

The background of the slide is an abstract, futuristic image featuring curved, glowing blue and white light trails that create a sense of motion and depth, resembling a high-speed train or a digital data stream.

Electronic invoicing:  
navigating business readiness and  
strategic planning for success

May 16, 2024

# Agenda

- 01 Introductions
- 02 Understanding e-invoicing
- 03 E-invoicing challenges & opportunities
- 04 Planning e-invoicing journey
- 05 Digital readiness
- 06 RSM capabilities
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The background is a complex, abstract network of glowing blue lines and nodes. The lines are thick and curved, creating a sense of depth and movement. The nodes are small, bright blue spheres connected by thinner lines, forming a dense web. The overall color palette is various shades of blue, from deep navy to bright cyan.

# Introductions

Navigating the e-invoicing landscape,  
unveiling challenges and  
crafting strategies

# Understanding e-invoicing



# What is e-invoicing?

## Process

- E-invoicing replaces paper invoices with the exchange of machine-readable invoice data transmitted to the tax authority's portals
- The seller populates certain fields in its ERP/billing application to generate an output file to be converted into a structured format and transmitted to the tax authority's portal for validation
- The tax authority checks the invoice for accuracy and compliance with tax obligations and either approves or rejects the e-invoice
- The buyer receives the approved invoice through agreed upon channel

