e-Book

E-Invoicing Policies Around The World

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INTRODUCTION

Over the last few years, electronic invoicing has gained in importance as never before. It is a hot topic everywhere, with many countries adopting the clearance model. This model comes in different forms and schemes but is always based on the same principle: the government validates or controls the data of the business transactions carried out. For this, the government has the right to inspect any transaction performed.

There are different justifications for this procedure. The most important argument is the fight against tax evasion and the need to reduce the VAT gap. Further issues are digitization and modernization of economic transactions, acceleration of processes, increase in data quality, and faster tax settlement.

In this e-book, we have compiled useful information about the e-invoicing requirements in different countries in order to provide a clear overview.

AUSTRALIA

In Australia, B2B and B2G e-invoicing are still voluntary in terms of sending such documents.

Since July 1, 2021, government agencies in Australia have been able to receive and process electronic invoices. According to the Digital Business Plan, all government agencies have been obliged to introduce e-invoicing since July 1, 2022. One obligation concerning transactions with public entities is that they must be able to handle the receipt of e-invoices when the supplier chooses to send them this way.

The Australian government started a campaign to drive electronic invoicing in B2B by proposing a Business e-Invoicing Right (BER). During the consultation phase, interested parties were invited to submit their view on the proposed concept. The BER initiative would gradually give all companies the right to require their trading partners to send them electronic invoices in the PEPPOL format. Thus, obligatory e-invoicing would be introduced in Australia in several phases based on company size. The phases are as follows:

- From July 1, 2023, large companies (annual turnover of more than AUD 250 million) will be obliged to be able to send electronic upon request.

- From July 1, 2024, medium-sized companies (turnover of between AUD 10 million and AUD 250 million) will be obliged to be able to send electronic invoices upon request.

- From July 1, 2025, all companies will be obliged to exchange electronic invoices.

The proposed timeline has not gone into force just yet. We are expecting further updates from the Australian government regarding establishing new dates for the introduction of the mandate. In practice, companies whose customers ask for e-invoicing will be obliged to use e-invoicing in Australia.

In this, the PEPPOL network is of particular importance because B2B and B2G invoices must be transmitted through PEPPOL. In July 2022, the Australian government adopted PEPPOL as the standard for the electronic exchange of invoices and other procurement documents.

To meet integrity and authenticity requirements in Australia, an Advanced Electronic Signature can be used. The required storage period is five years from the invoice date.

AUSTRIA
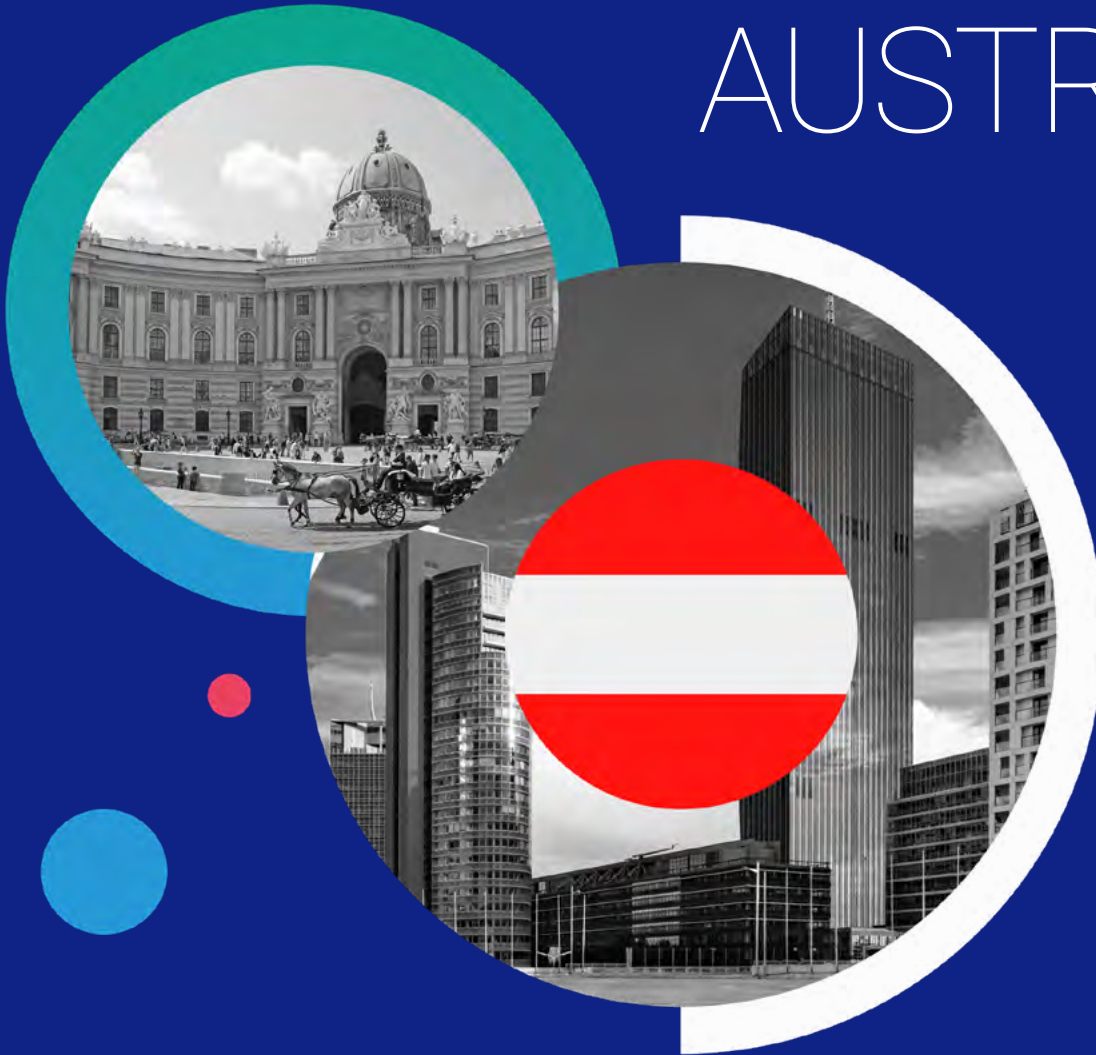
Austria has been working on e-invoicing solutions since 2012, when the IKT-Konsolidierungsgesetz, a law to consolidate ICT solutions and IT procedures in Austria, was enacted. It introduced an e-invoicing obligation for B2G transactions in 2014. Thus, EU directive 2014/55/EU has been applied.

According to Art. 5 of the Austrian ICT Consolidation Act 2012 (Gesamte Rechtsvorschrift für IKT-Konsolidierungsgesetz, Fassung vom 13/06/2012), transactions with federal government entities must be documented with structured electronic invoices. In April 2020, the obligation to use e-invoices was extended to municipal administration units. There are some exceptions to this rule in both cases.

For the purposes of e-invoicing, the Austrian Ministry of Finance has developed a service portal for companies, USP (Unternehmensserviceportal). This portal supports uploading and manually creating invoices, as well as submitting them through a web service or service provider.

Sending invoices via PEPPOL is also possible, but requires a PEPPOL Access Point. Accepted e-invoicing formats are ebInterface (the national XML standard) and PEPPOL format BIS Billing 3.0.

Invoices issued by domestic companies are processed using the federal government's central platform, the Federal Service Portal (USP) or PEPPOL network. The USP platform has all authentication services required to send e-invoices, plus it eliminates the need to use electronic signatures. Registering for USP is quite simple. Basically, a digital signature is all that needs to be provided, which can be done by means of ID Austria, mobile phone signature, or Bürgerkarte. In the next step, the relevant company is to be specified. It is also possible to log in to USP with an existing account for FinanzOnline, the portal provided for tax issues. If such an account does not exist, it can be created by registering with the Ministry of Finance.

BELGIUM

Belgium has already introduced mandatory e-invoicing for B2G transactions. On the national level, suppliers have been able to send invoices to public authorities electronically since January 1, 2017. By April 1, 2019, all public authorities in Belgium were required to receive and process such electronic invoices. In the context of public procurement, all Belgian public bodies must now be capable of receiving and processing electronic invoices, making it mandatory for all federal government suppliers to issue such invoices (transposition of Directive 2014/55/ EU). This obligation applies to contracts above EUR 30,000, but as of October 2023, it also includes contracts below this amount. Invoices with amounts below EUR 3,000 are exempt.

In federal countries, separate regions or states often have their own regulations and schedules for mandatory e-invoicing. As with many other European countries, this is the case with Belgium. In the Flemish Region and Flanders, electronic invoicing was implemented particularly quickly. Since January 1, 2015, all public institutions have been required to receive and process electronic invoices. Suppliers to public authorities became obliged to send electronic invoices on January 1, 2017. In contrast, Brussels and the Walloon Region have taken longer to introduce similar requirements.

The Belgian Ministry of Finance expressed its support for mandatory B2B e-invoicing in its 2022 budget. However, legislative delays caused by the complex legal framework and broader tax reform challenges led to the postponement of the initial 2024 implementation plan.

After the bill was approved by the Chamber of Deputies on February 1, 2024, the legislation enforcing mandatory B2B e-invoicing in Belgium has been officially gazetted. The mandate is now planned to be introduced in a single phase starting on January 1, 2026.

Belgium submitted a request to deviate from articles 218 and 232 of the EU VAT Directive in October 2023; however, the European Commission's approval to implement mandatory e-invoicing is yet to be issued.

A B2C reporting requirement is also planned, together with further expansion of reporting requirements in the years following the introduction of the e-invoicing mandate.

The Belgian authorities aim to base their e-invoicing landscape on the PEPPOL network already used for B2G transactions. Access to the network requires an authorized PEPPOL services provider. However, the platform is expected to be phased out in the years following the mandate's introduction, making it essential for businesses to partner with an authorized e-invoicing provider.

The Belgian tax authorities are likely to adopt the "four-corner model" as a base. E-invoices will have to be in a structured form in accordance with the EN 16931 standard.

To align with the ViDA rules, Belgium intends to introduce mandatory e-reporting for EU and domestic transactions.

BAHRAIN

In July 2022, the Bahrain National Revenue Office announced after a public survey that e-invoicing would be introduced from January 2025. Bahrain is likely to follow the Saudi model or require taxpayers to be able to issue and receive e-invoices first before moving to the government's pre-clearance model.

BRAZIL

Electronic invoicing in Brazil follows the format of the three types of e-invoices: for goods (NF-e) and transportation (CT-e), which are harmonized at a federal level, whereas requirements (NFS-e) for services are set out at the municipal level.

Brazil has one of the most consolidated systems for the electronic exchange of tax documents in the world and is the largest tax issuer, thanks to its many electronic invoicing models. Their differentiation refers to the invoicing of different products or services to companies or consumers in one of the many e-invoicing systems. NF-e e-invoicing is used for goods, and CT-e for transport. Electronic tax documents must be in XML format and signed by a certificate issued by the Brazilian certification authority (Authorized Service Provider).

