPPOL BIS 3.0
- **Legal Storage Period:** 7 years from invoice date.

Norway

B2G e-invoicing has been mandatory for all central government contracting authorities since January 2019. Norway is dependent on both the Peppol BIS 3.0 standard and the Peppol eDelivery Network – particularly for cross-border transactions. Both economic operators and contracting authorities in Norway rely on Peppol Access Point (AP) service providers to achieve compliance with national regulations.

- **Mandate:** B2G
- **Model:** Post Audit
- **Responsible Authority:** Ministry of Government Administration and Modernisation (KMD), Ministry of Finance (FIN), The Norwegian Agency for Public and Financial Management (DFØ)
- **Platform(s):** ELMA (Acts as the Service Metadata Publisher to the PEPPOL network for Norway) ELMA Registry can be requested via elma@difi.no
- **Standard(s):** PEPPOL-BIS 3.0; UBL.CII support over EEA threshold values; EHF (Elektronisk Handelsformat)
- **Legal Storage Period:** 5 years from the end of the fiscal year.

Poland

Having postponed its project a couple of times in recent years, Poland is gearing up to introduce mandatory B2B e-invoicing in January 2024. This has been voluntary since the start of 2022. The Ministry of Finance has released its latest version of the e-mikrofirma application, which is a free service for reporting and receiving invoices to its central KSeF platform.

KSeF was released in June 2022 and businesses are already able to test, create, issue, receive, and review electronic invoices through the platform. The EU has given Poland provisional permission to impose mandatory B2B e-invoicing between January 2024 and the end of 2026. This has since been confirmed by the Ministry of Finance.

For B2G e-invoicing, all public authorities have to register their accounts on the PEF platform. Economic operators can also use the platform, which is free of charge, but they can also decide to use other market solutions.

The PEF platform allows the exchange of EN conformant eInvoices only, using the PEPPOL eDelivery Network and Access Points. End-users will be able to use an eInvoicing platform as well via web and desktop applications as via their software, thanks to the simple API interface that was successfully prepared.

- **Mandate:** B2G, B2B (upcoming)
- **Model:** Clearance
- **Responsible Authority:** Ministry of Economic Development in joint partnership with the Institute of Logistics and Warehousing
- **Platform(s):** National e-invoicing services platform (PEF), Krajowy System e-Fakturr (KseF)
- **Standard(s):** UBL 2.1; UN/CEFACT CII; PEPPOL BIS Billing 3.0
- **Legal Storage Period:** 5 years from the end of the calendar year.

Portugal

Portugal introduced new requirements for e-invoicing and tax declarations in 2022. As of January 1st, 2022, all taxpayers must apply for a unique series of invoice numbers from the government in advance of issuance. They must then use certified software to produce a QR code on each invoice including this unique document code (ATCUD).

As of December 31st, 2022, all electronic invoices issued in PDF format must include a digital signature to ensure they remain compliant. Companies that opt to electronically invoice must include a system that ensures the validity of the document. To include both the ATCUD and the QR code, it is necessary to have a software solution certified by the Autoridade Tributária e Aduanera (AT) and to incorporate the validation codes sent by the tax authority on all documentation.

As of January 1st, 2023, all relevant invoices and tax documents must include the ATCUD code to remain compliant.

In 2024, Portugal will make tax reporting via the electronic SAF-T accounting document mandatory. The SAFT-PT accounting document is a file in the Standard Audit File for Tax format, an international standard used to exchange accounting and tax information with an external auditor. Private and public companies with commercial, agricultural, or industrial profiles that operate in Portuguese territory must work with this document.

Accounting systems must register information to generate the SAFT-PT electronic accounting file. This declaration conducted monthly or annually must include article, client and supplier catalogues and VAT regimes, as well as the chart of accounts and accounting books.

The SAFT-PT file's purpose is to facilitate the declaration of simplified commercial information and the annual tax and accounting declaration through electronic means.

Companies must have an electronic system to conduct the SAFT-PT accounting declaration process to the AT.

- **Mandate:** B2G, B2B is optional with some compliance requirements (QR code, ATCUD code)
- **Model:** Post Audit
- **Responsible Authority:** Ministry of Finance
- **Platform(s):** FE-AP (Fatura Eletrónica na Administração Pública)

- **Standard(s):** PEPPOL-BIS 3.0; UBL 2.0; XML-GS1; UBL 2.1 "CIUSPT" and CEFACT "CIUS-PT,"
- **Legal Storage Period:** 12 years from the end of the fiscal year.

