

FAQ: Pagero & Deloitte webinar, June 2023

E-invoicing and e-reporting compliance updates with Pagero and Deloitte – part 7

With reference to e-invoicing going live in France and Belgium, has it been clarified whether non-resident taxpayers with a French/Belgian VAT-number are impacted?

For those entities with VAT registration in France, the information remains that non-residents **"MAY"** be subject to the e-reporting requirements of the mandate. In practice, however, it seems that those importing goods/services will be the ones responsible for reporting the transactions (AP perspective). As there is no final framework in place for Belgium, this point is not clarified yet for this jurisdiction."

Who should, in your opinion, be the sponsor department within a global international company? 1) tax department 2) business department/Opco's? 3) IT? My experience is that a lot of times global companies are (too) big and therefore there is no real ownership on a regional (European/EMEA/global) region.

The pain changes through legislation changing per country. Water-fall instead of a project/program approach. Who should push who? Most of the time companies are too late for implementation and are in need of a solution very shortly for a local legislation deadline. Who should be the sponsor in your experience/vision?

We see the best success in those setup, where there is a dedicated (new) department or there is a hybrid setup, where specialists of multiple departments work jointly. This team should work with CTC on continuous basis; in other words, implementation of CTC may not be a one-off exercise.

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Germany – scoping: can you clarify if a branch in Germany would fall into the scope of e-invoicing?

Germany is in hopes and attempts to have a countrywide mandate in place by January 2025. Whether it will be a phased approach or not has yet to be announced, but we are monitoring this closely.

Where can I find the information what counts as large medium and small taxpayer for each country?

This will be unique to each individual country.

What about the new American DBNA format/framework?

Also referred to as the BPC exchange framework, it is an option for exchanging business documents in the US, but it is not mandatory.

As far as France is concerned, are there any sovereign cloud issues for invoice storage (being able to safely & securely store invoices over a defined period)?

Yes, France has some particular requirements, when it comes to possibility to store e-invoices abroad. In some jurisdictions, this is allowed under certain conditions (e.g., Sweden), while in some (e.g., the US) it is not allowed at all.

Could you kindly comment on the plans for some African nations (Kenya, Nigeria, Zambia)?

Africa is still largely operating fiscalization models with the use of hardware fiscal devices, (Kenya implementing some software aspects that still tie into fiscalization). Ghana would be the exception as they are implementing a CTC model for select taxpayers that they plan to extend the scope of to encompass all entities in the country by ca. 2025.

Re: the picture shared FY 2024 with the countries, can you please clarify what represents for France the picture with B2B cross-border and B2C that appears on part with e-invoicing as of July 2024?

For B2B cross-border transactions and domestic B2C transactions, the mandate in France requires the transactions to follow the e-reporting requirements of the mandate.

Are packages available to import in SAP to derive the correct data and value mappings?

We are not in a position to comment on SAP readiness,

however, Pagero has a large customer base using our solution in combination with this ERP.

Greece implements e-invoicing for B2G, but what about B2B in view of ViDA?

The proposed B2G e-invoicing implementation in Greece is in breach with ViDA. The negotiations between Greece and the Commission is ongoing, as we speak. No information is available currently in respect of B2B.

Can you please explain on CTC process ?

CTC – Continuous Transaction Controls. There are 5 main models in the context of CTC. They are interoperability, real-time reporting, centralized exchange, clearance and DCTCE (6-corner model). They all operate differently, but facilitate and require the use of electronic invoicing.

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For France, is it recommended to work with a service provider? What solution is the most flexible to avoid a big dependency with the ERP which can be changed?

Yes, our understanding is that using a global service provider (supporting you not only in France, but as well other jurisdictions that have CTC) is preferred and would ease the impact on your ERP. Naturally, we recommend you to evaluate Pagero.

In France, what about all previous invoices already digitized with digital signature like EDI invoices, PDF invoices and already handled by a service provider approved by French government? If the 3rd party will become a PDP, can we change or is it better to stay with the same service provider?

This is a complex question, easiest to cover in a consultation call. In a nutshell: PDF will not be allowed (neither in France nor under ViDA), existing connection with Chorus for B2G e-invoices will have to migrate to the new system, while EDI might be possible to keep, provided that you and your trading partner agree and both would operate over PDP.