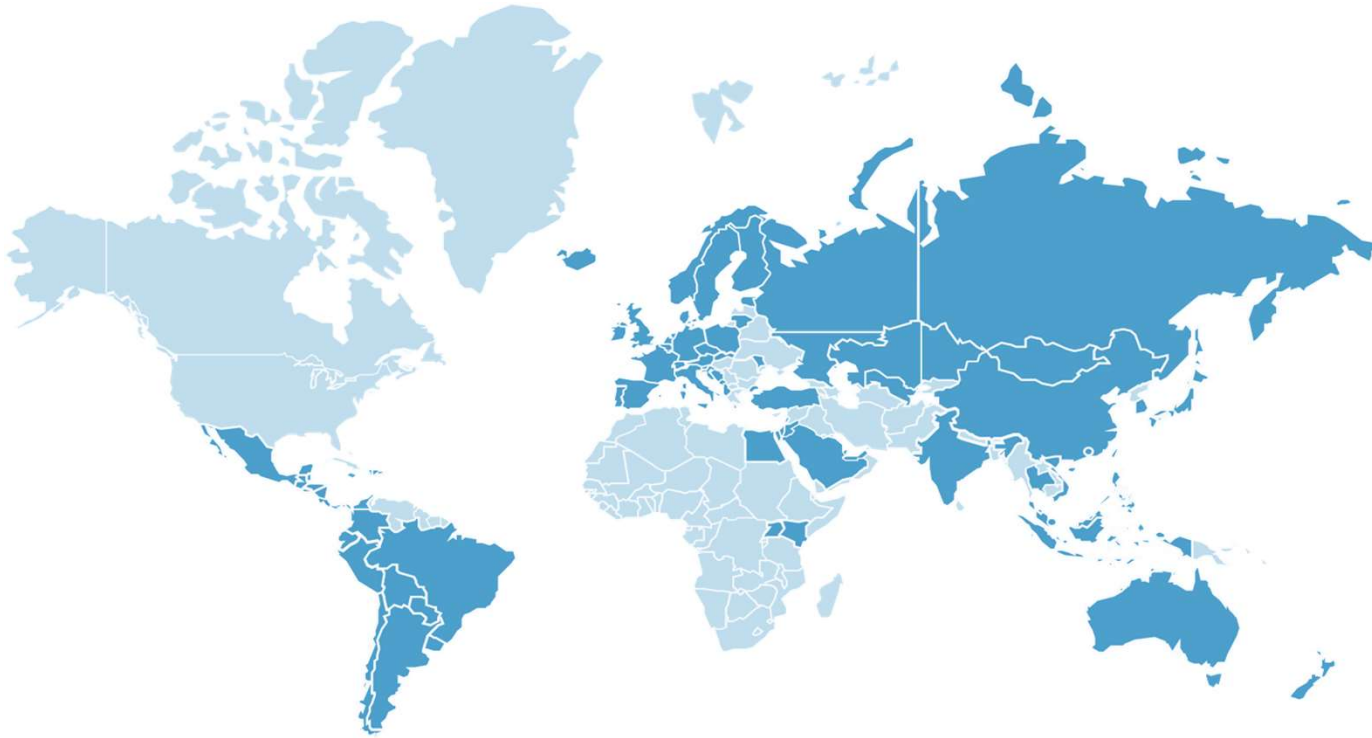
## Models and transmission networks


- Operating e-invoicing models: Real time reporting, clearance, centralized and decentralized
- Transmission formats: PEPPOL BIS, JSON and XML.

## Key drivers

- Overlap with the VAT compliance and provides government with real time visibility into transactional data.
- Reduction of VAT gap and tax evasion - EU VAT Gap decreased by around €38 billion in 2021