All such federally harmonized invoices are sent to SEFAZ. The SEFAZ receives the signed XML invoice and will validate and assign the „signing attribute" (also known as approval codes) in real time, which must be posted back to the XML and ERP system prior to the release of goods. After that, the supplier receives the approved XML invoice back from the SEFAZ, and prints out the physical invoice. This PDF is called a DANF-e and must accompany goods being transported.
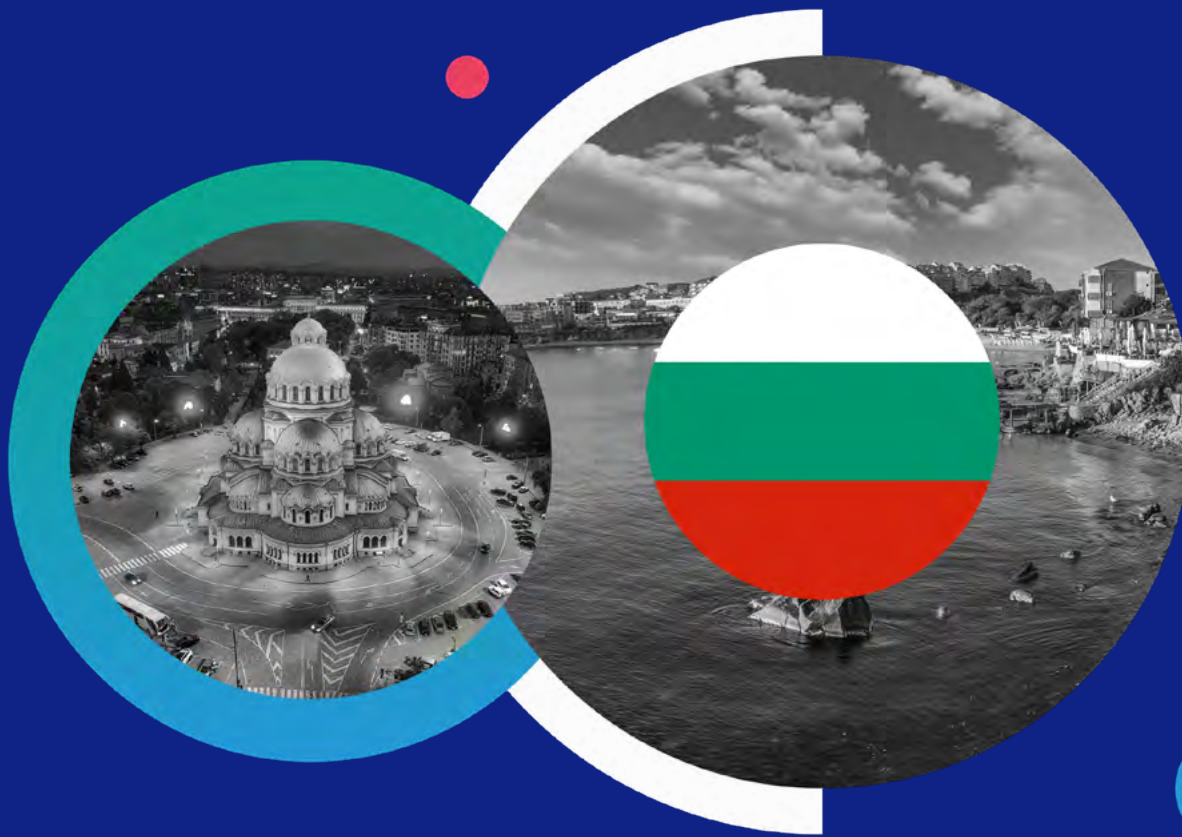
BULGARIA

Since November 2019, all contracting authorities have been required to accept and process e-invoices for B2G transactions (central, regional, and local authorities) when payments are made under public procurement contracts. In Bulgaria, electronic invoices must be accepted by government authorities in compliance with Directive 2014/55/EU.

Currently, post-audit remains the predominant invoicing model in Bulgaria. The issuance of an electronic invoice is contingent upon mutual agreement between trading parties, with acceptance being either explicit or tacit. Additionally, taxpayers are required to ensure the integrity and authenticity of electronic invoices.

However, there is no comprehensive B2G mandate, as suppliers are not generally obliged to issue electronic invoices, with exceptions applicable to certain taxable persons. The National Revenue Agency (NRA) and industry stakeholders are discussing the idea of introducing mandatory e-invoicing for private entities.

Taxpayers in Bulgaria will be required to submit sales invoices to the National Revenue Agency (NRA) for near real-time validation and approval. The NRA has initiated public consultations and discussions with various stakeholders regarding the implementation of electronic invoicing in the country.

For B2B transactions, electronic invoicing is still voluntary. In 2025, there is a possibility of launching a phase for SAF-T reporting.

CANADA

There are no explicit legal requirements for B2B e-invoicing in Canada, but it is allowed. The Canadian government is taking steps to promote its use among businesses and is planning to take measures to boost the adoption of e-invoices among businesses and government organizations. However, since 2018, there has been a rule that all public service providers should be able to receive e-invoices.

Tax Authority Canadian Revenue Agency (CRA) strongly recommends maintaining evidence of integrity and authenticity for data retention and corporate governance purposes. Electronic invoices must be kept for a period of six years. The format accepted in Canada is UBL.
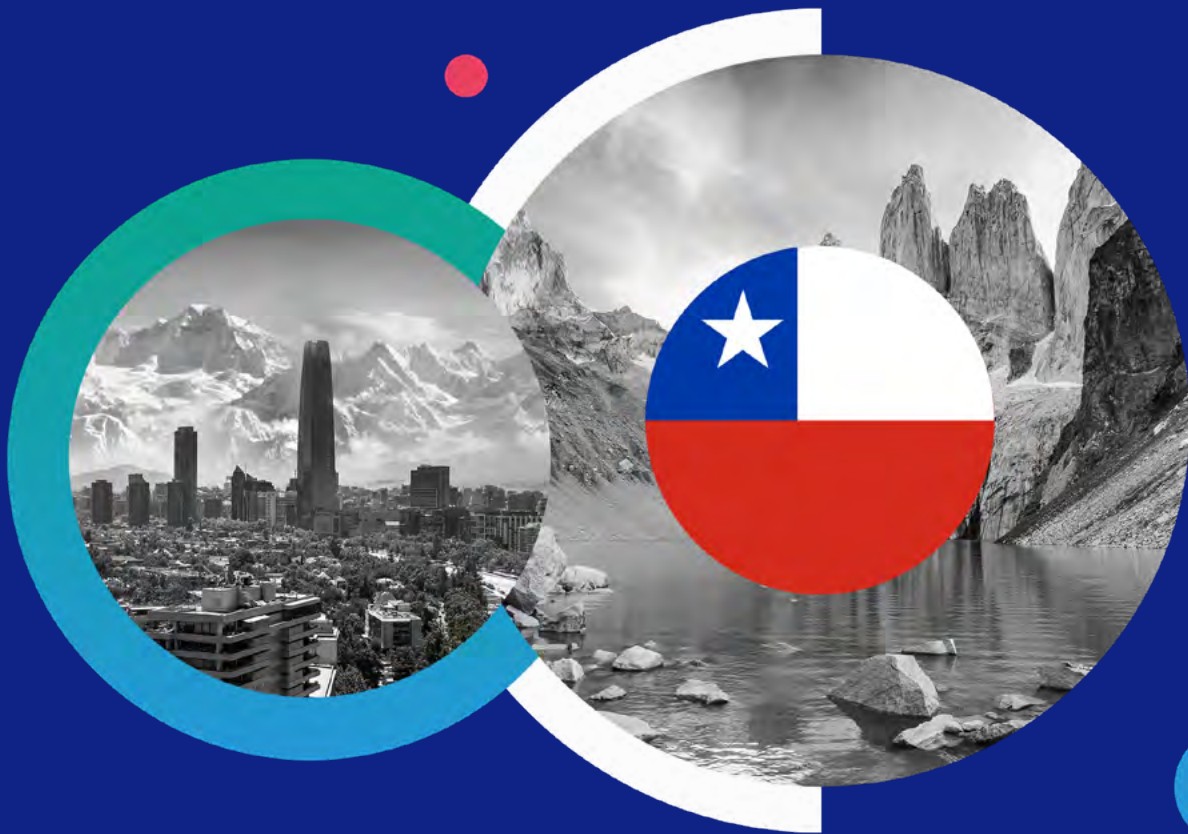
CHILE

In Chile, voluntary electronic invoicing was introduced in 2001. On the basis of the 2014 regulation, obligatory e-invoicing was introduced for all companies. In addition, other documents are also covered by electronic exchange. Since 2018, B2B electronic invoicing has been mandatory for all businesses. Thus, since January 2020, taxpayers have been obliged to issue waybills only electronically via the Internal Tax Service (SII) of Chile.

Taxpayers issuing electronic invoices must register with the SII to be able to issue DTEs (electronic tax documents) invoices. DTEs are Commodity Deeds, Exempt Goods Invoice, Bills of Lading, Credit Notes, Debit Notes, Purchase Invoices, Consignment Invoices, Export Invoices, Export Credits, Export Charges and Consumer Invoice. They must all be issued in XML format.

After registration, a digital signature called CAF (Folio Authorization Code) will be obtained. Once SII approves an e-invoice, it is sent to the service provider and forwarded to the customer.

CHINA

The Chinese invoicing system is based on the obligation to issue invoices (e-fapiao) through the government's central platform called the Golden Tax System. Invoices come in different forms: e-fapiao special VAT and e-fapiao general VAT. Both have the same legal effects as paper fapiao and regular e-fapiao. In B2B relations, a special VAT fapiao invoice is used, which allows tax deduction. Since 2015, e-fapiao for general VAT has been implemented in China. Despite this, a large number of invoices are still issued in paper form, which must be registered in the government portal or in the Golden Tax System.

In accordance with the requirements of the Chinese State Tax Administration (SAT), in December 2021, a pilot program for a mandatory electronic special VAT invoice (e-fapiao) for newly created and registered taxpayers was implemented in several regions of China. It initially covered three provinces, and from October 2022, e-fapiao has also been able to be issued by taxpayers from Sichuan province. In a further step, the State Tax Administration (STA) extended the pilot program to 38 regions in the country. Special VAT e-fapiao was fully implemented in megacities in 2022, making it possible for all taxpayers to issue special VAT e-fapiao.

Nationwide adoption of the special VAT e-fapiao is expected in January 2025.

Using the state Public Service Platform of Electronic VAT must be preceded by obtaining an appropriate certificate, and each invoice must be signed electronically.

E-invoices are based on the clearance model, which means that invoices must be registered on the STA platform before they are sent to the recipient.

COLOMBIA

Electronic B2B invoicing has been mandatory in Colombia since 2020. Since November 1, 2020, all companies have the possibility to issue electronic invoices, which are then subject to approval by DIAN (Colombian Tax Authority). To be approved, invoices must be issued in XML UBL 2.1 format and digitally signed. In addition, each invoice must be issued using a technical key (Clave Técnica) issued by the tax authority. Its task is to support the generation of a unique electronic invoice code (CUFE), which must be included in the invoice. After receiving confirmation from DIAN, the supplier can send the approved invoice to his customer in XML and PDF format. Buyer verification upon receipt is needed, but consent to receive e-invoices is not required. Throughout 2024, the implementation of e-invoicing compliance requirements will be fulfilled and will be mandatory for all sectors.

CROATIA

Since 2018, based on EU directive 2014/55 and in accordance with the act on electronic invoices in public procurement, all ordering parties in Croatia have been obliged to be able to receive and process e-invoices. Since July 1, 2019, all suppliers doing business with public entities have been obliged to issue invoices in electronic format.

The body implementing the service for receiving and sending e-invoices between suppliers and public procurers is the government platform Servis eRačun za državu. Through this platform, it is possible to exchange e-documents between public purchasers, contracting authorities, information intermediaries, and their customers. This platform is also connected to the Financial Agency (FINA), which is a PEPPOL Access Point. Thanks to the connection with PEPPOL, all its members have the ability to send e-invoices to public administration bodies.

Electronic invoicing for B2B transactions is voluntary but strongly recommended. Invoices are exchanged via the central platform Servis eRačun za državu. The platform serves as a connection point for all participants and helps to provide standardized e-invoices. Therefore, EDI providers and the PEPPOL network allow B2B e-invoices to be sent and received in Croatia.

It is likely that Croatia's Ministry of Finance will introduce a full transactional-level live submission of e-invoices, as they applied for a derogation from the EU VAT Directive in September 2023. This application was necessary because the current directive prohibits member states from implementing pre-clearance invoicing systems, such as the one planned in Croatia. Throughout this application, the Ministry aims to implement electronic invoicing for domestic transactions starting in early 2026.

CZECH REPUBLIC

In the Czech Republic, government institutions and the Czech National Bank have been obliged to accept standard electronic invoices since 2016, should contractors decide to issue them. Electronic invoices must be reported in real-time to the Czech tax authorities for all cash transactions between taxpayers based in the Czech Republic and Czech customers.

E-invoices must be issued in XML format and be confirmed by Czech Tax Authorities as a guarantee of authenticity.

The Národní elektronický nástroj (NEN) platform enables central, regional, and local contracting authorities to process the entire eProcurement lifecycle. The NEN allows the connection of contracting authorities' internal systems for receiving and processing e-invoices.
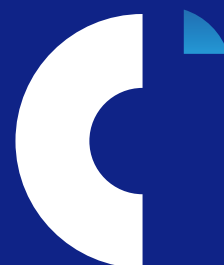
DENMARK

Since 2005, all suppliers of services and goods in Denmark have been required to send electronic invoices (UBL) to public institutions and public authorities. Since April 18, 2019, with the implementation of Directive 2014/55/EU, all public entities have had to be able to receive and process electronic invoices in accordance with the European Standard on e-invoicing (EN-16931). This means that transactions with public entities must be documented with electronic invoices.

