



COMARCH

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, and accompanied in numerous countries by the trend to apply 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 invokes 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

Australia is still in the introduction phase of obligatory e-invoicing. In this, the PEPPOL network is of particular importance. In B2B and B2G, invoices must be transmitted through PEPPOL.

The Australian government started a campaign to drive electronic invoicing in B2B by proposing a Business eInvoicing Right (BER). During a consultation phase, interested parties were invited to submit their view on the proposed concept.

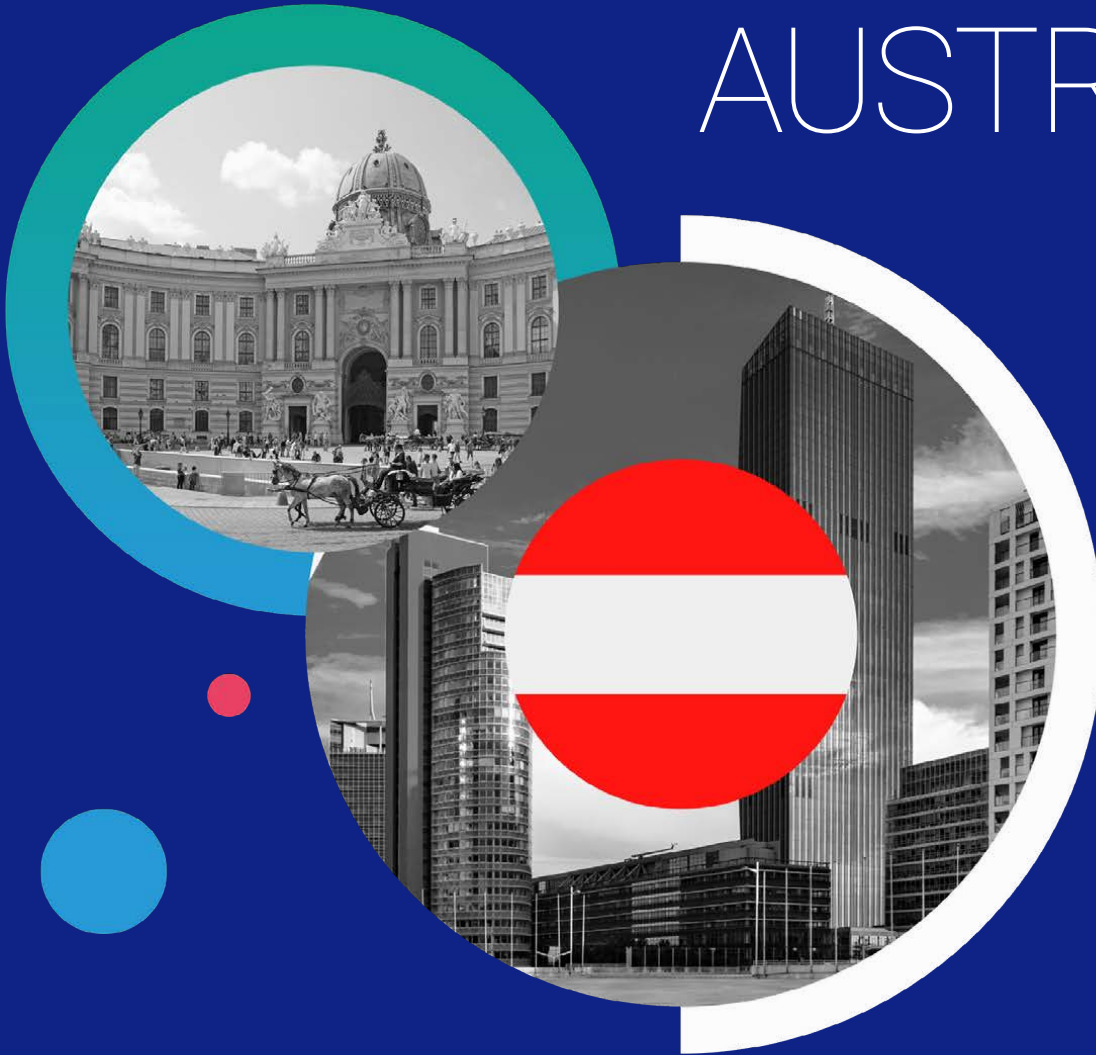
The BER initiative would gradually give all companies the right to require their trading partners to send them electronic invoices in the PEPPOL format. Thus, obligatory e-invoicing would be introduced in Australia in several phases based on company size. Three phases were proposed:

