

SAP Document and Reporting Compliance E-invoicing, E-reporting and Statutory Reporting

Olivia Vorstheim, SAP
October 2023

PUBLIC



Disclaimer

The information in this presentation is confidential and proprietary to SAP and may not be disclosed without the permission of SAP. Except for your obligation to protect confidential information, this presentation is not subject to your license agreement or any other service or subscription agreement with SAP. SAP has no obligation to pursue any course of business outlined in this presentation or any related document, or to develop or release any functionality mentioned therein.

This presentation, or any related document and SAP's strategy and possible future developments, products and or platforms directions and functionality are all subject to change and may be changed by SAP at any time for any reason without notice. The information in this presentation is not a commitment, promise or legal obligation to deliver any material, code or functionality. This presentation is provided without a warranty of any kind, either express or implied, including but not limited to, the implied warranties of merchantability, fitness for a particular purpose, or non-infringement. This presentation is for informational purposes and may not be incorporated into a contract. SAP assumes no responsibility for errors or omissions in this presentation, except if such damages were caused by SAP's intentional or gross negligence.

All forward-looking statements are subject to various risks and uncertainties that could cause actual results to differ materially from expectations. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates, and they should not be relied upon in making purchasing decisions.

Agenda

- 1. Regulatory landscape**
- 2. e-invoicing and Statutory Reporting**
- 3. Planned Innovations**
- 4. Key take-aways**
- 5. Useful resources**



Regulatory Landscape



Key Drivers of Digital Compliance Initiatives

Prevent tax evasion

- Real time control of business transactions (beyond E-invoicing)
- Reduce the VAT gap estimated to be many billions

Increase efficiency of government agencies

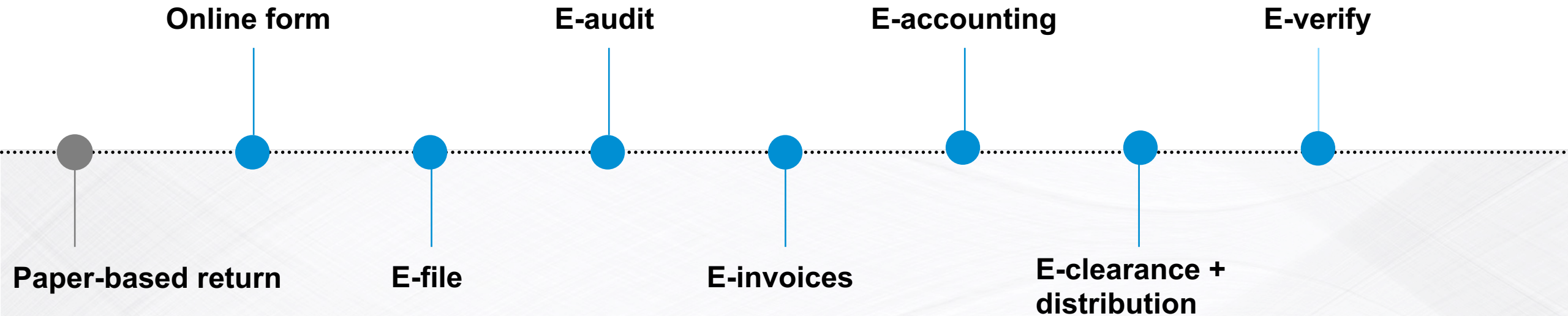
- Tax revenue management
- Automation of reporting processes
- Analytics, forecasting, statistics
- Digitalization of public procurement

Digitalize the economy

- Process efficiency
- Automation
- Spend management
- Financing
- Interoperability
- SME support

Regulations continue to evolve becoming more and more challenging

Legal mandates require more and more data, in real-time as a **pre-requisite** for the business to run.



