Mastering E-Invoicing complexity: Updates on Europe
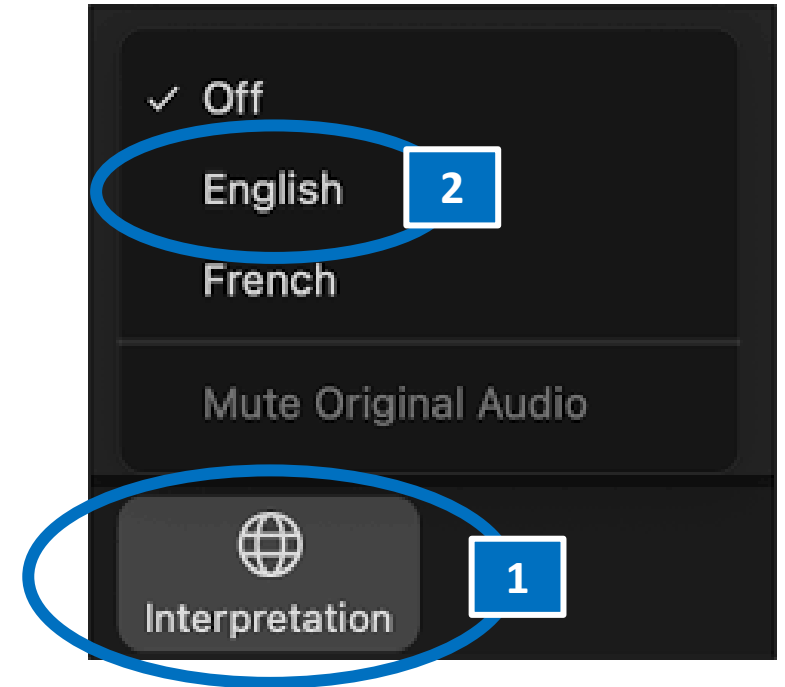
DIGITAL TECHNOLOGIES

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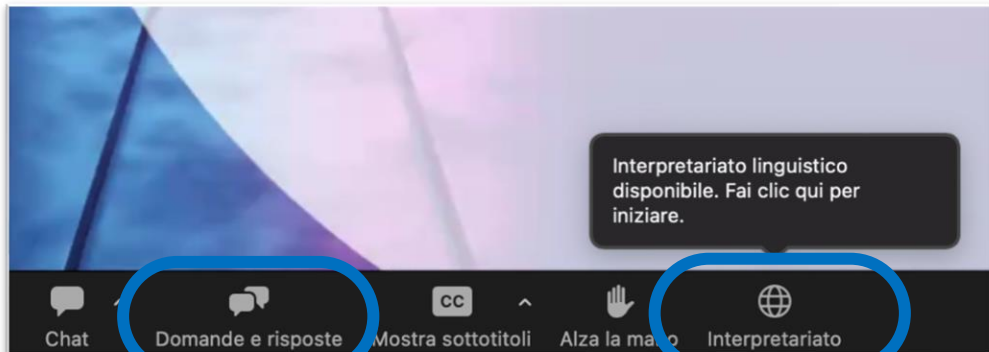
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DT DIGITAL TECHNOLOGIES

Good morning,

Thank you for participating in the Digital Technologies Webinar "Global E-invoicing: what's new?". We hope you found the topics interesting and useful for your business.
You can find **all the illustrated material** and the recording of the entire webinar at this link, so you can review it whenever you prefer.

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thank you for participating in the **Digital Tec** invoicing: what's new?" in which we illustra **obligations** and **the latest news regarding** and compliance.

Would you like to **privately discuss** with our address the aspects that are most important **book a 30-minute slot now through** the de **this link.**

Book your slot!

TODAY'S AGENDA
Europe, eInvoicing updates

1 **Digital Technologies**
About us

2 **e-Invoicing**
Key facts

3 **e-Invoicing**
Current regulations & future adoption

4 **e-Invoicing in Europe**
Regulatory updates

5 **our approach**
global compliance platform

DT

DIGITAL TECHNOLOGIES SOCIETÀ BENEFIT

about us

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ELECTRONIC INVOICING

key facts

E-INVOICING **MODELS**
types and differences

CTC
(Continuos Transactions Controls)
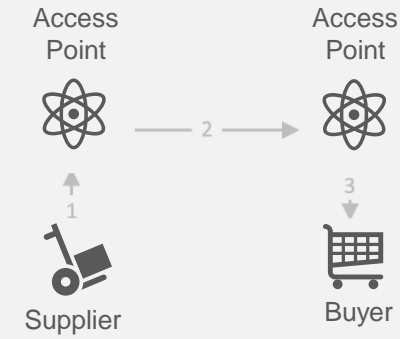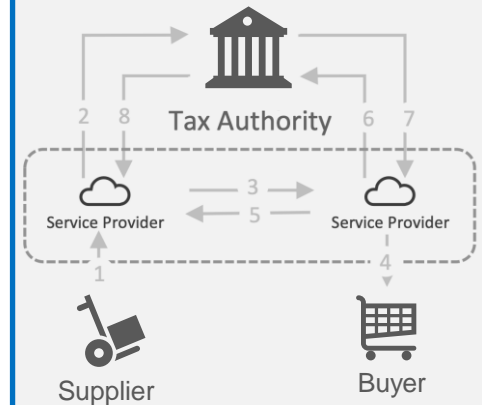
ELECTRONIC INVOICING
current regulations and future adoption

E-INVOICING & E-REPORTING
overview *as-is*

The countries highlighted in blue are those where there is currently a requirement in place, whether it be for e-Reporting or e-Invoicing

E-INVOICING & E-REPORTING

overview *to-be*

| 2024 | 2025 | 2026 | 2028-2030 |

CONFIRMED

2024

ROMANIA
B2B e-invoicing

POLAND
B2G, B2B e-invoicing (postponed)

ISRAEL
B2B e-invoicing

MALAYSIA
B2B e-Invoicing (phased roll-out)

DOMENICAN REPUBLIC
B2G, B2B, B2C e-Invoicing (phased roll-out)

SAUDI ARABIA
B2B e-Invoicing (phased roll-out)

GHANA
B2B e-Invoicing (remaining tax payers)

USA
Voluntary B2B e-Invoicing

GREECE
my Data

TBD/TBC

PHILIPPINES
B2B e-Invoicing (tbc)

CONFIRMED

2025

PORTUGAL
Digital signature required

TBD/TBC

CHINA
B2B e-invoicing

GERMANY
B2B E-Invoicing (tbc)

LATVIA
B2G & B2B e-Invoicing (tbc)

SPAIN
B2B e-invoicing (phased roll-out, tbc)

AUSTRALIA
B2B E-Invoicing (tbc)

NEW ZELAND
B2B E-Invoicing (tbc)

OMAN
B2B e-invoicing (tbc)

ESTONIA
B2B E-Invoicing (tbc)

GREECE
B2B E-Invoicing (tbc)

CONFIRMED

2026

FRANCE
B2B e-invoicing and e-reporting (phased roll-out)

BELGIUM
Peppol B2B e-invoicing

TBD/TBC

CROATIA
B2B e-invoicing (tbc)

UAE
B2B/B2G e-invoicing (phased roll-out)

CONFIRMED

2028-2030

EU
ViDA E-Invoicing and live reporting reform (pillar 1).