- From July 1, 2023, companies could request large trading partners to send their invoices electronically over the PEPPOL network. That means large companies would be obliged as of that date to be able to send electronic invoices in the PEPPOL format upon request.

- From July 1, 2024, companies could request medium-sized trading partners to send their invoices electronically over the PEPPOL network. That means medium-sized companies would be obliged as of that date to be able to send electronic invoices in the PEPPOL format upon request.
- From July 1, 2025, all companies would be obliged to exchange electronic invoices in the PEPPOL format.

The Australian government has adopted PEPPOL as standard for the electronic exchange of invoices and other procurement documents. Since July 1, 2021, government agencies have been able to receive and process electronic invoices. According to the Digital Business Plan, all government agencies were obliged to introduce e-invoicing by July 1, 2022.

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 from 2014. Thus, EU directive 2014/55/EU has been applied.

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. The standard to be applied is ebInterface or BIS Billing 3.0.

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.

In general, invoices for B2G transactions have to be issued in electronic form, but there are some exceptions. Those include insurance contracts, rental or lease agreements, down payments, and membership fees.

In the B2B area, electronic invoicing is optional. That means, the clearance model has not yet been implemented; Austria still uses the post-audit model.



BELGIUM

Like other EU Member States, Belgium started with mandatory e-invoicing in B2G, which is being introduced gradually and looks as follows:

- October 2022: e-invoices for public contracts more than EUR 214,000 must be issued
- April 2023: e-invoices for public contracts equal to or greater than EUR 30,000 must be issued
- October 2023: e-invoices for public contracts less than EUR 30,000 must be issued

Invoices below EUR 3,000 are exempt.

B2B e-invoicing is still completely optional and there are no concrete plans for the introduction of an obligation yet. However, and although this has not been officially confirmed, Belgium is expected to move quickly from obligatory B2G e-invoicing to obligatory B2B e-invoicing. In its 2022 budget, the Belgian Ministry of Finance expressed its consent to making e-invoicing obligatory in B2B. Up to now, no legal basis has been created, neither has Belgium applied for the necessary authorization by the European Commission.

Still, it can be assumed that the obligation will be introduced in phases: starting with large companies on July 1, 2024; followed by medium-sized companies on January 1, 2025; and completing with small companies on July 1, 2025.

In federal countries, the separate regions or states often have their own regulations and schedules with regard to the introduction of obligatory e-invoicing. As with many other European countries, this is the case with Belgium. In the Flemish Region or Flanders, electronic invoicing

was implemented particularly quickly. Since January 1, 2015, all public institutions have had to be able to receive and process electronic invoices. Suppliers to public authorities became obliged to send electronic invoices on January 1, 2017. Brussels and the Walloon Region have taken longer to introduce such requirements.

On the national level, suppliers have been able to send invoices to public authorities electronically since January 1, 2017. On April 1, 2019, all public authorities in Belgium became obliged to receive and process such electronic invoices.

How to send electronic invoices in Belgium? B2G invoices are to be submitted through the Mercurius platform. This platform was developed by the Belgian government and is connected to the PEPPOL network. Invoices and credit notes exchanged via Mercurius have to be compliant with the PEPPOL BIS 3.0 document format.

Suppliers to the public sector have two options to submit their invoices:

- Manual upload – the interface does not only enable the suppliers to send structured invoices and credit notes, but also makes it possible for sender, recipient, and service provider to check the status of the sent documents
- Through PEPPOL – automatically via a PEPPOL Access Point

Beyond e-invoicing, the Flemish government is working on an e-ordering system to also digitize the procurement process. Whether, in addition to e-invoices, e-orders will become accepted in B2G too, remains to be seen.