Romania

The law related to the e-invoicing Directive transposition was passed by the Parliament in Aug. 2020 and published in Sept. 2020. B2G e-invoicing became mandatory for central, regional, and local contracting authorities regarding receiving and processing in July 2022. In the case of B2B e-invoicing, government ordinance 130 published on December 17th, 2021 introduced mandatory issuance as of July 2022 for companies whose activity is linked to product categories considered high tax risk (susceptible to tax evasion). These categories are defined in ANAF 12/2022 ordinance published on January 6th, 2022. Fruit and vegetables, alcohol, construction, mineral products, and, clothing and footwear, are among the categories of companies considered susceptible to tax evasion.

However, Romania is awaiting authorization from the EC to apply a measure that will make e-invoicing mandatory for all B2B transactions. In this case, it will be ANAF that will establish categories of companies and the dates from which the obligation will take effect for each category.

- **Mandate:** B2G, B2b (partial at the moment. Widespread mandate has been proposed.)
- **Model:** Post Audit, Clearance (proposed)
- **Responsible Authority:** Ministry of Public Finance
- **Platform(s):** RO e-Factura
- **Standard(s):** SR EN 16931
- **Legal Storage Period:** 10 years from the 1st of January following the taxable period.

Russia

Russia does not issue any requirements for e-invoicing, even though it has been authorized since 2012. However, invoice digitization has become common practice in Russia in the mass distribution, pharmaceutical, and automotive sectors. An increasing number of medium and large companies have begun using digital invoices in their sales exchanges.

Companies are required to communicate some sales information to authorities before they send an invoice to a client.

- **Mandate:** None
- **Model:** Post Audit
- **Responsible Authority:** The Russian Federal Tax Service
- **Platform(s):** Unknown
- **Standard(s):** e-invoicing must comply with the UTD standard, a regulated XML standard that includes fields defined by the Russia tax administration. Also, all invoices must be signed electronically and approved by a local certification authority.

— **Legal Storage Period:** 4 years

Serbia

Serbia has begun the adoption of e-invoicing, in accordance with the Law on Electronic Invoicing RS Official Cazette 44/201, 129/2021. In the first phase, B2G invoicing is mandatory. The Serbian government is using a platform call eFaktura in order to manage the exchange of e-invoices. Any company that is subject to VAT, including public bodies and VAT representatives of foreign companies is obligated to exchange e-invoices. There are three key phases in Serbia's implementation timeline.

— May 1st, 2022: All suppliers in the Serbian public sector must send e-invoices and be able to receive and store them.

— July 1st, 2022: Serbian public entities are obliged to send e-invoices to companies, which must be able to receive and process them.

— January 1st, 2023: E-invoicing will be extended to the entire Serbian B2B sector.

e-invoices must be presented in the UBL 2.1 format and the obligation includes sending two types of documents: invoices and credit notes.

— **Mandate:** B2G, B2B (upcoming)

— **Model:** Post Audit, Clearance (upcoming)

— **Responsible Authority:** Ministry of Finance

— **Platform(s):** Sistem za Upravljanje Fakturama (SUF)

— **Standard(s):** UBL 2.1

— **Legal Storage Period:** Minimum of 5 years from the end of the fiscal year, depending on the document type.

Slovakia

B2G e-invoicing became mandatory as of April 2020 for economic operators, central, regional and local contracting authorities, although it is not being enforced at this time. This was due to delays in its implementation project. The government completed its communications platform, IS EFA in January 2022. Although the e-invoice essentially remains voluntary within Slovakia now, we expect it to become mandatory for all B2G and B2B transactions in the near future. Current planning will see Mandatory B2G e-invoicing enforced from January 1st 2023.

Foreign companies and professionals must transmit their information through the government's email: foreign-invoice@einvoice@mfsr.sk.

— **Mandate:** B2G, B2B (proposed)

— **Model:** Post Audit

— **Responsible Authority:** Ministry of Finance of the Slovak Republic

— **Platform(s):** Electronic Invoice Information System (IS EFA)

— **Standard(s):** Unknown, although old documentation outlined expectations to use formats in line with the European standard, read PEPPOL.

- **Legal Storage Period:** 10 years from the end of the fiscal year.

Slovenia

B2G and G2G e-invoicing has been mandatory since 2015. Public procurement suppliers in Slovenia must send their e-invoices to recipients in the European Standard (EN) via the Public Payments Administration (UJP) platform, which is now linked to the Peppol network. UJP is a single entry or exit point for the exchange of e-invoices issued and received by budget users.