In B2B relations, these issues are still being regulated, and e-invoicing remains voluntary, but entrepreneurs can exchange electronic invoices if both parties agree to it.

Denmark has a centralized model which also operates the PEPPOL system. The entire system is supported by the official NemHandel platform. It is a shared public digital infrastructure for the exchange of business documents between private companies and public authorities, the use of which has been in place since 2005. In order to send and receive digital business documents via the NemHandel platform, the company's accounting system must be connected to an access point that ensures that invoice data meets the necessary security standards.

In May 2022, the Danish Parliament adopted a package of reforms regarding the Danish Bookkeeping Act ("DBA"), which refers to the obligation to keep and archive accounts in a digital format. The major change the act brings is the requirement for businesses to use "digital bookkeeping systems" capable of issuing, receiving, exchanging, processing, and archiving invoices electronically. It will be implemented successively.

Under the DBA, all companies, regardless of size, which are currently required to submit an annual report and report it to the Danish Business Authority will be covered by the new bookkeeping rules via a digital accounting system from January 1, 2024. Other companies subject to accounting, including partnerships, associations, branches, and others that are not required to file an annual report and report it to the Danish Tax Authority, will be covered by the new bookkeeping rules via a digital accounting system from January 1, 2026.

Detailed timeline:

- January 2023: The Danish Business Authority publishes requirements for system providers to adapt their products to new regulations and to apply for system approval.

- January 2024: All companies obliged to submit annual reports to ERST (class B, C, D) must be compliant with e-invoicing.

- July 1, 2024: Implementation begins for the requirement that companies (accounting classes B, C, and D) must use an approved digital accounting system.

- January 2026: Companies are not obliged to submit annual reports to the Danish Business Authority but have a turnover of over DKK 300,000 in two consecutive years (class A), and using in-house developed bookkeeping software must be compliant with e-invoicing.

- July 1 2026: Companies are not obliged to submit reports to the Danish Business Authority but have a turnover of over DKK 300,000 in two consecutive years (class A) and using in-house developed bookkeeping software must be compliant with e-invoicing.

ESTONIA

In Estonia, the obligation for e-invoicing extends beyond the scope of Directive 2014/55/EU, as it has also applied to suppliers since 2019. This means that all B2G invoices can only be sent as e-invoices and must comply with the European Standard. There is no uniform infrastructure for e-invoicing, which means freedom in terms of concluding contracts with e-invoicing service providers that operate under the interoperability model or the PEPPOL network. There are also no detailed requirements regarding the format or mechanism of invoice exchange. The Estonian Center of Registers and Information Systems (RIK) has prepared a solution for small businesses that can send invoices to government entities.

On May 2, 2024, the Estonian government approved a draft amendment to the Accounting Act aimed at standardizing and simplifying electronic invoicing requirements. If passed, sellers will be required to issue an e-invoice upon a buyer's request. In cases where a buyer asks for an e-invoice and no other format has been agreed upon, the default format will be the European e-invoice standard (EU EN16931). Legislation expected in January 2025 was delayed, but it will be established in July 2025.

The Head of the Financial Information Policy Department emphasized that Estonia will not, however, prohibit the use of existing e-invoice formats should the parties agree upon their use.

The government is planning to introduce a centralized database in which businesses will be able to indicate their wish to receive e-invoices. Being included in the database will still allow the businesses to receive conventional invoices, should the affected buyer agree.

EGYPT

In March 2020, the Egyptian Ministry of Finance announced its plan to introduce mandatory e-invoicing. Subsequently, companies registered as VAT payers will be obliged step by step to issue electronic invoices. Such an electronic invoice must contain the digital signature of the issuer as well as a unique code identifying the product sold or service rendered. Furthermore, it needs to be approved by the tax authority.

In the first phase (starting mid-April 2022), 134 large enterprises were obliged to transmit electronic invoices to the Egyptian tax authority. In October 2022, this obligation was extended to another 400 companies.

Moreover, since January 1, 2022, paper invoices have no longer been accepted in applications for tax refunds. Likewise, input tax deductions are not permitted on these invoices. Exceptions are paper invoices issued before the e-invoicing obligation became applicable for the company that issued the invoice.

The e-invoicing system in Egypt is similar to the Italian clearance model, which requires every invoice to be reported and approved by the tax authority before its delivery to the final recipient. Tax registrants must be able to generate e-invoices in XML or JSON format and electronically sign them using an HSM or USB token. Furthermore, each invoice contains a dedicated UUID number, required in the event of amending documents (credit or debit notes), which is assigned by the Egyptian Tax Authority (ETA).

FINLAND

In Finland, based on the e-invoicing act (241/2019) and the implemented European standard 2014/55/EU, all invoices issued to the government have been required to comply with standards for electronic invoicing since April 1, 2021. In the area of B2G invoicing, Finland has achieved impressive results – almost 100% of invoices received by public authorities are in electronic form.

For B2G invoicing in Finland, interoperability and the PEPPOL approach are used. B2G suppliers can use interoperable services with a contracted service provider of the Finnish government or send e-invoices via the PEPPOL network (using PEPPOL access points). Tieke (the Finnish Information Society Development Center) is responsible for e-invoicing for service providers.

For B2B invoicing in Finland, a post-audit model is used. B2B companies with an annual turnover in excess of EUR 10,000 have the right to request e-invoices from their suppliers in accordance with the Finnish e-Invoicing Act 241/2019. These e-invoices must comply with the European standard.

Finland has no state platform, but businesses can choose a private supplier to generate and send invoices. E-invoicing technology providers maintain and update a public database that exchanges information with every public or private entity that has enabled this option.

Invoice formats accepted in Finland are Finvoice 3.0 and TEAPPSXML 3.0. As part of the process of electronic invoice exchange, invoice data can be validated in relation to the European Standard EN16931.

FRANCE

With the successful implementation of e-invoicing in the B2G sector, France is now preparing for mandatory B2B e-invoicing. Since January 1, 2020, companies have been required to send their invoices to the public sector in electronic format.

The introduction of mandatory B2B e-invoicing will follow a phased approach. On July 28, 2023, the French government announced a delay in the implementation timeline, initially planned for July 1, 2024. On October 17, 2023, France's lower house of Parliament, the Assemblée Nationale, introduced an amendment to the upcoming budgetary bill, instituting a new, more realistic timeline for the rollout.

The new timeline will be as follows:

- First Half of 2024 – Completion of the Partner Dematerialization Platform (PDP) licensing process and the Public Invoicing Portal (PPF)

- 2025 – Pilot program phase

- September 2026 – Obligation to issue e-invoices for large and medium enterprises. All entities, regardless of their size, shall be able to receive the electronic invoices (this phase could be delayed to December 2026)

- September 2027 – Obligation to issue e-invoices for small enterprises (This phase could be delayed to December 2027)

This timeline remains a draft and as may be subject to further changes in the coming months.

Issuing, sending, and receiving electronic invoices in France will be managed via:

- The Public Invoicing Portal (PPF), which builds on the Chorus Pro platform already used for B2G invoicing.

- Registered Private Platforms (PDPs), which will act as trusted third parties responsible for converting, validating, and sending invoices to the French tax authority.

Invoices must be issued in UBL, CII, or Factur-X format. This applies to all companies subject to VAT. France will adopt the Y model, where electronic invoices are validated by a certified provider before being reported to the government. To this end, the companies may use a platform for digitization (Plateforme de Dématérialisation Partenaire – PDP).

The Chorus Pro portal, introduced for B2G invoicing, will be expanded with new functions: B2B invoicing and e-reporting. Thus, the public invoicing portal (Portail Public de Facturation – PPF) will become the new B2B/B2G portal. Electronic invoicing through Chorus Pro has been obligatory in B2G since January 1, 2020. The portal was developed under EU directive 2014/55/EU. It enables suppliers in the public sector to submit their invoices electronically.

Alongside mandatory invoicing, France will also require digital tax reports to include:

- Payment details

- Details of B2C transactions

- Details of international B2B transactions

- This system aims to give the French government greater visibility into transaction data

Comarch covers the B2G mandate (Chorus Pro Connectivity) and has obtained certification as a Registered Private Platform for e-invoicing in France. Our e-invoicing platform is now fully prepared to assist businesses in the 2025 pilot phase, as well as the scheduled compliance deadlines in 2026 and 2027.

ISRAEL

Israel's plans to implement an e-invoicing system place the country in a rapidly growing group of countries that plan to introduce mandatory electronic invoicing.

Recent announcements from the Israel Tax Authority (ITA) describe a system that is expected to include a B2B electronic invoicing solution and a real-time CTC reporting model.

The obligation to issue e-invoices is to be introduced in several stages, starting from May 2024, for invoices worth over NIS 25,000. It is planned that further implementation will be carried out according to the following preliminary schedule:

- May 5, 2024: invoices over NIS 25,000 (~EUR 6,200)

- January 1, 2025: invoices over NIS 20,000 (~ NIS 4,900)

- January 1, 2026: invoices over NIS 15,000 (~ EUR 3,700)

- January 1, 2027: invoices over NIS 10,000 (~ EUR 2,450)

- January 1, 2028: invoices over NIS 5,000 (~ EUR 1,250)

The first year of the mandate is planned to be a pilot year, allowing participants and authorities to develop the systems and address any potential issues arising from their use.

Every invoice in the scope of the mandate will have to be assigned an allocation number (מספר הקצאה) prior to issuing it to a buyer. This will be possible either by uploading it to a public web portal or transferring it to the ITA via a dedicated API. Once it is validated by the authority, the numbered invoice will be returned to the issuer who will still be responsible for forwarding it to the buyer.

ITA emphasizes, however, that in 2024, the system will still be fully functional for its participants, with the only difference being that all applications for number allocation will be automatically approved.

GERMANY

In Germany, the e-invoicing topic is more complicated than in any other European country. This is because the different federal states (the Länder) have enacted their own laws and regulations on e-invoicing. And those contain as many differences as similarities.

In general, there is no B2B e-invoicing obligation in Germany; but there is for B2G. However, Germany intends to introduce a countrywide CTC Model in 2025. The German government asked the EC at the end of 2022 for permission to introduce mandatory e-invoicing. On July 25, 2023, the European Commission issued a derogation decision allowing Germany to proceed with implementation of a federal B2B e-invoicing mandate. The decision itself, in accordance with Germany's original application, allows for the mandate to begin on January 1, 2025.

In April 2023, the Ministry of Finance has published B2B e-invoicing discussion paper, and the consultation ended in May 2023.

Here are the outlined implementation timelines:

- Starting on January 1, 2025, EN-compliant e-invoices will become standard in Germany.

- Companies must be ready to accept structured electronic invoices that adhere to the EN 16931 standards.

- Suppliers are permitted to issue paper invoices. For invoices in unstructured formats (such as PDF) and non-EN-compliant EDI invoices, the buyer's consent is required. However, these alternative formats will be progressively phased out according to the schedule detailed below.

On January 1, 2027, Phase 1 of the gradual elimination of non-EN-compliant invoices begins. Businesses with an annual turnover exceeding EUR 800,000 in the previous year will be prohibited from issuing invoices either on paper or in unstructured electronic formats, even with the buyer's consent. On January 1, 2028, Phase 2 of the gradual elimination of non-EN-compliant invoices takes effect.

- All other businesses will be restricted from issuing invoices on paper or in unstructured electronic formats, regardless of buyer's consent.

- EDI e-invoices that do not comply with EN16931 will also be prohibited.

It is hard to say what kind of model is going to be implemented in Germany, i.e., a central solution, as well as a decentralized (similar to PDP in France), which is currently being considered. The German Ministry assures that they aim to introduce one solution for both VIDA-connected intracommunity transactions reporting as well as for the national solution.

In contrast with B2B, there are rules for B2G e-invoicing in Germany. Applying EU directive 2014/55/EU, B2G e-invoicing became obligatory on November 27, 2020. The format for B2G invoices is called XRechnung, which is a semantic data model based on XML. It complies with the European standard EN 16931. This format is to be used when sending an invoice to a public authority in Germany. The public authorities are obliged to receive and process this format.