CHINA

In China, invoices are referred to as fapiao, which have different forms, including a special VAT invoice fapiao used in B2B relations, which allows tax deduction.

Since 2015, e-fapiao for general VAT has been rolled out in China. Despite this, many invoices are still issued in paper form, which must be registered in the government portal or in the Golden Tax System.

In December 2021, a pilot e-fapiao program was launched, covering three provinces. Sichuan province was added in October 2022, and it is planned to extend e-invoicing nationwide by 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 a clearance model, which means that invoices must be registered on the STA platform before they are sent to the recipient.



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 1 July 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. Therefore, EDI providers or Peppol networks allow B2B e-invoices to be sent and received in Croatia.



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 (from mid-April, 2022), 134 large enterprises were obliged to transmit electronic invoices to the Egyptian tax authority. In October 2022, this obligation will be extended to another 400 companies in the second phase. Further similar phases will follow until 2025, when all VAT invoices in Egypt should fall under the e-invoicing obligation.

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.

Companies are required to integrate their ERP systems with the tax authority's portal. To this end, they have to register, establish access through an API, obtain an eSeal certificate from a certified provider, register this certificate, and retrieve an access token.

From a technical point of view, the electronic invoice in Egypt is a structured file in XML or JSON format.



FINLAND

In Finland, all invoices issued to the government have been required to comply with European standards for electronic invoicing since 1 April 2021. In the area of business-to-government (B2G) invoicing, Finland has achieved impressive results – almost 100% of invoices received by public authorities are in electronic form.

In the field of invoicing, B2B companies with an annual turnover of over 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.

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.

Although B2B e-invoicing is not mandatory in Finland, it is becoming more and more popular and beneficial for business.



FRANCE

As e-invoicing has been successfully introduced in the B2G area, it is now time for obligatory B2B e-invoicing in France. The introduction is expected to be realized in several steps. If all goes to plan, France will have switched fully to the clearance model by 2026.

Both B2G and B2B e-invoicing are to be performed through the B2G platform Chorus Pro, which is already being used.

The timeline for B2B e-invoicing starts with January 1, 2024. On that date, receipt of e-invoices (including status) will become mandatory for all taxpayers. Also from July 1, 2024, large taxpayers (more than 5,000 employees and annual sales over EUR 1.5 billion) will be obliged to issue electronic invoices (including status) and perform electronic reporting through Chorus Pro. On January 1, 2025, midsize taxpayers (fewer than 5,000 employees and annual sales under EUR 1.5 billion or balance sheet total under EUR 2 billion) will become obliged to issue electronic invoices (including status) and perform electronic reporting through Chorus Pro. One year later (January 1, 2026), this obligation to issue electronic invoices (including status) and perform electronic reporting through Chorus Pro will become applicable for all remaining taxpayers (fewer than 250 employees and annual sales under EUR 50 million or balance sheet total under EUR 43 million).

The invoices are to be issued in the formats of UBL, CII, or Factur-X. This applies to all companies subject to VAT. In France, the Y model will be implemented. That means electronic invoices will be validated by a certified provider before they are reported to the government. To this end, the companies may use a platform for digitization (Plateforme de Dématérialisation Partenaire – PDP). The tasks performed by this PDP are conversion, validation, and transfer of the invoices.

The Chorus Pro portal introduced for B2G invoicing will be expanded by new functions: B2B invoicing and e-reporting. Thus, the public invoicing portal (Portail Public de Facturation – PPF) will become the new B2B2G portal.

Electronic invoicing through Chorus Pro has been obligatory in B2G since January 1, 2020. The 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.

Alongside mandatory e-invoicing, an e-reporting obligation in France requires the submission of digital tax reports. These are to contain the following information: payment details, details of B2C transactions, and details of international B2B transactions. In that way, the French government wants to gain insight into transaction data.

GERMANY



In Germany, the e-invoicing topic is more complicated than in any other European country. This is due to the fact that 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.

