WEBINAR SERIES

Mastering E-Invoicing complexity: Updates on Middle East

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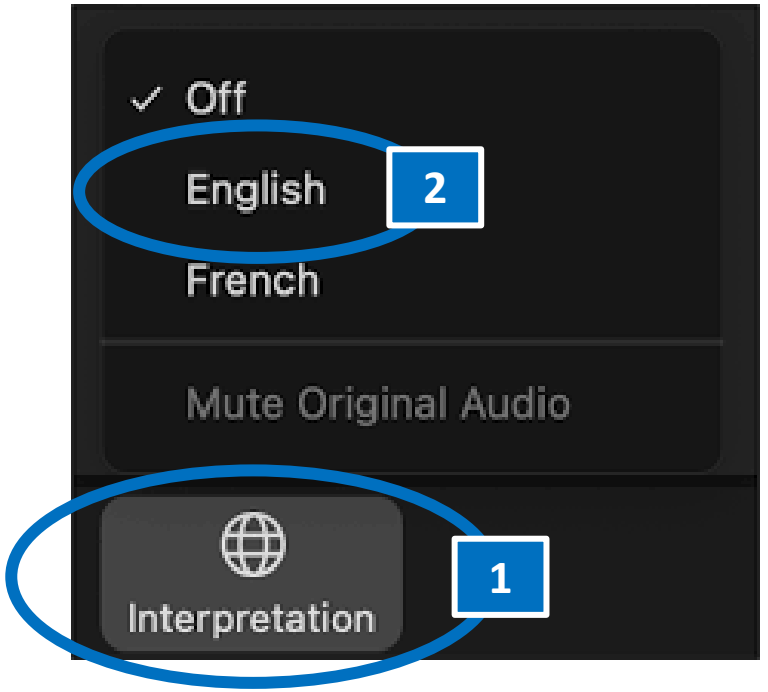

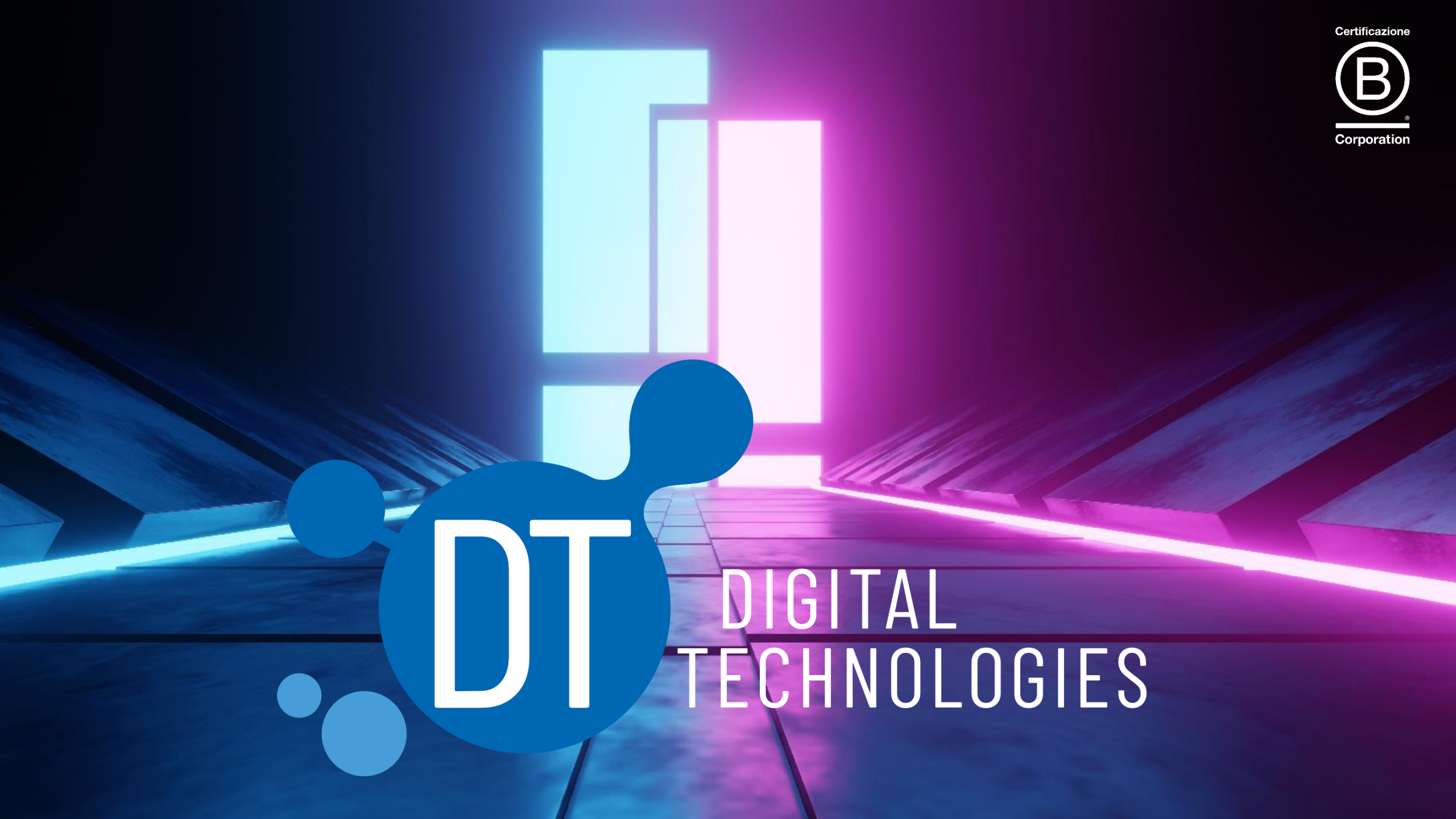
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DIGITAL
TECHNOLOGIES

WEBINAR SERIES

what topics will we cover?

Certificazione B Corporation

Europe
Thursday 14/03
10:00 am

Middle East
Thursday 21/03
10:00 am

Asia Pacific
Thursday 28/03
10:00 am

America
Thursday 04/04
10:00 am

Register here

WEBINAR SERIES

today's topic?

Certificazione B Corporation

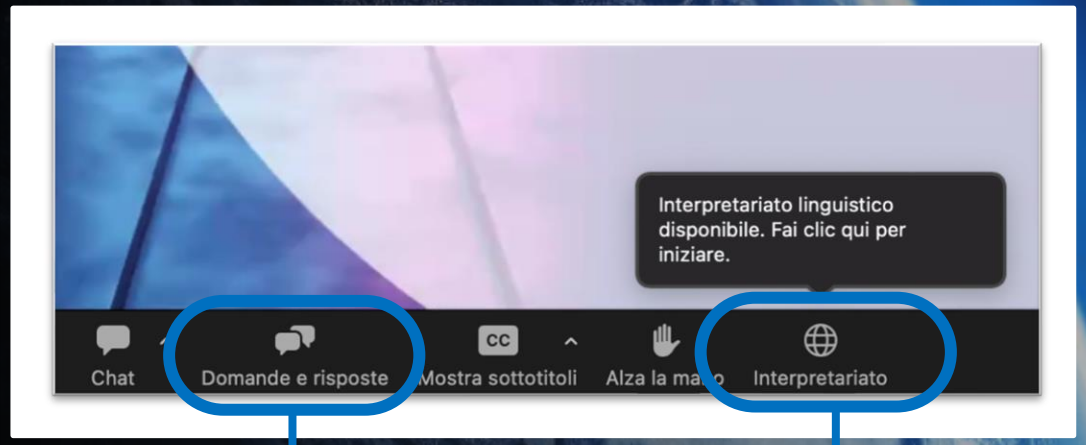
Middle East:
Electronic Invoicing Updates