E-Invoicing and Reporting with SAP Document and Reporting Compliance

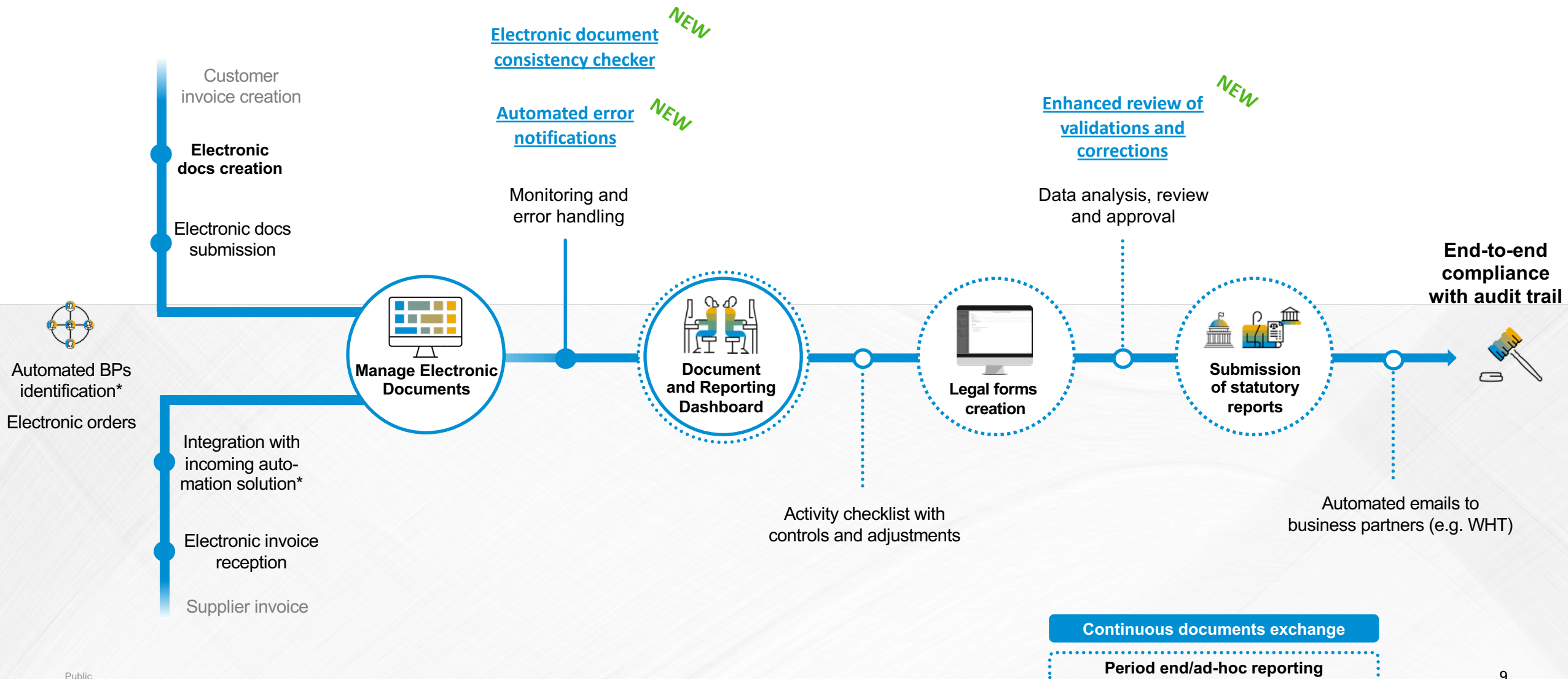


The Three Pillars of SAP Document and Reporting Compliance

1. Standardization, simplification and automation
2. Global coverage of end to end processes
3. Extensibility platform for customers and partners



End-to-end process from business documents to statutory reporting



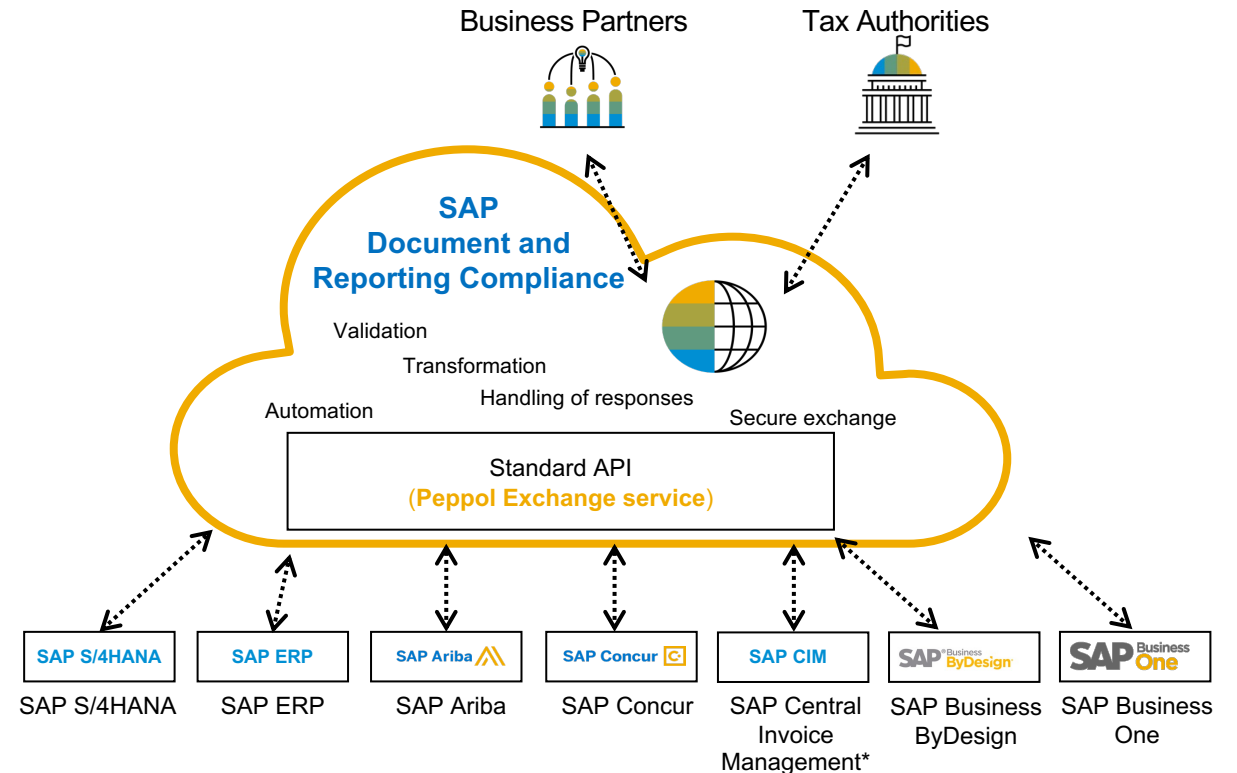
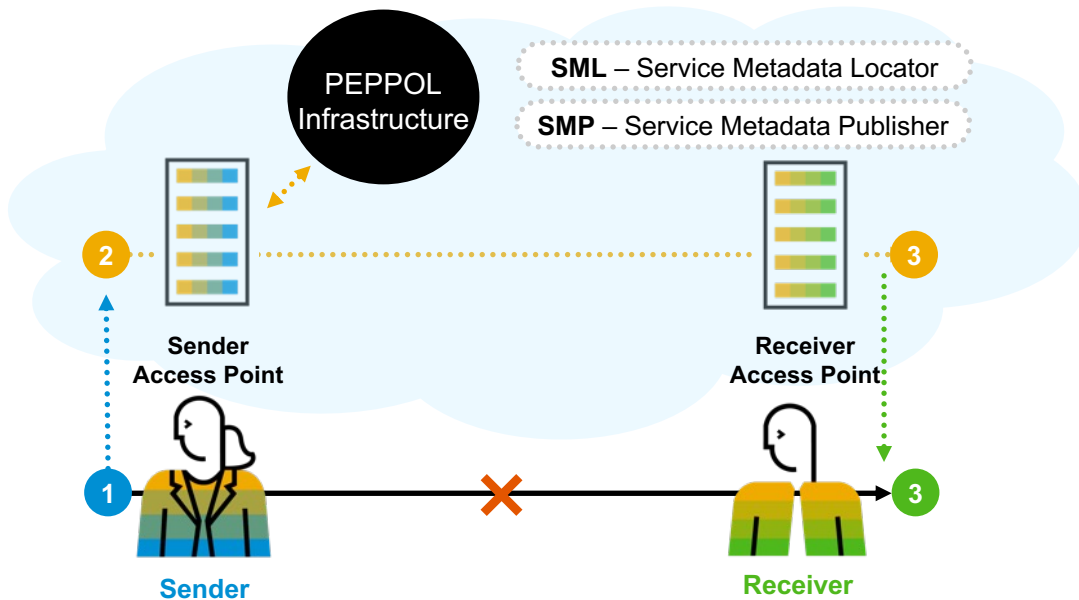
Peppol with SAP Document and Reporting Compliance