- **Mandate:** B2G, G2G
- **Model:** Post Audit
- **Responsible Authority:** Ministry of Finance
- **Platform(s):** PPA e-invoicing system (UJP eRačun)
- **Standard(s):** e-SLOG 2.0 – (UBL 2.1 and CII)
- **Legal Storage Period:** Minimum of 5 years from the end of the fiscal year, depending on the document type.

Spain

B2G e-invoicing has been mandatory since 2015 for public administrations. The central platform is named FACe "Punto General de Entrada de Facturas Electrónicas". In 2018, the platform was extended for B2B invoicing, creating the extension FACeB2B. All suppliers conducting work for public adminsitrations, and issue invoices for over EUR 5000 are obligated to use this central platform. Other Spanish companies have the possibility to use FACeB2B voluntarily.

If a company wants to use FACeB2B, it is required to register first. Doing that requires a DIRe code. This code is unique for every company and allows for its automatic identification within the system. It is obtainable by registering with the Directorio de Entidades (DIRe). FACEB2B works slightly differently than FACe, in that a service provider should be hired to make use of all the advantages that FACeB2B offers. The provider also needs to be registered on the DIRe and FACeB2B. Additionally, the hiring company also needs to authorise their service provider during their registration as its so-called ESF (Empresa de Servicios de Facturación). All invoices need to be compliant with the FacturaE format.

Mandatory B2B electronic invoicing has now been approved in parliament, with the law "Crea y Crece". The scope of the new regulation covers all Spanish VAT paying companies and individuals. The mandate will be effective from July 2024 for large taxpayers with an annual turnover of more than €8 million and the implementation of e-invoices will continue to continue to 2026, by which point all taxpayers will be covered by the mandate.

- **Mandate:** B2G, B2B (partial and upcoming)
- **Model:** Post Audit
- **Responsible Authority:** Ministry for Territorial Policy and Civil Service via Secretary General for Digital Administration (SGAD); Ministry of Finance via General State Comptroller (IGAE); Ministry of Economy and Business via Secretary of State of Digital Progress

- **Platform(s):** FACe, FACeB2B

- **Standard(s):** Facturae - XML based national standard (used in association with an eSignature following the XAdES standard); EN 16931-European Standard on e-invoicing.

  - *An electronic signature is mandatory for invoices issued to public administrations (B2G transactions). For B2B transactions, it is not mandatory. To facilitate the monitoring process, a QR code must be added to B2B e-invoices.*

- **Legal Storage Period:** 6 years from invoice date.

Sweden

The B2G e-invoicing mandate for the public sector has been active since April 1st, 2019. From December 1st, 2019, all contracting entities in the public sector (central government agencies, municipalities, and regions) are required to be registered in PEPPOL. Public sector suppliers must send e-invoicing according to EN 16931, PEPPOL BIS Billing 3.0 standards. Public sector administrations at sub-central level must receive e-invoicing according to EN 16931, PEPPOL BIS Billing 3.0 (if not older/other formats are agreed upon).

- **Mandate:** B2G

- **Model:** Post Audit

- **Responsible Authority:** Agency for Digital Gov (DIGG)

- **Platform(s):** There's no central solution or platform. Service providers are offering services both to the public sector and to private suppliers. PEPPOL is the preferred exchange network.

- **Standard(s):** PEPPOL BIS Billing 3.0 is the mandatory eInvoice format for the public sector; Svefaktura version 1 (a national subset of UBL 1.0 defined in 2004) and SFTI Fulltextfaktura (an Edifact D96A invoice aligned to GS1 EANCOM specifications) are older, legacy formats that are still in use.

- **Legal Storage Period:** 7 years from the end of the calendar year.

Switzerland

B2G e-invoicing has been mandatory in Switzerland since 2016.

- **Mandate:** B2G

- **Model:** Post Audit

- **Responsible Authority:** The Swiss Federal Tax Administration (SFTA)

- **Platform(s):** Billexco; Post Finance; Swisscom

- **Standard(s):** PDF; swissDIGIN

- **Legal Storage Period:** 10 years after the end of the accounting year.

United Kingdom

In April 2020, B2G e-invoicing became mandatory in the UK for central, regional, and local contracting authorities. As such, all suppliers to these administrations are now required to submit electronic invoices.