If someone needs to issue an invoice to an entity of the public sector, they have to decide whether this entity belongs to the federal administration directly or indirectly or if it is an authority of a German federal state. For direct federal administration, the invoice is to be submitted through the Zentrale Rechnungseingangsplattform or ZRE. For indirect federal administration, invoices should go through the Onlinezugangsgesetz-konforme Rechnungseingangsplattform or OZG-RE. The latter is also used by some of the federal states as an invoicing portal (more on this later). Besides that, a minimum amount of EUR 1,000 for e-invoicing has been set. Invoices below that figure are not subject to e-invoicing.

The ZRE and the OZG-RE platforms enable the creation of an XRechnung. Besides that, it is possible to generate an XRechnung in other systems, such as an ERP system. It can then be uploaded to the respective platform. Another option would be to connect through an EDI service provider.

What is also important in B2G e-invoicing is the LeitwegID. This number identifies the invoice recipient (a public authority, a municipality, a ministry, or their departments). Before sending an invoice, the Leitweg-ID must be determined in order to ensure that the invoice reaches the proper recipient. If a company sends a lot of invoices in the XRechnung format, it is advisable to look for a service provider who can collect those invoices from the company's IT system and transfer them to the recipients via EDI. Using such a service provider brings another advantage, offering data enrichment services or business data validation. Invoicing platforms such as ZRE or OZG-RE only check electronic invoices with regard to technical requirements, not for their business content.

Now, let's look at B2G e-invoicing in the different German federal states or Länder. That's where it becomes really complicated because of the different regulations. In general, the federal states can be divided into two groups:

- Federal states that use the OZG-RE platform.

- Federal states that developed their own input channels for XRechnung invoices.

The first group includes Berlin, Brandenburg, Mecklenburg-Vorpommern, Saxony, and Thuringia. Possible transmission channels are web capture, web upload, e-mail, DeMail, and PEPPOL. However, there are differences even within this group. For instance, DeMail is not supported in Mecklenburg-Vorpommern.

The second group uses their individual input channels and different, implemented or planned transmission channels:

- Baden-Württemberg: Zentraler Rechnungseingang des Landes; web upload, email, and PEPPOL.

- Bavaria: email as there is no invoicing portal.

- Bremen: zERIKA portal; web capture, web upload, email, DeMail, and PEPPOL.

- Hamburg: E-Rechnungsportal; web upload, email, and DeMail and PEPPOL.

- Hesse: email or PEPPOL, as there is no invoicing portal.

- Lower Saxony: Zentrale ePoststelle; web upload, email, and PEPPOL.

- North Rhine-Westphalia: Zentraler.

- E-Rechnungseingang RLP; web capture, email, DeMail, and PEPPOL.

- Rhineland-Palatinate: Zentraler E-Rechnungseingang RLP; web upload, email, and PEPPOL.

- Saarland: Zentraler E-Rechnungseingang RLP; web upload, email, and PEPPOL.

- Saxony-Anhalt: E-Rechnungsportal; web capture, email, and PEPPOL.

- Schleswig-Holstein: E-Rechnungsportal; email, DeMail, and PEPPOL.

GREECE

In September 2023, B2G e-invoicing became obligatory in Greece. The stages of implementation are as follows:

- September 1, 2023 - for contracts with Ministries of Infrastructure and Transport, Digital Governance, Immigration and Asylum, Municipality of Athens, National Central Authority for Health Procurement, National Central Procurement Authority of the Ministry of Development and Investments, Information Society S.A., Athens University of Economics, Attiko Metro S.A., EYDAP S.A. and Egnatia Odos S.A.

- January 1, 2024 – for contracts with all other central administration bodies.

- July 1, 2024 – for contracts with all other government bodies

- January 1, 2025 – for all other general government expenses invoiced after that date.

The obligation will pertain to all businesses dealing with the abovementioned bodies, with minor exceptions (such as transactions under EUR 2,500). Greek taxpayers have two options for issuing and exchanging e-invoices with government entities. They may use the services of a locally accredited myDATA agent, or of any e-invoicing service provider preferred by the taxpayer.

While there is no B2B e-invoicing obligation in Greece, there is an e-accounting obligation called myData. The myDATA Electronic Books (Ηλεκτρονικά Βιβλία ΑΑΔΕ) system is an invoice reporting system of the Independent Authority for Revenue – AADE. The documents reported to the platform include invoices, credit and debit notes, classifications (transaction types), payroll, depreciation, and other accounting settlement documents. Taxpayers must submit their accounting data to the MyData platform in real-time or periodically, and taxpayers' books of accounts are created on this basis. Within the platform, the Greek authorities can process all data and then create financial statements for each taxpayer in Greece.

HUNGARY

E-invoicing in Hungary for B2G and B2B transactions is not mandatory. However, real-time invoice e-reporting (RITR) of invoice data is obligatory for Hungarian companies and foreign companies with a branch office in Hungary. Since July 1, 2020, this obligation has applied to any company issuing an invoice to another Hungarian taxpayer if the relevant transaction is carried out in Hungary – irrespective of the VAT amount due.

The data from the issued invoices can be submitted electronically to the national tax and customs administration (Nemzeti Adó- és Vámhivatal – NAV). This also applies to business-to-customer (B2C) transactions and transactions issued by non-residents. The NAV provides a dedicated system for that purpose, the Online Invoice System (Számla platform), which accepts XML files. Those who are not able to generate XML files can use a web-based interface where the data can be entered manually. It is worth mentioning that the NAV reporting portal can, in some circumstances, be used to send an invoice, not just report it. Thus, if you flag a report as an invoice and have an agreement with a counterparty, the report becomes an invoice.

Data from invoices must be reported within three days at the latest but preferably immediately upon their issuance. As soon as the data has been transmitted successfully, a confirmation of receipt is returned.

Unlike e-reporting, it is not mandatory to issue invoices in electronic form. Invoices can still be issued using printed invoice forms or an invoicing program (or cash register). However, data from issued invoices must be disclosed in the RTIR system. Manual invoice data must be entered into the online invoice system (Számla platform). The issuance of e-invoices by government suppliers is still voluntary, while public administrations must be able to receive and process electronic invoices.

INDIA

Partially mandatory e-invoicing has been introduced in India in phases since October 2020. Taxpayer regulations for each size of company state as below regulations:

- October 1, 2020, businesses > INR 500 crore.

- January 1, 2021, businesses > INR 100 crore.

- April 1, 2021, businesses > INR 50 crore.

- April 1, 2022, businesses > INR 20 crore.

- October 1, 2022, businesses > INR 10 crore.

- August 1, 2023, businesses > INR 5 crore.

- November 1, 2023, businesses with annual aggregate turnover (AATO) greater than INR 100 crore.

In India, there is a CTC model that has been implemented on the basis of the Invoice Registration Portal (IRP) infrastructure to which all companies based or with branches in India are required to submit invoices electronically in JSON format for approval. All invoices receive an invoice reference number (IRN) and a QR code from which all invoice details can be read. The IRP is not authorized to store invoices, so if the approval process is successful, digitally signed invoices will be uploaded to the GST system. IRP automatically reports invoices to the GST system.

The only method for ensuring the integrity and authenticity of e-invoices envisaged by legislation is to apply a digital signature in line with the Indian IT Act.

INDONESIA

The electronic invoice system e-Faktur Pajak, which is managed by the Directorate General of Taxation (DGT), was launched in 2013. On July 1, 2014, DGT implemented an e-Factur solution for issuing tax invoices. Currently, the obligation to use e-invoicing on the e-Factur platform applies to all companies in Indonesia. All companies with headquarters or branches in Indonesian territory are required to create e-invoices and send them to this platform.

E-invoicing was introduced in Indonesia in stages, first covering taxpayers based in Java and Bali (2015) and then other companies. In 2016, DGT introduced the obligation for all companies to use the e-invoicing platform in order to ensure correct tax reporting. Since 2016, all enterprises have been obliged to use it. Indonesia is a leader among Asian countries in the large-scale use of the clearance model for e-invoicing.

Taxpayers in Indonesia must obtain an electronic certificate to use the e-Faktur Pajak system and request a range of serial numbers for e-invoices from the tax authority. They are required to register invoices via the government application, and to obtain pre-approval before sending them to buyers. This process consists of verifying and approving the data on the invoice. This results in assigning a QR code, which becomes part of the invoice. Additionally, e-invoicing forms the foundation for tax reporting.

ITALY

B2G e-invoicing is mandatory in Italy for all central administrations under the European Directive 2014/55/EU. They have been introduced gradually since 2014, when the obligation to use electronic documents rested solely with ministries, tax offices, and national security agencies. A year later, in 2015, all public entities in the country were obliged to do so. Italy is also the first EU country to mandate national B2B and B2C e-invoicing. The obligation entered into force on January 1, 2019.

Starting from January 1, 2024, even micro-enterprises with annual revenues or fees up to EUR 25,000, have to issue and settle e-invoices.

Italy uses the CTC (Continuous Transaction Control) system for e-invoices. In the CTC model, companies issue structured invoices in the Tax Authority's XML Schema format, called FatturaPA. In B2G transactions, companies are required to submit a qualified electronic signature. All electronic invoices in Italy must be sent to Sistema di Interscambio (SDI). SDI is a nationwide internet hub that provides a portal for sending and receiving e-invoices.

JAPAN

Electronic invoicing is not mandatory in Japan. However, since 2019, when Japan implemented a new consumption tax system that allows tax to be added to an invoice, it has been possible to better control tax in the country. This requires the sending and receiving parties to register with the Japan National Tax Authority (NTA).

This was the first step in reforms, which also included the implementation of the Qualified Invoice System (QIS), which came into force on October 1, 2023, and works similarly to the well-known VAT system in Europe. The Qualified Invoice System intends to organize the rules for issuing invoices and the information that must be included on them because there are currently no general requirements for Japanese businesses in that respect.

Businesses do not have to state the Japanese Consumption Tax (JCT) rate or amount on their tax invoices. JCT taxpayers are not obliged to use tax invoices to calculate the JCT input amount, because this amount is determined on the basis of the books and records of each business. From October 1, 2023, under a new system, JCT taxpayers will generally be able to recover the input JCT only if a qualified invoice is issued.

Qualified invoices may be issued only by certified invoice issuers. In order to obtain a certificate, entrepreneurs should submit applications in their NTA by September 30, 2023.

On January 1, 2024, Japan introduced the obligation to store accounting records in electronic form.

The electronic exchange of documents in Japan is possible using the PEPPOL network. JP PINT is the standard specification for digital invoices in Japan. The PEPPOL authorities in Japan (EIPA) widely promote the electronic exchange of documents between contractors in order to reduce administrative burdens, costs, and the risk of errors. It should be emphasized that e-invoicing is not mandatory in Japan. However, bearing in mind the upcoming changes, e-invoicing may make it much easier to meet the requirements that taxpayers in Japan will have to face in the near future.

Comarch has been a member of the PEPPOL Organization since 2018. On November 24, 2022, Comarch became an acknowledged PEPPOL Service Provider in Japan.

JORDAN

In Jordan, the process of implementing e-invoicing started in 2019, and its first stage was a pilot project. During this period, the Department of Income Tax and Sales (ISTD) introduced mandatory e-invoicing for B2B transactions. What's more, it also specified guidelines on the information that an e-invoice must contain (serial number of the invoice, full name, and address of the seller, tax identification number of the seller or national number, date of invoice, description of the goods or services, gross amount of the invoice, name of the buyer in the case of a sale deferred or installment).

In January 2023, the National E-Invoice System - JoFotara was introduced, which supports the clearance model adopted in Jordan. In the pre-clearance model, taxpayers can approve invoices in JoFotara. Invoices delivered to the platform must be structured in UBL 2.1 format. In addition, JoFotara uses a QR string and an electronic signature that is assigned to invoices after approval.

LATVIA

Electronic invoicing is not yet mandatory in Latvia. However, public administration bodies involved in public procurement are required to have the capability to receive and process electronic invoices in compliance with Directive 2014/55/EU. Suppliers to these bodies are not obliged to issue electronic invoices. Such invoices can be delivered through various channels, including the e-address platform, email, or other methods such as EDI.

In October 2022, the Latvian government announced plans to introduce mandatory e-invoicing for the B2B and B2G sectors starting in 2026. From January 1, 2025 there will be a mandate for G2G and G2B relations. This will utilize the PEPPOL network, ensuring a uniform standard for sending and receiving e-invoices in accordance with BIS 3.0.