TBD/TBC

CONFIRMED
TO BE CONFIRMED/ TO BE DEFINED

This overview is purely indicative, not exhaustive, and subject to changes - updated: February 2024.

E-INVOICING IN EUROPE

regulatory updates

E-INVOICING **EUROPE**
not only B2B eInvoicing

B2G/B2B	LOCAL INITIATIVES FOR THE MANDATORY ELECTRONIC INVOICING B2G AND B2B	SINGLE COUNTRIES *(eg.: Italy, Turkey)*
1 🏛 GOVERNMENT	MANDATORY REQUIREMENT FOR CENTRAL AND LOCAL PAs TO RECEIVE INVOICES IN ELECTRONIC FORMAT	DIRECTIVE 55/14/EU
2 🏭→🏛 B2G	MANDATORY REQUIREMENT FOR BUSINESSES TO SEND ELECTRONIC INVOICES TO PAs	SINGLE COUNTRIES *(eg.: Germany, Spain, France, etc.)*
3 🏭→🏭 B2B	EXTENSION OF THE MANDATORY ELECTRONIC INVOICING OBLIGATION ALSO AMONG PRIVATE ENTITIES	SINGLE COUNTRIES *(eg.: France, etc.)*

Note: extended analysis also includes some countries not belonging to the European Union (England, Norway, Switzerland, Albania, and Turkey)

ROMANIA
eInvoicing updates

WHAT?

e-Reporting + e-Invoicing (B2B domestic transactions)

WHEN?

The Romanian Ministry of Finance published legislation which includes the following timeline for the e-Reporting and e-Invoicing mandate:

- **1 January - 31 March 2024**: introduction of the **reporting obligation to the RO e-Factura**. A short grace period will be provided for non-compliance;

- **1 April - 30 June 2024**: the grace period is no longer applicable, and fines can be imposed in case of non-compliance;

- **1 July 2024**: **go-live of generalized RO e-invoicing system**, as a unique means of transmitting electronic invoices between taxable persons established in Romania. **Non-resident entities** will continue to have a **reporting obligation through RO e-Factura**.

HOW?

CENTRALIZED MODEL: exchange via national portal **RO e-Factura**, using a **UBL 2.1** format with **Romanian CIUS**. The platform will assign an identification number to the invoice.

SENDER — XML → **e-Factura** RO E-FACTURA PLATFORM — XML → RECEPIENT
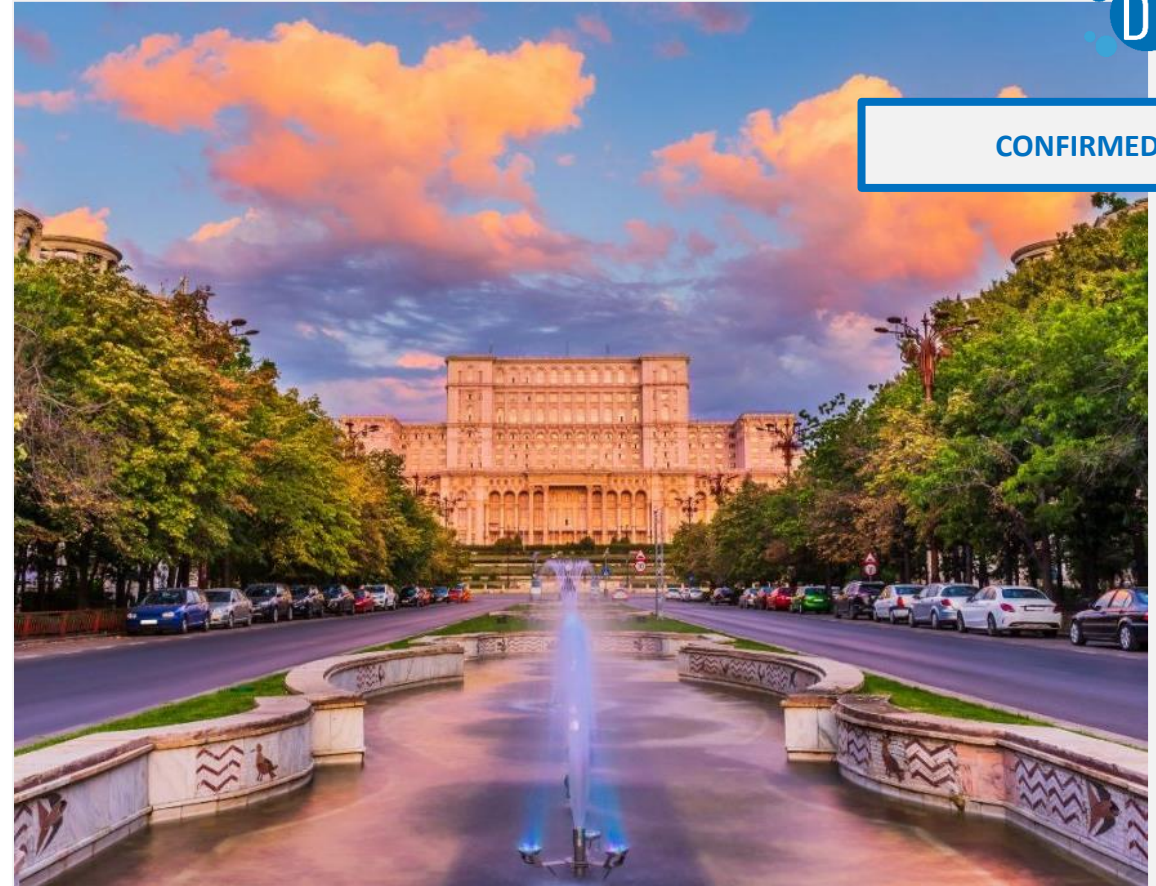
- Invoice validation
- Archiving of invoices for a period of ten years