# Legislation driving digital transformation

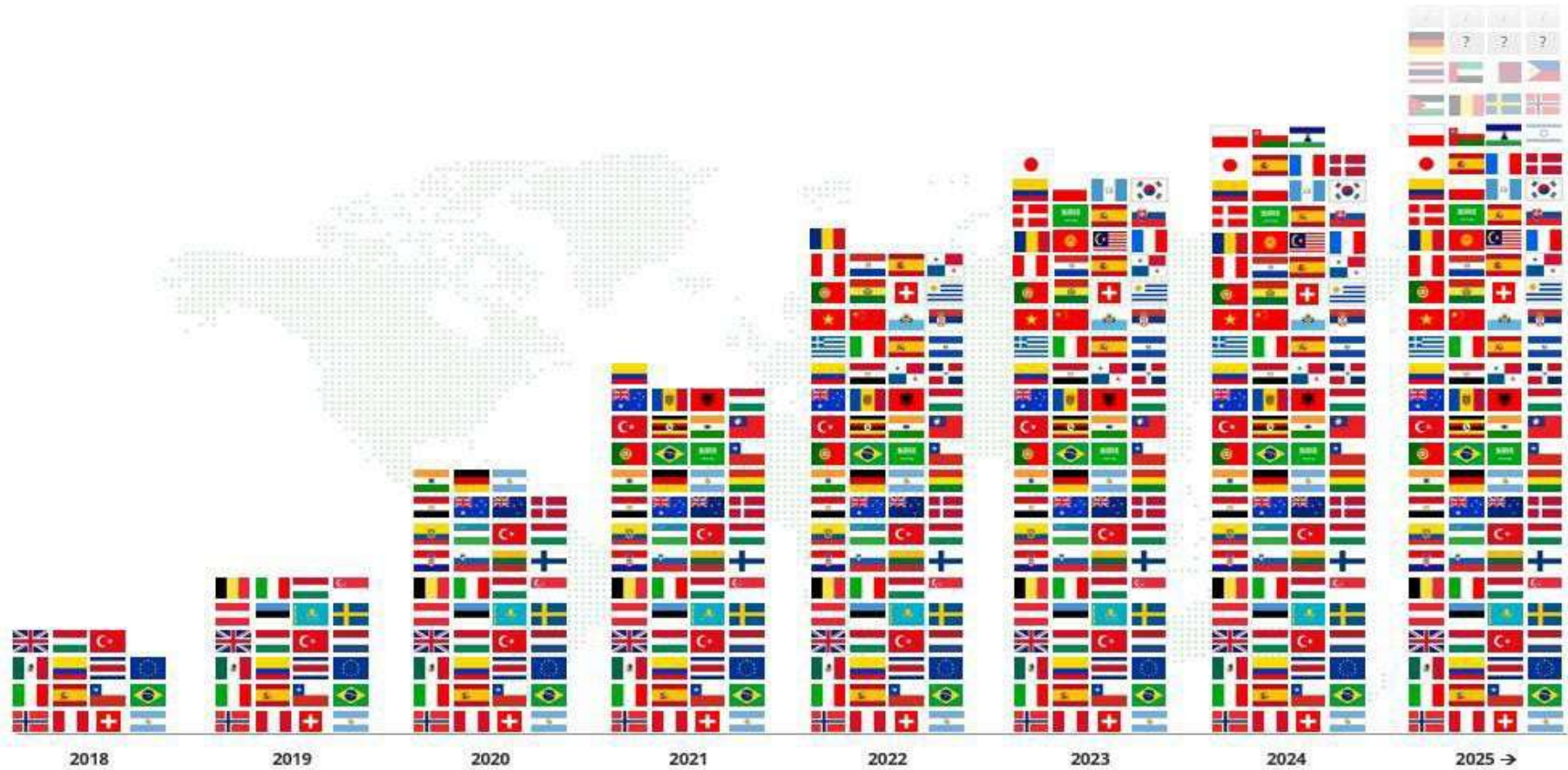


 Countries implemented or planned e-document regulations

**Current:**  
70+ countries have e-document regulations

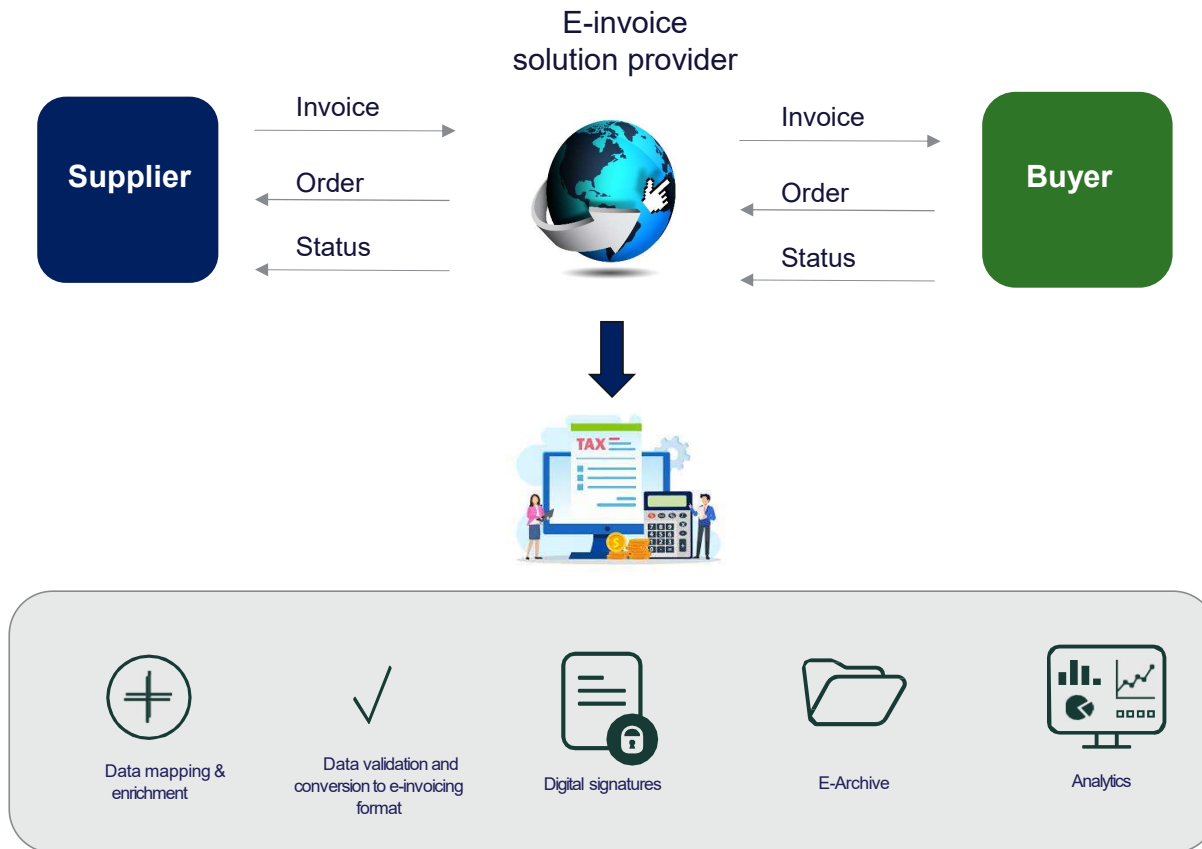
**Projections:**  
By 2026 80% of organizations may be required to use e-invoicing