LITHUANIA

Electronic B2G invoicing is mandatory in Lithuania, and has been implemented based on the centralized CTC model. On April 18, 2019, Lithuania launched the e-invoicing module, eSaskaita, for the new national e-invoice standard, which will enable contracting authorities and entities to receive and process electronic invoices compliant with EN (European Standard). This central platform supports transactions between suppliers and public institutions. Since this date, it has also been possible to use the PEPPOL network, and the connection to the government platform is via the PEPPOL-accredited service provider.

In the case of B2B transactions, e-invoicing is still voluntary and carried out in the post-audit model. However, the Lithuanian government is taking steps to make electronic invoicing mandatory for business transactions.

Businesses operating in Lithuania can use Saskaita for free for the initial five years. This system integrates with PEPPOL, giving users the flexibility to send electronic invoices through their preferred Access Point providers. However, a transition to the more powerful SABIS system is planned for July 2024.
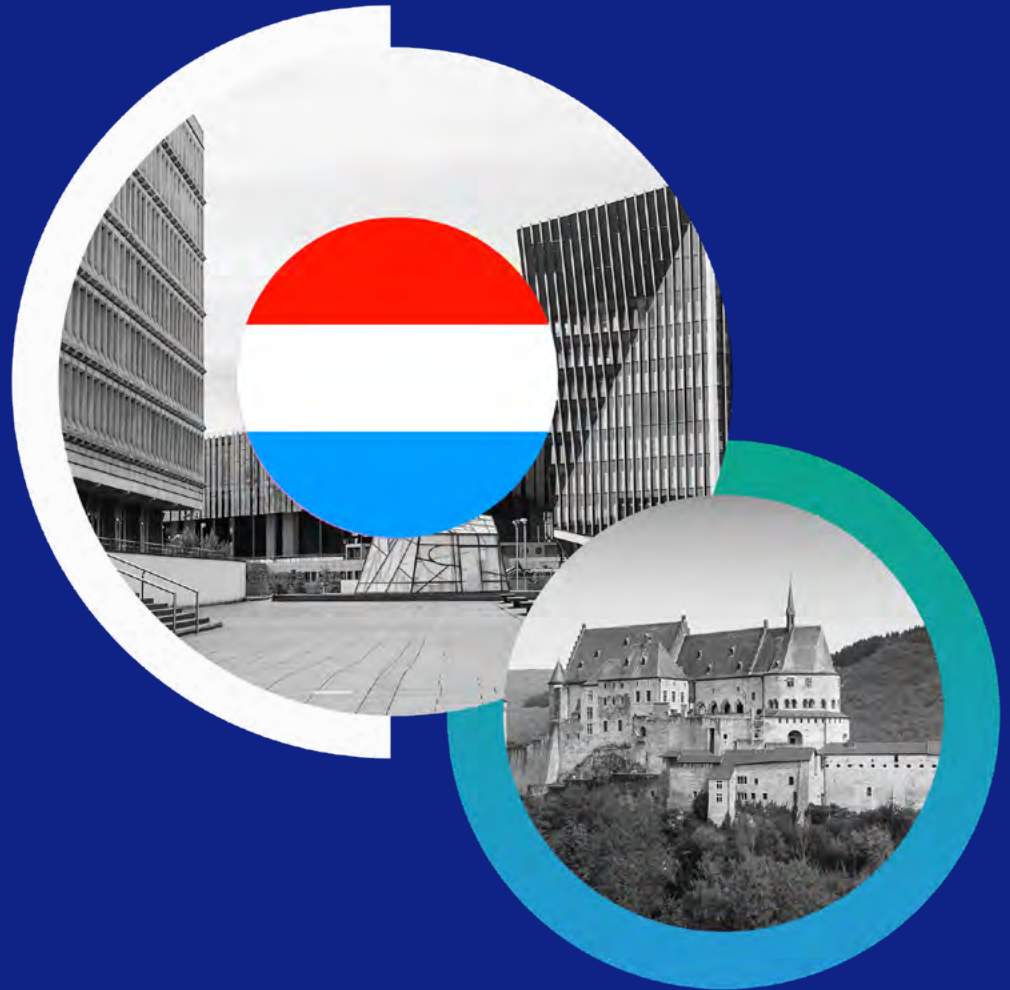
LUXEMBOURG

In Luxembourg, as in the rest of the Benelux countries, B2G e-invoicing is mandatory. It was implemented on the basis of the law of December 13, 2021. This regulates the obligations of large Luxembourg companies to issue e-invoices to public authorities, which have been in force since May 18, 2022. Since October 18, 2022, the obligation has covered medium-sized taxpayers. This was extended to small and new businesses on March 18, 2023.

The exchange of electronic invoices is based on the PEPPOL network, using PEPPOL access points. Once a company is connected to an Access Point, it is connected to all the PEPPOL participants in the network and can exchange not only invoices with Luxembourgian public authorities, but also other document types with any private company which is also connected to the network through their Access Point.

MALAYSIA

In Malaysia, e-invoicing is currently not mandatory. However, since 2015, such a possibility has been provided, but written consent or authorization is required to receive electronic invoices. The implementation of e-invoicing is facilitated by the use of the TIN (Tax Identification Number), which was introduced in Malaysia in 2022.

In March 2023, Malaysia decided to implement mandatory e-invoicing. The Malaysian Revenue Agency (IRB) has unveiled a plan to gradually implement e-invoicing, starting with the launch of a pilot project for selected companies in 2024. The mandatory exchange of electronic invoices will cover B2G and B2B, both domestic and cross-border. If e-invoices are not required by end consumers (B2C), it will be possible to issue a regular receipt or invoice. However, they will be required to periodically issue a consolidated e-invoice containing aggregated data from regular receipts or invoices issued to end consumers for the purpose of reporting these transactions. However, detailed requirements in this regard have not yet been published.

Starting on August 1, 2024, Malaysia introduced an e-invoicing regime for taxpayers with an annual turnover exceeding MYR 100 million. This will be followed by an expansion of the regime on January 1, 2025, to include taxpayers with turnovers greater than MYR 25 million. By July 1, 2025, the e-invoicing regime will apply to all other taxpayers. Additionally, the reporting of B2C transactions via e-Receipt will be mandated, with specific dates for this requirement to be announced in the future.

The model planned by the Malaysian government will be based on CTC connected to the PEPPOL network. Issuers of invoices will be required to deliver them to government entities before sending them to recipients for verification and approval. Each invoice at this stage will be provided with a certificate with its serial number, which will be proof for both the issuer and the recipient that it has been issued correctly. An additional invoice verification method will require a QR code.

MEXICO

In Mexico, e-invoicing has been mandatory for large tax-payers since 2011, and for all companies since 2014. To be able to use electronic document exchange, taxpayers must be registered with the SAT and must obtain a unique electronic signature key (FIEL) and a digital seal called Certificado de Sello Digital (CSD).

Comprobante Fiscal Digital por Internet (CFDI) electronic invoices are based on an XML file and a readable PDF version. The process overseen by the Mexican Tax Administration Service SAT (Servicio de Administración Tributaria) is based on the clearance model. The use of version 4.0 of CFDI e-invoices became mandatory in April 2023. It is also required that electronic invoices be processed by certified private operators (Proveedor Autorizado de Certificación (PAC), and must include a digital signature. Each invoice must be signed with

the supplier's CSD and then sent to the Provincial Administrative Court. The PAC is obliged to verify the XML format and signature, assign the folio (UUID), and sign it with with the key provided to the tax authority. PAC performs these processes, known as Timbrado, and returns the result to the supplier (or service provider).

NEW ZEALAND

There is no requirement for B2B or B2G e-invoicing in New Zealand. However, although transactions do not have to be documented with e-invoices, since March 31, 2022, central public entities have been obliged to be able to receive e-invoices if their supplier decides to use them.

In New Zealand, the electronic invoice exchange model is based on the PEPPOL network. After issuing the invoice, it is forwarded to the selected Access Point (AP). The PEPPOL BIS 3.0 format is accepted as the common e-invoicing standard.

NETHERLANDS

The Netherlands is among the e-invoicing pioneers in Europe. According to official information, 40% of invoices were already being exchanged electronically in 2011.

In the Netherlands, B2G e-invoicing became partially mandatory in 2017. The obligation to receive and process e-invoices applies only to local government units and other contracting authorities, while the receipt and processing of e-invoices is mandatory for the central government. Since January 1, 2019, local authorities have also had to be able to receive and process electronic invoices. The e-invoicing principles have been developed and implemented in the Netherlands as a sub-standard of the European standard, meaning that these guidelines are based on European standards but adapted to Dutch law. Therefore, this Dutch substandard is called NLCIUS (the European standard is CIUS). NLCIUS e-invoices are supported by the Standardization Platform (STPE).

E-invoices can be sent to the public sector using the PEPPOL model. For central government bodies, there is a platform called DIGIPOORT for receipt of e-invoices, which is also connected to the PEPPOL network. This solution is used more often by suppliers with a large number of invoices. For smaller vendors, a web portal named Logius has been prepared to enter and send invoices manually.

Similar to Germany, e-invoicing in the B2B area is optional. No obligation has been introduced in the Netherlands, and there are no plans to do so. When or whether the Netherlands will introduce the clearance model is not clear, which is why no dates have yet been given.

NORWAY

In Norway, business-to-government e-invoicing has been mandatory since 2011. This obligation was extended to all suppliers. Despite the lack of such an obligation for B2B transactions, e-invoicing in the private sector is widely used by companies.

To comply with national regulations in Norway, economic operators, and contracting authorities rely on PEPPOL Access Point service providers. The PEPPOL standard has been adopted for the public sector and B2B transactions, but B2B e-invoicing, although possible since 2017, is not mandatory.

In order to be able to send and receive through the PEPPOL, public administrations and their suppliers must be registered with ELMA (Elektronisk mottakaradresseregister).

For B2B transactions, the post-audit model is used. Mandatory reporting is usually applied immediately before a tax audit, only at the request of the tax authorities. EHF 3.0 formats for internal transactions and PEPPOL BIS are accepted in Norway. Mandatory reporting is usually applied immediately before a tax audit, only at the request of the tax authorities.

PANAMA

In Panama, e-invoicing has been possible since 2016, when the SFEP electronic invoicing system was launched. After a period in which only selected companies were authorized to invoice electronically, any entrepreneur who wanted to start issuing invoices electronically could do so.

In 2022, the staged transition to mandatory e-invoicing began. From the middle of the year, all public entities were obliged to receive invoices only in electronic form. Since January 1, 2023, all new RUCs (Taxpayer Identification Numbers – TINs) have been obliged to use the PAC invoicing method. In both cases, invoicing is done with the Qualified Authorized Supplier, PAC.

The full implementation and adoption of the Panama Electronic Invoicing System (SFEP) has been planned in stages and from January 2023. It covers, among other things, oil products, cargo transport services, some hotels and inns, and others. Since March 1, 2023, mandatory e-invoicing has been applied to all international public passenger transport services and domestic public air and passenger transport services.

The implementation of mandatory electronic invoicing in banks and other financial institutions is carried out in stages appropriate for different product groups of these institutions from April 30 to August 31.

Effective from August 31, 2023, mandatory e-invoicing also applies to taxpayers on the Panama stock exchange and the insurance sector.

As in Mexico and Peru, businesses in Panama also need to appoint an e-invoicing agent with an Authorized Qualified Supplier (PAC), or the taxpayer can use DGI's free online invoicing portal, Facturador Gratuito. Moreover, suppliers in Panama must obtain approval from DGI to issue e-invoices instead of using fiscal devices and obtain an electronic certificate issued by the National Directorate of Electronic Signature.

Invoices should be converted to XML for live transmission. Each invoice is assigned a Unique Electronic Invoice Code (CUFE).

PERU

The electronic billing system in Peru has been in force since 2010, and was introduced gradually. The last phase of the implementation of e-invoices in Peru was completed on June 1, 2022. Mandatory e-invoicing concerns large and medium B2B, including B2C transactions. From January 1, 2025, it will be mandatory for all taxpayers.

The taxpayers are obliged to appoint an e-invoicing agent, OSE (Electronic Services Operator), who is responsible for verifying the invoice, sending it to the tax authority, and gaining confirmation of a receipt (CDR).