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- **Mandate:** B2G
- **Model:** Post Audit
- **Responsible Authority:** Her Majesty's Revenue and Customs (HMRC) and Crown Commercial Service; Regional offices
- **Platform(s):** Central UK government: PEPPOL usage; Government of Scotland: National P2P platform (PECOS P2P).
- **Standard(s):** PEPPOL BIS 3.0; Traditional EDI standards such as UN/EDIFACT, EANCOM and ODETTE; XML-based standards; Comma-delimited ASCII, PDF; UBL and UN/CEFACT.
- **Legal Storage Period:** 6 years after the end of the accounting year.

Middle East & Africa

Egypt

The Egyptian Ministry of Finance has announced that, as of January 2023, it will become mandatory for all taxpayers to clear e-invoices with the tax authority in real time. All invoices will need to be submitted to the relevant authorities at the time of issuance (within 24 hours). Rollout for this mandate will be phased, beginning with larger enterprises, and ending 1 July 2023. Further details can be found here: https://invoicing.eta.gov.eg/content/

- **Mandate:** B2B, B2C, B2G
- **Model:** Clearance
- **Responsible Authority:** The Egyptian Tax Authority
- **Platform(s):** Egyptian e-invoicing SDK
- **Standard(s):** JSON or XML
- **Legal Storage Period:** 7 years

Ghana

In 2018, the Ghanaian government introduced a fiscal receipt system to replace the manual VAT invoices that registered taxpayers were issuing for the supply of taxable goods and services. These fiscal receipts must be issued by a Fiscal Electronic Device (FED). The use of the e-invoicing system (FED) is mandatory for specified categories of taxpayers. Others who do not charge VAT might be required to use FED in the future.

The Ghana Revenue Authority (GRA) provides free FEDs, up to a max of five per taxpayer, and ensures installation. After this, taxpayers are required to purchase any additional FED for use.

In April 2022, the GRA launched its voluntary e-invoicing platform for businesses. As of October 2022, the new Electronic VAT (E-VAT Portal) will be made mandatory for 50 selected taxpayers, rising to 650 by the end of Q1 2023. Taxpayers in scope for this initiative will need to integrate their invoicing system to the e-VAT platform to authenticate receipts or invoices and report real-time transaction data to the government. Taxpayers that do not

connect with the e-VAT platform risk having their operations shut down. The government expects to enroll all taxpayers to the system by 2024.

- **Mandate:** B2B, B2C, B2G
- **Model:** Clearance
- **Responsible Authority:** Ghana Revenue Authority (GRA)
- **Platform(s):** e-VAT
- **Standard(s):** Unknown
- **Legal Storage Period:** Unknown

Israel

The Israeli tax authority is planning to adopt a Chilean-style clearance model for their e-invoicing mandate. Businesses will be required to transmit all invoices with a value exceeding NIS 5000 to the tax Authority via software or a web portal. Currently the plan will only apply to B2B invoices. A deadline for the mandate has yet to be communicated.

- **Model:** Clearance (proposed)
- **Responsible Authority:** Israel Tax Authority
- **Platform(s):** Under construction
- **Standard(s):** No set standards at the time of writing
- **Legal Storage Period:** 7 years from the end of the tax year.

Malawi

The Malawi Revenue Authority (MRA) rolled out the use of Electronic Fiscal Devices (FEDs) in 2014. Every VAT taxpayer is required to procure, install, and use EFD machines to issue a receipt, cash sale or invoices to the customer. Mandatory e-invoicing is being implemented in phases starting with B2C transactions using Electronic Fiscal Devices (EFDs), followed by B2B transactions in the next step.

- **Model:** Post Audit
- **Responsible Authority:** Malawi Revenue Authority (MRA)
- **Platform(s):** Msonkho Online
- **Standard(s):** No set standards at the time of writing.
- **Legal Storage Period:** Unknown

Saudi Arabia

Saudi Arabia has announced new mandates that will apply to B2B, B2C and B2G transactions. It will also affect third parties that issue invoices for taxpayers subject to VAT. The project was separated into two rollout phases, the 1st beginning in December 2021 and we are nearing the start of phase 2, which is due to come into force from January 2023. Phase 2 will see The Saudi Zakat, Tax and Customs Authority (ZATCA) enforcing integration with the central FATOORAH platform.

- **Model:** Clearance (in progress)
- **Responsible Authority:** The Saudi Arabian Monetary Authority (SAMA - Saudi Central Bank) & the General Authority of Zakat and Tax (GAZT)
- **Platform(s):** FATOORAH
- **Standard(s):** UBL- XML, PDF with embedded XML.