Taking a closer look at the B2B area, it must be said that no official timeline for electronic invoicing has been set. Therefore, it is not known when B2B e-invoicing will become obligatory in Germany. The only clue available is a statement in the coalition agreement of the new government signed on November 24, 2021, which says:

“We will continue to fight VAT fraud. This endeavor is to be intensified in cooperation with the federal states. As soon as possible, we will introduce a nationwide electronic

reporting system to be used for the issuance, validation, and forwarding of invoices. Thus, we will be able to reduce our VAT system’s vulnerability to fraud considerably, and, at the same time, modernize and debureaucratize the interface between the administration and the companies.”

In summary, e-invoicing between businesses is possible but not mandatory in Germany. When or whether Germany will introduce the clearance model is not clear, which is why no dates have yet been given.

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 for e-invoicing of EUR 1,000 has been set. Invoices below that figure are not subject to e-invoicing.

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

What is also important in B2G e-invoicing is the Leitweg-ID. 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 have a 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, e-mail, and PEPPOL
- **Bavaria:** e-mail as there is no invoicing portal
- **Bremen:** zERIKA portal; web capture, web upload, e-mail, DeMail, and PEPPOL
- **Hamburg:** E-Rechnungsportal; web upload, e-mail, and DeMail and PEPPOL
- **Hesse:** e-mail or PEPPOL as there is no invoicing portal
- **Lower Saxony:** Zentrale ePoststelle; web upload, e-mail, and PEPPOL
- **North Rhine-Westphalia:** Zentraler E-Rechnungseingang RLP; web capture, e-mail, DeMail, and PEPPOL
- **Rhineland-Palatinate:** Zentraler E-Rechnungseingang RLP; web upload, e-mail, and PEPPOL
- **Saarland:** Zentraler E-Rechnungseingang RLP; web upload, e-mail, and PEPPOL
- **Saxony-Anhalt:** E-Rechnungsportal; web capture, e-mail, and PEPPOL
- **Schleswig-Holstein:** E-Rechnungsportal; e-mail, DeMail, and PEPPOL





HUNGARY

In Hungary, real-time invoice e-reporting of invoice data is obligatory for Hungarian companies and foreign companies with a branch office in Hungary. As of 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 are to be submitted electronically to the national tax and customs administration (Nemzeti Adó- és Vámhivatal – NAV). The NAV provides a dedicated system for that purpose 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 only report it. It means, 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 have been transmitted successfully, a confirmation of receipt is returned.

Indonesia



In Indonesia, the electronic invoice system e-Faktur Pajak, which is managed by the [Directorate General of Taxation \(DGT\)](#), was launched in 2013. On 1 July 2014, DGT implemented an e-Faktur solution for issuing tax invoices. 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 are required to register invoices via the government application, and 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.



Japan

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. However, this requires the sending and receiving parties to register with Japan National Tax Authority (NTA).

This was the first step in reforms, which also include the implementation of the Qualified Invoice System (QIS), which will come into force on 1 October 2023 and will work 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 1 October 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 31 March 2023.

On 1 January 2024, Japan is going to introduce 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 24 November 2022, Comarch became an acknowledged PEPPOL Service Provider in Japan.



Mexico

In Mexico, e-invoicing has been mandatory for large taxpayers 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 will be mandatory from

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. After approval of the content and structure of the invoice, an additional electronic signature called a stamp is generated.



NETHERLANDS

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

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

In contrast to B2B, there are rules for B2G e-invoicing in the Netherlands. In compliance with EU directive 2014/55/EU, invoices in B2G have to be issued, forwarded, received, and processed electronically.

On January 1, 2011, public authorities became obliged to receive and process electronic invoices. The suppliers of these public authorities have been obliged to issue and transmit their invoices in electronic form from January 1, 2017. Since January 1, 2019, local authorities have also had to be able to receive and process electronic invoices.

How to transfer a B2G invoice in the Netherlands? The Netherlands uses the PEPPOL network. Public authorities are directly or indirectly connected to PEPPOL. For local authorities, it is not obligatory to use PEPPOL but recommended.

