



B2B E-INVOICING IN ITALY **BUYER'S GUIDE**

5 Questions to Help Find Your Ideal Solution



INTRODUCTION

PURPOSE OF THIS BUYER'S GUIDE

In Italy, mandatory e-invoicing deadlines are looming. In just over a few months, all domestic invoices issued by Italian businesses must be compliant with the new e-invoicing framework. Are you ready? Is your company equipped to issue and receive e-invoices?

If you are among the many businesses still without a solution or are looking to replace your outdated solution, this buyer's guide is for you.

There are many different vendors with a lot of different solutions ... so what questions should you be asking to find the right e-invoicing solution for your company? Esker has developed **5 essential questions to ask** any potential solution provider — and the answers you should expect — to make your decision-making process easier and get your e-invoicing project up and running before the final countdown on December 31, 2018.

WHY B2B E-INVOICING IS NECESSARY

Italy is the first European member state to mandate B2B and B2C e-invoicing for Italian businesses with an Italian VAT number.

The local Budget Law (Legge di Bilancio 2018) mandated B2B e-invoicing on July 1, 2018 (for public administration subcontractors) and, as of January 1, 2019, the same obligation will extend to all business sectors including B2C suppliers. Regardless of what invoice practices you have in place today — paper, EDI, email or scanned — you must migrate to the Italian **Fattura-PA XML format** by this deadline. Any company that does not comply with Italy's requirements and issue e-invoices in the required XML format via the government's IT-platform **Sistema di Interscambio (SDI)** faces heavy sanctions. Once the mandate goes into effect, the Italian tax administration will have full access to companies' invoice data, allowing it to monitor end-to-end business transactions.

E-invoicing also offers significant benefits to business, including reduced invoice-related errors, time and cost savings, faster payment, interoperability with any system, and global compliance with e-invoicing requirements.



5 QUESTIONS TO HELP FIND YOUR IDEAL E-INVOICING SOLUTION

E-INVOICING COMPLIANCE

“CAN YOU SUPPORT ITALIAN AND INTERNATIONAL E-INVOICING COMPLIANCE REGULATIONS?”

With many forward-looking governments and large corporations adopting e-invoicing for B2G, B2B and B2C operations — some, like in Italy, even mandating it — businesses must send e-invoices if they want to get paid. Every country has its own specifications in terms of formats, required fields and platforms. Keeping up with changing regulations is tricky, and managing customers and suppliers across borders adds even more complexity. You need a provider who can ensure e-invoicing compliance not only in Italy, but also internationally with an in-depth knowledge of the ever-changing global regulatory environment.



WHY ESKER?

Esker delivers compliant, paperless invoice management on a global scale. Esker is capable of processing different invoice formats, as well as communicating with different public administration platforms to send e-invoices and provide visibility on invoice status. Esker has proficient knowledge of the local markets and issues at hand and can adapt its solution to evolving legislative requirements.

Esker's unique platform supports e-invoicing compliance for supplier and customer invoices in Italy and around the world. Esker helps companies deliver and receive e-invoices in compliance with Italian specifications as well as the unique requirements of other countries. This includes processing the XML Fattura-PA format, as well as PDF, UBL, Facturae, etc., communicating with the SDI platform, and platforms from other service providers and public administrations (e.g., Chorus, FACe, Billexo, PEPPOL, etc.) and providing e-invoice archiving that's compliant with the EU Directive and local and international regulatory frameworks. Archived invoices can be kept secure for as long as the local authorities' laws dictate.

Being compliant on 1 January, 2019, is not enough. Esker's agile solution ensures process compliance as the Italian tax administration and others continues to develop e-invoicing mandates. And it's not just e-invoicing that is becoming mandatory. In certain regions in Italy, public administrations already require suppliers to receive electronic orders. The evolving market trend toward full business automation with the government is on the rise.