  - *B2C & B2B Printed invoices must include a QR code that recipients will be able to use to verify the authenticity of the invoices. A universally unique identifier (UUID) generated and signed by the ZATCA portal (FATOORAH) must be included on every e-invoice. Digital signatures are only mandatory on B2C e-invoices.*

- **Legal Storage Period:** 6 years

South Africa

e-invoicing is allowed, and widespread, but currently not mandatory. To issue electronic tax invoices, taxpayers must meet the following requirements:

- Tax invoices must be sent in encrypted format (at least 128 bytes), over a secure line or contain an e-Signature.

- The recipient of the supply must confirm in writing that he or she will accept e-invoices for the purpose of claiming input tax.

- The transmitted e-document will constitute the original tax invoice, credit or debit note. Hard copies extracted from the system must bear the words "computer generated copy tax invoice," "computer generated copy credit note" or "computer generated copy debit note" thereon. All further copies must also bear such words.

- **Mandate:** None but widely accepted.
- **Model:** Post Audit
- **Responsible Authority:** The South African Revenue Service (SARS)
- **Platform(s):** None
- **Standard(s):** Tax invoices must be sent in encrypted format (at least 128 bytes), over a secure line or contain an e-signature.
- **Legal storage period:** 5 years

Tanzania

Tanzania has upgraded its electronic financial data management system (FEDMS) to enable the automatic verification of invoices issued by taxpayers. Taxpayers are required to have and maintain an EFD that issues tax invoices which can be automatically verified by the FEDMS. Since Jan. 6th 2021, all taxpayers must have upgraded their current EFDs or acquired new EFDs.

The government has also introduced the use of Electronic Tax Stamps (ETS). For these, companies are required to install an electronic tax stamp management system. The first phase was rolled out on Jan. 15th, 2019 for the companies that produce cigarettes, spirits, wine and beer.. The second phase has currently been rolled out for companies that produce soft and carbonated drinks and bottled water. The ETS system was reported to contribute to a 34% increase in revenue collected on branded products.

- **Mandate:** B2B, B2C
- **Model:** Post Audit
- **Responsible Authority:** Tanzania Revenue Authority (TRA)
- **Platform(s): B2C:** Electronic Fiscal Devices
- **Standard(s):** No set standards
- **Legal storage period:** Unknown

Türkiye / Turkey

The Turkish Revenue Administration (GIB) announced changes regarding e-documents that came into force in 2020. The announcement expanded the scope of taxpayers required to switch to certain e-documents including e-invoice (e-Fatural), e-arşiv invoice (e-Arşiv), e-ledger (e-Defter) and e-waybill (e-İrsaliye). This new requirement is currently mandatory for certain industries based on both total revenues and sector.

e-invoice: Companies with at least TRY 5M turnover in 2018 or 2019 were mandated to switch to e-invoicing by July 1st, 2020 at the latest. Taxpayers exceeding this limit in 2020 or later have to switch to e-invoicing by July 1st of the following accounting year.

e-arşiv invoices: An invoice created electronically and delivered to the customer via email, SMS or as a printed document., Taxpayers required to switch to e-invoices have been obliged to implement e-arşiv invoices since Jan. 2020. The same regulation is applied to companies that issue invoices over TRY 30k to nontaxpayers in a single day and over 5k TRY to taxpayers. As of March1st 2022, all invoices for a value over 2k TRY must now also be issued as e-arşiv invoices.

e-ledger: (known as an e-book that allows accounting ledger accounts to be prepared and transmitted to the GIB electronically), taxpayers that are required to adopt e-invoices and companies with a year-end gross sales of more than TRY 5M must the use of e-ledger as soon as e-invoice usage has been initiated. Also, taxpayers that are subject to an independent audit have been madated to use an e-ledger since January 2020.

e-waybill: A document that is issued, sent and stored in an electronic environment. Middlemen or merchants trading fruits or vegetables have been mandated to use e-waybills since Jan. 2020. In July 2020 the e-waybill requirement was expanded to the following entities: companies with a 2018 year-end gross sales of TRY 25M and up; companies licensed by the Turkish Energy Market Regulatory Authority; motor vehicle manufacturers, importers and dealers; internet banner publishers and web advertisers; companies acting as middlemen in internet sales; iron and steel manufacturers; and companies that are registered to the Turkish Fertilizer Tracking System.