Enrico Liverani
Key Account & Consulting Director

WEBINAR SERIES

what you need to know

BEFORE THE WEBINAR



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AFTER THE WEBINAR

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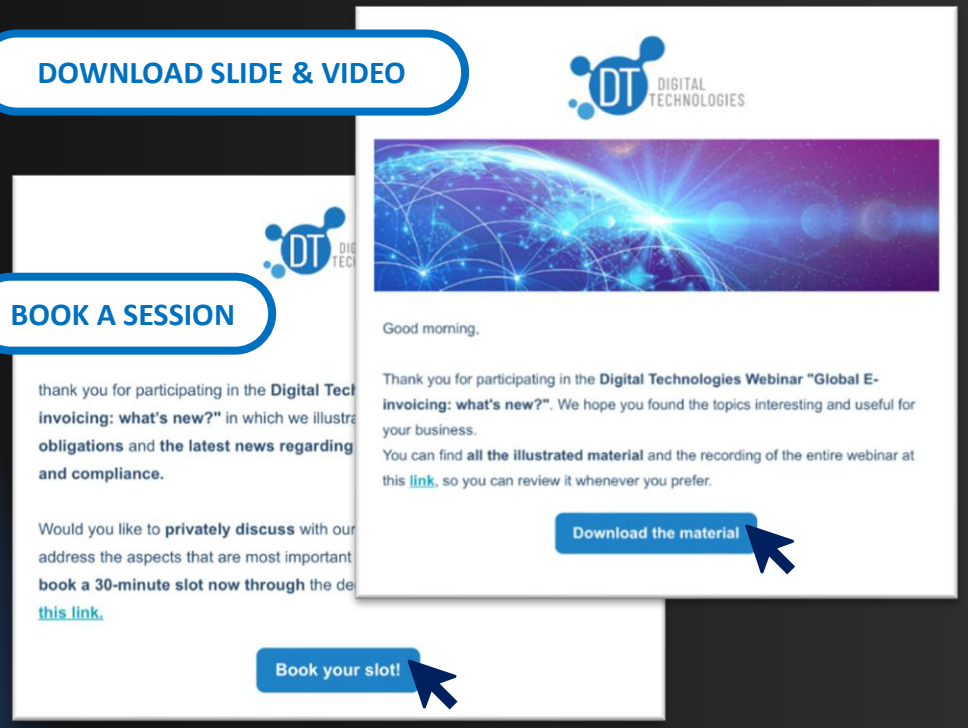


TODAY'S AGENDA

Middle East , eInvoicing updates

1. **Digital Technologies**
   About us
2. **e-Invoicing**
   Key facts
3. **e-Invoicing**
   Current regulations & future adoption
4. **e-Invoicing in Middle East**
   Clearence model & Regulatory updates
5. **our approach**
   global compliance platform

DIGITAL TECHNOLOGIES SOCIETÀ BENEFIT

about us

OUR CORE.

Certificazione B Corporation

hyper AUTOMATION

DIGITAL TECHNOLOGIES

INNOVATION HUB

global E-INVOICING

DIGITAL TECHNOLOGIES

Exchange exchange-summit.com | DIGITAL BUSINESS NETWORKS ALLIANCE | Peppol The future is open | GENA Global Exchange Network Association | fnfe | GALIA

global coverage

Present with our solutions in more than 80 countries worldwide.

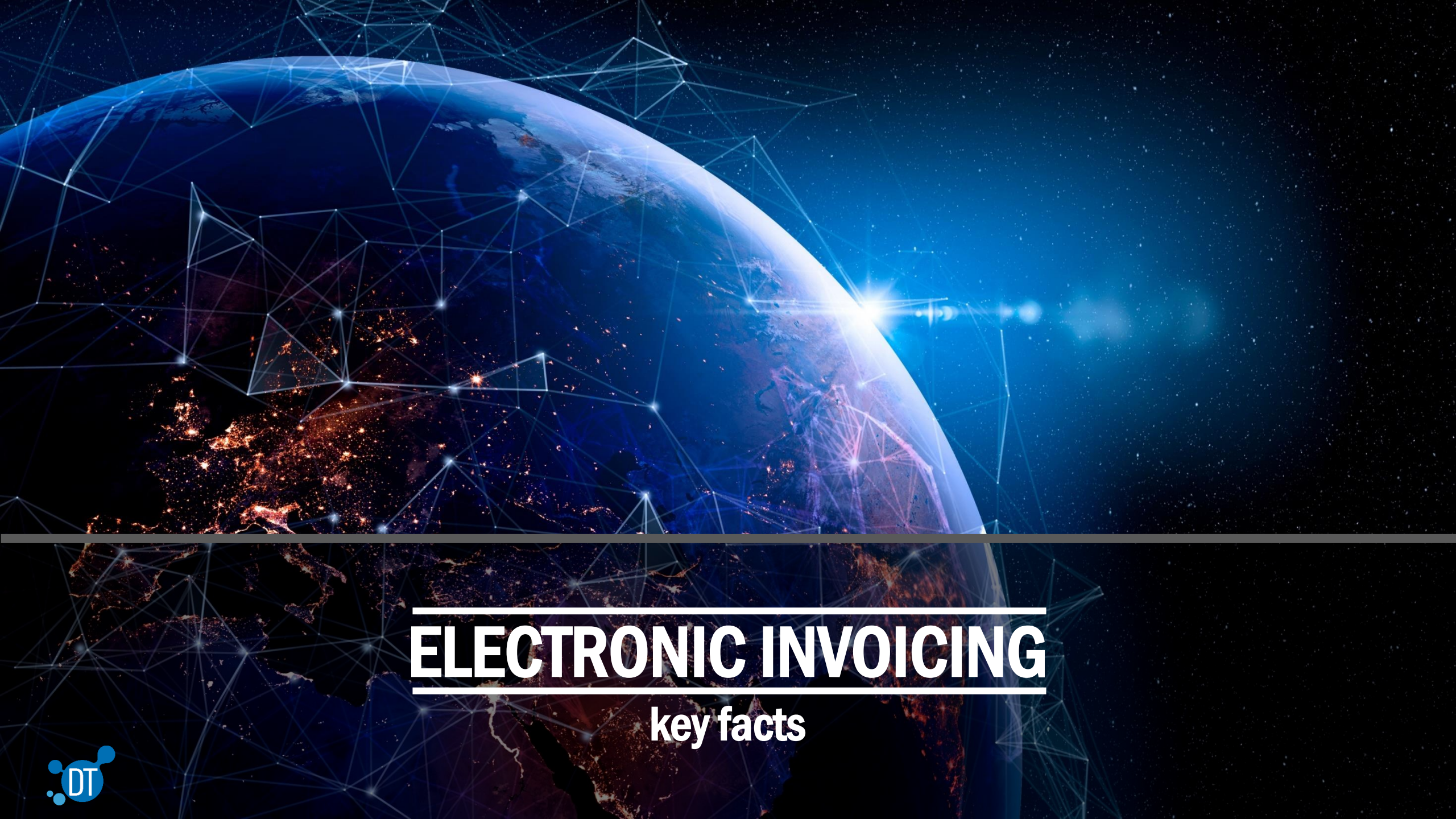
global compliance

eInvoicing, eReporting and Legal Archiving regulatory know-how.

hyperautomation

Technological suite and know-how enabling full process AR/AP automation.

