

# The Global E-Invoicing Journey 2019-2025

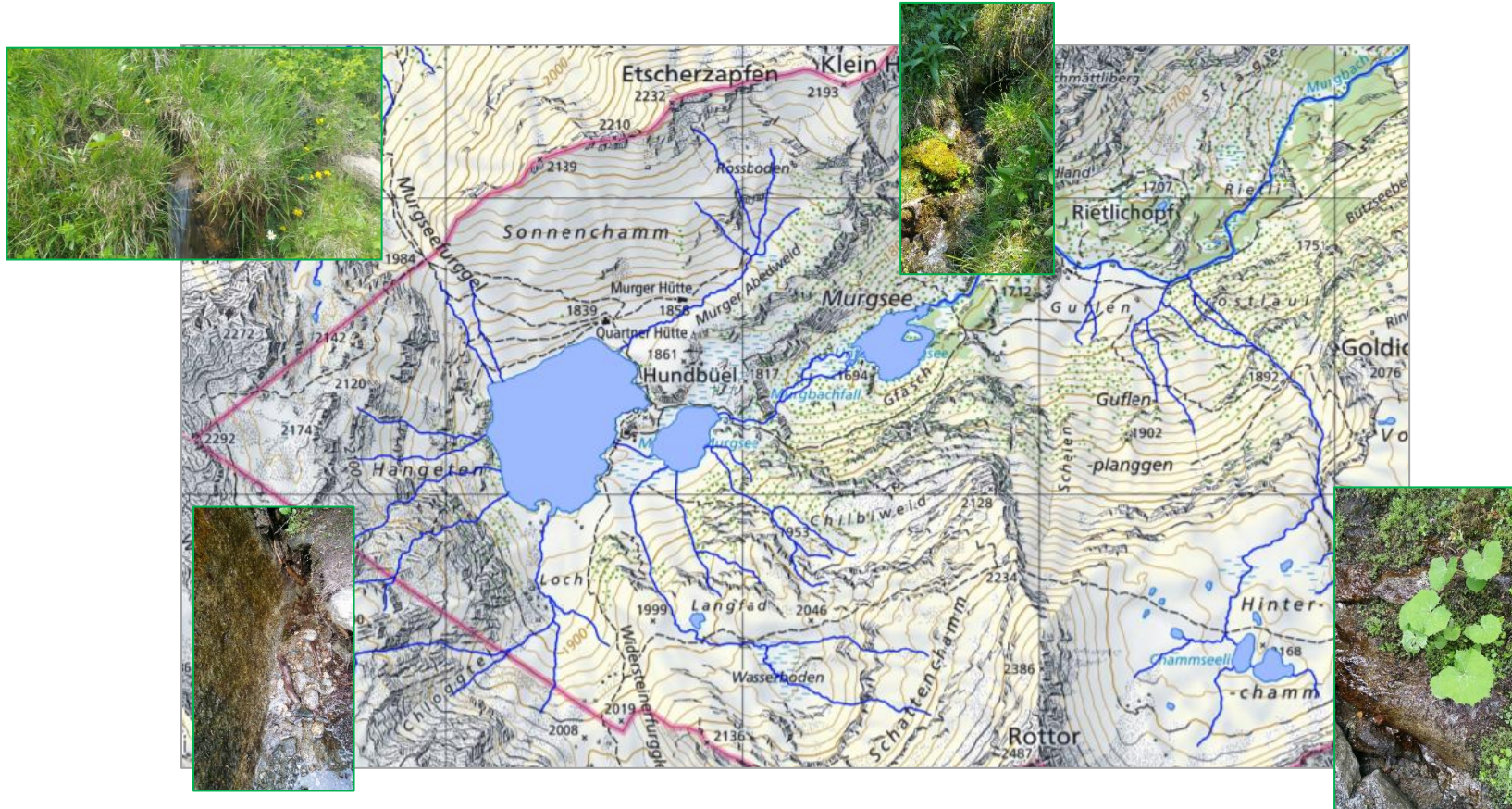
Exchange



Vienna, September 30, 2019

**Bruno Koch**

# E-Invoicing initiation in the nineties





# Curvy and bumpy journey until today



# Why digitalisation/automation is a hot topic right now

La facturation dématérialisée : une obligation progressive pour tous les fournisseurs du secteur public

DAL CNDCEC - 22 DICEMBRE 2017 ORE 19:58

Fatturazione elettronica obbligatoria  
2019: perplessità sull'estensione  
generalizzata