ROMANIA
timeline and scope

PHASE 1

PHASE 2

fines for non-compliance <u>will not</u> be imposed

2024

JAN 1ˢᵗ

MAR 31ˢᵗ

JULY 1ˢᵗ

E-REPORTING

END OF GRACE PERIOD

E-INVOICING

- Report issued invoices (domestic supplies)
- Established and not established
- 5 working days deadline

- Clear invoices through RO e-Factura
- Only RO established businesses
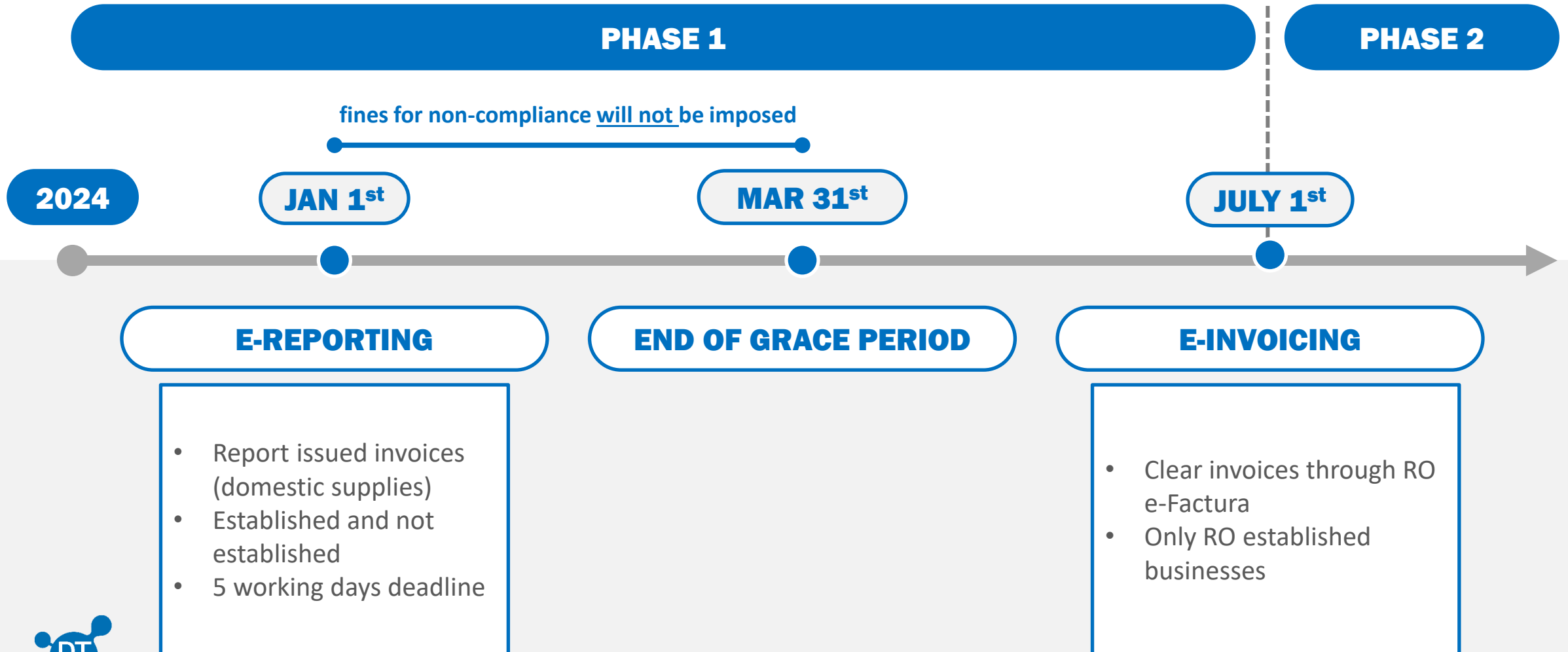
ROMANIA
eInvoicing technical requirements

STRUCTURED E-INVOICE FORMAT	UBL 2.1	CIUS Romania extension
ISSUANCE AND RECEPTION	**Unique ID** determines validity of invoice	
AUTHENTICATION	API	Trusted Profile
LEGAL ARCHIVING	**INVOICE MUST BE STORED FOR 10 YEARS**	

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ROMANIA
e-Transport

WHAT?

Obligation to **notify the RO e-Transport system and obtain UIT codes** for all international transports of any goods will come into force, not only for products with high fiscal risk.

WHEN?

The Romanian Ministry of Finance introduced the RO e-Transport with the following timeline:

• **July 2022**: introduction of the **obligation for high-risk goods** (such as: alcohol, fruits and vegetables, clothing and footwear, construction materials, mineral products). Domestic, exports, imports, intra community transactions are included.

• **January 2024**: the **international transportation of goods** is also subject to RO e-Transport regulations.

• **January – June 2024**: grace period, no sanctions applied.

HOW?