The suppliers of local authorities can choose between three transmission channels:

- PEPPOL by way of a PEPPOL Access Point
- Email if the supplier is able to create an XML invoice that is attached to the email
- Online portal

The suppliers of central public authorities can choose between three transmission channels as well:

- PEPPOL by way of a PEPPOL Access Point
- Online portal
- Digipoort (advisable for companies advanced in IT matters if there is a large number of invoices)

In the Netherlands, several e-invoicing standards are applicable:

- UBL-OHNL is based on UBL and meant for invoices on goods and services
- PEPPOL BIS is applicable for international transactions of PEPPOL users



NORWAY

Business-to-government (B2G) e-invoicing has been mandatory since 2009. In 2019, this obligation was extended to all suppliers.

In Norway, the PEPPOL standard has been adopted both public sector and business-to-business (B2B) transactions, but B2B e-invoicing, although possible since 2017, is not mandatory. For B2B transactions, the postaudit

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.



PHILIPPINES



The pilot phase for 100 selected taxpayers started as of 1 July 2022 in the Philippines. In accordance with the Tax Reform for Acceleration and Inclusion (TRAIN) law, large taxpayers as well as e-commerce and export companies had to prepare for the digital issuance of invoices and receipts by July 1, 2022.

In connection with the e-invoicing system being introduced, the Bureau of Internal Revenue (BIR) is considering implementing a real-time transmission model (the clearance 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.

In total, the system consists of three portals:

- EIS Taxpayer Portal
- EIS Certification Portal
- EIS Portal for Revenue Officers

Companies obliged to issue e-invoices have to prepare digital copies of invoices and receipts in XML format according to BIR requirements.

POLAND



Poland intends to become a pioneer for e-invoicing in Europe. Having introduced the SAF-T system (by means of the JPK file – Jednolity Plik Kontrolny) in 2015, 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, has been available on a voluntary basis. The required invoice format is XML. Initially, it was planned to make the use of KSeF obligatory in 2023, but this deadline cannot be met since the European Commission's authorization was only obtained for 2024.

Issuing invoices in KSeF is possible for all companies that are registered as VAT payers in Poland. As traditional paper and PDF invoices are also 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

The implementation of e-invoicing reform in Portugal was slowed down by the COVID-19 pandemic. But even though the initial deadlines were postponed, companies still need to be prepared. Several e-invoicing and SAF-T reporting requirements come into force this year.

Since January 1, 2022, for instance, all invoices have had to contain a QR code. From January 1, 2023, a unique ID, the ATCUD, 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.

Furthermore, private and public companies operating in the trade, agricultural, or industry sectors in Portugal are required to implement the SAF-T (PT) specification. In order to be able to generate the respective reporting file, the companies' accounting systems have to provide certain information, such as item, customer, and supplier master data, VAT rates, as well as accounts structure, and business transaction list. The purpose of the SAF-T file, which is to be submitted monthly or annually, is simplified transmission of business data and tax returns to the tax authority by electronic means.

Electronic invoicing in the B2B area is still optional in Portugal. It is intended to introduce an e-invoicing obligation, but there is no official statement of the Portuguese government yet.

In B2G, e-invoicing became mandatory for large enterprises in 2021. As of January 2023, this obligation will also

apply to medium-sized, small, and micro-companies. Companies are classified as follows:

- 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
- Small companies: fewer than 50 employees, annual sales or balance sheet total no more than EUR 10 million
- Micro-companies: fewer than 10 employees, annual sales or balance sheet total no more than EUR 2 million

For the receipt of electronic invoices in B2G, a dedicated platform was developed by the relevant public authority, eSPap (Entidade de Serviços Partilhados da Administração Pública). The standards UBL 2.1 CIUS-PT or CEFACT CIUS-PT are to be complied with.

After several postponements by the Portuguese government, invoices in PDF format will continue to be accepted as electronic invoices with regard to all tax purposes until the end of this year. As of January 1, 2023, electronic invoices must contain a digital signature in order to be valid.