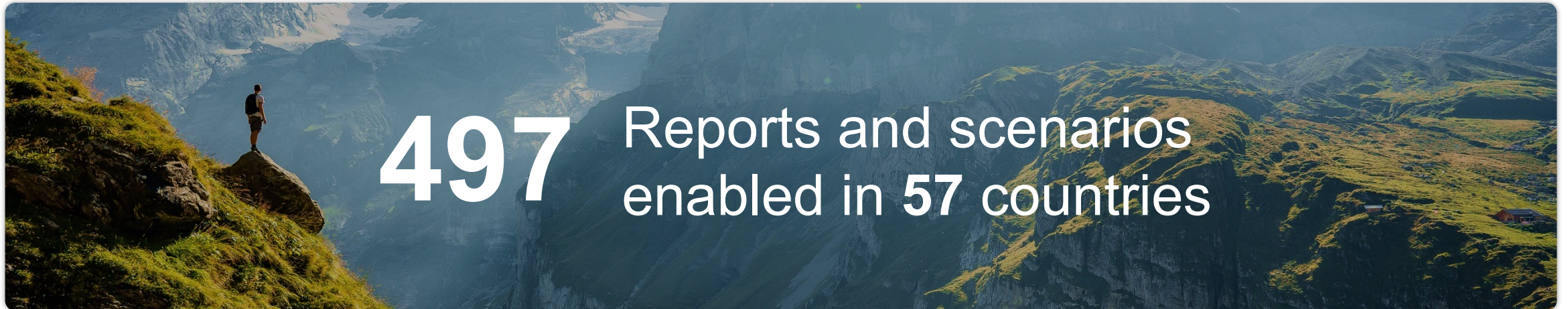
SAP Document and Reporting Compliance, cloud edition provides a ready-to-use end-to-end integration that allows to **send** and **receive** fully compliant **invoices** and **purchase orders** through the Peppol network

Four corner model:

Sender and **Receiver** connected to a **Service Provider**



SAP Document and Reporting Compliance – Localization Coverage



Recent deliveries – highlights

E-invoicing regulations

Japan, Romania, Poland, Egypt, Saudi Arabia, Thailand

SAF-T

for Romania (3 files)

Additional statutory reporting for

- Spain (Modelo M390)
- Qatar (cashflow statement and withholding tax Form 02)
- Israel (uniform files)
- Colombia, Chile and Germany: withholding tax reports

Full list of supported compliance tasks (online documentation)

[SAP S/4HANA Cloud, public edition](#)
[SAP S/4HANA for Central Finance](#)

[SAP S/4HANA Cloud, private edition and SAP S/4HANA](#)
[SAP ERP**](#)

A woman with blonde hair, wearing a grey blazer over a black top, is looking at a tablet computer. She is standing in a large, brightly lit industrial facility, likely a factory or warehouse, with various pieces of machinery and equipment visible in the background. The scene is captured in a professional, clean style.

Demo

[YouTube playlist](#)

Latest innovations:

- [Electronic documents consistency checker](#)
- [Automated error notifications for failed electronic documents](#)

Customer success through approach simplification and standardization with SAP Document and Reporting Compliance

KÄRCHER

“SAP Document and Reporting Compliance makes managing international tax requirements much easier. Implementation services from SAP were key to setting it up. We are now planning to expand the solution to other countries.”

Dr. Daniel Heubach, Vice President Information Technology and Digital Transformation, Alfred Kärcher SE & Co. KG

One

Standardized approach to manage compliance in multiple countries

Reduced

IT complexity through centralized e-document management

11

Successful and on-time deployments achieved, with rollouts to more countries planned

“SAP Document and Reporting Compliance makes managing international tax requirements much easier and will be implemented around the globe to meet growing compliance requirements.”

