# How Macro-economic Trends are Changing B2B Transactions

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**Macro Trends In E-invoicing** 

# **Global Macro Trends In E-invoicing**



By 2030, 60% of countries will have implemented an e-invoicing obligation

Gartner 2020



By 2025, 75% of all invoices globally (510 billion) will be exchanged with the tax authorities in (near) real-time.

SOVOS, 2023



8 countries in the EU27 will implement an e-invoicing mandate in the next 24 months. Globally there will be at least 13 new e-invoicing obligations

EU commission and OECD, 2023



Macro-economic pressures, availability of technology and government objectives are causing earthquakes in the B2B, B2G and B2C invoicing space

# Why Is This Happening?

# **REVENUES**

# Government hunger for data to

**FOCUS** 

## Government hunger for data to feed fiscal policy

- COVID focused governments on digitization and transformation
- Use of AI to detect fraud patterns and VAT collection opportunities

# **EVIDENCE**



 Reduced VAT Gap by up to 50%



- Gap reduction €3.1 Billion
- 10-11% of VAT gap

expenditure

• Steep increase in defence

recouperation (11 TR USD)

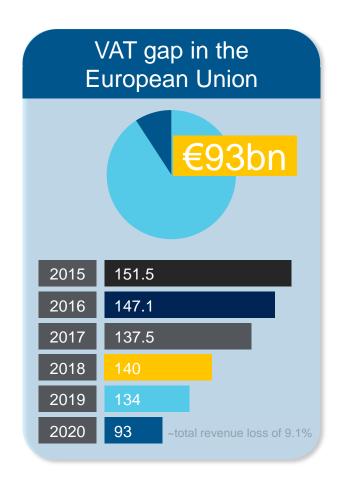
· Health care costs and

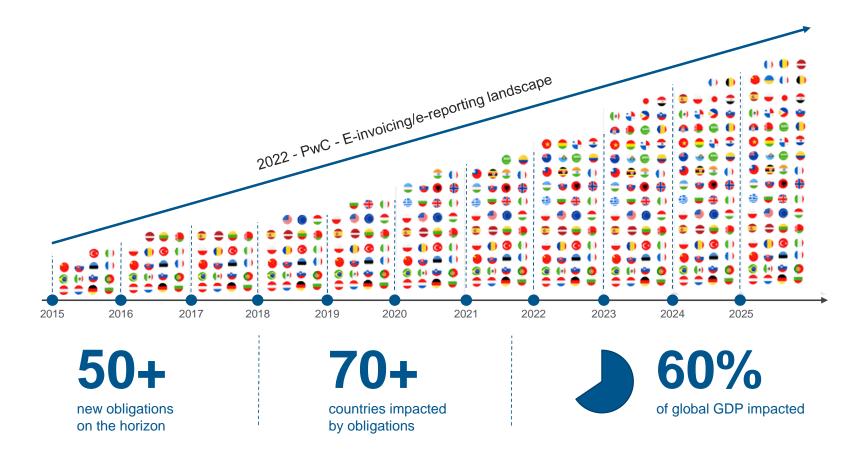
ageing population

COVID-relief spend

- Cost of energy transition
- Environmental pressures

# Focus On VAT Collection Is Accelerating E-invoicing Mandates





Source: PwC





VAT/GST: 30% of national revenues



Tax on consumption is considered 'fairer'



Need to avoid contraction of income and social unrest

# **Acceleration**

# High-level e-invoicing & e-reporting watchlist\*

## January

Italy - New e-archiving requirements Romania – SAF-T for large taxpayers Poland - Voluntary e-invoicing Panama – New registered taxpayers must adhere to e-invoicing regulation Peru – Platform for e-invoicing and electronic fee receipts available

## January

Romania – SAF-T for medium taxpayers Saudi-Arabia – Mandatory e-invoicing (Integration phase) Portugal - Obligation to include ATCUD in invoices

**Serbia** – B2B e-invoicing issuance mandatory Philippines – Phased roll-out of e-invoicing mandate

Panama – All participants of the e-invoicing pilot mandated to use e-invoices & certain taxpayers Portugal – SAF-T for non-established businesses

## January

Israel - Start roll-out B2B e-invoicing obligation

Portugal - B2G e-invoicing for **SMEs** 

Romania - (Envisaged) Mandatory B2B e-invoicing

EU - ViDA - (Envisaged) Mandatory e-invoicing will be possible without EU approval

### January

France<sup>1</sup> – B2B mandate issuance mid-sized companies

Ukraine - SAF-T for Large taxpayers Romania – SAF-T all taxpayers

Latvia - (Envisaged) B2B & B2G mandate China – (Expected ) Special e-fapiao VAT invoice

Slovakia - Mandatory e-invoicing B2B/B2C

Croatia - Mandatory e-invoicing

Spain - (Envisaged) mandatory B2B

e-invoicing. Roll-out starting 12 months after publication final regulation.

Germany - (Envisaged) B2B e-invoicing mandate - Mandatory receipt of e-invoices compliant with EU norm but e-invoicing still voluntary

2022 2024 2026 2023 2025

Luxembourg - B2G | Romania - Mandate for high-risk products & mandate | B2G mandate

Serbia - B2G mandate | Italy - Cross-border reporting

Philippines – Start next pilot e-invoicing

Australia - B2G e-invoicing for Commonwealth Government entities

San Marino – Mandatory e-invoicing

Serbia – B2B e-invoicing reception and storage

Vietnam - Mandatory e-invoicing

Panama – B2G mandate | Guatemala – Mandatory e-invoicing mandate

## April

Egypt – E-invoicing mandate fully implemented

Slovakia – E-invoicing pilot program B2G (voluntary)

Mexico - Obligation to use CFDI 4.0

## July

Mexico – Mandatory use of CFDI 4.0 for payroll receipts

## September

Greece - Start roll-out mandatory B2G e-invoicing with potentially B2B implication

### October

Japan – Qualified invoice system

Malavsia - Phase 1 of roll-out e-invoicing mandate

## July

France<sup>1</sup> – B2B mandate reception all taxpavers, issuance large taxpayers Poland - Mandatory e-invoicing

January

France<sup>1</sup> - B2B mandate issuance small companies

Germany - (Envisaged) B2B e-invoicing mandate E-invoicing becomes mandatory

### **JANUARY 2028**

EU - VIDA -

(Envisaged) E-invoicing becomes the norm EU - VIDA -(Envisaged) DDR for intra-community transactions

# What does this mean?

An e-invoice is a structured file in countries with mandates. Current examples are Italy, Turkey, Saudi Arabia. The volume of PDF invoices will be coming under severe pressure

PDF's may still be relevant in AP and AR in countries with a mandate – e.g. for approvals and 1st line defense in audits

Future of the Hybrid PDF (ZUGFeRD, Factur-X) is up for debate



# Thanks!

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