Regarding Germany: To my knowledge, XRechnung is a Peppol variant hvis should be reachable toward B2G. ZUGFeRD (PDF with embedded CII) is still very popular, and defacto the same format as the Factur-x for France (not a question I know)

It depends, which Zugferd you talk about, as there is version 1 and 2, with Zugferd 2 having 5 profiles. Besides making businesses stay in the past instead of adopting something future-proof, Zugferd is quite frankly a mess both from technical and fiscal perspective.

Are all e-invoicing regulations, introduced or expected to be introduced in the new countries, for local resident entities, for domestic transactions?

Not necessarily. It will vary depending on the country.

For France, what is foreign operator?

Trading partners and parties residing and/or registered outside of France.

Could I please receive the link with the specs for France? Thank you! / How can we get the English version of the France mandate tech specs?

impots.gouv.fr/specifications-externes-b2b

Again on ViDA: What has been the posture of HMRC towards these ongoing discussions in Europe?

HRMC are monitoring the developments and participate in various relevant forums. While there is currently no explicit message, we would not be surprised if the UK followed ViDA developments, given the significance of the EU trade.

Is there any B2C e-invoicing proposed in the near future?

There are various B2C digital reporting requirements already in place in different countries, and more are expected to come. There is, however, no regional or global unification in the respect. Note that Member States are allowed to adopt the DRR schema for B2C transactions on voluntary basis.

Can Pagero solution help with both issuing and receiving e-invoices? If so, can receiving be directly linked to ERP?

Yes and yes, as we operate in 140+ countries and are fully ERP agnostic.

Regarding Spain, is it confirmed that they will postpone issuing requirements until Dec'24 or is

it just 'talked about' and hence could be earlier?

There are no explicit confirmations on this. The timelines we indicated base upon our best knowledge and experience of the market, given the recent political developments.

Spain - Deloitte mentioned it would be end of this year the requirements are published, and as of January 2025, large taxpayers would be in the scope - is this true?

The timelines we indicated base upon our best knowledge and experience of the market, given the recent political developments.

How do your clients approach relationship management with global providers in this space - is it from one department or hybrid also?

Most recently, we see that customers either create a specially dedicated teams or set up a hybrid group that includes representatives of various functions, as CTC is complex and impacts multiple functions, operations and systems.

With the hybrid department ownership, do you see clients with a key/solo person bringing all stakeholders together, a team carved out with all of those teams, or both?

Currently we see both, however, those having 1 person realising that this will not be enough in mid- and long-term.

In Germany - are you saying that non-resident companies are out of scope?

This is not confirmed. Clarification is required in this regard and the conversations around such measures are still ongoing

Is "mandate for invoicing" or an invoicing mandate, in a form of dedicated agreement mandatory in UK (similarly to Germany or France)?

There is currently no electronic invoicing mandate in the UK.

Do you know if Morocco is going to implement e-invoicing?

While Morocco has a voluntary B2G e-invoicing platform, we have encountered no indications that Morocco is looking into expanding this into a country-wide mandate.

Do you have updates on e-invoicing in China?

pagero.com/compliance/regulatory-updates/china

Did Payero or Deloitte answer to the request for comments to the e-invoicing proposal launched by the German authorities?

This is not a public consultation, but a closed one, which has been sent to selected parties.

Thinking about future proofing, how similar have you seen the required data elements between the different countries? Any examples of where some countries have deviated greatly from most other countries?

Depending on how you are set up with your solution provider, you could achieve ca 70% global data model, enriched with 30% country-specific data elements. But this is talking from Payero solution perspective, while we've seen solutions offering much lower data synergies.

For ViDA: do you expect the purchaser to be required to only report intra-community acquisitions of goods or also cross-border purchases of services?

ViDA only mandates DRR for intra-Community transactions. With that said, there are no provisions in ViDA prohibiting Member States from mandating this for export and import transactions.

Hi, are there any plans for B2B e-invoicing in South Africa and Singapore?

No plans have been announced in these countries regarding implementing countrywide e-invoicing mandates. However, this is a dynamic space and things tend to change rapidly. To stay timely updated you can subscribe for free to our [Compliance Monitor newsletter](#).

How is the turnover calculated if the entity with a VAT registration in France is a parent company with branches in other countries and vice versa?