Andrea Spandau, Head of Digital Tax Ecosystem, Siemens AG

Faster

Response to new or changed legal requirements

One

Team of three rolling out country-specific legal scenarios across the company



“Based on our previous experience with SAP, we opted for the offering from SAP partner Sothis to enable **compliance with the regional TicketBAI mandates**. We were able to use the Spain SII framework and are quite satisfied with the combined solutions.”

Heike Weinlich, Project & Portfolio Management | IT, Evonik Industries AG

Zero

Cost to train employees, as they were already familiar with the SII version of the solution

Improved

Compliance with local billing and taxation requirements

Product Direction





SAP Document and Reporting Compliance Product Direction

- 1. New legal mandates** ([Legal Change Notification](#))
- 2. Additional integrations** with other solutions such as Concur Expense, SAP HXM, non-SAP systems, etc.
- 3. Harmonized communication service** for electronic documents and statutory reporting, across solutions
- 4. Automated reconciliation** between the system of record (SAP S/4HANA) and tax authorities
- 5. Further automation** to manage electronic documents and statutory reporting

Product Direction 1/5

New Legal Mandates

	Already Supported						Recent deliveries	2023 Q4	2024 Q1	Under consideration (law to be confirmed or under analysis)							
Electronic Invoices	Australia	Chile	Portugal	Hungary	Italy	Netherlands	Poland 	Serbia 	Philippines 	Argentina 	Germany 						
	Austria	China	Finland	India	Japan	New Zealand							Romania 				
	Belgium	Colombia	France	Indonesia	Luxembourg	Norway											
	Brazil	Denmark	Germany	Ireland	Mexico	Peru											
	Singapore	South Korea	Spain	Sweden	Switzerland	Taiwan								Slovakia 	Israel 	Denmark 	Malaysia
	Turkey	Saudi Arabia	Thailand														
SAF-T	Norway	Romania	Angola							Denmark 	Poland 	Hungary 					

Additional reports planned to strengthen localization in multiple countries.

Product Direction 2/5

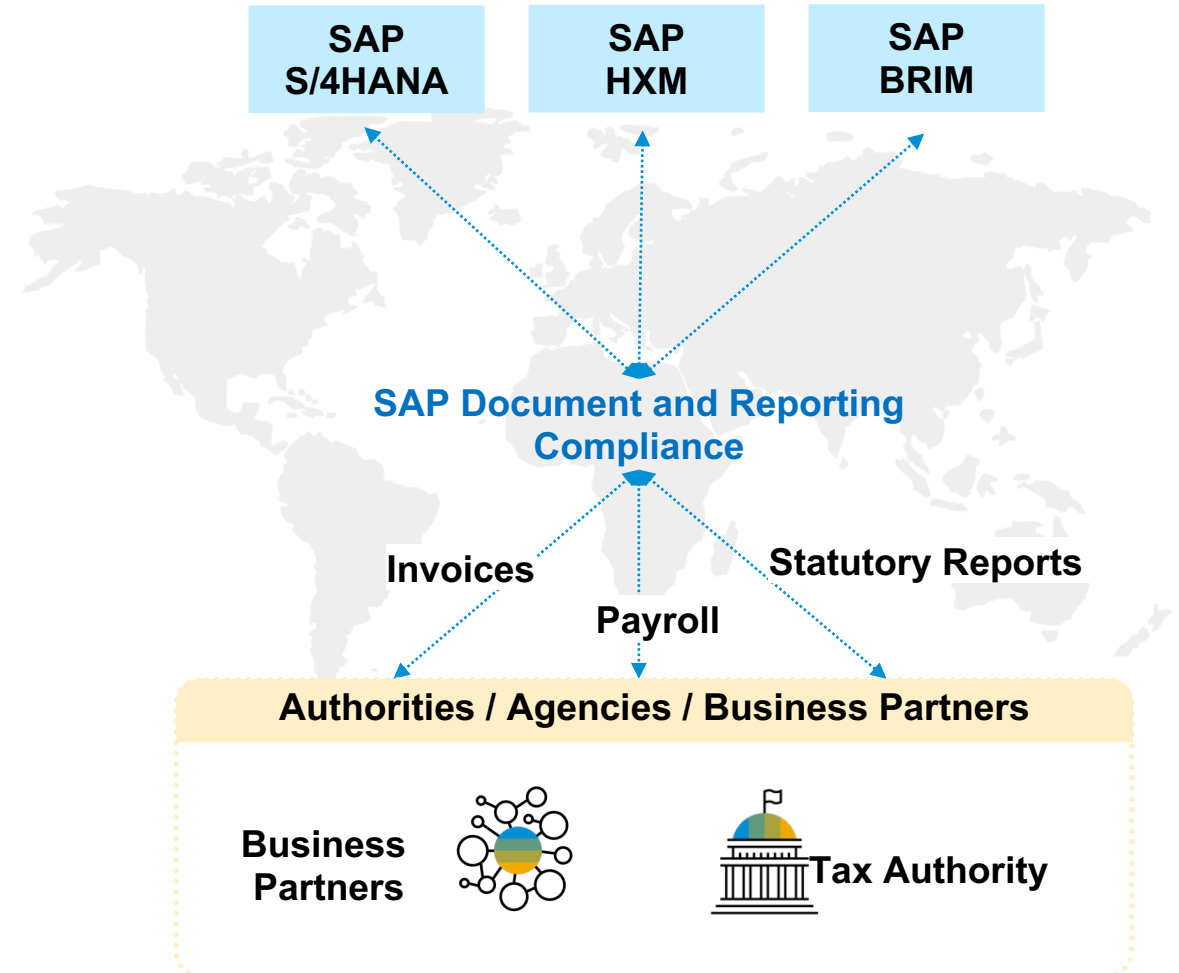
One Single Channel for all Submissions to Authorities