Electronic payment receipt in Peru (CPE) is in XML (UBL) format. Invoices, debit and credit notes, sale notes, dispatch notes (waybills), withholding, and collection vouchers are termed CPE in Peru.

To issue CPEs (electronic invoices), taxpayers must use an electronic service provider (PSE) that oversees the construction and signature of the documents. Issued CPEs must be pre-validated by an OSE-SEE (Electronic Service Operator). The OSE-SEE verifies the validity of the CDR by issuing a reception acknowledgment (CDR). The OSE-SEE sends the CDR to the invoice issuer and the SUNAT, which attaches the CPE's XML.

PHILIPPINES

In 2018, the Philippines launched Tax Reform for Acceleration and Social Inclusion (TRAIN). According to this, large taxpayers and exporters are required to start issuing e-invoices and receipts and reporting sales data to the Tax Office (BIR) at the point of sale within five years of the introduction of the TRAIN Act. After the launch of a pilot program with the participation of the 100 largest taxpayers, for whom mandatory e-invoicing for B2G was introduced in July 2022, a gradual implementation of e-invoicing for B2B transactions of large payers and exporters is planned for 2023. BIR intends to roll out the requirement to all taxpayers from January 1, 2025.

The Bureau of Internal Revenue (BIR) is considering implementing a real-time transmission model. The solution realized in South Korea is used as a model.

The new system, called EIS (Electronic Invoicing System), supports the transmission of official receipts, sales invoices, credit and debit notes, as well as further similar accounting documents. It is a web-based system that can be accessed through its URL. Taxpayers can use it to issue electronic invoices and receipts for their customers.

The system consists of three portals:

- EIS Taxpayer Portal

- EIS Certification Portal

- EIS Portal for Revenue Officers

The Philippines requires the issuance of an electronic invoice to the recipient and the reporting of this invoice data to the tax authority (JSON format) through EIS (Electronic Invoicing System).

Documents must be sent to the BIR via API in real or near real-time, but never later than three days after the transaction is done. The documents exchanged with the BIR must be in JSON format, and a JSON Web Signature must be applied once the documents are validated by the BIR. The BIR is in charge of validating the documents and sending the corresponding acceptance or rejection responses.

POLAND

Poland is taking steps to implement mandatory e-invoicing. Having introduced the SAF-T system (by me- and of the JPK file – Jednolity Plik Kontrolny) in 2016, Poland now wants to switch to the clearance model by introducing a national e-invoicing system named Krajowy System e-Faktur (KSeF).

In the area of B2B, the Polish government planned the incremental introduction of the e-invoicing obligation. From October to December 2021, KSeF was tested in a pilot phase, and since January 1, 2022, it has been available on a voluntary basis. The required invoice format is XML. Initially, it was planned to make use of KSeF obligatory in 2023, but this deadline couldn't be met since the European Commission's authorization was only obtained for 2024. Even though the Ministry of Finance planned for KSeF to become a mandatory solution starting July 2024, In January 2024, it was announced that this date would also be postponed.

On April 26, 2024, the Polish Ministry of Finance announced a staged rollout for mandatory e-invoicing:

- February 1, 2026: For businesses with sales exceeding PLN 200 million in the previous tax year.

- April 1, 2026: For all other businesses.

Once this happens, electronic invoicing will become mandatory for all taxpayers. Thus, Poland will become another EU country (following Spain, Portugal, and Italy) to change the model of electronic invoice processing from the post-audit model to the clearance model.

Issuing invoices in KSeF is possible for all companies that are registered as VAT payers in Poland. As traditional paper and PDF invoices are still accepted, the invoice recipient's consent is required when a company wants to send e-invoices via KSeF.

When an invoice is entered in KSeF, it is assigned a KSeF ID, and an official confirmation of receipt (Urzędowe Poświadczenie Odbioru – UPO) is returned to the invoice issuer. Only then does the invoice become valid. However, similar to such platforms in other countries, KSeF checks electronic invoices solely with regard to technical requirements and not for their business content. The latter is the responsibility of the submitting company itself or any EDI or e-invoicing provider it may use.

Exchanging invoices with KSeF on behalf of a taxpayer requires authorization. For that, four different means are accepted: qualified electronic signature, qualified electronic seal, trusted signature, and authorization token. The authorization tokens are of special importance as they enable EDI providers to submit large volumes of invoices. In KSeF, such a token can be generated and allocated, revoked, changed, and generated anew.

E-invoicing for B2G has been in place in Poland since 2019. For the issuance of invoices to public authorities, a special e-invoicing platform was provided: the PEF portal (Platforma Elektronicznego Fakturowania). This portal was developed within the scope of implementing EU directive 2014/55/EU. It enables suppliers to the public sector to submit their invoices electronically and obliges public entities to receive e-invoices via this platform if suppliers choose to do so. For this, PEPPOL BIS Billing 3.0, as well as UBL 2.1 and UN/CEFACT CII are to be used.

PORTUGAL

Electronic invoicing in Portugal is currently mandatory for B2G transactions but remains optional for B2B transactions.

In B2G, e-invoicing became mandatory for large enterprises in 2022. As of January 2023, this obligation has also applied to medium-sized, small, and micro-companies.

- Large enterprises: More than 250 employees, annual sales over EUR 50 million, balance sheet total of EUR 43 million

- Medium-sized companies: Fewer than 250 employees, annual sales no more than EUR 50 million, balance sheet total no more than EUR 43 million

- Micro-companies: Fewer than 10 employees, annual sales or balance sheet total no more than EUR 2 million

For receiving electronic invoices in B2G, the eSPap platform (Entidade de Serviços Partilhados da Administração Públicad) was developed by the relevant public authority. Compliance with the UBL 2.1 CIUS-PT or CEFACT CIUS-PT standards is required.

Electronic invoicing in the B2B sector is still optional in Portugal. While the Portuguese government has indicated plans to introduce an e-invoicing obligation, no official statement has been released.

Despite several postponements, invoices in PDF format are still accepted as electronic invoices for all tax purposes in Portugal. However, since January 1, 2023, every PDF invoice must include a digital signature to be considered valid. For instance, all invoices have to contain a QR code and a unique ID, the ATCUD, which is additionally required for all invoices and tax documents. A component of this ID is a validation code that needs to be obtained from the tax authority and is valid for at least a fiscal year. From January 1, 2026, PDF invoices must also include a Qualified Electronic Signatures (QES) or a Qualified Electronic Seal, issued to taxpayers by certified third-party providers.

Portugal plans to introduce mandatory SAF-T Accounting from 2027 (covering 2026).

ROMANIA

Romania plans to introduce mandatory e-invoicing under the clearance model in 2024. In order to implement this plan, the Romanian government submitted an application to the EU Commission in 2022. In June 2023, the approval process started with the European Commission's proposal to authorize Romania to apply a special measure, allowing derogation from Articles 218 and 232 of the EU VAT Directive. This measure enables Romania to mandate electronic invoicing for transactions between taxable persons established in Romania.

On September 19, 2023, the Romanian Ministry of Finance published a long-awaited draft law proposing mandatory e-invoicing starting January 1, 2024. The legislation outlined a phased plan for implementation:

• January 1, 2024: Entities based in Romania are required to continue reporting all B2B invoices via the RO-eFactura system

• July 1, 2024: The obligation to issue invoices through RO e-Factura took effect, extending to non-resident Romanian businesses registered as VAT payers

• July 1, 2024: Reporting obligations transitioned into a mandatory requirement to issue e-invoices via RO e-Factura

The project also introduces additional sanctions against prospective e-invoice recipients with a distinction between B2B and B2G relations.

While Romania works toward national-scale e-invoicing, it has already implemented measures targeting high-risk industries to address its significant VAT gap exceeding 30%.

Since July 1, 2022, companies involved in high-tax-risk products have been required to issue electronic invoices. These high-risk categories include:

• Fruits and vegetables

• Alcoholic beverages

• Construction work

• Mineral products

• Clothing and footwear

Additionally, since that date, B2G suppliers have been required to submit their invoices to public authorities in electronic form.

For e-invoicing purposes, the Romanian government has introduced the RO e-Factura platform. Since November 1, 2021, the platform has been available for voluntary B2G and B2B use. It enables businesses to submit and download invoices in an XML format defined by the national standard, RO_CIUS (UBL 2.1). Upon submission, each invoice is assigned an ID and can be downloaded by its recipient within a 60-day period. The platform performs syntactic and semantic validation of documents but does not verify the business content, which remains the responsibility of the submitting company or its service provider.

Both invoicing parties generally have to be registered in the platform. However, when high-risk businesses are involved, invoice recipients are not required to register. In these cases, the main point is to notify authorities of the transaction rather than to facilitate invoice delivery via the platform.

In addition to RO e-Factura, Romania introduced RO e-Transport, a national system for monitoring the transportation of goods with a high tax risk. Available for optional use since April 1, 2022, its use became mandatory alongside e-Factura on July 1, 2024.

Under this system, suppliers must register the transport of goods at least three days before their shipment, providing:

• Sender and recipient details

• Quantity and value of goods

• Loading and unloading locations

• Transport and carrier details

• Shipment start date

Once processed, a unique UIT code is generated, which must be physically attached to the goods before shipping.

From January 1, 2025, the use of B2C RO-eFactura will become mandatory for B2C transactions, marking the end of the grace period for RO e-Transport.

SAUDI ARABIA

On June 24, 2022, the Saudi Arabian tax authority, ZATCA, published an e-invoicing regulation describing the relevant requirements, technical specifications, and procedures. It defines, amongst others, XML implementation standards, measures to be realized for the protection of electronic invoices, as well as the individual invoice elements.

At this time, the first phase of e-invoicing implementation was already underway in Saudi Arabia. For the purpose of preparation, companies subject to VAT were obliged as of December 4, 2021, to use IT systems to create and store VAT invoices.

In the second phase, which started on January 1, 2023, the IT systems used to issue invoices have to be integrated with the e-invoicing platform of the Saudi Arabian tax authority. This integration phase is carried out in steps, so different groups of taxpayers will be obliged, one after the other, to comply with this requirement.

The first group consisted of companies whose annual sales exceeded SAR 3 billion in 2021. From July 1, 2023, entrepreneurs whose income is subject to VAT exceeds SAR 0.5 billion were obliged to join the ZATCA. From October 1, 2023 - those whose income exceeds SAR 250 million, and from November 1, 2023, taxpayers whose income exceeds SAR 150 million. The phase, which was implemented on December 1, 2023, was attended by companies that have achieved at least SAR 100 million (approx. USD 25 million) in revenue subject to VAT for 2021 or 2022.

- January 1, 2024: Taxpayers with VATable income exceeding SAR 70 million are required to integrate their e-invoicing systems with the FATOORA platform.

- February 1, 2024: The integration requirement extends to taxpayers with VATable income exceeding SAR 50 million.

- March 1, 2024: The threshold lowers further, obligating those with VATable income over SAR 40 million to integrate.

- June 1, 2024: Taxpayers with VATable income exceeding SAR 30 million must integrate their e-invoicing systems with the FATOORA platform.

- November 1, 2024: Taxpayers obliged to integrate their e-Invoicing systems with the FATOORA platform are those with VATable income exceeding 15 million Saudi Rials in 2022 or 2023.

- December 1, 2024: Taxpayers obliged to integrate their e-Invoicing systems with the FATOORA platform are those with VATable income exceeding 10 million Saudi Rials in 2022 or 2023.

- January 1, 2025: Taxpayers obliged to integrate their e-Invoicing systems with the FATOORA platform are those with VATable income exceeding 7 million Saudi Rials in 2022 or 2023.

- February 1, 2025: Taxpayers obliged to integrate their e-Invoicing systems with the FATOORA platform are those with VATable income exceeding 5 million Saudi Rials in 2022 or 2023.

- May 31, 2025: Taxpayers obliged to integrate their e-Invoicing systems with the FATOORA platform are those with VATable income exceeding 4 million Saudi Rials in 2022 or 2023.

- June 30, 2025: Taxpayers obliged to integrate their e-Invoicing systems with the FATOORA platform are those with VATable income exceeding 3 million Saudi Rials in 2022 or 2023.

- July 31, 2025: Taxpayers obliged to integrate their e-Invoicing systems with the FATOORA platform are those with VATable income exceeding 2,5 million Saudi Rials in 2022 or 2023.