Global eInvoicing provider



ELECTRONIC INVOICING

key facts

E-INVOICING MODELS

types and differences

CTC
(Continuos Transactions Controls)

REAL-TIME

Hungary, S. Korea

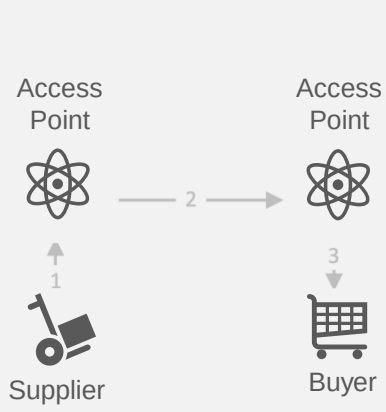
CENTRALIZED

Italy, Turkey

CLEARENCE

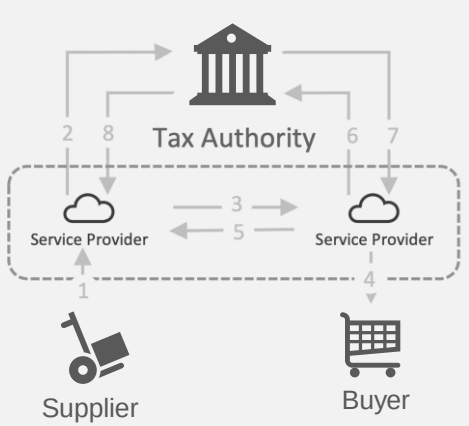
Chile, Mexico

INTEROPERABILITY



Peppol, Finland

DECENTRALIZED CTC



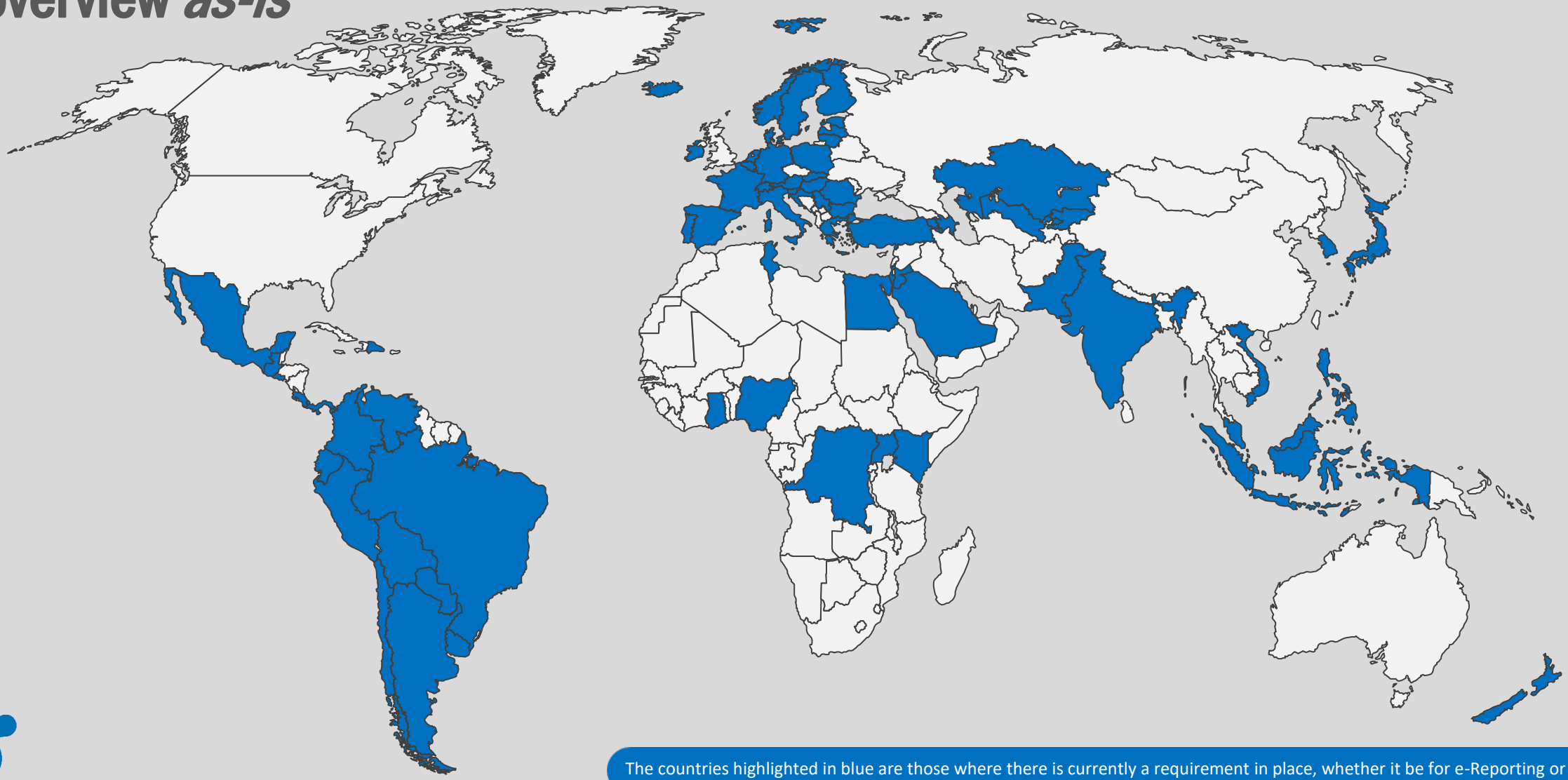
France

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

CONFIRMED

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)

2025

CONFIRMED

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)

2026

CONFIRMED

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)

2028-2030

CONFIRMED

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

TBD/TBC

CONFIRMED

TO BE CONFIRMED/ TO BE DEFINED

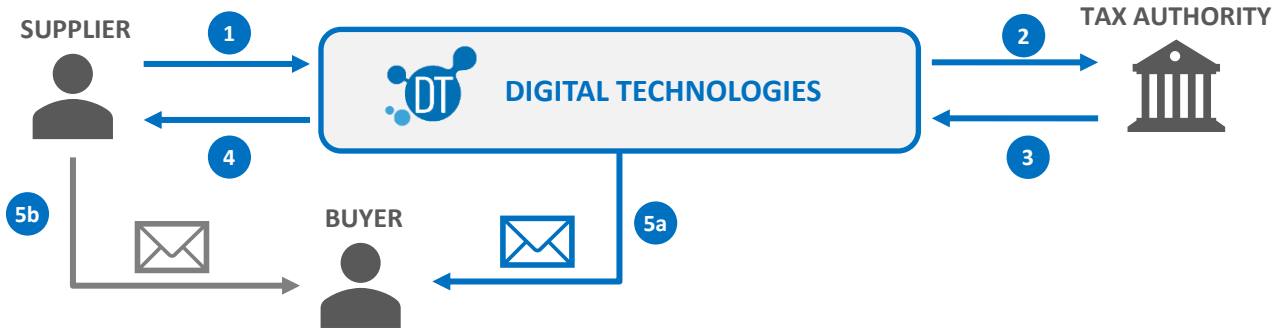
This overview is purely indicative, not exhaustive, and subject to changes - updated: February 2024.