# The rise of digital reporting





# Inbound and outbound transmissions



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# E-invoicing challenges & opportunities

# Regulatory and business challenges

- E-invoicing regulations vary from country to country
- E-invoicing mandates are evolving – B2G, now B2B and eventual B2C
- There is a phased approach to the adoption of e-invoicing by governments around the world – starting with large taxpayers and then smaller business with certain revenue thresholds
- In countries where e-invoicing is implemented only for B2B transactions, the regulations can be adjusted to extend the e-invoicing requirements based on revenue (e.g. India) or related goods (e.g. Romania)
- Confusion on certain terminology in countries with e-invoicing mandates, Continuous Transactions Controls (CTC), digital reporting/real time reporting, pre-clearance

# Benefits for businesses

- Elimination of paper invoices
- Faster processing time on both sales and purchases and elimination of human intervention and improved accuracy
- Improvement of invoice disputes
- Streamlined workflows because of invoice automation
- Improved cashflows
- Increased visibility around data (AR and AP Functions) and improved controls in real time
- Overall improved efficiencies around duplicative invoices, overpayment and underpayment of invoices

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# Planning e-invoicing journey

# What should businesses be doing?



## Next steps

- Advocate for e-invoicing champion
- Identify cross functional teams by country and region
- Review current and future IT landscape
- Analyze your current invoicing flows and capabilities
- Analyze data availability in your systems
- Decide on solution strategy – single source solution or silo country specific solution

# Recommended approach



A complex digital network background with glowing blue lines and nodes, suggesting a global or interconnected digital space.

# Digital readiness



# Getting started with e-invoicing



**Do we need e-invoicing?**

**Manual vs. automated solution?**

**What do we need to know?**

# Do we need e-invoicing?



## Does the business partner country require e-invoicing:

- Timeline: when e-invoicing will be required
- B2G
- B2B
- B2C

## Does your business partner require e-invoicing?

- Some businesses only transact via e-invoicing

# E-invoicing: manual vs. automated

1

## Email (manual)

- Common for many businesses
- Usually PDF

2

## Automated

- Country specific requirements
  - ✓ Transaction type
  - ✓ File format
- Transmission technology used
  - ✓ Peppol
  - ✓ JSON
  - ✓ XML

3

## Solutions considerations

- Does your current system support?
- Tax platform compatibility
- Transmission network

## System specific challenges to consider

- Awareness of e-invoicing system nuances (e.g., hard coded vs. dynamic data elements)
- How mistakes will be handled
- What transactions does the system support? (invoice, vendor bill, credit memo, etc.)
- Validating transaction receipt at destination system
- Know government required fields
- Controls: preventing transmitted transactions from being edited after send

# Key design considerations

- Error handling protocols
- Clarify supported transactions
- Rigorous transaction validation
- Government-required fields compliance
- Editing prevention controls




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# RSM capabilities


# We are where you are – RSM at a glance



More than  
**120**  
countries



**64,000**  
professionals



**820**  
offices

## NORTH AMERICA

Canada  
Mexico  
Puerto Rico  
United States

## EUROPE

Albania	Belgium	Czech Republic	Germany	Isle of Man	Kyrgyzstan	Malta	Slovakia
Andorra	Bulgaria	Denmark	Gibraltar	Israel	La Reunion	Mayotte	Spain
Austria	Channel Islands	France	Greece	Italy	Luxembourg	Netherlands	Sweden
Azerbaijan	Croatia	Georgia	Hungary	Kazakhstan	Macedonia (Republic of North)	Norway	Switzerland
Belarus	Cyprus		Ireland	Kosovo		Poland	Tajikistan
						Portugal	Turkey
						Romania	Ukraine
						Serbia	United Kingdom