ROMANIA

Romania's speed in introducing the clearance model is unprecedented. The country intends to complete the whole process within less than a year. This plan of the Romanian government is highly controversial, since it leaves the government and companies with little time for preparation.

Up to now, Romania has not obtained the necessary approval of the European Commission to introduce the clearance model. Therefore, it decided on a workaround solution making e-invoicing only mandatory in critical branches of industry. The point is to close the VAT gap which amounts to more than 30% in Romania.

Accordingly, since July 1, 2022, companies dealing in products with a high tax risk have been obliged to issue electronic invoices. Relevant product categories (those where there is a risk of tax avoidance) are deemed to be those dealing with fruits and vegetables, alcoholic beverages, construction work, mineral products, clothing, and footwear. From that same date, B2G suppliers have had to submit their invoices to public authorities in electronic form. As soon as the European Commission has granted authorization, the e-invoicing obligation will be expanded to cover all companies.

For the purposes of e-invoicing, the Romanian government provided the platform RO e-Factura. All relevant invoices are to be exchanged through this platform. The required XML format, defined in the national standard RO_CIU; UBL 2.1 is to be used. Since November 1, 2021,

the platform RO e-Factura has been available for B2G and B2B transactions. It enables submitting and downloading invoices. Once an invoice is submitted, it is assigned an ID and can be downloaded by its recipient within a 60-day period. Similar to other countries and platforms, syntactic and semantic validation of the documents is performed, but no verification of the business content. The latter is the responsibility of the submitting company itself or any service provider it may use.

In general, both invoicing parties have to be registered in the platform. However, if a company with a high tax risk is involved and e-invoicing is obligatory, the invoice recipient does not need to be registered. In these cases, the main point is to inform the authorities about such transactions, and not necessarily to transfer the invoice to its recipient via the platform.

In addition to RO e-Factura, a national system to monitor the transport of goods with a high tax risk – RO e-Transport – was introduced. It has been available for optional use since April 1, 2022. Since July 1, its use has been obligatory. In the system, suppliers must register the transport of goods up to three days before their shipment. They have to give the following data: name of the sender and recipient or consignee, quantity and value of the goods transported, location of loading and unloading, details of the means of transport used and the carrier, and the date specified as start date of transport. After this data is processed, a unique UIT code is generated which must be attached as a physical copy to the goods before shipping.



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, starting 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 comprises companies with annual sales exceeding SAR 3 billion in 2021.

Together with the introduction of e-invoicing, the requirement of having VAT invoices (including debit and credit notes) approved by the tax authority as well as of reporting relevant transactions has been introduced as well.



SERBIA

Serbia plans to fully implement the clearance model in 2022/2023. In quick succession, e-invoicing is to be introduced first in B2G and then in B2B. Similar to France, the same platform will be used in both areas, namely the Sistem eFaktura (SEF).

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, they have also had to be able to receive and process electronic invoices. On January 1, 2023, these obligations became effective for all B2B transactions.

Simultaneously with e-invoicing, from January 1, 2023, an additional VAT reporting obligation was imposed on taxpayers. According to Article 4 of the RS E-Invoicing law (Special obligation of electronic recording of value added tax calculation), all transactions, which trigger VAT but are not covered by the e-invoicing system, must be additionally reported. Generally, registration of VAT in the SEF system is done until 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 obligated 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 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.



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. As early as 2014, an e-reporting system was introduced in Slovakia enabling the submission of VAT verification reports (kontrolný výkaz) in XML format.

Up to now, e-invoicing in B2B has been optional in Slovakia. However, the government plans to make its new CTC system (Continuous Transaction Controls) obligatory for B2B transactions by 2024.

As the Ministry Finance announced: “The deadline for the introduction of the electronic invoice was originally set for 2023, but depending on the preparation of the related legislation and the readiness of the business sector, a postponement to 2024 is likely.”

Concerning e-invoicing in B2G, all suppliers of public authorities have been able to issue electronic invoices since June 1, 2022, based on test phase. They can use the official CTC system named IS EFA (Informačný Systém Elektronickéj Fakturácie) for transmission. IS EFA was introduced within the scope of implementing EU directive 2014/55/EU.