Business background

- Increasing complexity driven by regulations requiring **integration with local authorities from multiple areas and products**
 - Electronic documents
 - Statutory reports and VAT validation
 - Payroll reporting

SAP's solution

- One **single channel for all submissions** across countries and processes
- Simplify IT landscape and reduce total cost of ownership
- Manage your integrations to tax authorities within your global SAP BTP account



Product Direction 3/5

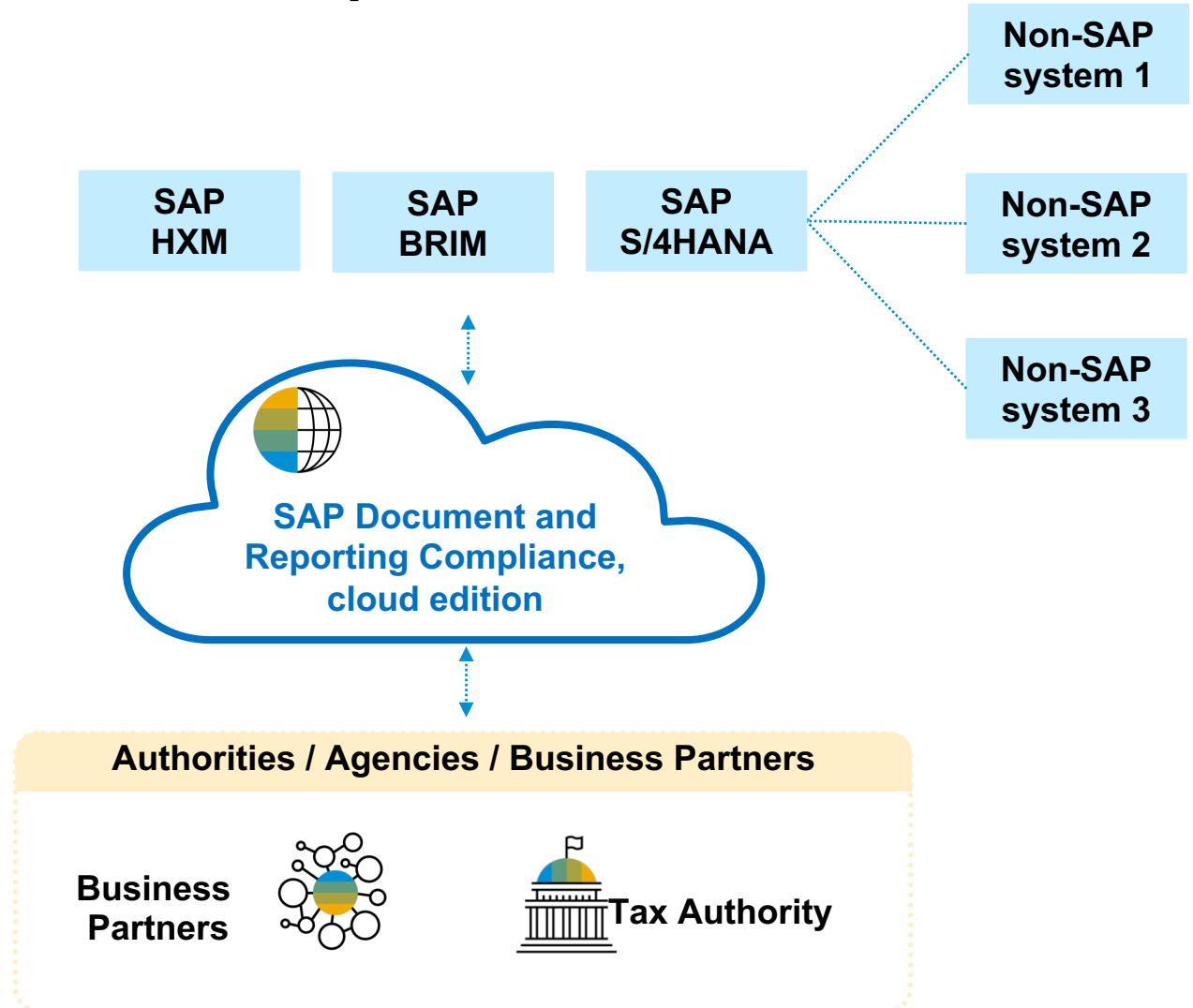
Electronic Invoicing with Heterogenous Landscapes

Business background

- Customers running **billing processes in multiple systems** require multiple solutions and / or complex integration across systems

SAP's solution

- One single solution for compliance with electronic invoicing regulations: SAP Document and Reporting Compliance can be used to **submit e-invoices centrally**
- Increase efficiency with standardized business processes
- Increase agility to respond to new mandates
- Simplify IT landscape and lower total cost of ownership



Product Direction 4/5 - Automated Reconciliation between a System of Record (SAP S/4HANA) and Tax Authorities

Business background

- New trend in compliance **regulations demanding taxpayers to compare data in government's platforms with own data** (e.g. electronic documents submitted by business partners) and **verify draft returns prepared by authorities.**

SAP's solution

- One **consistency check framework** to automate checks, centrally review inconsistencies and initiate corrections
- Proactively identify inconsistencies and streamline remediation
- **Automatically verify draft returns** prepared by authorities and accept/reject to finalize periodic submissions

The top screenshot displays the 'Check Electronic Document Consistency' interface. It shows an overview for 'Spain SII Customer Invoices' with 594 documents. The table lists document numbers, consistency status (all 'Inconsistent'), check progress (1 of 3), total identified inconsistencies, company code (2410), and first check dates.