- August 31, 2025: Taxpayers obliged to integrate their e-Invoicing systems with the FATOORA platform are those with VATable income exceeding 2 million Saudi Rials in 2022 or 2023.

Along with the introduction of e-invoicing, the requirement to have VAT invoices (including debit and credit notes) approved by the tax authority and to report relevant transactions has also been introduced.

SERBIA

Mandatory e-invoicing for B2B was introduced in Serbia on January 1, 2023. Since the same date, taxpayers have been obliged to report VAT to the Serbian tax authorities via the national e-invoicing system (SEF). The new obligation applies only to taxpayers who are required to calculate VAT on the supply of goods or services and pay it to the tax authority but are not required to document these transactions with an e-invoice (e.g., deliveries to individuals) or when such an invoice will not be issued in SEF (e.g., services taxed in Serbia and performed for foreign entities) due to the lack of access to the system.

The process of introducing mandatory e-invoicing began on May 1, 2022, when all B2G suppliers became obliged to send their invoices electronically. Since July 1, 2022, they have also had to be able to receive and process electronic invoices. The additional VAT reporting obligation imposed on taxpayers is based on Art. 4 of the RS e-Invoicing Act (Special Obligation to Record Value Added Tax Calculation Electronically), under which all transactions that result in VAT but are not covered by the e-invoicing system must be additionally reported. Generally, registration of VAT in the SEF system is done by the 15th of the month for the previous month or quarter, depending on which period the taxpayer submits tax returns. The applicable standard for e-invoices is UBL 2.1. In addition to invoices, Serbia also requires credit notes to be transmitted electronically.

The SEF platform is an IT solution provided by the Serbian Ministry of Finance for the sending, receipt, registration, processing, and storage of electronic invoices. It is also to be used by tax representatives of foreign companies to record their B2B and B2G transactions. Companies exempt from VAT are not legally obliged to use the SEF platform but may do so voluntarily. If they decide to use SEF, they are obliged to issue, receive, and store invoices in the same way as companies obliged to use SEF.

To use the SEF portal, registration is required. For this, Serbian and foreign citizens differ. In any case, username, password, and passport copy are needed to register. Another possibility is registration with a qualified digital certificate, which can be obtained through the portal. This certificate needs to be installed.

Complementary to SEF, an invoice management system – Sistem za Upravljanje Fakturama (SUF) – is available to support users in managing incoming invoices (receiving, storing, and approving invoices, as well as entering them in the accounting system). There is a demo and a production version of SUF. The production version requires a qualified digital certificate or two-factor authentication (2FA) (without a digital certificate) using a mobile device app for registration. It is available in different languages. Users have to complete the installation process successfully before they can start electronic invoicing.

SINGAPORE

In Singapore, the obligation of B2G electronic invoicing was introduced in 2008. In this area, Singapore was one of the pioneers in the ASEAN region, and the standard for the exchange of electronic invoices adopted by this country is PEPPOL. This means that state authorities exchange e-invoices with private companies via the PEPPOL network.

E-invoicing for B2B is not mandatory in Singapore at any level, but it is strongly recommended by IMDA (Infocomm Media Development Authority). There are many fragmented standards in this area that have no mandate.

Singapore's Inland Revenue Authority (IRAS) announced plans in April 2024 to gradually open access to their new InvoiceNow system for businesses registered for Goods and Services Tax (GST). The rollout will be implemented in stages:

- Voluntary Soft Launch (May 2025): This initial phase will involve some existing GST-registered businesses.

- New Business Registration (November 2025): Businesses registering for GST after this date will be automatically included in the system.

- Full Launch (April 2026): By this date, all remaining GST-registered businesses can join the InvoiceNow network.

Appointed in IMDA, it was established in 2019 as the first accredited PEPPOL Authority operating outside Europe. The goal of this organization is to digitize and promote e-invoicing in Singapore. On her initiative, a nationwide e-invoicing network - InvoiceNow - was created, which is dedicated in particular to electronic invoicing in the private sector.

Recently, the Singaporean government also announced plans to use InvoiceNow in B2G relationships. Based on it, all electronic invoices will be issued by sellers delivering goods and services to customers from the public sector. Plans to replace the vendors@gov portal with InvoiceNow have been spread over the next few years. During this time, suppliers will need to implement solutions to enable invoicing using the new mandatory method.

SLOVAKIA

In Slovakia, there is no e-invoicing obligation for B2B or B2G – although the country is one of the e-reporting pioneers in Europe. In 2014, an e-reporting system was introduced in Slovakia, enabling the submission of VAT verification reports (kontrolný výkaz) in XML format.

In B2G relations, public entities must be able to handle the receipt of e-invoices when the supplier decides to send them in this way. As part of the test phase, effective since June 1, 2022, all suppliers have been able to issue electronic invoices for public authorities, and only certain B2G transactions in excess of EUR 5,000 will be mandated to use e-invoicing via the new government IS EFA interface.

Full B2G e-invoicing is planned to be implemented by the end of 2024. The Slovak government plans to introduce a new CTC system for domestic B2B and B2C transactions, which will probably become mandatory by the end of 2025 (delayed from 2024).

For the submission of invoices, IS EFA supports two main methods:

- Automatic upload directly from the ERP system of the taxpayer (large and medium-sized companies

- Manual upload in the EFA user application (small companies subject to VAT)

The format required for electronic invoices in Slovakia is XML based on the UBL 2.1 standard.

For foreign suppliers to Slovakian public authorities, a separate procedure for e-invoicing applies. They have to send an email with the invoice attached to an official government email address (zahránská-invoice@einvoice.mfsr.sk). The attached invoice will be checked and entered into the system manually; the email body will be ignored.

In addition, to combat tax fraud, since January 2022, the Slovakian financial administration has been publishing a list of all bank account numbers officially registered by companies (the "white list"). This list is updated daily. Any payment to settle an invoice must be made to a bank account contained in the list. If an unregistered account is used, the invoice issuer's VAT obligation will become applicable to the invoice recipient as well. The list of registered bank accounts can be checked on the Internet. Likewise, it is possible to download it as a flat file, which can be used to automate the validation process.

SLOVENIA

In Slovenia, electronic invoicing for B2G relationships has been in force since 2015. The standards in this country are e-SLOG (a local adaptation of the XML standard) and UBL 2.1, UN/CEFACT CII D16B.

The scope of mandatory B2B invoicing has not yet been specified, but since March 2023, work has been underway to obtain Slovenia's support for the proposed changes to the EU VAT Directive 2006/112/EC and the ViDA proposal on electronic invoicing in the European Union.

The Slovenian government published a draft bill set to establish a B2B electronic invoicing mandate starting from June 1, 2026. The envisioned invoicing mechanism will allow issuing the documents in three distinct forms:

• e-SLOG national standard

• EN16931-compliant standard

• Other internationally recognized structured invoices, provided all parties to the transaction agree.

Slovenia uses the post-audit model for B2B invoicing, and the buyer's consent to receive e-invoices is required. The issuing of e-invoices is not subject to any specific requirements.

Issuers and recipients will be required to report these invoices to the tax authority within eight days of issuing or receiving them. This time, the reporting will have to be done exclusively in e-SLOG format. These rules will apply to both domestic and international transactions alike.

Authorities do not anticipate the introduction of a B2C mandate in the foreseeable future.

E-invoices can be submitted directly via a web-portal, certified e-invoice solution providers, and through Bankart e-Invoicing solutions, that are provided by banks participating in the e-invoice interbank exchange in Slovenia via Public Payments' Administration of the Republic of Slovenia. PPA has been connected to PEPPOL since 2018.

Timeline:

• 2015 - B2G e-invoicing is mandatory for all taxpayers

• 2018 - connected to PEPPOL by the Public Payments Administration of the Republic of Slovenia

• June 2026 - B2B e-invoice reporting mandate

SOUTH KOREA

In South Korea, e-invoicing is mandatory for all legal enti-
ties and most physical taxpayers.

Effective July 1, 2022, the mandatory e-invoicing thresh-
old has been lowered to KRW 200,000,000 (approximately
USD 160,000), and on-demand transaction reporting
has been implemented for non-resident digital or elec-
tronic service providers. Effective July 1, 2023, another
change was made which lowered the threshold to KRW
100,000,000 (approximately USD 83,000).

There is no clearance model in Korea. However, it is
required that digitally signed invoices be sent to the
Government Tax System within one day of their issuance.

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SPAIN

B2G e-invoicing has been mandatory for certain entities in Spain under Law 25/2013 since 2015. The obligation to send and process e-invoices as part of B2G currently covers all relationships between suppliers and recipients where the value of transactions exceeds EUR 5,000.

The Spanish Tax Authority is the State Tax Administration Agency (AEAT). For B2B e-invoicing, which is currently voluntary. The FACeB2B platform has been introduced as a General Entry Point (GEP) to encourage entrepreneurs to use electronic invoicing.

On March 22, 2023, Spain concluded public consultations regarding the planned implementation of B2B e-invoicing. The Spanish government wanted to find out how entrepreneurs, social organizations, public entities, and providers of technological solutions related to the planned implementation of mandatory e-invoices. Based on the draft law Ley Crea y Crece (Creation and Growth of Companies) in Spain, e-invoicing for B2B transactions will soon become mandatory. Giving an exact date of its entry into force is somewhat difficult at this stage, but it seems likely that it will take place in the second half of 2027. This is related to the fact that the B2B regulations will not enter into force until 12 months after publication in the Official State Gazette, and this has not yet taken place.

However, it is known that 12 months after the publication of the final regulations, large taxpayers (turnover over EUR 8 million) will be covered by them, and after another 12 months, the rules will become applicable to all other taxpayers. Detailed requirements and technical specifications are not yet known, but information on the planned activities has been provided.

The e-invoicing obligation will apply only to domestic B2B transactions, which means that cross-border B2B transactions concluded between parties, one of which is not established or has a permanent establishment in Spain, will be exempt from it. In addition, transactions are documented with simplified invoices and those that do not have to be documented with an invoice (for example, B2C transactions).

Within the first 12 months after the Royal Decree comes into force, companies will need to issue e-invoices with a PDF document, ensuring their legibility for companies for which the obligation to receive e-invoices has not yet entered into force.

B2B e-invoicing in Spain follows the post-audit model.

SWEDEN

In Sweden, electronic invoicing to government institutions has been mandatory since 2008.

Since 2019, this obligation has been extended to the entire public sector and is handled within the PEPPOL network. In March 2021, the Swedish government went a step further and made B2G procurement mandatory for public entities with more than 50 employees.

In the B2B scope, e-invoicing in the post-audit model is not mandatory, although the introduction of the PEPPOL CTC model is being considered in the future.

However, due to the need to accelerate digital transformation in the private and public sectors, the Swedish government decided to appoint a special entity to conduct research related to the introduction of mandatory e-invoicing in the field of B2B and B2G transactions. With the ViDA project in mind, the Digital Government Agency (DIGG), together with the Swedish Companies Registration Office (Bolagsverket) and the Swedish Tax Agency (Skatteverket), has formally requested the Swedish government to investigate the feasibility of mandatory invoicing in both B2B and B2G segments.

SWITZERLAND

In Switzerland, e-invoicing has been mandatory since January 2016 for B2G transactions only.

B2B electronic invoicing is voluntary. However, in the area of B2B transactions conducted by large companies, EDI is a widely used solution. Also, with regard to issuing B2G invoices to public institutions, even by small companies, it is common to use the services of e-invoicing providers, which not only send the invoice to the recipient but also sign and archive it.

The authority responsible for e-invoicing is the Federal Finance Administration, which has not established a central government platform, and certified Swiss suppliers are responsible for processing e-invoices. Suppliers working with the Federal Public Administration must submit invoices to the Federal Finance Administration electronically for order values over CHF 5,000.

In Switzerland, there is no central platform for electronic invoicing. It's recommended that a hybrid invoice format based on the German/French ZUGFeRD/Factur-X standard be used.

TAIWAN

Foreign suppliers providing B2C services to customers based in Taiwan are required to comply with Taiwan's electronic Government Uniform Invoice (eGUI) system, which forms part of the broader e-invoicing framework. The GUI system is also applicable to domestic taxpayers for both B2C and B2B transactions.

Under this system, invoices must be issued, canceled, or adjusted—whether for returns, purchase withdrawals, or discounts—only with the explicit approval of the transaction counterpart. Submission of GUI data is conducted through either government-provided software or an authorized third-party e-invoicing platform.

