

# Compliance, More than Just Mandates



September 2024

# Your speaker





### **Markus Hornburg**

**SVP Global Compliance, Basware** 

Markus is a seasoned **global compliance expert** with 25 years of hands-on experience in product, trade, and tax compliance.

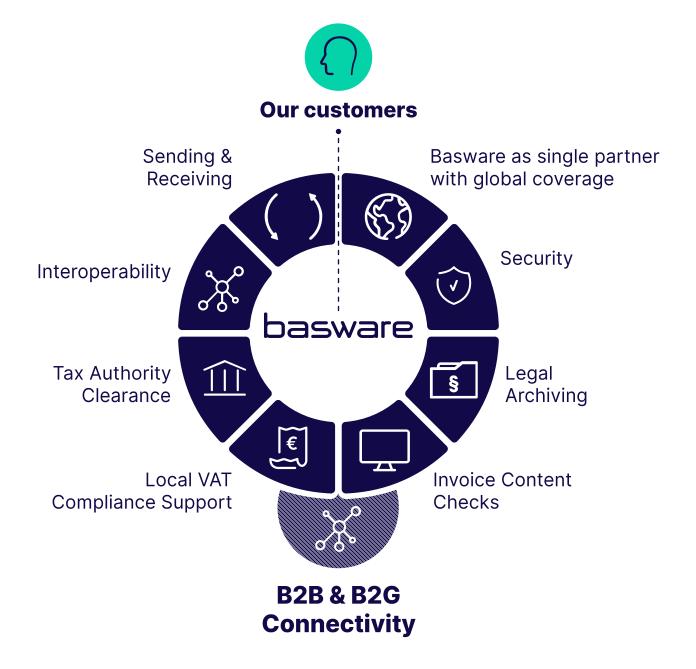
Serving as a trusted advisor to both **governments and the private sector** worldwide, he spearheads crucial digitization initiatives.

Trained as an applied linguist, Markus excels in **change management**, emphasizing the human aspect often overlooked in IT projects. His mission is to empower individuals to embrace innovative and efficient approaches for ultimate success.



# Global Compliance





# Global e-Invoicing Mandates

August 2024, excluding e-reporting requirements, all dates subject to change

### **January**







**Denmark** – Phased roll-out of e-invoicing mandate Spain (Biscay province) - B2B mandate Greece - B2G (phase 1) Dominican Rep. - B2B

### January 2025









2025

China - (Expected) Special e-fapiao VAT invoice Germany - e-invoicing B2B - Receiving **Dominican Rep.** – B2B mandate issuance small taxpayers Greece - B2G (phase 3) Thailand - B2B e-invoicing for large tax payers, phased

Romania - B2C mandate

#### January 2026









Belgium - Mandatory B2B e-invoicing Croatia - Envisaged mandatory B2B e-invoicing Latvia - (Envisaged) B2B & B2G mandate Spain - (Envisaged) mandatory B2B e-invoicing

#### February 2026



Poland - B2B e-invoicing mandate

### January 2027



Germany - Mandatory e-invoicing B2B sending turnover > 800k €

### **July 2027**



**EU (VIDA)** – Single VAT Registration possibly July 2027.

### 2024

#### May





Israel - B2B e-invoicing delayed until May Dominican Rep. - B2G

#### July





Australia – Large and medium taxpayers are legally required to send e-invoices upon request from a trading partner.

Romania - Mandatory B2B e-invoicing



Greece - B2G (phase 2)

#### August



Malaysia - B2B e-invoicing, phased

#### December



Ghana - B2B e-invoicing Botswana - Mandatory e-invoicing

### **July 2025**



Australia - All taxpayers are legally required to send e-invoices upon request from a trading partner

#### November 2025



Singapore - B2B e-invoicing

### 2026

### June 2026

Slovenia - B2B

### **July 2026**



United Arab Emirates - B2G & B2B e-invoicing mandate

#### September 2026



France - B2B e-invoicing mandate Receiving mandatory for all companies & Sending mandatory for large and mid-size companies. Phase 2 September 2027 Sending mandatory for SMEs including VSEs.