Document Number	Consistency Status	Check Progress	Total Identified Inconsistencies	Company Code	First Check
1800000000	Inconsistent	1 of 3	Inconsistencies (2)	2410 (Company Code 2410)	16.02.2023
91947	Inconsistent	1 of 3	Inconsistencies (1)	2410 (Company Code 2410)	03.05.2023
353	Inconsistent	1 of 3	Inconsistencies (1)	2410 (Company Code 2410)	03.05.2023
338	Inconsistent	1 of 3	Inconsistencies (1)	2410 (Company Code 2410)	03.05.2023
335	Inconsistent	1 of 3	Inconsistencies (1)	2410 (Company Code 2410)	03.05.2023
316	Inconsistent	1 of 3	Inconsistencies (1)	2410 (Company Code 2410)	03.05.2023
313	Inconsistent	1 of 3	Inconsistencies (1)	2410 (Company Code 2410)	03.05.2023
13959	Inconsistent	1 of 3	Inconsistencies (1)	2410 (Company Code 2410)	03.05.2023
3286	Inconsistent	1 of 3	Inconsistencies (1)	2410 (Company Code 2410)	03.05.2023

The bottom screenshot displays the 'Resolve Electronic Document Inconsistency' interface. It shows a list of 8 documents with a table of document details. The table includes document number, overall status, process status, document status from SAP, document status from Tax Authority, and company code.

Document Number	Overall Status	Process Status	Document Status from SAP	Document Status from Tax Authority	Comp
241018000001972023	In Process	eDocument Status Updated	Missing Response	Deregistered	2410
241018000000852023	Action Required				2410
241018000000892023	Action Required				2410
241018000000902023	Action Required				2410
241018000001162023	Action Required			Registered	2410
241018000001402023	Action Required			Registered	2410
241018000001392023	Action Required			Registered	2410
241018000000912023	Action Required				2410

Product Direction 5/5

Advanced features for scaling and automation of compliance processes

Business background

- Increased complexity with regulations demanding **more data, more frequently, from multiple systems**

SAP's solution

- Enhanced 'Run Statutory Reports App'
 - Manage** all your reporting tasks **centrally** in a distributed landscape
 - Schedule** creation or **mass-generate** statutory reports
 - Centralize activities** common across reporting tasks
- Increase efficiency, simplify user experience and improve transparency and control across reports


The screenshot displays the SAP Run Statutory Reports App interface. At the top, there is a search bar and a filter bar with 3 filters. Below the search bar, there are several input fields for filtering reports: Reporting Status (4 Items), Submission Due Date, Report Name, Reporting Entity Name, Reporting Year (2023), Country / Region, and Reporting Period End Month (Feb 2023 - Feb 2023). The main content area shows a table of 198 reports. The table has the following columns: Reporting Status, Submission Due Date, Report Name, Reporting Year, Reporting Period, Reporting Activity Progress, Reporting Entity Name, and Actions. Each row represents a report with its respective details and progress indicators.

Reporting Status	Submission Due Date	Report Name	Reporting Year	Reporting Period	Reporting Activity Progress	Reporting Entity Name	Actions
Overdue 136 Days Declaration	19.02.2023	Great Britain Withholding Tax - CIS300	2023	06.01.2023 - 05.02.2023	0 of 2	GB Group Entity	
Overdue 128 Days Declaration	27.02.2023	Russia Unified Tax Notice	2023	01.02.2023 - 28.02.2023	0 of 1	RU Reporting Entity	
Overdue 127 Days Declaration	28.02.2023	Peru Journal Ledger	2023	February	0 of 2	Peru Reporting Entity	
Overdue 127 Days Declaration	28.02.2023	Mexico VAT Declaration	2023	February	0 of 3	Mexico Reporting Entity	
Overdue 127 Days Declaration	28.02.2023	Mexico DIOT Report	2023	February	0 of 2	Mexico Reporting Entity	
Overdue 127 Days Declaration	28.02.2023	Argentina VAT - Sales and Purchase Print Format	2023	February	0 of 3	Argentina Reporting Entity	
Overdue 127 Days Declaration	28.02.2023	Mexico Auxiliary Report for Folios	2023	February	0 of 1	Mexico Reporting Entity	
Overdue 127 Days Declaration	28.02.2023	Argentina VAT Sales Information Regime (CITI Ventas)	2023	February	0 of 2	Argentina Reporting Entity	
Overdue 127 Days Declaration	28.02.2023	Peru Sales Ledger	2023	February	0 of 3	Peru Reporting Entity	
Overdue 127 Days Declaration	28.02.2023	VAT Return for Import from EAEU	2023	February	0 of 1	RU Reporting Entity	
Overdue 127 Days Declaration	28.02.2023	Peru Purchase Ledger	2023	February	0 of 3	Peru Reporting Entity	
Overdue 127 Days Declaration	28.02.2023	Argentina Supplier Payments	2023	February	0 of 1	Argentina Reporting Entity	
Overdue 127 Days Declaration	28.02.2023	Qatar Cash Flow Statement	2023	February	0 of 1	QA Reporting Entity	

Wrap-up and Useful Resources



e-Invoicing and Reporting with SAP Document and Reporting Compliance



SINGLE SOURCE OF TRUTH – for electronic invoicing and statutory reporting



ONE SINGLE SOLUTION - for automated and standardized processes worldwide



OUT OF THE BOX delivery on legal mandates by SAP
EXTENSIBILITY to comply with global regulations