02 END-TO-END CUSTOMER & SUPPLIER E-INVOICING

“I NEED TO BE ABLE TO SEND AND RECEIVE E-INVOICES IN COMPLIANCE WITH ITALY’S REGULATIONS — DOES YOUR SOLUTION ENABLE ME TO DO BOTH?”

The supplier side of e-invoicing can be just as crucial as the customer side. Your solution provider should offer all of the technology, solutions, service, and support needed to respond to your accounts receivable and accounts payable needs. An integrated solution allows you to manage both the sending and receiving of e-invoices, delivering increased efficiency and visibility over all your invoices (both customer and supplier) from one interface. Additionally, costs are reduced and user training minimized with a simplified cloud-based infrastructure.



WHY ESKER?

Esker's Accounts Receivable solution provides data formatting in the appropriate Fattura-PA XML format, checks required fields, **communicates with the SDI platform to send e-invoices**, and provides status updates and archiving. Additionally, Esker can ensure the presence of all the fields required by the SDI platform and final customer.

Esker's Accounts Payable solution **allows customers to receive compliant e-invoices from suppliers** and prevent facing heavy sanctions. Suppliers send invoices via their accredited partner in the Fattura-PA format. Invoices are received by the SDI platform and passed onto Esker's Accounts Payable solution. Esker, in turn, integrates the invoice data in the customer's ERP system.

SECURE ELECTRONIC ARCHIVING

“DOES YOUR SOLUTION DIGITALLY ARCHIVE OUR INVOICES AND WILL WE BE ABLE TO EASILY ACCESS THEM?”

In Italy, all e-invoices must be electronically archived. The requirements for this are quite complex. The retention period for invoices is 10 years, during which time it must be ensured that the invoices cannot be altered. The e-invoice must possess the authenticity, integrity and readability requisites. These requirements must be guaranteed as soon as the invoice is established and for the time required by law.

All companies that implement e-invoicing must fiscally archive all invoices with the same numbering from the beginning of the fiscal year, including those in paper format. It is strongly recommended that companies have their own electronic archiving solution, particularly in the event of a dispute with the Italian fiscal agency.



WHY ESKER?

Fully compliant with the EU Directive and Italy's regulatory framework, Esker's solution provides confidentiality, control and accessibility to all invoices via a secured infrastructure and web portal.

Esker electronically archives all invoices via its partner and makes them readily available on Esker's web portal. In the event of a tax audit, original invoices are also available on the partner's portal.

E-INVOICING DASHBOARD & METRICS

“IT’S IMPORTANT THAT WE HAVE VISIBILITY OVER OUR ENTIRE E-INVOICING PROCESS. WHAT TOOLS DO YOU PROVIDE TO MONITOR PERFORMANCE AND EFFICIENCY?”

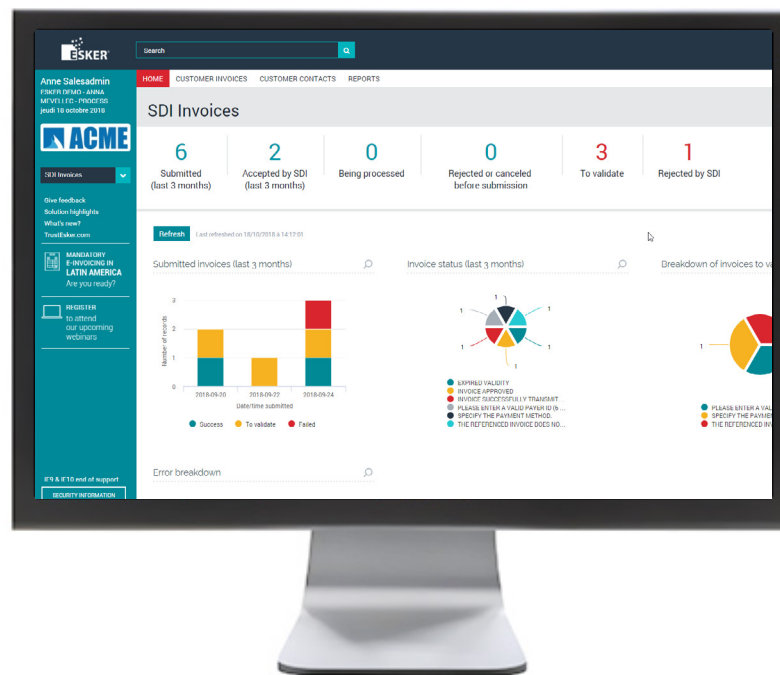
Your provider’s e-invoicing solution should offer Key Performance Indicators (KPIs) and dashboards that provide real-time visibility into invoicing. This type of enhanced control and monitoring makes it easier for everyone involved to perform daily tasks, analyze areas of improvement, and allocate resources and workloads.



