

PERSPECTIVES ON E-INVOICING TECHNOLOGY

Platforms, ERP integration,
and deployment options



INTRODUCTION

In previous segments of our E-Invoicing express series, we explored the fundamentals of E-Invoicing, the regulatory specifics in the GCC, and some associated processes. Having also examining the mechanics of E-Invoicing, we now consider several key technical differences between platforms on the market and provide our thoughts on navigating the choices available to you.

For this article, we have invited RTC to share their thoughts. In just two years, RTC has grown from inception into a leading global provider of e-invoicing and indirect tax technology. Having made several technology design choices pertinent to our discussion, they are well positioned to share their perspectives.



E-INVOICING PLATFORMS AND SOFTWARE SOLUTIONS

As E-Invoicing gains traction in the region, we have seen many solutions emerge - each with their own approach and blend of features.

It has been four years since Saudi Arabia introduced E-Invoicing, for example, and on the Fatoorah portal we can see almost 1,000 vendors. With a plethora of options, finding the right software for your business can be overwhelming.

To help you find the right vendor, here are some factors to consider when choosing the solution that best meets your needs:



Deployment options: whether the solution is deployed on the cloud, on-premises, flexible, and the platforms to which it is tied. We discuss this later in detail.



Vendor reputation: a vendor's track record in their existing markets. Many countries see an initial surge of vendors who later exit, leaving taxpayers without adequate support. Look for indications of their commitment to market and how you protect yourself in case of exit.



Scalability: E-Invoicing software should be able to scale with your business' transaction volumes and complexity. Consider whether it can seamlessly expand alongside your business.



Coverage: some solutions are highly specialised to the needs of one or more regimes, whilst others offer more generalised but wider coverage. Consider what is more important for you.



Infrastructure: some software integrations are more seamless than others, often driven by technology and architecture. We discuss this in detail later.



Implementation & ongoing support capability: your confidence in the support you will receive throughout implementation and beyond, critically not just from deployment and integration but also considering critical areas such as tax, procurement, change management and business reporting.



Useability: often overlooked in BRDs or dismissed as not relevant to E-Invoicing, we think a user-friendly, intuitive platform is important to reduce the time and complexity of training users and to minimise errors - especially when dealing with edge cases.



Auditability: documentation, record-keeping and transactional traceability are often mandatory aspects of E-Invoicing and tax compliance.



Adaptability: E-Invoicing continues to evolve and as such, requirements will likely change more than once. Moreover, your business will grow and change, affecting transaction volumes, goods/services, business scenarios. What functional support can you foresee?



Automation: implementing E-Invoicing can significantly reduce manual invoice processing activities. However, even the best solutions require manual interventions - inputs, checks, and/or approvals. Look at what support your technology provides beyond document sharing, to manage these processes.



Data - residency, security, recovery: data governance is a top priority, given the sensitivity of information in question. Where is the data stored and processed? What features prevent unauthorised access, data loss?



Beyond compliance: many organisations look for solutions offering more than just compliance with the mandate, and seek opportunities to refresh processes for procurement, finance, and reporting. With PEPPOL being extensible, consider the future fit of a solution in terms of what may come (e.g., a B2C mandate).



Tax: as a key driver behind government mandates, getting the tax right is crucial. What support does the solution offer in helping mitigate errors.



Pricing: does the investment represent value for money? Many vendors include one or more of the following fees: implementation, license and per-invoice.



Other capabilities: some features like real time reporting, multi-currency and language support, offline capability and depth of invoice validation can be important to your business or industry.

With this framework, let us now focus on three of these areas which we see come up most often: **ERP integration, cloud vs. on-prem, and the use of APIs.**





ERP INTEGRATION



Some E-Invoicing software took the approach of being lightweight, low-cost, standalone solutions. Your solution is built on SAP, and you have a suite of integrations with ERP systems. What led you to take this approach?



In today's digital landscape, E-Invoicing systems cannot operate effectively as standalone solutions. Isolated software often creates data silos, leading to inefficiencies, data inconsistencies, and added integration efforts. To maximise efficiency, accuracy, and operational effectiveness, E-Invoicing systems must integrate directly with existing ERP systems, which serve as the backbone for managing business data and processes.

ERP systems consolidate critical business functions like accounting, finance, and procurement. Seamless integration between E-Invoicing and ERP systems ensures that invoicing processes are aligned with core business operations in real-time. This approach not only streamlines data flow and reduces manual intervention but also minimises errors and ensures that businesses have a consistent, accurate view of their financial data.

At RTC, we designed our E-Invoicing solution to integrate directly with ERP systems, specifically leveraging SAP's powerful capabilities. By embedding our solution within SAP's infrastructure, we ensure that E-Invoicing becomes a natural extension of existing business processes. This allows businesses to avoid the complexities of managing separate platforms while achieving real-time tax compliance, automation, and scalability. Our decision to integrate with SAP was driven by our commitment to providing a unified, efficient solution that enhances data integrity and operational performance across the board.