Useful Resources

- [SAP Document and Reporting Compliance in the SAP Community](#)
- Legal mandates covered:
 - [SAP S/4HANA Cloud, public edition](#)
 - [SAP S/4HANA Cloud, private edition and SAP S/4HANA](#)
 - [SAP ERP](#)

Public

Public



Equinor meeting global requirements for electronic documents

Arne Johan Larsen
Lead Analyst IT



Looking back to SBN 2019



equinor

Main challenges encountered so far

- Our SAP system didn't have a plug-in for EHF / Peppol meaning that we had to build everything ourselves – (actually this is how Equinor always had done it in the past as well, but we prefer off-the-shelf solutions)
- Many of our suppliers are using SAP and face the same challenge as Equinor, but they don't have access to the same capacity/resources as us
- Lack of a plug-in for SAP has meant that it is much harder for Equinor to reach a ~100% b2b integration

Open 15 February 2019



New challenges and opportunities for Equinor when we move to S4/HANA

NexUs
Business process and system transformation

Introducing NexUs
The program to orchestrate one of the largest digital transformation efforts in Equinor's history

NexUs | Portfolio

NexUs will oversee one of the largest digital transformation efforts in Equinor's history by managing dependencies, opportunities and risks across the portfolio consisting of projects affecting all functional areas

	NextGen ERP	NextGen OMM & LOG*	NextGen PO*	Establish and Manage Agreements	REN ERP Strategy
Functional Area	OMM SCM F&C M&S PO DATA	OMM SCM F&C M&S PO DATA	OMM SCM F&C M&S PO DATA	OMM SCM F&C M&S PO DATA	OMM SCM F&C M&S PO DATA
Scope	Establish a new and standard SAP S/4 for Procure to Pay and Finance & Control (F&C) at the core. SAP S/4 HANA	Implement the next generation Operation & Maintenance / Logistics processes and systems. SAP S/4 HANA	Implement new Human Capital Management (HCM) processes and tools.		

*PO -> People & Organization
M&S -> Marketing & Supply, Energy trading processes
OMM -> Operation, Maintenance, Modification

3 | SBN, business transformation enabled by S/4 HANA

NexUs | Enable business value/agility through a modern architecture and delivery pipeline

Make ERP data accessible and understandable

- Make better business decisions on reliable data and create value from data
- Make more SAP data available for consumption in a secure and compliant manner

Support business agility through a Clean Core and loosely coupled extensions

- To ensure business agility and stable operations
- To reduce technical debt
- Equinor extensions are added on the side of SAP S/4, in a modern cloud-based architecture, to maintain a clean core.

Modern SAP Platform that enables the business and support innovation

- We utilize industry best practice processes enabled by SAP S/4 as a foundation
- We invest in Equinor extensions, loosely-coupled, to increase business value
- We utilize the SAP platform to connect platforms of innovation, e.g. industry 4.0

DevOps mindset to increase quality and efficiency to move towards CI/CD

- Establish long-lived cross-skilled teams, organized around ERP business capabilities. This to deliver continuously, with higher quality and less effort, and attract IT architects and developers to the SAP domain
- Automated testing reduce test effort and increase quality

4 | SBN, business transformation enabled by S/4 HANA

Open 18 October 2023


As shown by Geir Owe Wersland on 1st day of SBN 2023

The challenges and opportunities needs to be solved by concrete results

- As an international company Equinor is facing regulatory requirements and legal mandates and we see the trend for more and more moving electronic when it comes to tax reporting and invoicing

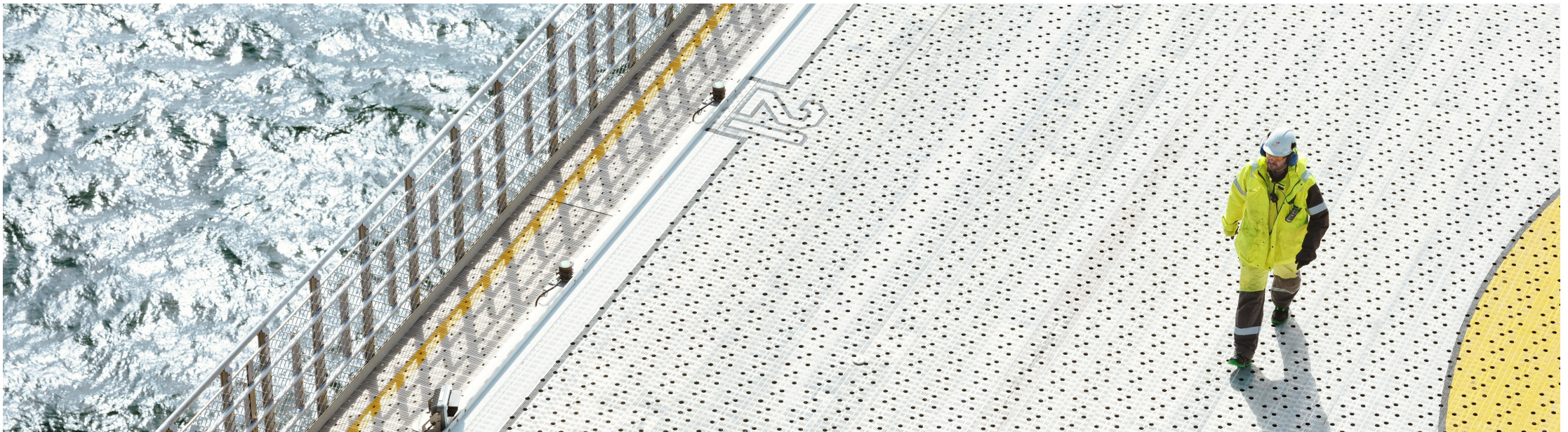
SAF-T

B2B e-invoice w/CTC

- In our NextGen S4/Hana environment, Equinor has chosen SAP Document and Reporting Compliance (DRC) for the Indirect Tax area 
- For our outbound electronic invoices, DRC is already chosen to be used for Brazil and will be evaluated to cover other countries where we have an internal Equinor extension today.