What must be observed is the “white list” of bank accounts. Since January 2022, the Slovakian financial administration has been publishing a list of all bank account

numbers officially registered by companies. 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 flat file which can be used to automate the validation process.

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 e-mail with the invoice attached to an official government e-mail address (zahránská-invoice@invoice.mfsr.sk). The attached invoice will be checked and entered into the system manually; the e-mail body will be ignored.



SPAIN

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

The Spanish Tax Authority is the Ministerio de Hacienda y Función Pública. In the area of B2B e-invoicing, which is currently voluntary, the FACeB2B platform has been launched, operating as a General Entry Point (GEP). Its provision is to encourage entrepreneurs to electronic invoicing. But, based on draft law Ley Crea y Crece (Creation and Growth of Companies) in Spain, e-invoicing for B2B transactions will soon become mandatory. It is planned to gradually introduce the obligation of B2B e-invoicing in the coming years. Detailed requirements and technical specifications are not yet known, but information on the

planned activities has been provided. On the basis of social consultations, which will be carried out until March 2023, the final shape of the planned changes will be presented.

It is very likely that this will take place as follows:

- Taxpayers with a turnover exceeding EUR 8 million – beginning of 2024 (one year after the regulatory development is approved)
- All other entrepreneurs – beginning of 2025 (two years after the regulatory development is approved).



THAILAND

In Thailand, the clearance model is applied in electronic invoicing. This model requires each invoice to be authorized electronically by the relevant tax authority before or during the exchange process.

Since this kind of e-invoicing involves complex technical and legal requirements for companies, the Thai government has taken steps to simplify the procedure. The government agency Electronic Transactions Development Agency (ETDA) has introduced a certification process for providers of electronic services to assess their security and compliance. Currently, the Thai government is developing a powerful e-invoicing system integrating certified service providers.

Companies wishing to exchange invoices and other documents electronically have to be registered as entities subject to VAT and comply with the provisions of Thai rules and regulations. Those concern, amongst others, VAT invoices (full and abbreviated form), debit and credit

notes, as well as other documents to be exchanged with tax authorities. They stipulate, for example, that electronic invoices and other documents must contain a digital signature including specification of the certification body or a timestamp.

The timeline for using the e-invoicing system depends on a company's size. Since 2018, the system has been open to large (annual sales over THB 500 million) and medium-sized companies (annual sales between THB 30 and 500 million). Small companies (annual sales between THB 1.8 and 30 million) have been able to use e-invoicing since 2020; and micro-companies (annual sales under THB 1.8 million) since 2022.



TURKEY

Starting from 1 April 2014, tax registered persons in Turkey have been able to use e-invoicing and continue to use paper invoices.

In the area of B2G relations, there is a rule that suppliers with a turnover of over TL 5 million and 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. If the annual invoicing limit was exceeded TL 3 million in 2022, companies must issue electronic invoices in 2023.

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

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.

Turkey has an established clearance model.



UNITED STATES

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. This pilot began in 2022 and will continue until Q1

2023, in order to establish an operational B2B invoice exchange framework for the domestic market in 2023.

Its purpose is to make American companies aware that the exchange of invoices can be done more efficiently and sustainably. However, the timetable for introducing the B2B electronic invoicing obligation has not yet been announced.



VIETNAM

Alongside many other countries worldwide, Vietnam has been reached by the e-invoicing revolution. On July 1, 2022, electronic invoices became obligatory for all taxpayers in Vietnam. From that date, paper invoices are replaced by electronic ones. The approach chosen is the clearance model.

All companies are obliged to issue electronic invoices to their customers, and to report them digitally to the relevant tax authority. In order to prepare for electronic invoicing, companies have to register on the website of the General Department of Taxation and obtain authorization by the tax authority.

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

Regarding 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.

SUMMARY

One thing is certain – the trend of introducing new e-invoicing policies will not only continue but will be taking place in more and more countries. To face these changes and carry on with achieving 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 makes 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, their security and their archiving for the period specified by law.

One such solution is 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 ever-changing 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](#).