CLEARENCE MODEL

our approach

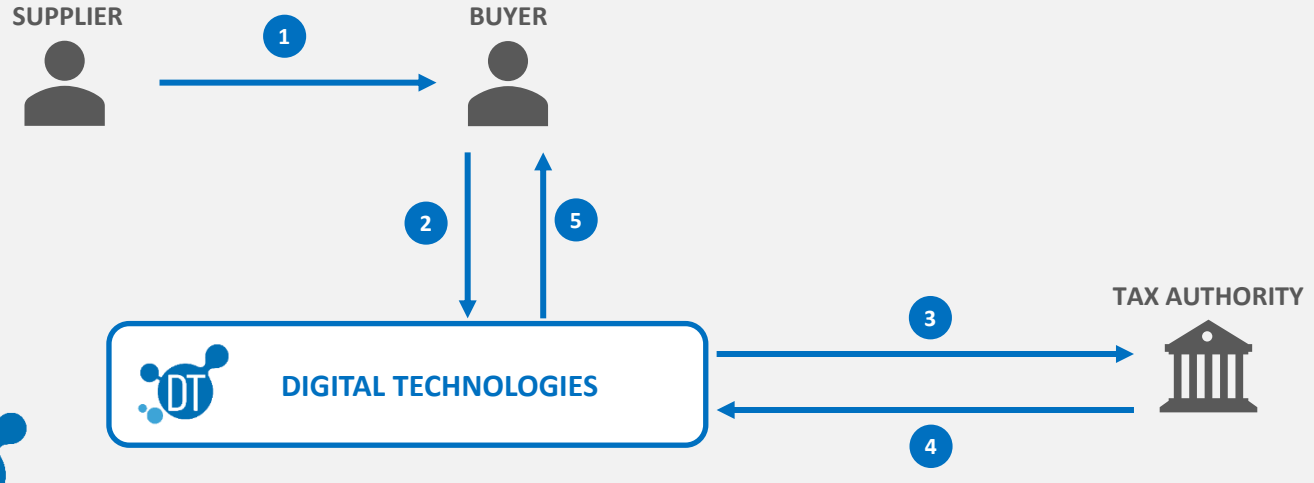
CLEARENCE MODEL

our approach



ORDER TO CASH

1. Data Submission
2. Translation and eInvoice submission
3. eInvoice validation
4. Response to supplier
5. Cleared eInvoice (QR Code) to buyer, via supplier or via DT



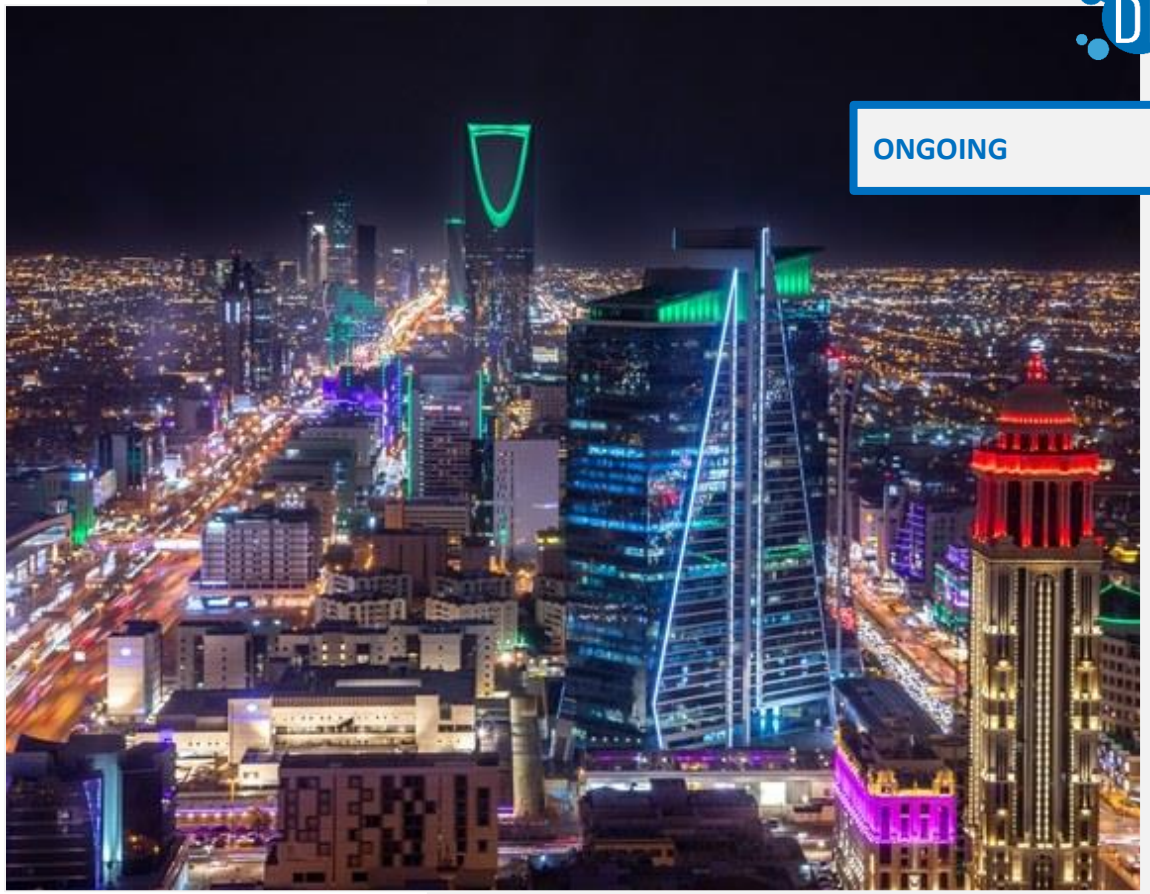
PROCURE TO PAY

1. eInvoice from supplier
2. Data collection and submission
3. Translation and eInvoice submission
4. Status and eInvoice data
5. Status and eInvoice data to buyer

E-INVOICING IN MIDDLE EAST

regulatory updates

SAUDI ARABIA
updates



ONGOING

WHAT?

For all taxpayers, mandatory **B2B & B2G e-Invoicing and B2C e-Reporting (within 24hrs)**

WHEN?

The project was divided into 2 different **phases**:

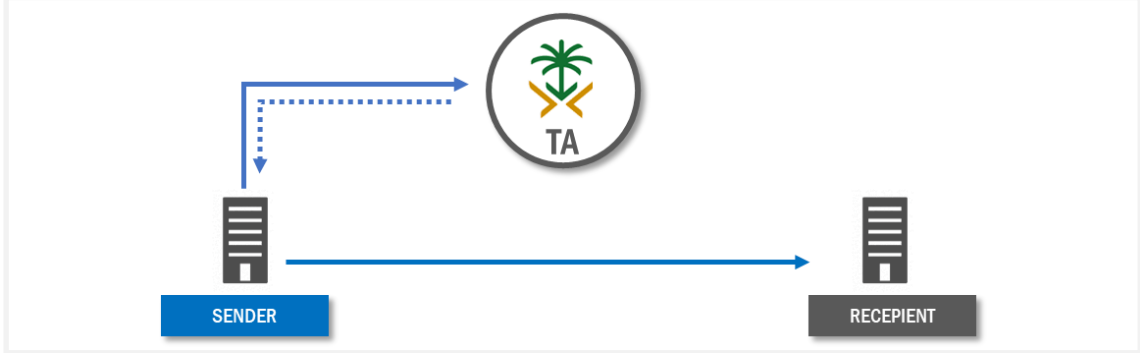
- **Phase 1: the generation phase**
  It is mandatory to adopt the *invoice generation model* from **December 4th, 2021.**

- **Phase 2**: **the integration phase**
  It is mandatory to adopt the *preclearance model* from **January 1st, 2023**.
  The adoption has been subdivided **in waves** based on taxpayers' revenue thresholds.

HOW?