- **Mandate:** B2B, B2C
- **Model:** Clearance
- **Responsible Authority:** The Turkish Revenue Administration (GIB)
- **Platform(s):** TRA platform. Taxpayers must issue e-invoices via the TRA platform. The platform works as a hub, receiving all documents from issuers and sending them onto recipients via WebServices.

- **Standard(s):** XML format; UBL-TR 1.2 TEMEL/TICARET E-FATURA; For export invoices the accepted format is UBL-TR 1.2 only
- **Legal storage period:** 10 years

Tunisia

Since 2016, e-invoicing has been regulated in Tunisia and is mandatory for larger taxpayers, and voluntary for others.

Under the supervision of the Ministry of Finance, The Tunisie TradeNet (TTN) organization sends a copy of accepted e-invoices to the IT center of the Ministry of Finance. In this way, invoices will be forwarded to the accountants of ministries and public authorities via a dedicated system.

- **Mandate:** B2B, B2C (partial)
- **Model:** Clearance
- **Responsible Authority:** Ministry of Finance
- **Platform(s):** el fatoora platform run by The Tunisie TradeNet (TTN)
- **Standard(s):** XML with digital signatures
- **Legal storage period:** Unknown

Uganda

Beginning July 1, 2020, The Uganda Revenue Authority (URA) began rolling out the Electronic Fiscal Receipting and Invoicing Solution (EFRIS) to provide electronic tax solutions.

- **Mandate:** B2B, B2C
- **Model:** Clearance
- **Responsible Authority:** The Uganda Revenue Authority (URA)
- **Platform(s):** URA web platform (when a sale is made, transactional details will be captured in the seller's system invoicing system (ERP), encrypted and transmitted to URA in real time to generate e-receipts and e-invoices.
- **Standard(s):** Upon receipt of the transaction details, EFRIS will decrypt the data, format the data into an e-receipt or e-invoice, attach a receipt or invoice number, a verification code, a quick response (QR) code, encrypt the fiscal data and transmit it back to the seller's system.
- **Legal storage period:** Unknown

Asia & Australasia

Australia & New Zealand

The Australian and New Zealand governments committed to establishing a joint approach to adopting the PEPPOL framework for e-invoicing in Feb. 2019. Both countries established their own PEPPOL authorities in Oct. 2019. In

order to work closely together and to create a seamless business environment, both governments have established the Australia and New Zealand e-invoicing Board (ANZEIB).

The Australian government announced that e-invoicing will be mandated for all Commonwealth Government agencies by July 2022, with over 80% of invoices being able to be received electronically by July 2021. The option for mandatory adoption of e-invoicing across all levels of public government and for private businesses has also been taken into consideration.

In terms of mandating e-invoicing, New Zealand central government agencies must be able to receive invoices in an electronic format as of March 31st, 2022. This is the first step to making B2G e-Invoicing mandatory in New Zealand. It is anticipated that by 2026 90% of central agencies will be using electronic invoices.

- **Mandate:** B2G (PEPPOL), B2B (BER PEPPOL)
- **Model:** Clearance
- **Responsible Authority:** Australian Taxation Office, The Ministry of Business, Innovation and Employment (NZ)
- **Platform(s):** PEPPOL eDelivery Network
- **Standard(s):** Localized variant, based upon PEPPOL BIS Billing 3.0 – AU-NZ invoice specification (mandatory) and AU-NZ self-billing specification (optional).
- **Legal storage period:** 7 years

China

China's environment is unique in that the country has recently changed its tax structure from a Business Tax and VAT model to a simplified VAT model for all goods and services invoices.

China's invoicing regulations involve the use of the Golden Tax System (GTS), which is the government's scanning and clearing system used for tax reporting. The country requires Chinese businesses to send invoices through the GTS to comply with VAT laws. Because of the country's changing tax structures, it has only recently allowed e-invoicing and e-invoicing use is still very limited and comes with many constraints. Several e-invoicing pilots have been launched around the country in the last few years, but e-invoicing is only permitted among a select group of businesses and for a specific type of invoice. For the most part, businesses are still required to issue paper invoices in order to comply with VAT regulations.

China has been pushing the digitization of general VAT invoices for years. New progress is being made as the Chinese State Tax Administration (STA) has provided a concrete plan allowing for electronic special VAT invoices (e-fapiaos). Certain taxpayers of 26 regions in China can now voluntarily issue e-fapiaos.