When Equinor is the buyer, this is our goal in the interaction with our suppliers:

- Achieve a touchless interaction with exchange of structured electronic business transactions
- We have chosen a “Peppol first” strategy for standardization and simplification
- We participate in the development of new standards and business document profiles like:
 - Peppol Advanced Ordering
 - Peppol Logistics (driven by Offshore Norge and BEAst)



Comparison of capabilities for Equinor vs possibilities in DRC today (excl logistics)

Equinor as Buyer

- Receive eInvoice & credit Note
- Return Invoice Response
- Send (initial) Order
- Receive Order Response
- Send Order Change
- Return Order Response for Order Change
- Send Order Cancellation
- Receive Despatch Advice
- *Receive Advanced Despatch Advice**
- *Return Receipt Advice**

Supplier

- Send eInvoice & credit Note
- Receive Invoice Response
- Receive (initial) Order
- Return Order Response
- Receive Order Change
- Return Order Response for Order Change
- Receive Order Cancellation
- Send Despatch Advice
- Send Advanced Despatch Advice
- Receive Receipt Advice



*not yet fully implemented in Equinor

Equinor summary with respect to DRC

- Equinor has already chosen DRC for the Indirect Tax area
- DRC is a mature solution for sending and receiving electronic invoices around the globe with a particular focus on the local regulatory requirements and legal mandates (regardless if this is on Peppol or not).
- As more and more participants are using Peppol for a wider range of business documents than electronic invoices, we hope that Advanced Ordering and other profiles will be on the road-map for DRC in the near future

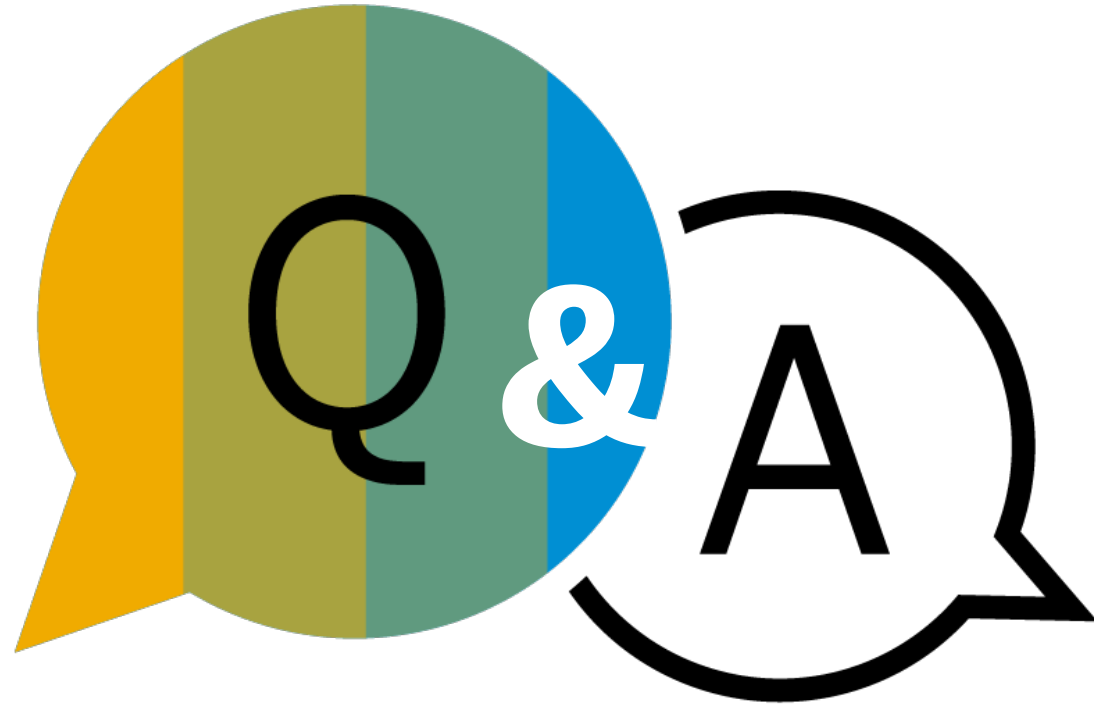


Equinor meeting global requirements for electronic documents, SBN 2023

Arne Johan Larsen, Lead Analyst IT

© Equinor ASA

This presentation, including the contents and arrangement of the contents of each individual page or the collection of the pages, is owned by Equinor. Copyright to all material including, but not limited to, written material, photographs, drawings, images, tables and data remains the property of Equinor. All rights reserved. Any other use, reproduction, translation, adaption, arrangement, alteration, distribution or storage of this presentation, in whole or in part, without the prior written permission of Equinor is prohibited. The information contained in this presentation may not be accurate, up to date or applicable to the circumstances of any particular case, despite our efforts. Equinor cannot accept any liability for any inaccuracies or omissions.



Thank you for attending this session.

Contact information

Olivia Vorstheim

Chief Product Owner, SAP Document and Reporting Compliance

olivia.vorstheim@sap.com