CLEARANCE MODEL with mandated formats **UBL 2.1** or **PDF/A-3** with embedded UBL 2.1

- Integrity and authenticity requirements: Universally Unique ID + secure hash value
- Cryptographic stamp (e-signature from ZATCA) = validation of e-invoices form ZATCA (included in QR code)
- Display of QR code
- Strict archiving requirements

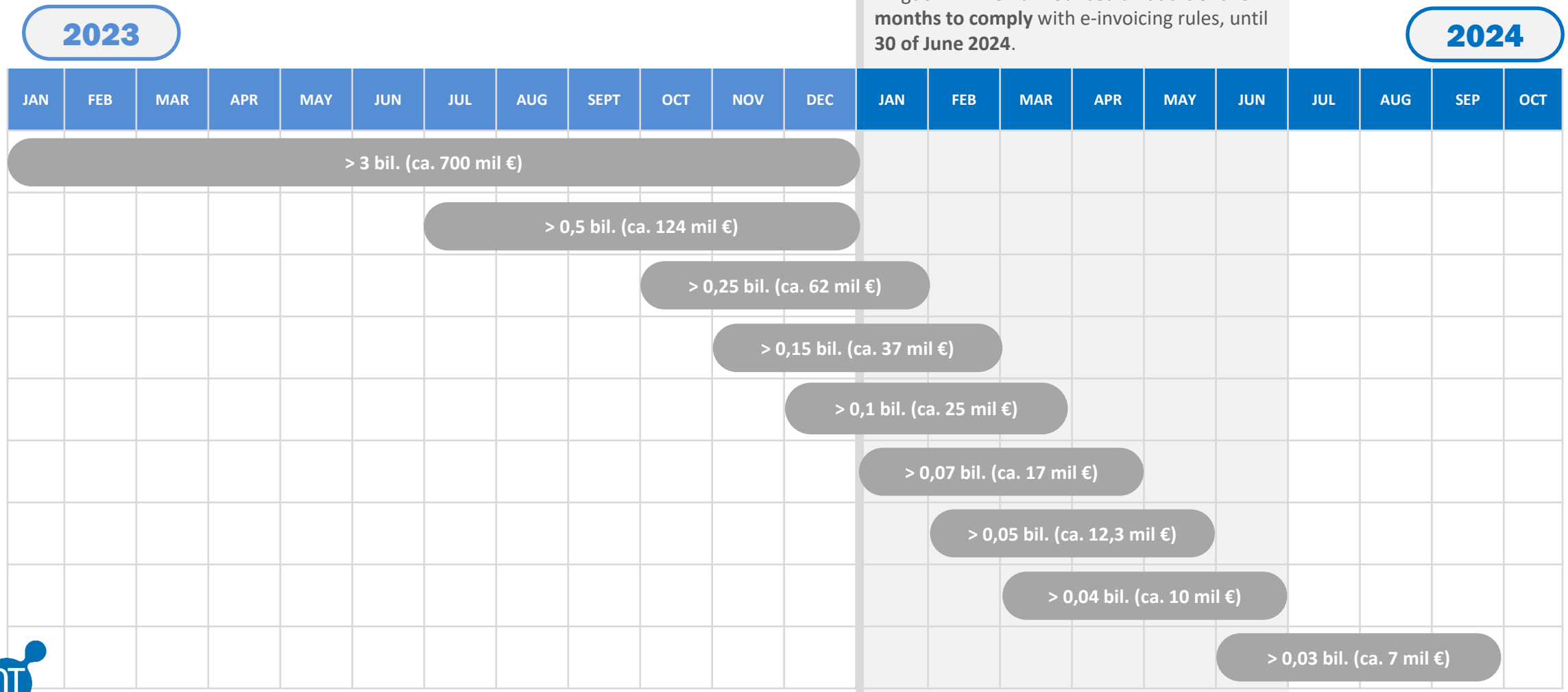


SAUDI ARABIA

phase 2: waves

EXTENSION OF GRACE PERIOD

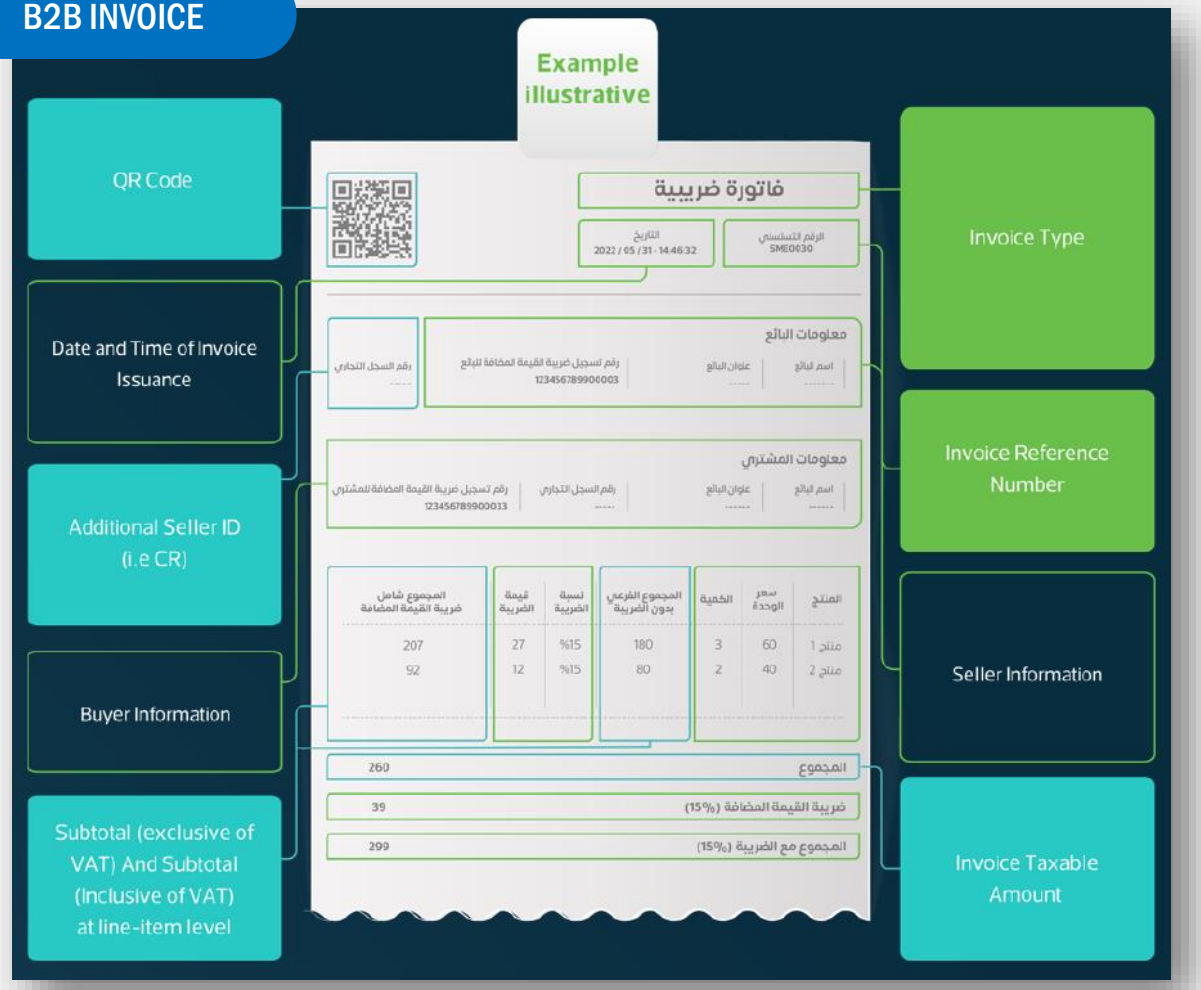
On 29 December 2023 ZATCA announced a suspension of fines and penalties for taxpayers subject to all tax laws in the Kingdom. ZATCA announced an **additional 6 months to comply** with e-invoicing rules, until **30 of June 2024**.