The **RO e-Transport system** is reachable via SPV, using the required **XML format (UBL 2.1**.
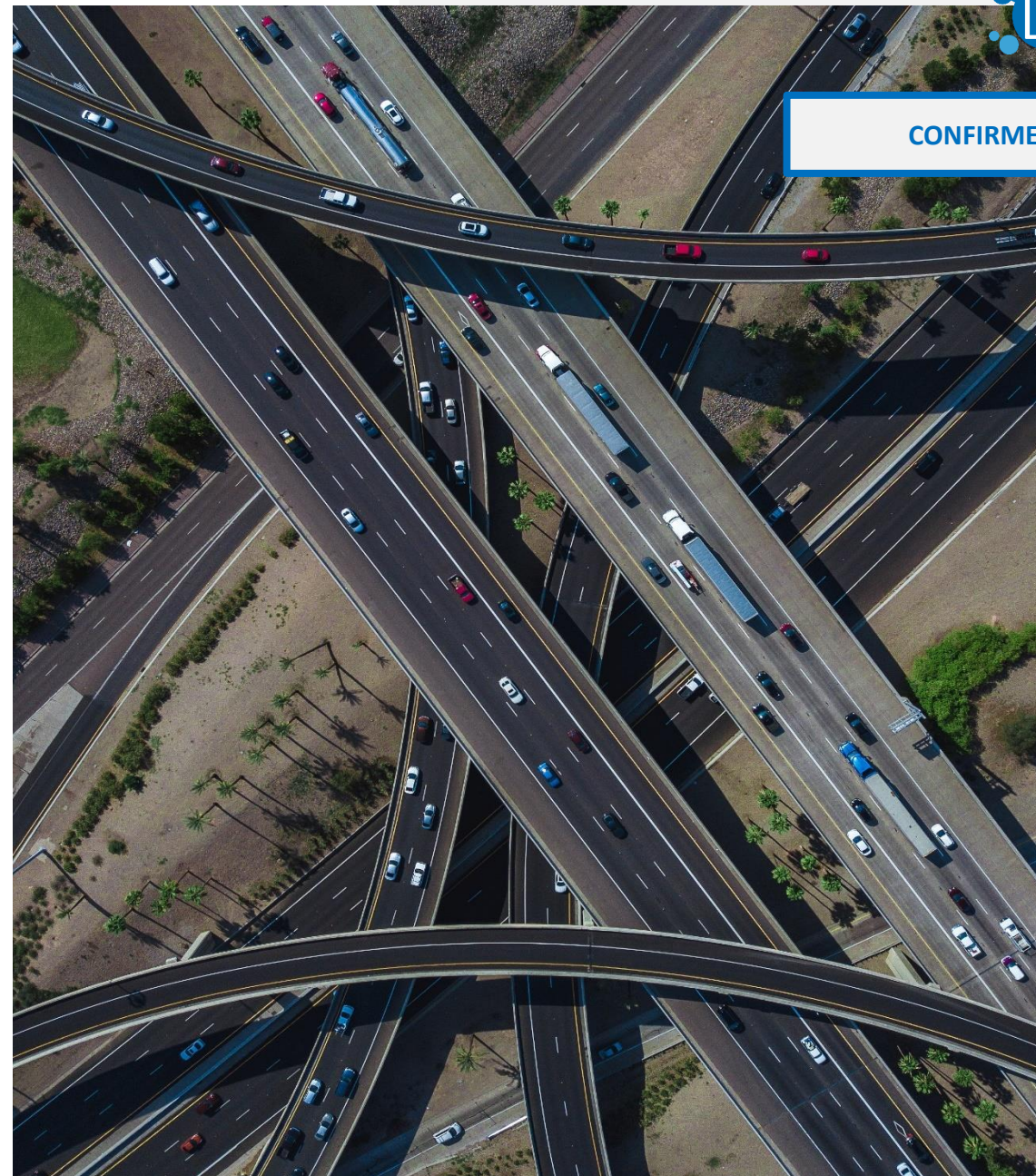
POLAND
eInvoicing updates

WHAT?

B2G/B2B domestic and cross-border transactions for every taxable person established in Poland

WHEN?

KSeF obligation postponed beyond 2024.
Taxpayers were previously obliged to issue and receive e-invoices in the KSeF starting July 2024, but the Ministry of Finance announced deferring the National E-invoicing System (KSeF) mandate.
New implementation dates have not yet been decided: the new date of the obligation will be announced at the turn of April and May.

On 1 January 2022, Poland already implemented a voluntary e-invoicing model via KSeF.
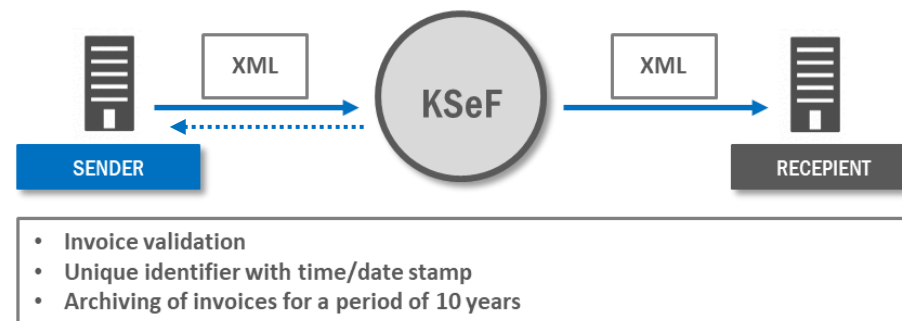
HOW?

CENTRALIZED MODEL: exchange via national portal KSeF (manual upload for small businesses)

FA_VAT FORMAT, latest version FA_VAT (2). No attachments envisaged.

QR Code on an invoice presentation (PDF/printable version).

- Invoice validation
- Unique identifier with time/date stamp
- Archiving of invoices for a period of 10 years

POLAND
technical requirements

STRUCTURED E-INVOICE FORMAT	**FA_VAT FORMAT** latest version FA_VAT (2)	**NO ATTACHEMENTS**
ISSUANCE AND RECEPTION	**KSeF ID** determines validity of invoice	
AUTHENTICATION	**Trusted Profile**	**possible changes**
LEGAL ARCHIVING	**INVOICE MUST BE STORED FOR 10 YEARS**	
QR CODE	**ON AN INVOICE PRESENTATION (PDF/ printable version)**	

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POLAND
the new timeline

2024 — **JAN** — **FEB/ MARCH** — **APRIL** — **MAY** — **JUNE** — **2025** ?

new go-live announcement

new go-live, date TBD

postponement

The MoF accounced, on Jan 19th, the **postponement of mandatory use of KSeF**, due to technical and security issues identified on the system.
Other announcements:
- **indipendent audit** on KSeF
- **consultations**

consultations (1)

Consultation phase: 9 meetings with the MoF and professionals, businesses, service providers and entrepreneurs.

At the end of march the **draft of the legislative solution** will be released for **further consultation**.

consultations (2)

The government aims to **complete the draft consultations by the end of April.**

final legislation

The government aims to **release the legislation by the end of June.**

POLAND
consultations, timeline and outcome

1. **Security and performance** |16 February, 10:00-11:30 CET
2. **Consumer invoices/buyer status** | 16 February, 12:30-14:00 CET
3. **KSeF identifier in payments** | 21 February, 10:00-11:30 CET
4. **Meeting with the factoring industry** | 21 February, 12:30-14:00 CET
5. **Meeting with the media industry** | 22 February, 10:00-11:30 CET
6. **Meeting with the fuel industry**| 22 February, 12:30-14:00 CET
7. **Meeting with the Local Government Units** | 29 February, 10:00-11:30 CET
8. **Implementation of KSeF in stages** | 29 February, 12:30-14:00 CET
9. **Explanations, interpretations, training** | 1 March, 10:00-11:30 CET

consultations completed! → **The polish MoF will release a Draft Legislation on KSeF changes**

The Ministry of Finance (MoF) completed the nine consultation meetings between 16 February and 1 March and is now analyzing the comments and suggestions received. In the **second half of March, we expect a draft of the legislative solution to be released for further consultation**. Furthermore, the government aims to **complete the draft consultations by the end of April and release the legislation by the end of June/beginning of July**.