Sớm có Thông tư hướng dẫn chi tiết  
về hóa đơn điện tử

Ερχονται τα ηλεκτρονικά βιβλία – Τι αλλάζει  
για εκατομμύρια επιχειρήσεις και  
επαγγελματίες

Albania launches online billing to  
fight tax evasion

GSTN releases e-invoice  
format, seeks comment  
from stakeholders

Poland MOF Seeks Comments on  
Draft Regulation to Amend Electronic  
VAT Declaration

*Prorrogação do prazo para a  
implementação da faturação eletrónica*

الضرائب المصرية تستعرض التجربة الصينية في  
"الفاتورة الضريبية"

Verordnung  
über die elektronische Rechnungsstellung im öffentlichen Auftragswesen des Bundes  
(E-Rechnungsverordnung – ERechV)

# Tax evasion resulting in new legal requirements



- Estimated VAT gap in EU in 2017: 137 billion Euro
- Cash payments without receipts
- Carousel fraud, invoicing between phantom or temporary businesses
- No invoicing or invoicing using wrong amounts
- No supplies behind invoices
- Smuggling and domestic fraud with physical supplies
- Fictive employees and salaries

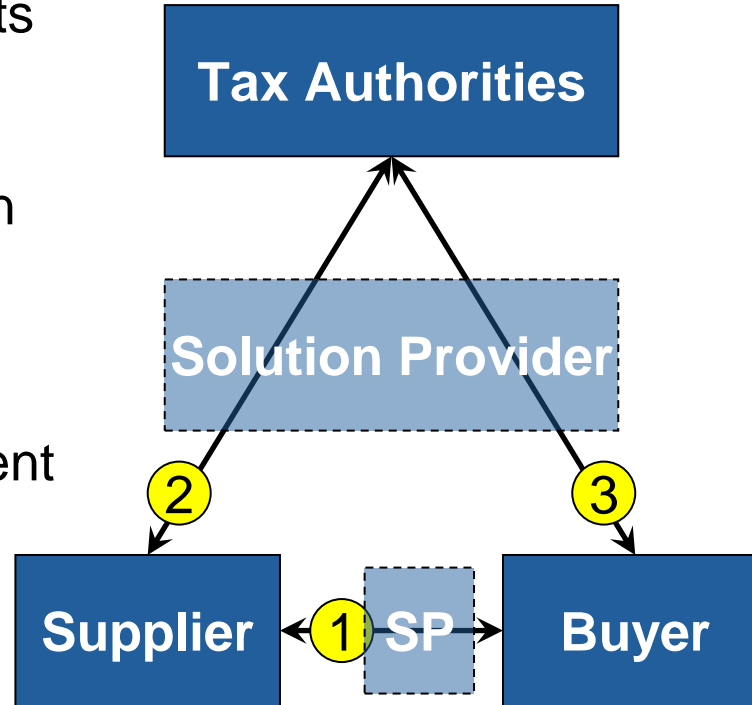
Complete digitisation of the financial supply chain, (near) real-time traceability for physical supply chain and electronic link of these two worlds. → Clearance Model globally dominant in 2025



# Private industry automation evolution & mandate for Clearance Model

All kind of data/documents

- Invoice extracts
- Full content invoices
- Correction, cancellation
- Credit/debit notes
- Financing
- Payments
- Purchasing, procurement
- HR and salary
- Cash register
- Transport and logistics
- Inventory



Corresponding messages to the supplier messages

In long-term, all business messages with tax relevance may be standardised and exchanged in real-time via Clearance Models.

# Coming electronic tax reporting and invoicing mandates



## **Announced and in implementation phase**

- Bolivia and Colombia; in middle of rollout during next 12 months
- GR: e-accounting, in phase 1 similarities with ES, comes shortly
- Germany and Portugal B2G from 2020
- Poland, VAT declaration, payment split
- Vietnam for all enterprises from November 2020

## **Expected, predicted**

- Asia: China, India, all members of Eurasian Economic Union, Malaysia, Philippines
- Europe: ES, FR, PT and CEE countries
- Egypt and many more