SAUDI ARABIA

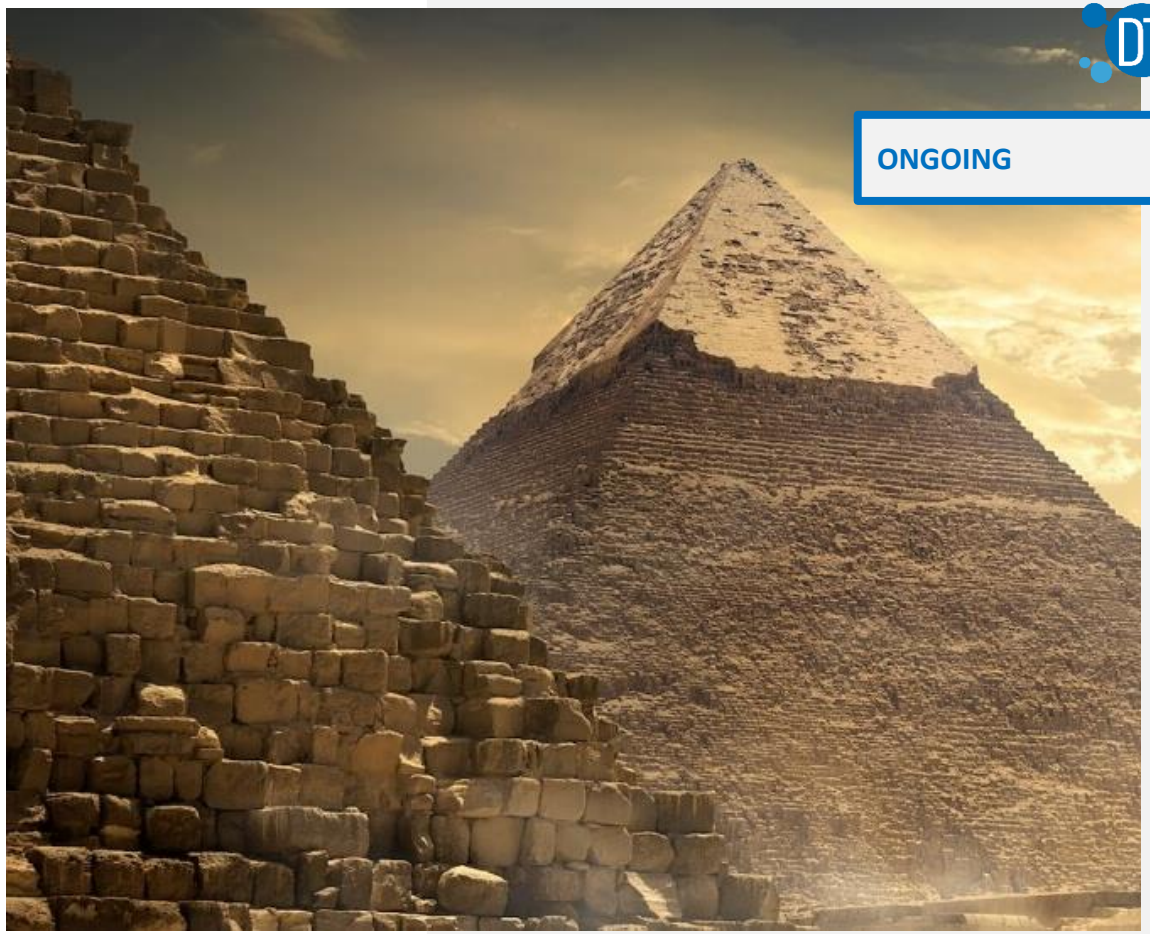
invoice layout

B2B INVOICE



B2C INVOICE

EGYPT updates



ONGOING

WHAT?

B2B/B2G e-invoicing is fully mandated across taxpayers in Egypt

WHEN?

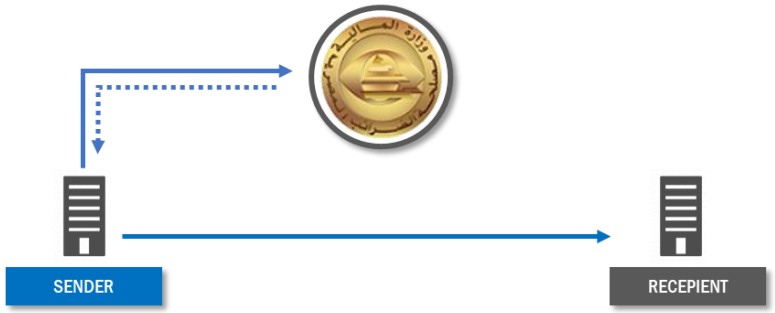
Phased rollout: Fully implemented by 2023

- **March 2020:** E-invoicing was announced as a requirement.
- **November 2020:** The first group of 134 companies begins mandatory use of e-invoices.
- **February 2021:** More companies were required to switch to e-invoicing.
- **May 2021:** Another group of companies joined the mandatory e-invoicing system.
- **July 2021:** All public sector companies were mandated to use e-invoices.
- **January 2022:** Paper invoices become ineligible for VAT deduction.
- **April 2023:** E-invoicing becomes mandatory for all companies.

HOW?

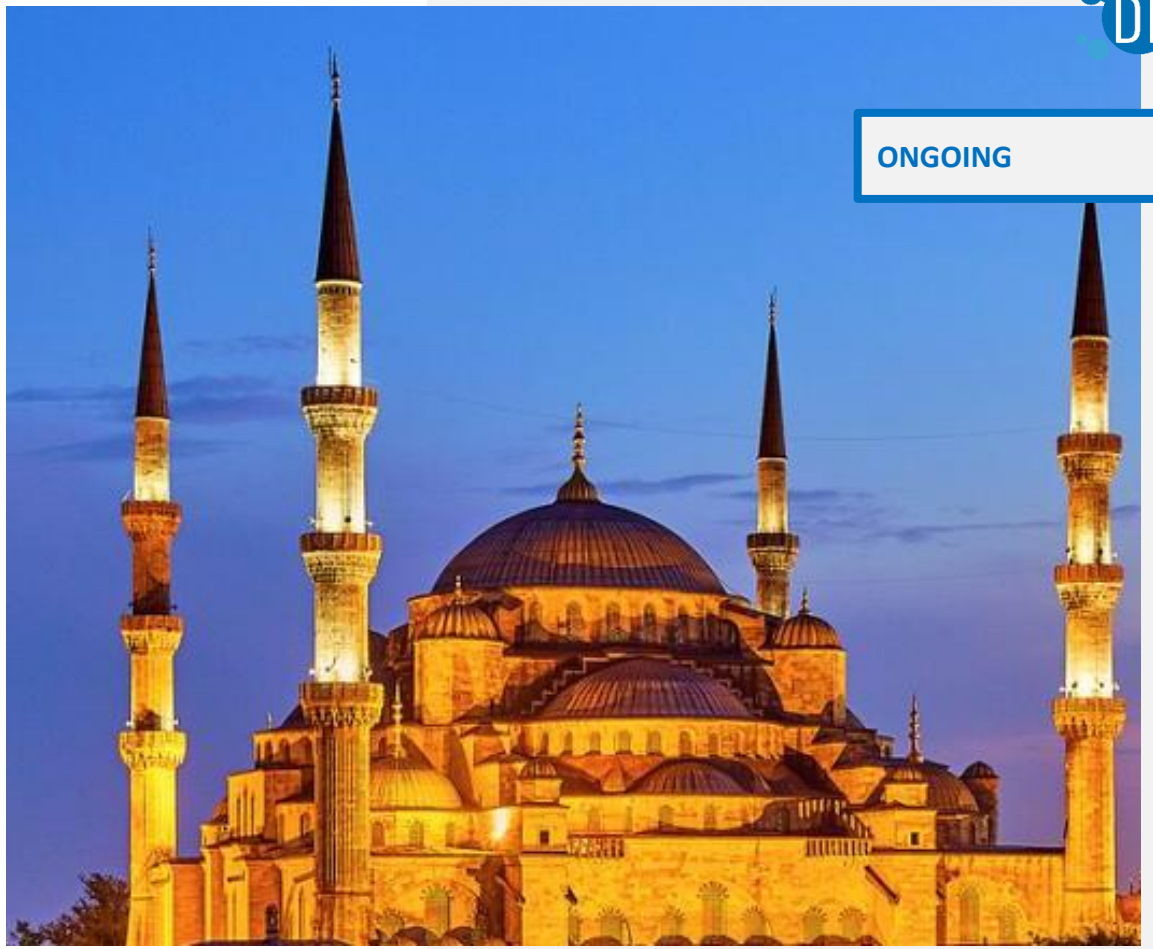
Egypt follows a **clearance model**. Businesses must submit their electronic invoices to the tax authorities for verification before sending them to the recipient
Electronic invoices in Egypt are allowed in two formats: **JSON or XML**.