POLAND
consultations meetings - summary

- **QR codes** - the problem of including them **in EDI messages** is to be addressed by the Ministry of Finance;
- **B2C invoices in KSeF** - discussion regarding their inclusion in KSeF, difference of opinion on the business side with a majority of votes "for" if such a solution will be optional;
- **KSeF ID length** – will not change
- **Notification to the factor** about issuing a correction - the solution will be considered
- **Payment from factoring** as payment for an invoice and payment identifiers - issue will be covered with explanations
- **Attachment –** taxpayers demand to manage PDF attachment
- **Number of lines in the invoice** – taxpayers demand a higher limit than the current 10,000. lines;
- **Employee settlements** - requirement to indicate the "Employee" role in the third-party field;
- **The data of the recipient [Entity3]** will not be introduced as obligatory for local government units - this will be the subject of good practices developed by the Ministry of Finance;
- **Phased implementation** depending on the size of the organization - the business side is reluctant because it may pose significant procedural difficulties;
- **Phased implementation** of some obligations, e.g. regarding payment identifiers - supported by taxpayers, the Ministry of Finance does not rule out modifications yet;
- **JPK_V7** – will be maintained because it contains data that is missing in KSeF.

FRANCE
eInvoicing updates

DT OFFICIAL PDP CANDIDATE

CONFIRMED

WHAT?

e-Invoicing (B2B domestic transactions) **+ e-Reporting** (B2B non-domestic transactions and B2C transactions) **+ LifeCycle** Invoice Status **+ Payment** data

WHEN?

New proposed implementation timeline**:**
- **2024:** Finalizing the construction of the PPF
- **2025:** Pilot phase
- **2026:** Roll-out in 2 or 3 phases with full deployment by the end of 2026 or 2027 (similar roll-out as before by size of the taxpayer) → new dates just released:
- **September 2026** - All companies to be able to receive e-invoices and obligation to issue for large and mid-size companies.
- **September 2027**: SMEs (including VSEs) obliged to issue e-invoices.

Additionally, AIFE and DGFiP also mentioned **the re-opening of applications for the pilot phase**.

HOW?

MODEL Y (hybrid model): **centralized** via national portal or **decentralized** via real-time reporting through certified service providers.

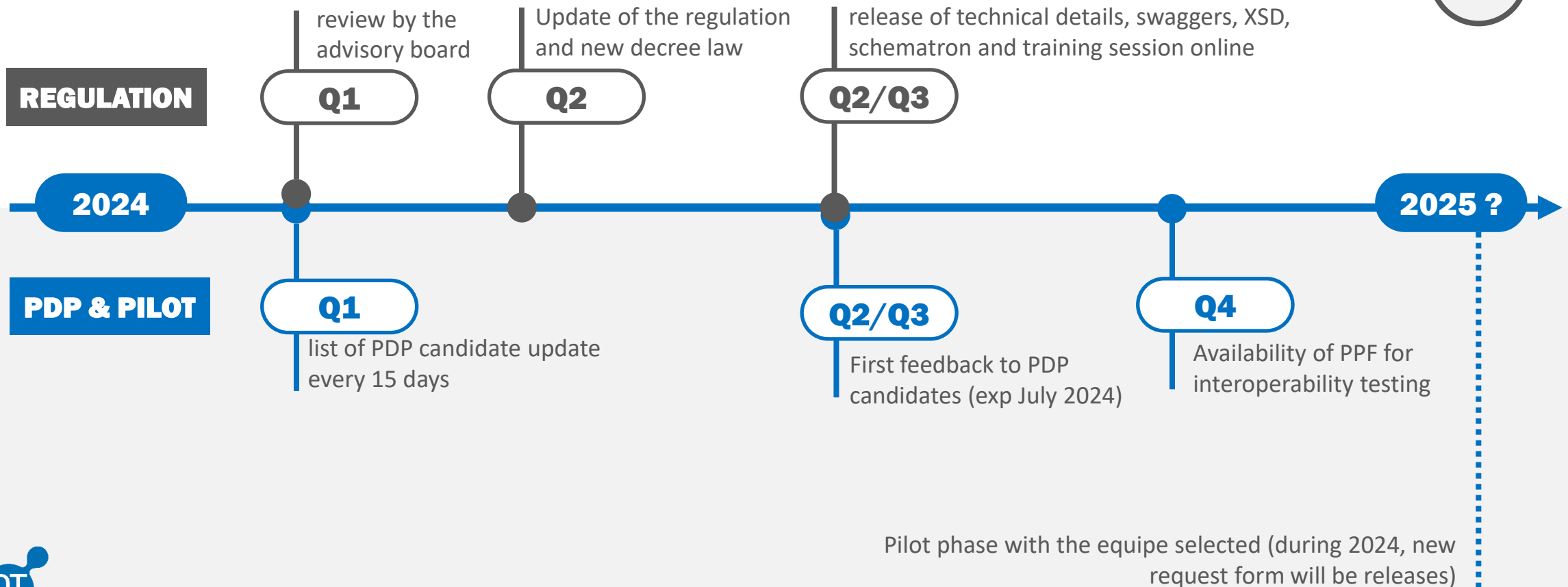Release of **External B2B E-invoicing Specifications Version 2.3**.
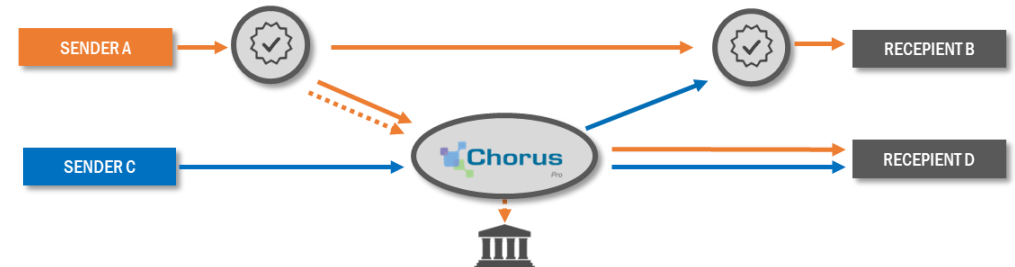
FRANCE

DT OFFICIAL PDP CANDIDATE

the new timeline, regulations & PDP

GO-LIVE confirmed in 2 steps:

- **09/2026**: all taxpayers must be able to receive einvoice. Mandatory for large and medium-sized companies to issue einvoice and ereporting

- **09/2027**: Mandatory for small companies to issue einvoice and ereporting

!!

review by the advisory board

Update of the regulation and new decree law

release of technical details, swaggers, XSD, schematron and training session online

REGULATION

| Q1 | Q2 | Q2/Q3 |

2024

2025 ?