The electronic tax invoice will be represented in an OFD format, a Chinese-specific file format that requires a reader that is available from the Tax Office. The invoice must be archived in the format it was created in. The STA ran a pilot with a limited number of major taxpayers that ended in 2020. The Chinese government announced the launch of a new version of the e-Invoicing

system Golden Tax System in 2022. For this purpose, it has launched a pilot project to receive invoices from Beijing, Shanghai, Inner Mongolia, Guangdong, Shandong, Zhejiang, Jiangsu, Sichuan, and other provinces and cities in China. And a second pilot program with selected companies for the issuance of invoices.

For the time being, the current Golden Tax System will coexist with the new one and paper invoices.

— **Mandate:** B2B, B2G (partial)
— **Model:** Clearance
— **Responsible Authority:** Chinese State Tax Administration (STA)
— **Platform(s):** Golden Tax System (GTS)
— **Standard(s):** OFD
— **Legal storage period:** 5 years

Hong Kong

E-invoicing is allowed but not mandatory. For example, a digital signature as an advanced electronic signature is required to ensure integrity and authenticity. Confirmation of the buyer's e-signature upon receipt is not required. The buyer's consent is required.

The government has been promoting the use of e-invoicing by increasing the lowest cost for submitting paper documents while decreasing the cost for submitting the electronic documents. The current Customs entry application procedures are 95% electronic.

— **Model:** Post Audit
— **Responsible Authority:** Inland Revenue Depart (IRD)
— **Platform(s):** No specific platforms
— **Standard(s):** No set standards
— **Legal storage period:** 7 years from the end of the fiscal year

Japan

The E-invoicing Promotion Association (EIPA) was established in July 2020 and announced that it wouldstart to formulate the first version of the Japanese standard of e-invoicing, in accordance with the international PEPPOL standards, by the end of June 2021. EIPA aims to enable business operators to use software that is compatible with e-invoicing by the autumn of 2022, and fully roll out a new Japanese e-invoicing system by the autumn of 2023.

— **Mandate:** B2B, B2G (proposed)
— **Model:** Post Audit
— **Responsible Authority:** National Tax Agency Japan
— **Platform(s):** PEPPOL (suggested)
— **Standard(s):** No set standards
— **Legal storage period:** 10 years

Kazakhstan

Kazakhstan is a pioneer in Central Asia having adopted e-invoicing legislation for the first time in as early as 2015. The transition period was completed and fully mandatory on January 1st, 2019 for all VAT payers, distributors, freight forwarders, and importers. Taxpayers are required to submit e-invoices through the governmental IS ESF portal.

- **Mandate:** B2B, B2C, B2G
- **Model:** Clearance
- **Responsible Authority:** The Tax Code of the Republic of Kazakhstan
- **Platform(s):** IS ESF
- **Standard(s):** XML
- **Legal storage period:** Unknown

Kyrgyzstan

Following the legislative amendments which introduced e-invoicing in 2018, an e-invoicing pilot project began in 2019, and became mandatory as of July 2020. Taxpayers need to go to the portal www.esf.salyk.kg and submit an online application ,signed with an electronic signature, for registration in the information system. After that it will be possible to use e-invoicing.

- **Mandate:** B2B, B2C, B2G
- **Model:** Clearance
- **Responsible Authority:** The Kyrgyzstan State Tax Service (STI)
- **Platform(s):** www.esf.salyk.kg
- **Standard(s):** Unknown
- **Legal storage period:** Unknown

Malaysia

Early in 2015, Malaysia implemented GST laws in support of indirect taxation. As part of this legislation, e-invoices became officially recognized without the requirement for a physical signature. Malaysia is now preparing to become the next Asian PEPPOL Authority.

- **Model:** Post Audit
- **Responsible Authority:** Inland Revenue Board of Malaysia (IRBM)
- **Platform(s):** PEPPOL (proposed)
- **Standard(s):** PEPPOL BIS 3.0 (proposed)
- **Legal storage period:** 7 years

New Zealand

The Philippines

Early in 2019, the Department of Information and Communications Technology released The Philippine Digital Transformation Strategy 2022, outlining the government strategy to achieve the digital transformation by launching a new eGovernment system by 2022. As part of the plan, the e-invoicing/e-receipt program pilot phase by 2021 became effective from July 1, 2022. The goal is full implementation, based on the Tax Reform Act for Acceleration and Inclusion (TRAIN). The Department of Finance is planning to implement e-invoicing gradually throughout 2023., based on the South Korean model.