CLOUD-BASED VS. ON-PREMISES E-INVOICING SOLUTIONS

You opted for a cloud-native design, while others have chosen to offer on-premises/flexible deployment options. What drove that decision?



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When evaluating the merits of on-premise versus cloud-based E-Invoicing solutions, the key difference lies in flexibility and scalability. On-premise systems provide businesses with full control over their infrastructure and data, which can be beneficial for organisations with specific compliance or security needs. However, this control comes at the cost of high upfront investments, ongoing hardware maintenance, and the need for significant internal resources.

In contrast, cloud-based solutions offer a dynamic, scalable environment. They reduce the need for in-house infrastructure, allowing businesses to adapt quickly to changing demands without the logistical burdens of maintaining hardware. Automatic updates ensure that compliance is managed effortlessly, especially in sectors like E-Invoicing, where regulations frequently change across jurisdictions.

For these reasons, RTC opted for a cloud-native architecture when designing our E-Invoicing solution.

Built on SAP BTP, our solution takes full advantage of the cloud's scalability and flexibility. By leveraging SAP BTP's robust integration capabilities, we ensure that our platform integrates seamlessly with ERP and billing systems, enabling real-time tax compliance and data flow. The cloud also allows us to deliver continuous updates, ensuring that our clients remain compliant with new regulations while reducing operational complexity and costs notes Ahu Caglayan, CXO of RTC.

This is one of the biggest choices to make. We think you should consider:

- **Scalability:** Cloud-based solutions are easily scalable to accommodate growing business needs.
- **Cost:** Cloud-based solutions require lower upfront costs but periodical payments in comparison to on premise solutions having high upfront cost.
- **Access:** Cloud-based solutions can be accessed from anywhere on the internet and on-premises solutions can be accessed through integrated systems.
- **Maintenance:** Maintenance for cloud-based solutions is handled by the service provider, whereas on-premises solutions require the organisation to manage regular maintenance using their own infrastructure and IT resources.
- **Time:** Cloud-based solutions are quicker to implement.
- **Data security:** On premise solutions offer more control over data and its security.
- **Customisation:** On premise solutions offer easy customisation, full control but updates are typically slower.

Each option has trade-offs, and businesses should weigh flexibility, control, and costs to choose the best solution for their needs.





EFFICIENCY IN E-INVOICING: THE CRUCIAL ROLE OF APIs

Your platform is known for its open architecture, allowing integrations throughout the invoicing journey. In contrast, many vendors take a "walled-garden" approach and control the experience. Why is this distinction important?



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In the world of E-Invoicing, flexibility and seamless integration are essential for businesses to stay agile and efficient. At RTC, we deliberately designed our platform with an open architecture to provide the adaptability that modern organisations need. Unlike a "walled garden" approach, which locks businesses into closed systems and limits their ability to integrate with other tools, open architecture allows for seamless collaboration between different systems and technologies.

This open framework is particularly valuable because it enables companies to integrate their E-Invoicing processes directly with ERP systems, accounting tools, and other business applications. By connecting these systems through APIs, businesses can ensure a real-time flow of data, reducing manual work and minimising the risk of errors. This not only enhances operational efficiency but also ensures that businesses remain compliant with ever-changing tax regulations across different regions.

Furthermore, the flexibility of our open platform means that businesses can customise it to their specific needs, whether it's onboarding new partners, adapting to new regulations, or scaling up operations. Our approach empowers organisations to maintain control over their data and processes, without being constrained by the limitations of a closed system. At RTC, we believe that an open architecture is the key to driving innovation and long-term success in the E-Invoicing space.



Our opinion is that open platforms allow you to leverage your data in more interesting and meaningful ways. Each implementation is unique, and data availability allows functions to build better controls and oversight in key business processes.

Beyond data, open platforms allow for more interesting automation opportunities – and to customise the solution to your needs, rather than being forced to work according to the design and limitations of the platform.



CONCLUSION

Whether integrating with ERP systems, leveraging the cloud, or using APIs, the technology and architecture underlying your E-Invoicing software can be material in achieving efficiencies and driving broader value from your investment. As you continue to digitalise, we encourage you to look under the hood and make conscious choices when selecting your solution.

ABOUT RTC

RTC – Designed for Clearance is a global tax compliance platform focused on simplifying compliance for multinational companies. Headquartered in Ireland and with offices across Europe, we offer deep expertise in tax transformation. Our cloud-based RTC Suite, built on SAP BTP and powered by AI, integrates seamlessly with ERPs and billing systems to deliver real-time tax compliance and insightful reports. Our unified dashboard consolidates E-Invoicing, Statutory Reporting, SAF-T, VAT Return, and more, providing comprehensive, scalable solutions. As an SAP Partner and member of PEPPOL, Gartner, and GENA, RTC is committed to revolutionising tax compliance. For more, visit www.rtcsuite.com.



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