

# E-invoicing in Saudi Arabia

The Zakat, Tax and Customs Authority (ZATCA) announced the introduction of an e-invoicing law from 4 December 2021. By introducing e-invoicing, organisations can both reduce costs and increase productivity at the same time. They are able to reduce time-consuming manual work and pay more attention to control, business strategy and increased collaboration with clients and suppliers.

## WHAT IS AN E-INVOICE?

A genuine e-invoice is an invoice that is issued, received and processed electronically. It is digital from its creation in the financial system the by the issuer until it is received, processed and archived by the recipient in theirs. In other words, a genuine e-invoice is digital all the way.

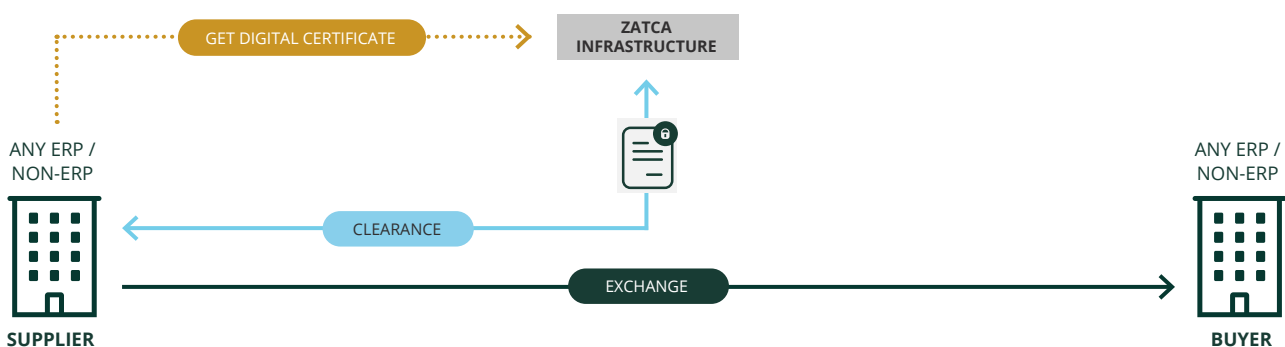
## WHAT DO I NEED TO KNOW?

- It will come into effect in two stages: generation from 4 December 2021, integration from 1 January 2023
- The law applies to all taxpayers subject to VAT (excluding taxpayers not residing in the Kingdom), in addition to any party that issues a tax invoice on behalf of the taxpayer, who is subject to VAT.
- Issuing and keeping electronic invoices, debit and credit notes: an electronic invoice is generated and stored in data structured files. Paper, unstructured data files, word, excel, PDF generated documents/ images or scan copies of images are not considered e-invoices.

## The e-invoice process

Whether you are a buyer or supplier, there are aspects of the e-invoicing process that you must be prepared for once the mandate is in place. There are two stages involved in the process as defined by ZATCA:

- 1 Generation: generate and issue invoices electronically in the ZATCA defined format
- 2 Integration: report the invoices to ZATCA

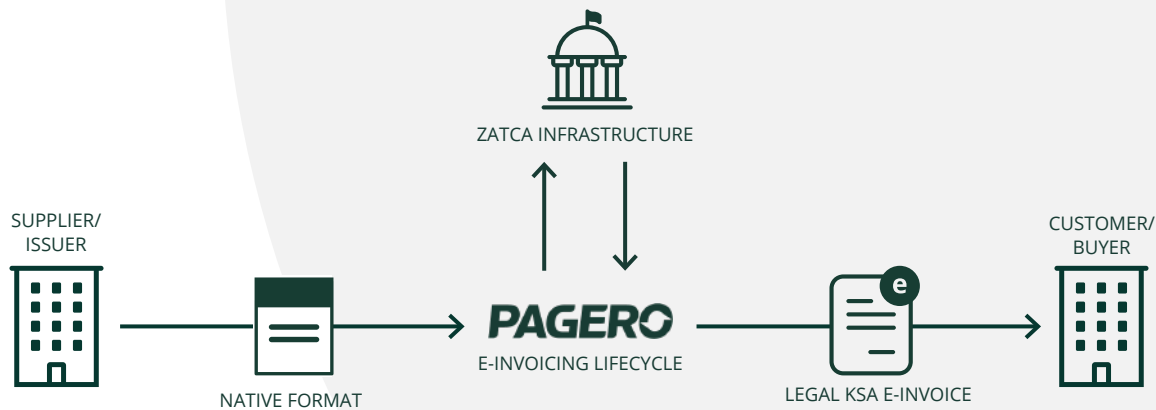


An e-invoicing roll out brings several positive impacts for businesses. Through this digital transformation opportunity, businesses will experience:

- Faster payments
- Reduced costs
- Fewer rejected invoices
- Faster processing and payment cycles
- Increased AP productivity
- Focus on high value activities
- Increased accuracy
- Improved cash management

# Pagero solution for Saudi Arabia

Our ZATCA qualified e-invoicing solution maintains compliance with regulatory requirements in Saudi Arabia for format, content, e-signature, reporting and clearance. This includes QR code, UUID, Hash Chain, and Legal Archiving in Saudi Arabia, alongside value-added services to achieve maximum efficiency.



## Value added services



## Why choose us as your Service Provider?

- 1 Connect and validate invoices with ZATCA in Arabic via the Pagero Portal.
- 2 We seamlessly integrate with any ERP or Workflow system and have a network of partners specialised in Pagero and ERP systems, e.g. SAP, Oracle, Microsoft, IFS and more.
- 3 We don't just focus on compliance - you can achieve full digital flows on both the Accounts Receivable and Accounts Payable process.
- 4 We are compliant in KSA and 71+markets, with customers in 140+ countries. Leading global companies e.g. HPE, Johnson & Johnson, ABB and Microsoft use Pagero's solution.