Since 2021, the use of the eGUI e-invoicing system is mandatory for B2B and B2C transactions. The obligation applies to all Taiwanese businesses.

Each issuer must hire a VAT and e-invoicing agent. The issuer must request a batch of a sequence of invoice numbers from the authorities before starting invoicing. The invoice must be transmitted to the system within 48 hours of issuance.

THAILAND

Electronic invoicing is currently not mandatory in Thailand. However, the Thai government is taking steps towards digitizing the tax system to create a comprehensive digital tax ecosystem that should be available by 2028. The possibility of exchanging electronic invoices will be introduced in stages starting from 2024.

In 2016, the Thai government introduced a new policy called "Thailand 4.0", which includes two main long-term objectives: to transform Thailand into a digital economy, and for it to become an advanced economic nation 2032.

To achieve those objectives, the Thai government, together with the Electronic Transactions Development Agency (ETDA), which is the main agency responsible for standards and the development, promotion, and support of electronic transactions in the country, is promoting e-invoicing and encouraging companies to make the switch. The e-tax system in Thailand is intended to replace paper-based tax invoices in many common business transactions. It is already possible for VAT parties to send e-invoices and receipts on a voluntary basis using the e-Tax system (which is dedicated to e-invoicing).

The implementation of the Thai government's e-invoicing plan will be phased. In the first stage, by 2024, service providers wishing to provide electronic invoice exchange services must be able to electronically issue, archive, and deliver invoices on behalf of taxpayers. By 2025, large companies should be able to issue electronic invoices, and by 2027, they should be able to submit tax returns electronically. By 2028, all entrepreneurs will be required to settle taxes electronically.

Nowadays, taxpayers who choose to exchange e-invoices with customers must submit them to a central system operated by the Thai tax authorities, called E-tax invoice and receipt. This data must be exported and submitted to the Thai tax authority on a monthly basis (by the 15th of the month following the month in which the invoice was issued). The e-Tax solution can create files in XML format to be sent to the Tax Office (RD) and automatically deliver them to the buyer or service recipient.

The Thai e-invoicing system cannot be considered as a full clearing model. This is due to the fact that only the data contained in e-invoices are transferred to the Thai tax authorities (ETDA), while the e-invoices themselves are transferred directly by the seller to their recipients. Prior notification is required to issue e-invoices to the central system run by the Thai tax authorities.

All e-invoices must meet certain requirements: first, they must be digitally signed, and, moreover, they must have an electronic time stamp confirming the date of issue and must contain defined information. Data from invoices issued in this way are delivered to the Thai tax authority by the 15th day of the month in monthly cycles.

TURKEY

Starting from April 1, 2014, tax-registered persons in Turkey can use e-invoicing but continue to use paper invoices.

Turkish taxpayers must register with the Turkish Tax Authority (TRA) to issue e-invoices, while foreign suppliers cannot issue e-invoices to Turkish buyers. E-invoices can be delivered to TRA directly or through a certified partner.

In the area of B2G relations, there is a rule that suppliers with a turnover of over TRY 5 million registered in the TRA may receive invoices in electronic form, and all public entities are required to do so.

Since January 2022, when the draft invoice communiqué was approved, changes have been made to invoices that must be issued as e-Arşiv invoices. Mandatory electronic invoicing is largely based on each organization's annual turnover. As of July 1, 2023, all companies in the B2B sector with a gross annual turnover of TRY 3 million are required to digitize their invoices. Additionally, taxpayers engaged in e-commerce, real estate, motor vehicles, construction, and as professional intermediaries must register for e-fatura if their gross sales revenue from the previous year exceeded TRY 500,000.

In the B2G area, public entities must mandatorily receive and process invoices in electronic form.

In Turkey, the following types of e-invoices exist:

- For companies registered in the TRA and carrying out B2B transactions, e-invoicing applies.

- For companies not registered in the TRA and carrying out B2B and B2C transactions, e-Arsiv applies.

Turkey has an established clearance model. The Turkish Revenue Service will start requiring taxpayers to place Quick Response Codes (QR codes) on the following tax documents from September 1, 2023:

- E-factura invoices for B2B and B2G transactions (Turkish e-invoices).

- E-arsiv for all B2C transactions, plus any B2B transactions where the customer is below the e-invoice registration threshold.

- e-Delivery Notes, which report physical movements of goods.

UNITED ARAB EMIRATES

Despite the fact that the UAE only recently decided to introduce VAT (2018), following the example of the system operating in Europe, they are already planning how to digitize settlements between taxpayers and public entities. The government's main goal is to eliminate more than a billion pieces of paper used in government transactions annually.

Electronic invoicing is still not mandatory in the UAE, but it is already permitted to exchange e-invoices on a voluntary basis. The UAE Government allows electronic/digital invoices to be sent in connection with their purchasing operations or to ministries and federal entities through the Digital Procurement Platform. To issue electronic invoices, taxpayers must guarantee the integrity and authenticity of the document. Electronic signatures are regulated but not mandated. Invoices must be securely stored in such a way as to guarantee their integrity, authenticity, and availability during the storage period of five years after the end of the tax period to which the invoice relates.

The mandate is expected to be introduced in three stages:

- 2024 (Q4): Establishment of standards and certification processes for service providers.

- 2025 (Q2): E-invoice legislation will be published.

- 2026 (Q2): Go-live for B2B and B2G e-invoicing (phase 1).

A detailed model of the future e-invoicing system is yet to be announced. However, it is widely believed that it will mirror the structure of a system introduced by the Kingdom of Saudi Arabia.
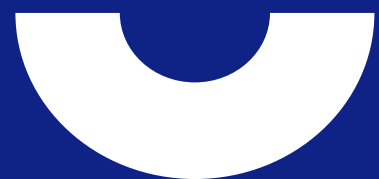
UNITED KINGDOM

There is no general obligation to e-invoice in the UK. However, the UK government encourages businesses to send, receive, and process e-invoices when making B2G transactions.

The only exception to that general rule regards conducting transactions with the National Health Service. In this case, contractors are required to issue and transmit invoices to the NHS electronically via a solution provided by NHS Shared Business Services. The solution allows automated invoice exchange with a possible connection to the contractor's internal systems via an API.

Other contracting public authorities need to be able to receive and process e-invoices if their suppliers want to do so. Furthermore, the Small Business, Business, and Employment Act 2015 gives ministers the power to regulate the use of e-invoicing in the field of public procurement in England. Notably, this does not apply to Northern Ireland, Scotland, or Wales, which have their own rules.

There is no single or central government e-invoicing platform for the whole of the UK, but such solutions do exist in Wales and Scotland. Solutions provided by an external service provider are used based on the three-party model, in which the contracting authority and contractors use a common platform, supported - if necessary - by interoperability agreements with other service providers. Importantly, it is possible to exchange invoices via the PEPPOL network as well.

In the UK, invoices may be in structured format, such as XML, or unstructured, such as PDF. It is also permitted to use traditional EDI standards such as UN/EDIFACT, EANCOM, and ODETTE.

UNITED STATES

In the United States, e-invoicing is not mandatory at the federal or state level for B2B or B2G relationships. Paper and PDF-based invoices are accepted in the United States for B2B transactions. Communication between invoicing systems is practically non-existent, and only a small number of companies send e-invoices, which means huge communication limitations and higher costs. These invoices are based on cXML or EDI (ANSI X.12) formats.

In April 2022, more than 600 organizations formed the Business Payments Coalition (BPC) with the aim of promoting the wider adoption of electronic payments and a pilot program for the exchange of e-invoices in the United States. The pilot was carried out in the United States, the aim of which was to build and test a virtual network that would enable companies of all kinds to exchange electronic invoices with each other by establishing a secure, open framework for the delivery of e-invoices between service providers. Its goal was to establish an operational framework for the exchange of B2B invoices for the American market in 2023. The result of the pilot is the establishment of the Digital Business Networks Alliance. DBNAlliance is a legal entity whose purpose is to supervise the electronic document exchange network.

It was assumed that the purpose of its activity would be to enable access points (service providers) for suppliers and recipients to exchange documents via the Exchange Framework. The Exchange Network is based on open, non-proprietary standards and enables support for various types of companies providing technological and service services, ensuring the secure exchange of electronic documents between them.

DBNAlliance thus first provides exchange policies and standards, and then also provides access point membership and handles their connection to the exchange framework.

URUGUAY

Like other South American countries, Uruguay's e-invoice system is an example of the clearance model. The tax authority (DGI) introduced an implementation plan between 2016 to 2022. The scope of regulations for electronic invoicing expanded gradually, and was finalized when all of the taxpayers in the country were included. Electronic invoices must be issued in XML format and digitally signed.

In Uruguay, e-Invoices are called Comprobantes Fiscales Electrónicos (CFE), and the Dirección General Impositiva (DGI) tax authority manages the process of issuing, receiving, and storing the CFEs. The DGI initiated the e-invoicing implementation schedule in 2016 for companies and taxpayers required to adopt e-invoicing, and it became fully effective in 2022.

The Uruguayan tax authority (DGI) has released Resolution 531/2022 which contains a new version of electronic invoice that was replaced with old versions.

According to Resolution Nº 798/2012, the e-Invoice is the system established by the Dirección General Impositiva (DGI) for small, medium, and large companies to issue electronically the documents associated with their commercial operations. Known as the Electronic Tax Receipts Documentation Regime, it establishes the conditions for companies to issue the CFEs for transactions carried out, having the same legal and tax validity as hard copies.

From December 2022, B2B e-invoicing is mandatory for all taxpayers. B2G e-invoicing has been obligatory since January 2019.

VIETNAM

Alongside many other countries, Vietnam has been reached by the e-invoicing revolution. On July 1, 2022, electronic invoices became obligatory for all taxpayers in Vietnam. From this point on, all businesses have been obliged to issue e-invoicing to buyers, digitally report all their transactions to the tax authority (GDT), and register (on the GDT website) before using e-invoices to obtain approval from the General Department of Taxation (GDT).

Guidelines for the development of e-invoicing in Vietnam have been set out in circular 78/2021/TT-BTC issued by the Ministry of Finance, which sets out guidelines for the development of e-invoicing implementation under Regulation 123/2020/ND-CP as well as several other regulations, including technical and infrastructural ones. The implementation of e-invoicing was gradual and has been optional in Vietnam since 2011. As a first step, the General Tax Department (GDT) implemented the e-invoicing rollout plan in a two-phase nationwide pilot, encouraging businesses that were ready to switch to e-invoicing to apply early and start the implementation process. The approach chosen is the clearance model.

The required data format is an XML format. Electronic invoices consist of two main data formats: electronic invoice data and digital signature data. Digital signing is mandatory. Furthermore, electronic invoices have to be retained securely for a period of 10 years.

Regarding the transmission of the electronic invoice data to the tax authority, companies can choose between realizing direct transmission themselves and using an authorized e-invoicing provider.

In Vietnam, companies must submit e-invoicing data to the tax authorities either directly or through an authorized e-invoicing service provider. Invoices issued by taxpayers need to be transferred to the General Department of Taxation in order to obtain a unique verification code. Once received, e-invoices will be sent to the buyer. Enterprises and economic organizations are obliged to use electronic invoices with tax authority codes when selling goods or providing services, regardless of the value of these goods and services, except for the cases specified in art. 91 of the Tax Law 2019 No. 38/2019 /QH14.

SUMMARY

One thing is certain – the trend of introducing new e-invoicing policies will not only continue but will also take place in more and more countries. To face these changes and achieve your business goals in the international market, your company must be able to support many different e-invoicing standards. As the contents of this e-book show, the sheer number of platforms, formats, and legal requirements make it a challenge to become VAT-compliant in individual countries.

In this situation, it is worth using an e-invoicing solution that ensures not only compliance with country-specific legal regulations and modern data transfer standards but also the integrity and quality of the content featured in one's e-invoices, the authenticity of their origin and legibility, security, and archiving for the period specified by law.

One way to address it is with Comarch e-Invoicing, which is a platform that allows you to exchange electronic invoices effortlessly in over 60 countries around the world. The system is regularly upgraded so that it meets the everchanging legal B2B and B2G requirements – no matter where you run your business operations.

If you want to learn more about the processes you can automate with the help of Comarch e-Invoicing, visit our official website, or get in touch with us.