# Expected digitisation landscape 2025 in leading countries – holistic view





# B2B POS Purchase



# receipts : invoices  $\approx 1 : 1$  ?

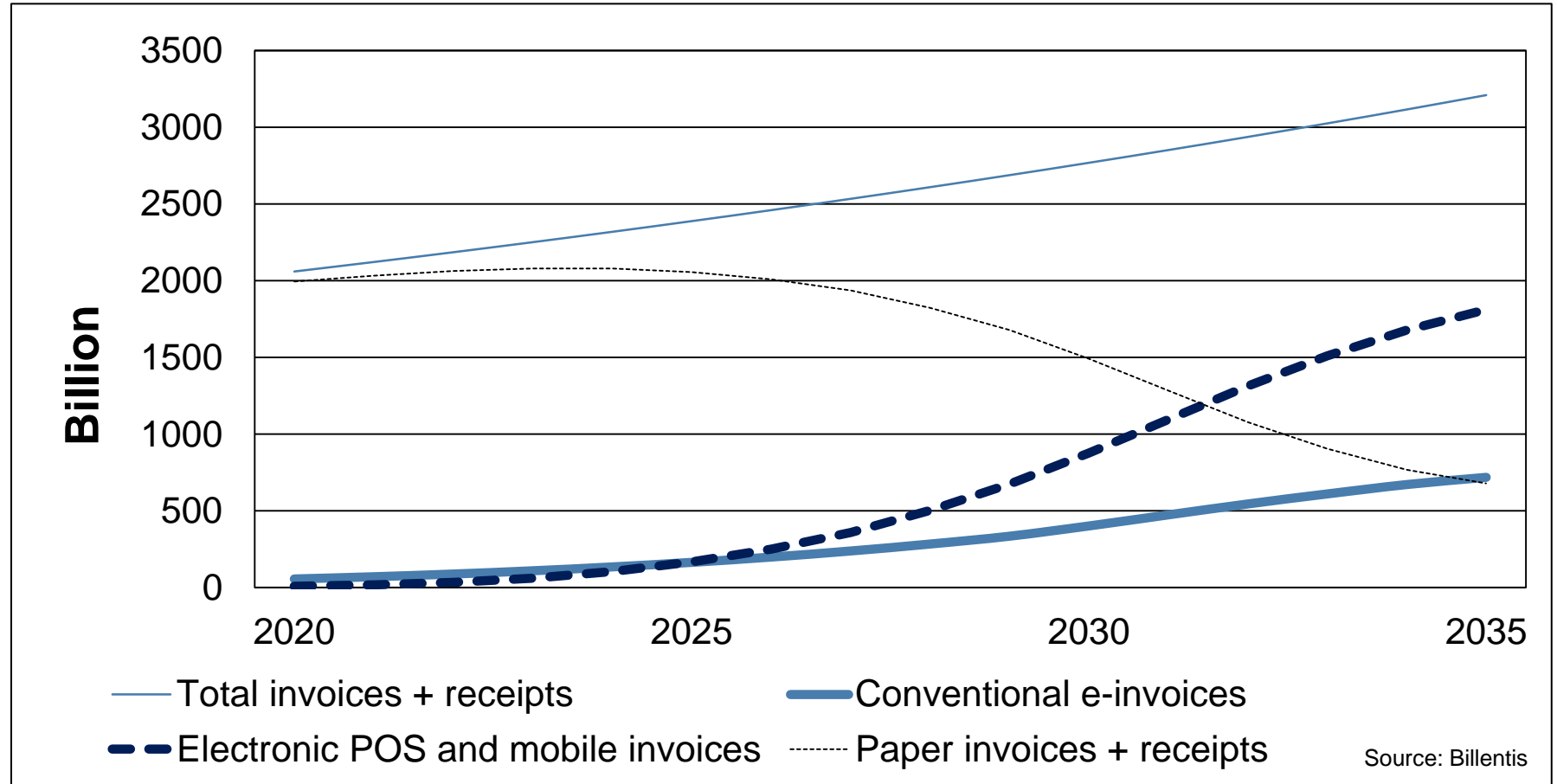
Data to PSP (and TA)

Viewed in customers' app;  
picture to his email address

Present and future:

- Customer authentication required; VAT card, QR → content enrichment
- App settings support addressing & routing information via SP
- Structured data for AP automation

# Estimated evolution of the global invoice + receipt volume



# System, process and archive patchwork in many multinational companies



- Inbound invoices: 3 - 20 Service Providers
- Outbound invoices and Electronic Tax Reporting: 20 - 160+ Service Providers and Portals; number increases by 2 - 6 p.a.
- Increasing number of mandatory countries and messages
- Change management; 1000+ new legal requirements p.a.
- Guarantee tax compliance internationally