WHY ESKER?

Esker dashboards enable you to monitor performances, facilitate daily tasks, and react quickly to prevent problems or spot opportunities early, even on the go, making every action smarter and more strategic. Esker’s **SDI-specific dashboard** provides users with an overview of all their invoices sent through SDI, including errors, overdue invoices, etc., as well as specifics on invoice status from SDI. The dashboards are customizable so that users can choose what they want to display and to which user or profile.

Through Esker’s **advanced reporting and analysis capabilities**, users can get a clear, accurate overview of invoice status on the SDI platform, manage errors and troubleshoot.



EXPANDING TO OTHER BUSINESS PROCESSES

“TODAY WE’RE IN THE MARKET FOR AN E-INVOICING SOLUTION, BUT TOMORROW WE MAY NEED TO AUTOMATE OTHER BUSINESS PROCESSES — CAN YOU SUPPORT OUR GROWING BUSINESS NEEDS?”

Your solution provider should offer all of the technology, solutions, service and support needed to respond to your expanding needs. That means having the capability to address every aspect of the cash conversion cycle to automate other business processes such as order management, collections management, payment and purchasing.



WHY ESKER?

Esker allows you to control all of your business process improvement efforts in one shared and collaborative platform that spans the entire cash conversion cycle. **Esker automates the order-to-cash (O2C) and purchase-to-pay (P2P) processes.** Using AI technologies, Esker transforms the way customers and suppliers interact with your organization, while promoting more productive and engaged employees.

WHY ESKER

Selecting the right e-invoicing partner for your customer and supplier invoices is not an easy task and one which will impact your business today and in years to come. However, putting in place e-invoicing regulatory compliance provides a strategic opportunity to digitally transform your AP and AR processes process and reap the benefits of automation.

ESKER'S ACCOUNTS PAYABLE SOLUTION DELIVERS MANY BENEFITS TO YOUR BUSINESS, ENABLING YOU TO:

- Manage 100% of supplier invoices regardless of channel or format
- Manage exceptions with human-readable invoices
- Ensure invoice validation and notifications to suppliers
- Guarantee compliancy with Italian fiscal archiving regulations archiving regulations

ESKER'S ACCOUNTS RECEIVABLE SOLUTION ENABLES YOU TO:

- Handle PDF or XML submission input formats
- Check required data and validation before delivery
- Get 100% visibility on invoice status via a specific dashboard
- Guarantee compliance with Italian fiscal archiving regulations

Esker is ready to help you achieve e-invoicing compliance in accordance with Italian and other government mandates in a sustainable way that is ready to deal with today's and future regulations.

WE ARE ESKER

Esker is a global leader when it comes to driving digital transformation forward with AI-driven automation solutions. We offer technology that promotes greater efficiency in nearly every business process — order management, accounts payable, accounts receivable and more.

Our over 11,000 customers are located around the world and rely on us to help them build more efficient business processes and stronger customer relationships.

WORLDWIDE PRESENCE

Founded in 1985, Esker operates in North America, Latin America, Europe and Asia Pacific with global headquarters in Lyon, France, and U.S. headquarters in Madison, Wisconsin. In 2017, Esker generated 76.1 million euros in total sales revenue.

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