PDP & PILOT

| Q1 | Q2/Q3 | Q4 |

list of PDP candidate update every 15 days

First feedback to PDP candidates (exp July 2024)

Availability of PPF for interoperability testing

Pilot phase with the equipe selected (during 2024, new request form will be releases)

DT

GERMANY
eInvoicing updates

WHAT?

e-Invoicing (B2B domestic transactions)

WHEN?

On 23 February 2024, the German Bundestag approved proposed amendments to the Growth Opportunities Act.

This entails the mandatory enforcing of B2B invoicing with the following schedule:

- From Jan 2025: EN-compliant e-invoices become the default (not yet mandatory)

- From Jan 2027: businesses with turnover higher than EUR 800,000 are no longer allowed to issue non-EN-compliant invoices

- From Jan 2028: all remaining businesses can no longer issue non-EN-compliant invoices

The Bundesrat will vote on the act again on 22 March 2024.

BELGIUM
eInvoicing updates

WHAT?

e-Invoicing (B2B domestic transactions)

WHEN?

The Belgian Parliament has approved the draft bill created by the Belgian Chamber of Representatives on introducing countrywide electronic invoicing.
B2B **e-invoicing will be mandatory in Belgium as from 1 January 2026**.

According to the proposal it will become obligatory for:
- Belgian established, VAT-registered taxpayers
- Belgian fixed establishment of foreign entities.

HOW?

Peppol will become the norm for **exchanging structured electronic invoices**, but the parties involved in the transaction will have the possibility to **agree upon an alternative method, provided the format is in compliance with the European norm**. In a second phase, the model will shift to a hybrid form.
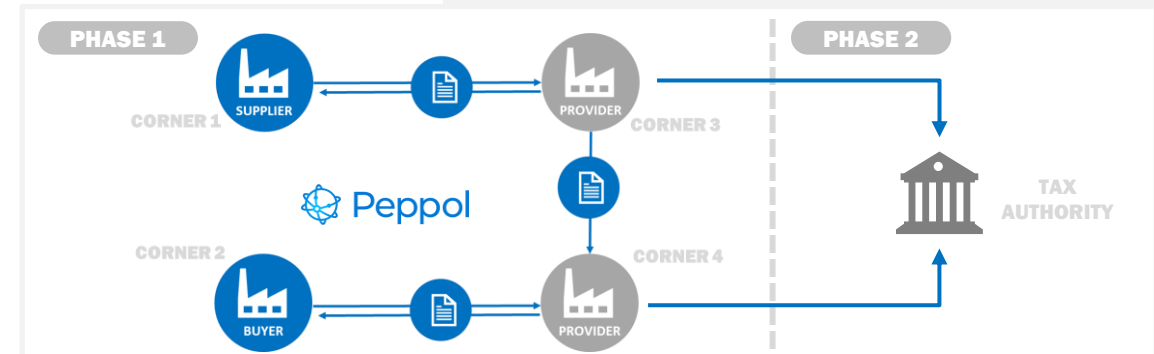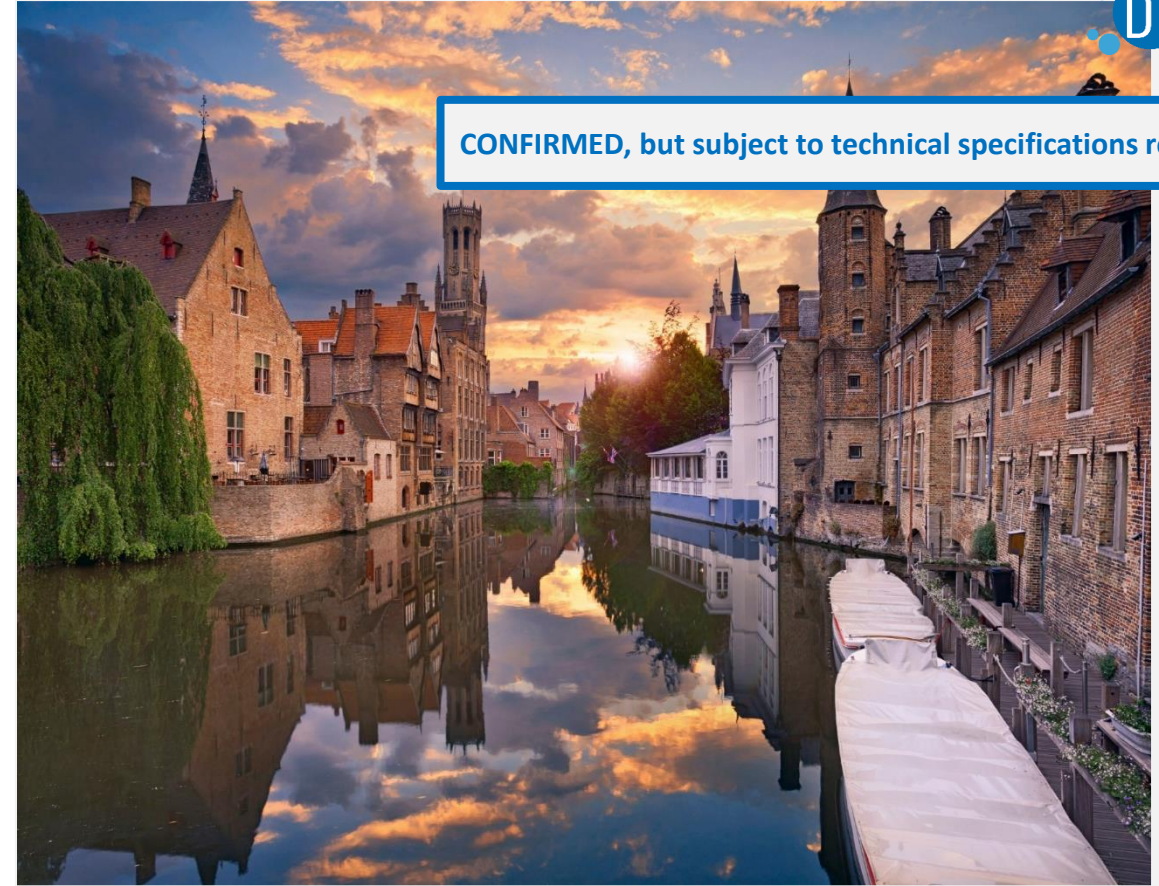
SPAIN
eInvoicing updates

WHAT?

e-Invoicing (B2B transactions)

WHEN?