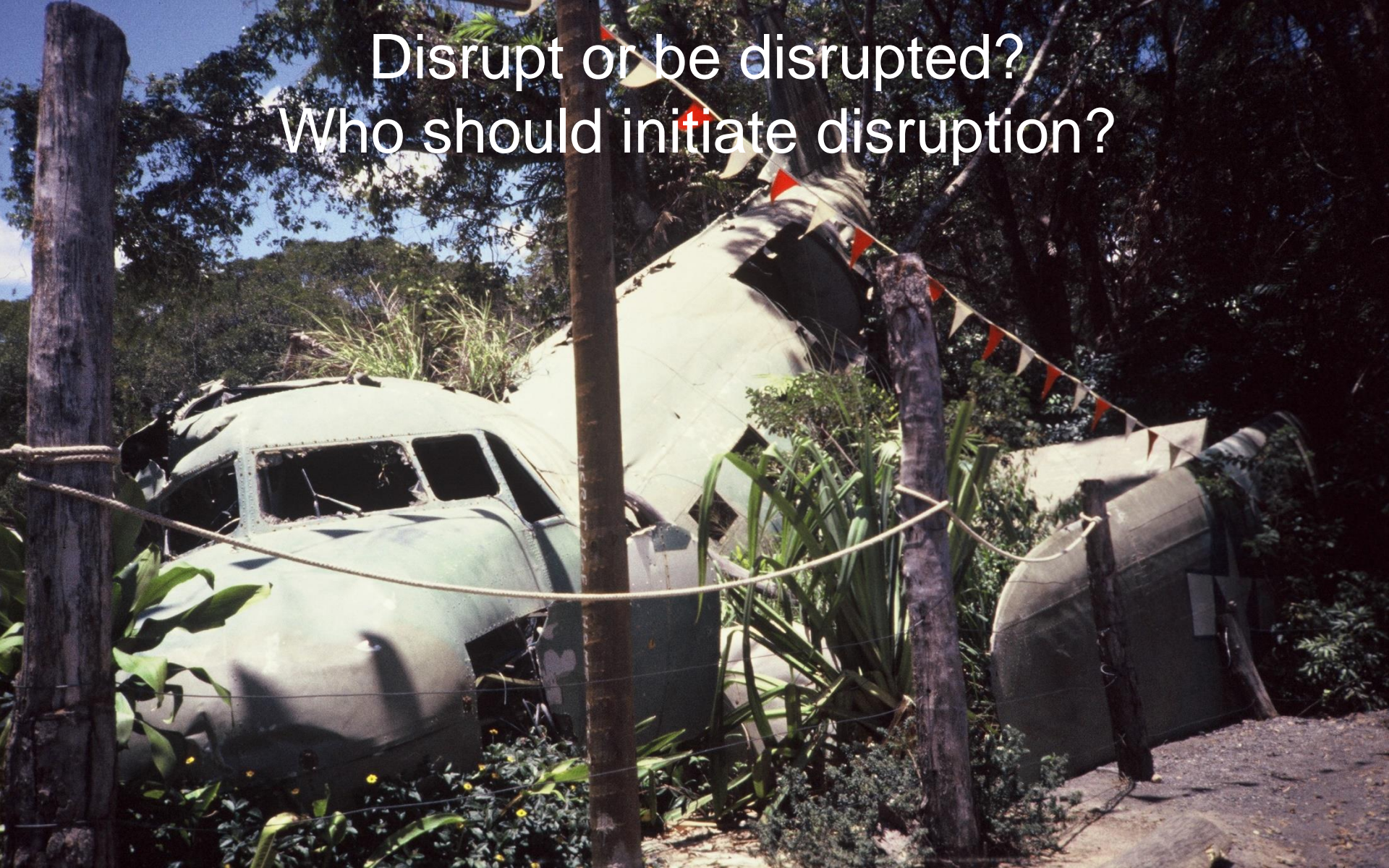
# Some harmonisation attempts for electronic invoicing & tax reporting



- Internationally
  - Some interoperability frameworks, including e-invoicing standardisation
  - Increasing alignment among approaches of associations like OpenPEPPOL, EESPA, GS1, connectONCE and country models
  - ICC Expert Dialog, best practice CTC
- Latin America: ALATIPAC, CIAT
- Europe
  - European Norm for e-invoicing and e-procurement includes a regulated core; supports country and industry specific extensions



Disrupt or be disrupted?  
Who should initiate disruption?



# Successful journey!



- Know the destination → Strategy 2025 for e-invoicing and tax reporting
- Have a travel plan → Implementation road map
- Consider flexible options for the route → ensure short-term agility
- Limit # of baggage items → streamline # of solutions, processes, archives
- Use the best transport vehicle → Evaluate/asses your solution partner(s)
- Stay informed about news and challenges ahead
  - Solution providers
  - Dedicated consulting and auditing businesses
  - Specialised events
  - Social Networks
  - Billentis report 'The E-Invoicing Journey 2019-2025', newsletters, tweets etc.

# Questions?

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