Each **invoice requires a special identification code** called a Unique Universal Identifier (**UUID**)



TURKEY updates

ONGOING



WHAT?

Started with **B2B e-invoicing**. Over time, its scope has broadened to incorporate **B2G e-invoicing.**

WHEN?

2010: Turkey officially recognized electronic invoices as having the same legal standing as paper invoices.
2014: The Turkish government mandated the use of e-invoicing for Business-to-Business (B2B) transactions.
March 2021: The use of e-invoicing became mandatory for public procurement contracts.
July 2023: Businesses with an annual invoice volume exceeding 3 million Turkish Liras (TRY) or approximately 140,000€ were obligated to declare all invoices on the Turkish Revenue Administration (TRA) portal.
September 2023: A QR code is now mandatory for invoices, e-invoices, e-waybills, and e-archives. This QR code will serve as a secure link to the original invoice document.

HOW?

Turkish e-invoicing system follows a **clearence model** with **two primary types of invoices**:

- **e-Fatura:** is exclusively used for B2B transactions between companies registered with the Turkish Revenue Administration (TRA).
- **e-Arsiv:** serves as an alternative for B2B and B2C transactions involving companies not registered with the TRA.

ISRAEL

eInvoicing updates

CONFIRMED

WHAT?

e-Invoicing (B2B tax invoices issues between private dealers established in Israel)

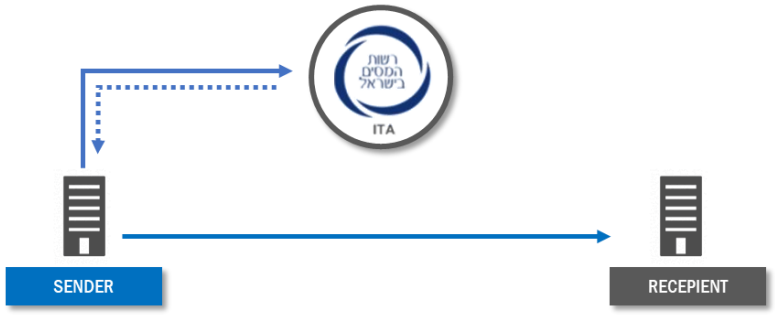
WHEN?

Phased implementation, based on the net amount, according to the following schedule:

- **May 5th, 2024-** Invoice amount higher than NIS 25.000 (ca. EUR 6.100) before VAT (pilot phase)
- **January 2025** - Invoice amount higher than NIS 20.000 (ca. EUR 4.900) before VAT
- **January 2026** - Invoice amount higher than NIS 15.000 (ca. EUR 3.700) before VAT
- **January 2027** - Invoice amount higher than NIS 10.000 (ca. EUR 2.450) before VAT
- **January 2028** - Invoice amount higher than NIS 5.000 (ca. EUR 1.220) before VAT

HOW?

CENTRALIZED CLEARANCE MODEL, where taxpayers exceeding the thresholds will be required to **request an "Allocation Number"** via API or web portal of the ITA system (it will be required to send invoice information prescribed by the Tax Authority).
Once the allocation number is acquired by the issuer, **it will be required to add this number to the tax invoice** - otherwise, the invoice will have no tax validity.



UNITED ARAB EMIRATES

eInvoicing updates

CONFIRMED

WHAT?

B2B and B2G e-invoicing (The Federal Tax Authority is preparing the massive introduction with plans to explore B2C transactions in the future)

WHEN?

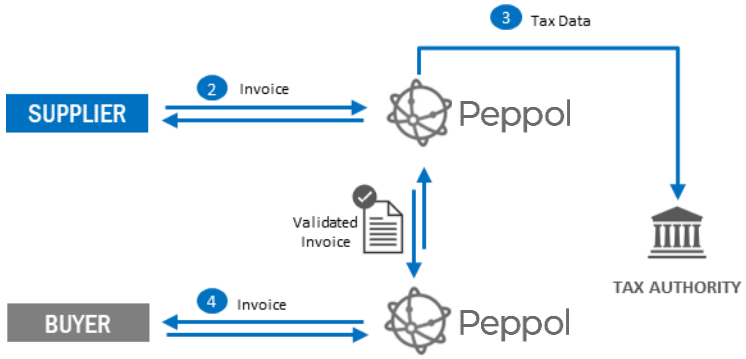
The launch will follow this timeline:

- **Q3 2024:** issuance of draft technical requirements and ASP process
- **Q2 2025:** introduction of e-invoicing legislation
- **Dec 2025:** rollout strategy
- **July 2026:** phase 1 go-live

HOW?

In the UAE, the electronic invoice system is known by the name **"E-Billing System“**

The initial scope will cover B2B and B2G transactions, with the adoption of **a 5-corner model known as DCTCE**, leveraging Peppol PINT specifications for seamless implementation.



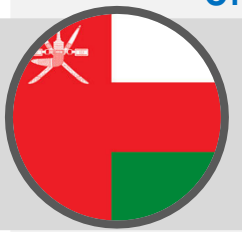
LATEST UPDATES

what's new?

BAHRAIN

The tax authority from the **Kingdom of Bahrain** has released a **Request for Proposal titled "E-invoicing central platform and maintenance"**, with the aim of developing its own e-invoicing system which could be implemented as soon as 2024 (date to be confirmed). No certain info is available on scope, technical information or timing.