- **2025 (to be confirmed):** E-invoicing adoption for large taxpayers (annual turnover higher than EUR 8 million)
- **2026 (to be confirmed):** E-invoicing adoption for all remaining taxpayers

HOW?

New draft Royal Decree which further develops the electronic invoice requirements for B2B transactions as stated in Law 18/2022:

- **DECENTRALIZED CTC** exchange model with similarities to the French mandate
- **Mandated formats**: Facturae, CII, UBL, EDIFACT
- Service providers will also be required to **send a copy of the e-invoice to the Spanish public platform in Facturae format**
- **Digital signature** required if using service providers, otherwise not
- **Invoice responses are mandated** (eg.: Commercial acceptance or rejection (AoR) and the date of it, complete payment of the invoice and the date of it, etc.)

!!
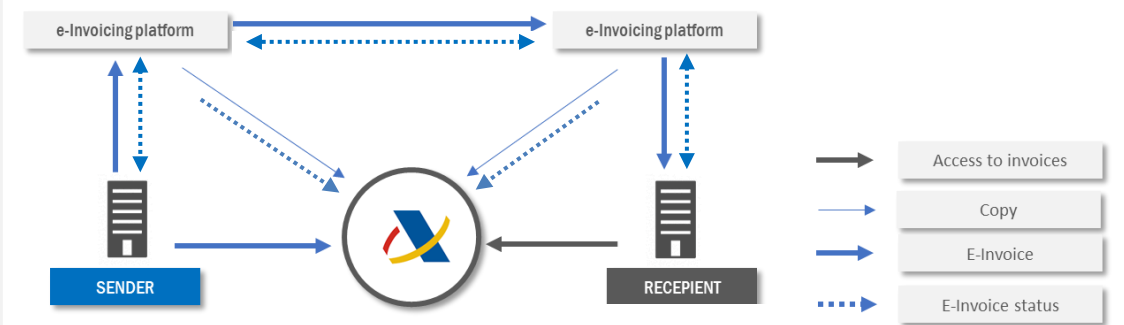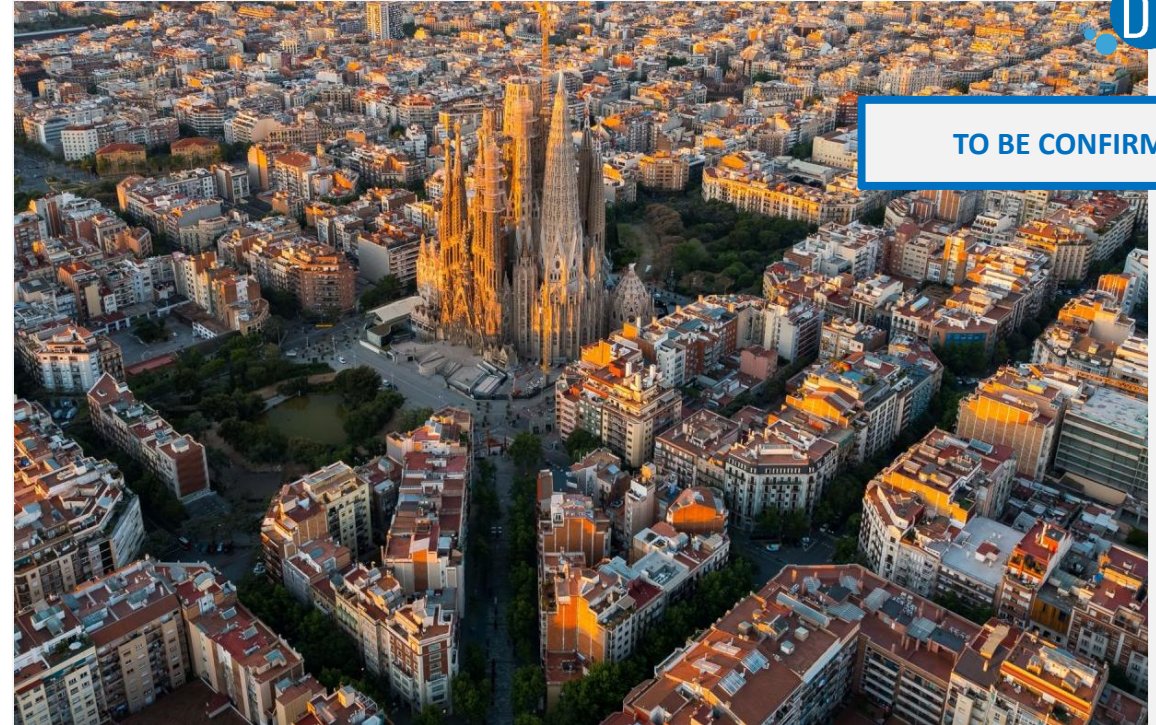
The MoF published, on Jan 4th, a draft Ordinance (available for public consultation) outlining technical and functional specifications for computer/electronic systems

GREECE
updates

WHAT?

e-Reporting, eInvoicing B2G and QR Code

WHEN?