## CARIBBEAN AND LATIN AMERICA

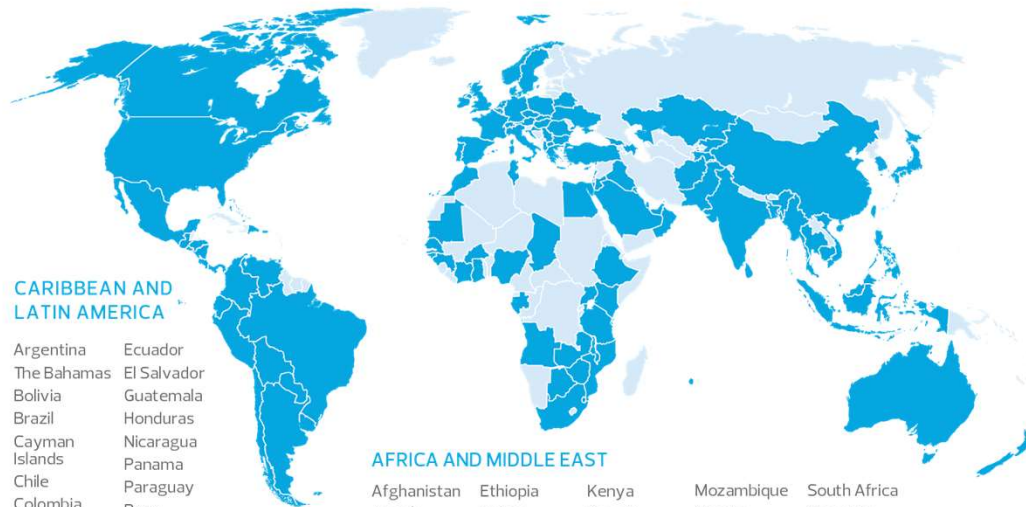
Argentina	Ecuador
The Bahamas	El Salvador
Bolivia	Guatemala
Brazil	Honduras
Cayman Islands	Nicaragua
Chile	Panama
Colombia	Paraguay
Costa Rica	Peru
Dominican Republic	Uruguay
	Venezuela

## AFRICA AND MIDDLE EAST

Afghanistan	Ethiopia	Kenya	Mozambique	South Africa
Angola	Gabon	Kuwait	Nigeria	Tanzania
Bahrain	Ghana	Lebanon	Oman	Tunisia
Botswana	Guinea	Malawi	Palestine	Uganda
Chad	Iraq	Mauritania	Qatar	United Arab Emirates
Egypt	Ivory Coast	Mauritius	Saudi Arabia	Zambia
Eswatini	Jordan	Morocco	Senegal	Zimbabwe

## ASIA PACIFIC

Australia	Malaysia
Bangladesh	Myanmar
Cambodia	New Zealand
China	Pakistan
Hong Kong	Philippines
India	Singapore
Indonesia	Sri Lanka
Japan	Taiwan
Korea (Republic of)	Thailand
	Vietnam



**Countries where RSM has member firm coverage**

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## How RSM can help

- Assess and address potential compliance issues with e-invoicing mandates and regulations in multiple countries.
- Identify the e-invoicing solution most suitable to your business needs.
- Integrate the selected solution into your ERP environment and your AR and AP function to ensure a seamless transition and efficient process going forward.
- Provide ongoing support to maintain compliance and optimize the e-invoicing processes post-implementation.
- Train and upskill your in-house resources on how to use the e-invoicing solution effectively and efficiently.



# Who to contact

## RSM Team



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Thank You





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