The concept of enterprise used is that of legal unit, a legal unit being identified by its Siren number.

Could you give some hints where can I find information about the e-signature requirement?

It will depend on the country. Typical Electronic Transaction Laws.



Could you kindly bring further precisions on Poland? Thank you!

Please check one of our [recorded webinars with Deloitte or those dedicated for Poland](#). Feel free to reach out to us, if you would like to book a consultation.

I am confused about the impact of ViDA on the country-specific changes? What takes over? For example, in January we are meant to accept e-invoices, but in France, the date to accept seems to be July 2024.

Please check one of our [recorded webinars on ViDA](#). Feel free to reach out to us, if you would like to book a consultation.

Could you explain a little more about what will happen with regards the exiting clearance models, i.e., Italy, when ViDA is implemented?

Platforms would need to comply as far as B2C is in scope for e-invoicing (as we expect B2B to drop from the deemed seller mechanism). There is still uncertainty if the clearance mechanisms will continue but the expectation is that it will. Please check one of our [recorded webinars on ViDA](#). Feel free to reach out to us, if you would like to book a consultation.

E-invoicing in Poland: is it mandatory for both domestic and also cross-border transactions?

E-invoicing will be required for domestic transactions as well as cross-border AR (export) invoices.

As Poland and France do not seem to be aligned with the ViDA initiative, do you know if they are thinking to align their technical specifications?

Very hard to comment at this point in time.

What is the definition of large/medium taxpayers in France?

Large business (Grandes)

- Number employees: ≥ 5.000 FTE, or
- Turnover: ≥ 1,5 BEUR, or
- Balance sheet: ≥ 2 BEUR

Medium business (ETI)

- Number employees: ≥ 250 FTE, or
- Turnover: ≥ 50 MEUR, or
- Balance sheet: ≥ 43 MEUR

Small business (PME)

- Number employees: ≥ 10 FTE, or
- Turnover: ≥ 2 MEUR, or
- Balance sheet: ≥ 2 MEUR

Micro business (TPE)

- Number employees: < 10 FTE, or
- Turnover: < 2 MEUR, or
- Balance sheet: < 2 MEUR

What does ATCUD mean? If not highlighted with (green) colour, does it mean this will be required soon, but is not yet mandatory?

ATCUD numbers are a unique invoice code (UUID) provided by the tax administration, currently required on invoices in Portugal as of 1 Jan 2023.

In B2G e-invoicing for public procurement, are country laws applicable to domestic transactions only or do they include international trading?

This varies country to country, but there are some jurisdictions that require even non-established businesses to send B2G e-invoices electronically.

Are the non-established companies (VAT registration in France) impacted? Does non-registered entity need to do e-reporting?

Yes. For those entities with VAT registration in France, the information remains that non-residents MAY be subject to the e-reporting requirements of the mandate. In practice, however, it seems that those importing goods/services will be the ones respon-

sible for reporting the transactions (AP perspective).

For e-invoicing in France, what will happen if there are issues with an invoice if, e.g., VAT-IDs are not correct? Would it be rejected by the public invoicing portal?

Yes, this would yield a rejection from the platform or your solution provider, if they support such type of prevalidations.

For e-invoicing in France, is Pagero already recognized as a PDP? If not, is there an expected timeline of when the France authorities will decide on the PDP providers?

Pagero intends to become PDP in France. The review and approval process for service providers to become PDP has not yet commenced, as well as one has until July 2025 to obtain PDP status.

What about The Netherlands?

No plans have been announced currently. However, this is a dynamic space and things tend to change rapidly. To stay timely updated you can subscribe for free to [Pagero Compliance Monitor newsletter](#).

Can we already implement e-invoicing for Belgium via Peppol or do we need to wait for the mandate?

You could commence Peppol implementation in Belgium already now, as this will ease future work for you. With this two aspects are important to keep in mind: (1) there will be adjustments as new publications will come, and (2) it's important to evaluate that your provider has a future-proof technology and organization, that will be able to cope with the future requirements in Belgium.

Can we still raise a consolidated invoice (all shipping during the month invoice end of the month) or should it be invoiced shipment by shipment?

In the scope of ViDA, summary invoices will no longer be allowed for intra-community electronic invoices. However, it's still to be seen what the final definition of such invoice will be.