- **eBOOKS via MyData currently live:** obligation to submit revenus, expense classifications, accounting entries, payroll, amortisations and depreciations. myDATA platform validate data and assign a unique identifier (MARK)

- **einvoicing B2G currently live:** introduced in 2023 for central bodies, currently are expending the number of public entities

- **QR Code for sales tax records:** for all sales tax records, obbligations to obtain through myDATA a QR Code which must be applied to the invoice layout

- **Upcoming B2B eInvoicing**: Ministry of Finance is evaluating to introduce mandatory B2B electronic invoice (waiting for updates)
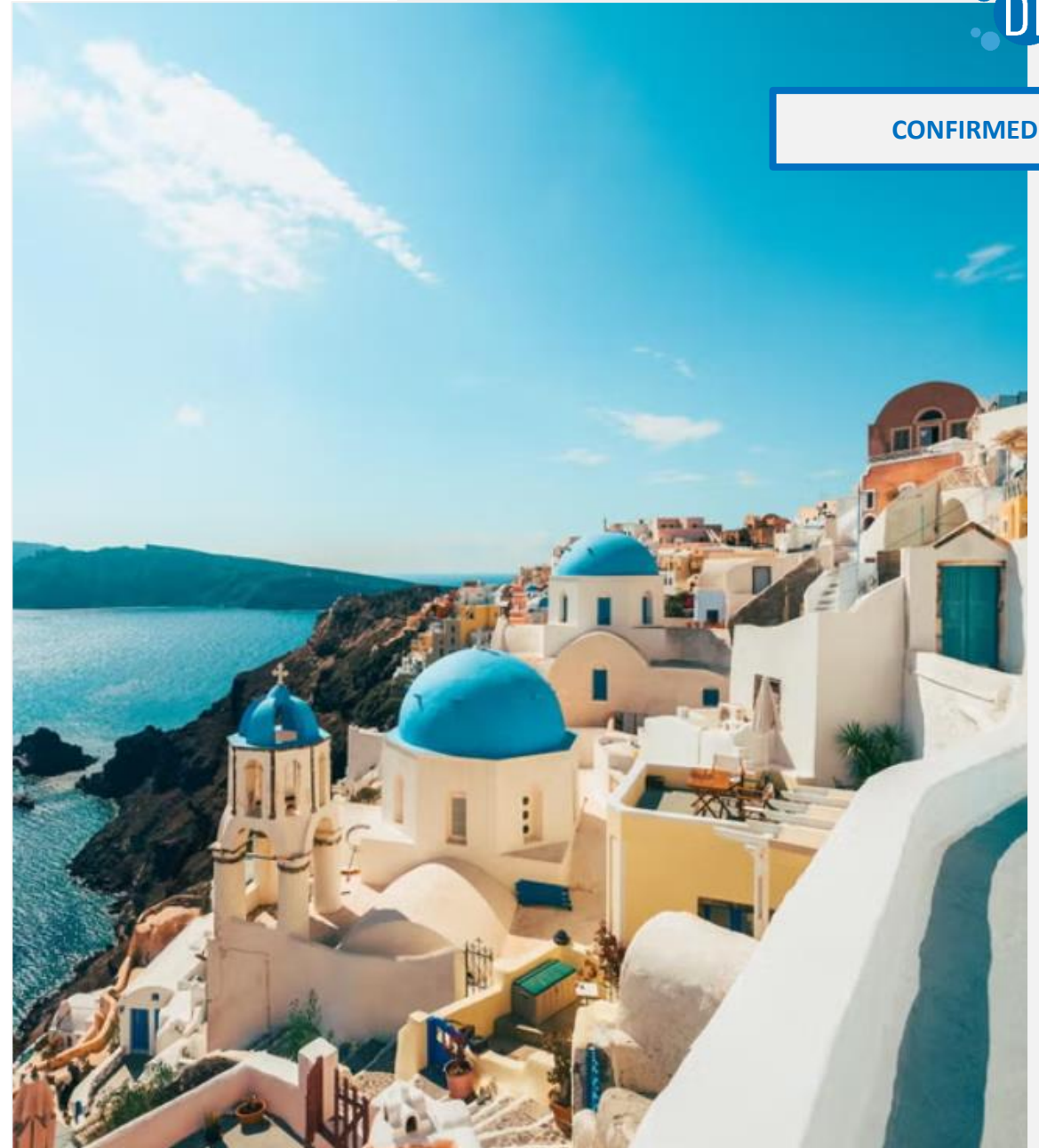
VAT in DIGITAL AGE

what is it all about?

WHAT?

Legislative package introduced by the EU Commission to update the current VAT system to adapt it for the digital age, focusing on 3 main pillars.

OUR FOCUS

1 REAL TIME DIGITAL REPORTING

| e-invoicing | DRR |

2 VAT RULES FOR PLATFORM ECONOMY

3 SINGLE VAT REGISTRATION

WHEN?

- **December 2022:** The European Commission published the ViDA proposal.
- **Today:** The proposal is under discussion.
- **TBD:** Approval of the proposal.

VAT in DIGITAL AGE

ELECTRONIC INVOICING	DIGITAL REPORTING REQUIREMENTS
Changes to the definition of electronic invoice as **of January 1, 2024**: • only structured formats (UBL and CII, no PDF); • no need for an agreement between the parties for receiving electronic invoices.	Summarizing lists will be replaced by DRR (Domestic Reverse Charge) for Intra-EU transactions starting from January 1st, 2028.
Electronic invoicing will be possible without EU approval and derogation - from January 1st, 2024 onwards - only structured formats **and NO centralized template.**	The information will be transmitted on a transactional basis and not in an aggregated form, with the addition of new fields for fraud detection.
From January 1, 2028: Domestic electronic invoicing becomes the standard ➔ structured electronic invoices will become the default system for issuing invoices. **If a centralized model is already in place (derogation obtained in the past), adaptation is required.**	Reporting for Intra-EU transactions becomes mandatory from January 1, 2028.
Intra-EU invoices must be issued **within 2 business days** from the provision Summary invoices will no longer be allowed as of January 1, 2028.	Harmonization of existing and future reporting systems for domestic transactions from January 1, 2028.
Additional data in the invoice content (eg. payment information) is mandatory starting from January 1, 2028.	The data collected by Central Authorities is sent to a central VIES. **(security under discussion)**

LATEST UPDATES
Estonia, Lithuania and Nordics

ESTONIA

Proposition by the MoF to **amend the Accounting Act to include B2B transactions**, allowing buyers to demand an e-invoice for any transaction with a business. The invoices should be compliant with EN 16931 format. **This draft law is expected to be implemented anytime from 2025**.

LITHUANIA

B2B e-invoicing remains optional. The government is working towards **mandating e-invoicing for all businesses with the eSaskaita invoicing tool**, launched in September 2023.

NORDICS

The **Nordic Smart Government (NSG)** programme in Scandinavia encourages the use of electronic invoicing. **Phase 2 is expected in Q2 of 2024**.

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GLOBAL E-INVOICING

our solution & approach

DT DIGITAL TECHNOLOGIES

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