- **Mandate:** B2G
- **Model:** Clearance (proposed)
- **Responsible Authority:** Department of Information and Communications Technology
- **Platform(s):** Under construction
- **Standard(s):** Unknown
- **Legal storage period:** Unknown

Singapore

Singapore became the first country in Asia, and the first outside of Europe, to establish a PEPPOL Authority in May 2018. The nationwide e-invoicing network was launched in Jan. 2019 and was renamed as InvoiceNow in Sept. 2020.

- **Mandate:** B2B, B2G
- **Model:** B2B Post-Audit, B2G Clearance
- **Responsible Authority:** The Infocomm Media Development Authority (IMDA)
- **Platform(s):** PEPPOL eDelivery Network, InvoiceNow
- **Standard(s):** PEPPOL BIS Billing 3.0
- **Legal storage period:** 5 years from invoice date

South Korea

South Korea introduced tax e-invoicing (e-Tax) in 2011, making the electronic issuance of VAT invoices mandatory for B2B, B2G and B2C transactions in 2014. All companies and individuals with a turnover of KRW 0.3 billion (approx. $250,000) or more are affected by the digitization of VAT invoices.

Before issuing an electronic invoice, the supplier (invoice issuer) requires an authenticated digital certificate. And prior to the actual issuance, a copy of the tax registration certificate (business registration) of the client (invoice addressee), as well as the e-mail address of the supplied party's person responsible for VAT, is required to create the issued tax invoice. Thereafter, the supplier has four different methods to issue eVAT invoices online. These include the NTS (e-Sero Portal) system, ERP system (direct integration), Application Service Provider (ASP), or by using the AVRA phone service or by visiting the local tax office.

- **Mandate:** B2B, B2C, B2G
- **Model:** Clearance

- **Responsible Authority:** National Tax Service (NTS)
- **Platform(s):** NTS (e-Sero Portal)
- **Standard(s):** Excel
- **Legal storage period:** Unknown

Taiwan

Foreign suppliers of B2C to Taiwan-based customers must comply with Taiwan's eGUI - electronic Government Uniform Invoice and e-invoicing system. The GUI system also applies to domestic taxpayers on B2C and B2B transactions. GUI's are submitted through either government-provided software or via an approved third-party e-invoicing party.

The emission, cancellation, return of sale, purchase withdrawal,. or discount of electronic invoices should be approved by the counterparty of the transaction. The business should also archive the consent message and the certification documents related to the invoice for at least 5 years.

- **Mandate:** B2B, B2C
- **Model:** Clearance
- **Responsible Authority:** Ministry of Finance
- **Platform(s):** GUI system.
- **Standard(s):** GUI, MIG-3.2.1, based on the XML format. The PDF must also follow government specifications.
- **Legal storage period:** Minimum of 5 years

Thailand

In 2016, the Thai government introduced the national policy of "Thailand 4.0", outlining the two major long-term objectives: to transform Thailand into a "Digital Economy" and thus become an "advanced economy" by 2032. Currently the government is implementing the e-Tax invoicing system (e-Tax invoice and e-Receipt) for all business operations in Thailand. An e-Tax invoice is an invoice, credit note, or debit note provided in electronic format with a digital signature or time stamp under the e-Tax System by email. Like the e-Tax invoice, an e-Receipt is a receipt document provided according to the Thai Revenue Code in an electronic format.

- **Mandate:** B2B, B2C (proposed)
- **Model:** Clearance
- **Responsible Authority:** Thai Revenue Department
- **Platform(s):** Businesses who choose to prepare an e-Tax invoice by email are required to register in RD's Portal System
- **Standard(s): XML file; when sent via email:** PDF, Word, Excel
- **Legal storage period:** Unknown

Uzbekistan

Uzbekistan made e-invoicing mandatory as of January 1st, 2020.

— **Mandate:** B2G

— **Model:** Clearance

— **Responsible Authority:** The State Tax Committee of Uzbekistan

— **Platform(s):** UzASBO Faktura

— **Standard(s):** No set standards

— **Legal storage period:** Unknown

Vietnam

Vietnam delayed its e-invoicing mandate for all enterprises to July 1st, 2022. However, businesses are encouraged to apply early and start to implement e-invoicing for their businesses.

— **Model:** Post Audit

— **Responsible Authority:** The General Department of Taxation

— **Platform(s):** Companies are required to register at the tax authorities via the General Department of Taxation's website.

— **Standard(s): GDT XML format, consisting of two components:** the component containing e-invoice business data and the component containing mandatory electronic signature data.

— **Legal storage period:** 10 years

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