OMAN



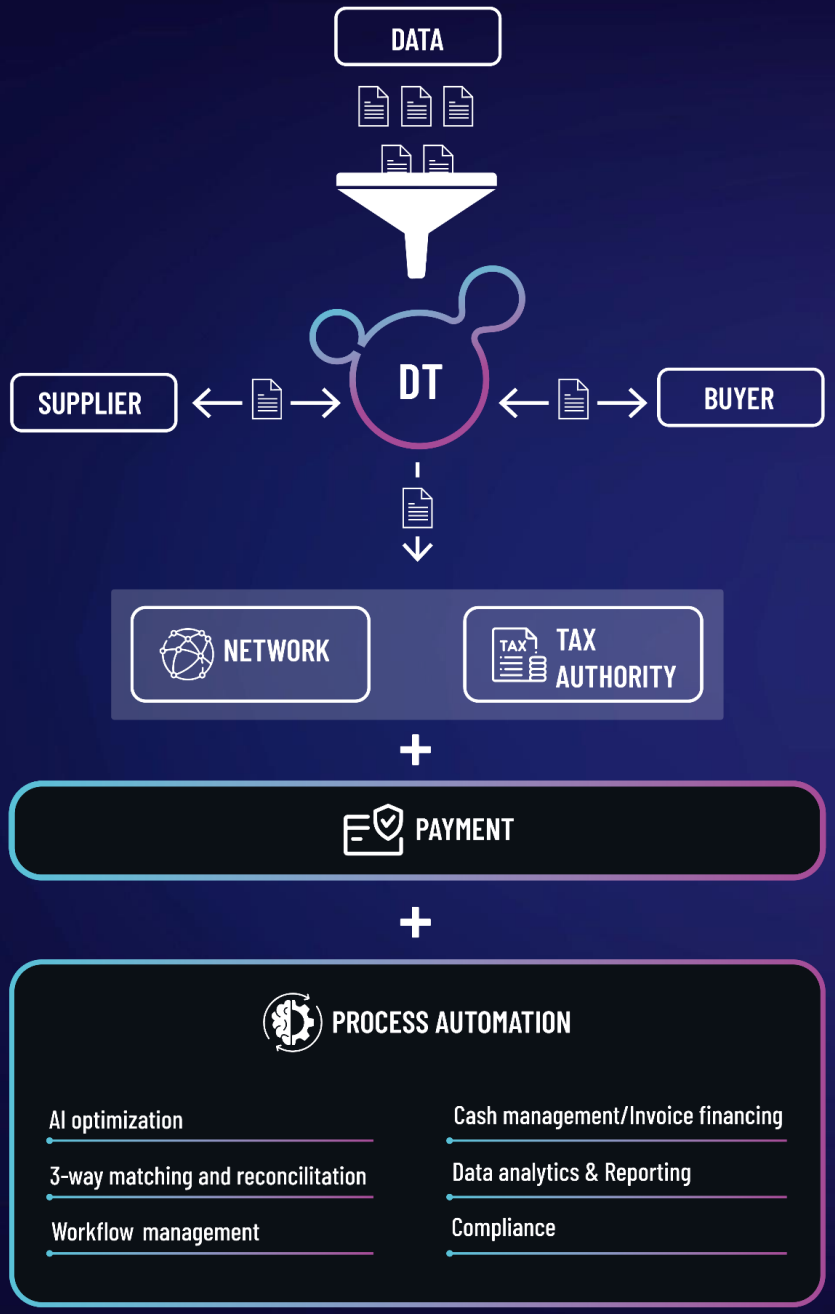
Recently, Oman's Tax Authority announced its **intention to transition to e-Invoicing** but with no confirmed timeline or details about the model.

JORDAN

The Tax Authority has **launched the Jordanian countrywide e-invoicing solution and begun incorporating enterprises into the platform**. The government's initiative aims to streamline and facilitate submitting and processing of tax returns for individuals and companies..

GLOBAL E-INVOICING

our solution & approach



- **Compliance with Global Regulations**
- **Full automation of AP/AR eInvoicing processes**
- **Full automation of Supply Chain Finance processes, including payment**
- **Seamless integration with existing ERPs**
- **Single point of contact to manage complexity**

WEBINAR SERIES

next sessions?

Certificazione B Corporation

Asia Pacific

Thursday 28/03

10:00 am

Updates on the following countries: Malaysia, China, India, Vietnam, Singapore, Philippines, Australia & New Zeland and others.

America

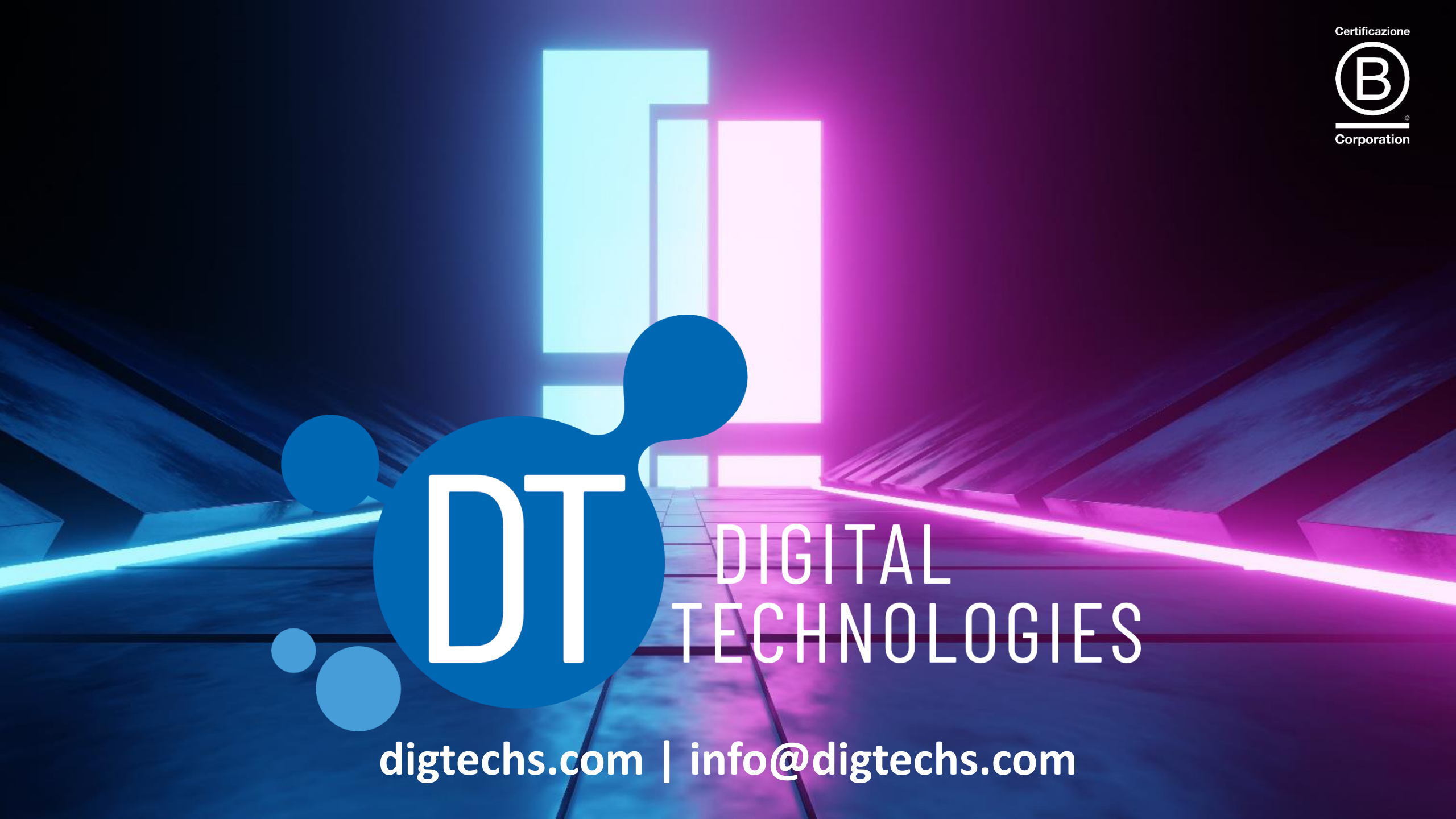
Thursday 04/04

10:00 am

Updates on the following countries: USA, Latin America and others.

Register here

DT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