### 2027-2030

### January 2028



Germany - Mandatory e-invoicing B2B sending



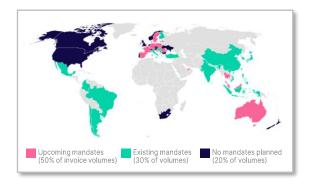
EU (VIDA) - DRR mandatory for intra-EU transactions and optional for domestic transactions (Envisaged 2030-2035)



## Best practice compliance approach



# Country roadmap prioritization



Review existing and upcoming mandates for countries in which the organization operates

Prioritize mandate rollout plan based on urgency (go-live date of mandate) and impact (invoice volume impacted)

# Preparing for the mandate



Review current processes and systems landscape and jointly define most appropriate strategy

**Define target operating model** (org., roles, processes, KPIs)

**Prepare data and systems** to ensure quality and availability of data for mandate requirements

# Change management and implementation

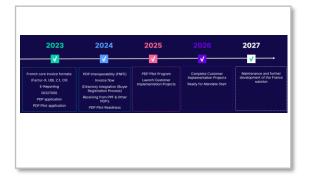


Prepare the organization for change to ensure impact of mandate to people and processes is manageable

**Support project mobilization** (kick-off, mandate details, solution design workshops, etc.)

Build the team and implement

# Monitoring and updating roadmap



Monitor requirements and timeline of global mandates

Maintain regular communication with local authorities

Leverage best practices to ensure any regulatory changes are adopted quickly



# Build a repeatable model to ensure holistic process transformation and faster time to value





### **Traditional approach**

Prepare and deploy **each mandate individually** depending on mandate go-live date

Understand requirements

Define syst. & process changes

Select partner or build in-house

Design and implement solution

To be performed for each mandate



Higher effort, coordination and resource deployment required to ensure compliance with each local mandate

Potentially overlook automation benefits and encounter implementation hurdles and increased exposure to tax risks



### **Basware approach**

Develop **repeatable model** for each mandate type and deploy in agile approach

"Group" mandates based on requirement Define repeatable model for each group

Connect to Basware Network Solution design & implementation (process & data)

One-time effort to design repeatable model

Adapt and deploy for each mandate



Review and redesign AP processes holistically and enable holistic process transformation and change management

Achieve greater time to value and reduce processing costs across the global end-to-end AP process

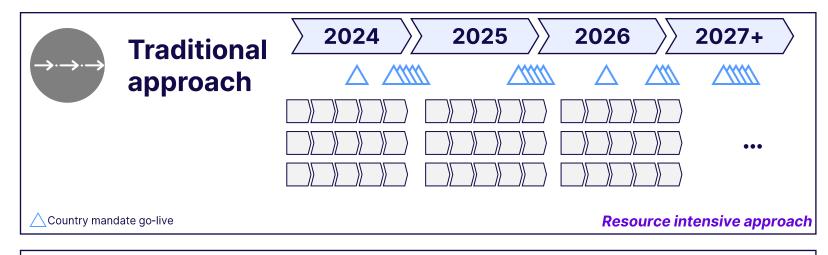


Process steps performed for each mandate



# Companies need to ACT NOW and not wait for mandate deadlines to kick-in







Number and complexity of mandates will accelerate in the upcoming years, with current countries poised to initiate further e-invoicing and reporting mandates

Best-in-class companies are already acting now with a repeatable model, to prepare for the majority of mandates goes which is planned to go live by 2025

## **Benefits of Basware Compliance approach**



### **Basware Compliance benefits**



# **Complexity** reduction

One partner and Single Point of Contact for all global mandates to provide expertise and ensure compliance with existing/ upcoming mandates



# **Process** improvement

Consistent approach streamlining internal AR, AP and Tax processes and minimizing touchpoints for all sending/ receiving e-invoices



# Workforce efficiency

Increased AP team efficiency and lower processing costs by spending less time on manual invoicing activities

(e.g., scanning, data input)



# **Enhanced risk** management

Reduce risk of noncompliance by connecting to government platforms and sending/ receiving invoices across all platforms

## Compliance is not your business. It's ours.



### Basware's Compliance solution offering







### **Compliance Automation**

receiving for new mandates with complete, high-quality invoice data supported by Al and ML powered invoice automation solution

### **Compliance Coverage**

Comprehensive global mandate and tax law coverage ('Global reach, local coverage') which limits risk, fraud and penalties and is scalable across all BUs globally

### **Compliance Expertise**

Navigate the complex and fragmented compliance landscape with a global and local compliance knowledge leveraging 40+ years of best practice experience

# **Basware Compliance Value Proposition**



### Basware to be the consolidation platform for all finance transactions

- Invoice compliance requires a controlled audit trail for all invoice transactions from the billing system to the finance system
- This includes the processing of invoice data via government invoice clearance systems or based on government prescribed formats
- The Basware network incl our interoperability capabilities allows us to receive invoices from anywhere
- We are the only provider with a dedicated compliance team and a substantial investment in a partnership with PwC to guide our product design process and ongoing compliance delivery
- ➤ Basware is uniquely positioned to offer consolidation of all finance transactions regardless of their origin in one single platform in a validated state so that clean data can be submitted into the client finance system for expedited and error-free month end as well as year end results creation.
- > This also enables the CFO to have a complete and transparent overview on the financial status of the entire organization at the click of a mouse