CLIENT BRIEFING · GERMANY · E-RECHNUNG, ZUGFERD & PEPPOL

Germany's B2B e-Invoicing Mandate: ZUGFeRD, Peppol and the 2027 Deadline

Receiving has been mandatory since January 2025. Issuing becomes mandatory on 1 January 2027 for most companies. What that means for the invoices you send, the invoices you receive, and your SAP landscape.

September 2026
Briefing date

SAP DRC & Tax Compliance
Practice area

CFOs · Finance · PMs
Audience

01 Briefing

Germany took the opposite route to France and Spain: **no platform, no portal, no reporting to the tax authorities** — at least for now. What the law changed is the definition of an invoice. Since 1 January 2025 a domestic B2B invoice is only an invoice if it is **structured data** meeting the European standard EN 16931; a PDF is now legally "another invoice". Every business already has to be able to **receive** one. From **1 January 2027**, most must also **issue** them.

Since 2025
Every domestic business must be able to receive e-invoices — no consent required

1 Jan 2027
Issuing mandatory for companies with prior-year turnover above €800,000

1 Jan 2028
All remaining businesses, and the end of the EDI transition

2 formats
ZUGFeRD (hybrid PDF + XML) and XRechnung (pure XML) — plus Peppol BIS as a channel format

No clearance, no platform

Invoices go straight from you to your customer — by Peppol, EDI, portal or even e-mail. The tax authorities are not in the flow today.

The XML is the invoice

In a hybrid ZUGFeRD file, the structured data is the legally leading part. The PDF is a view of it — and must match.

Two sides, two projects

Issuing (your customers) and receiving (your suppliers) have different deadlines, owners and failure modes.

Key takeaway for finance leaders

The freedom is the trap. Because Germany mandates no platform, most companies did the minimum in 2025 — an inbox that accepts XML — and left the rest. With **1 January 2027** just over three months away, the open questions are which format you send to which customer, how supplier invoices get into the system without manual re-keying, and whether the structured file you archive is the one that counts.

02 Context

What the law changed

The Growth Opportunities Act (*Wachstumschancengesetz*) rewrote the invoice definition in German VAT law. From 2025 there are two categories: the **e-invoice** (structured, EN 16931-compliant, machine-readable) and the **"other invoice"** — paper, PDF, image, anything else.

For domestic B2B supplies between German-established businesses, only the first category will satisfy the law once the transition ends. The policy goal is automation and, later, a reporting system aligned with the EU's ViDA package.

What has *not* changed

There is **no state platform**, no registration, no approval of service providers and **no obligation to report invoice data** to the tax administration. Germany deliberately separated the format reform (now) from a reporting system (expected with ViDA, around 2030 and later).

Timeline

1 Jan 2025	E-invoice definition applies; **receiving is mandatory for everyone**
2025–2026	Transition: paper and PDF still allowed for issuing, with the customer's agreement
1 Jan 2027	Issuing mandatory where prior-year turnover exceeds **€800,000**
1 Jan 2028	All remaining businesses; EDI arrangements must also meet the standard
From 2030	EU-wide digital reporting under ViDA; a national reporting system is expected to follow

Who must do what, and what stays out of scope

Obligations

- **All domestic businesses** — including small ones and landlords with VAT-taxable supplies — must be able to **receive** e-invoices today.
- **Turnover above €800,000** in the prior year: must issue from **1 Jan 2027**.
- **Everyone else**: from **1 Jan 2028**.
- **Small businesses** under the VAT small-business scheme are exempt from issuing e-invoices — but must still receive them.

Out of scope

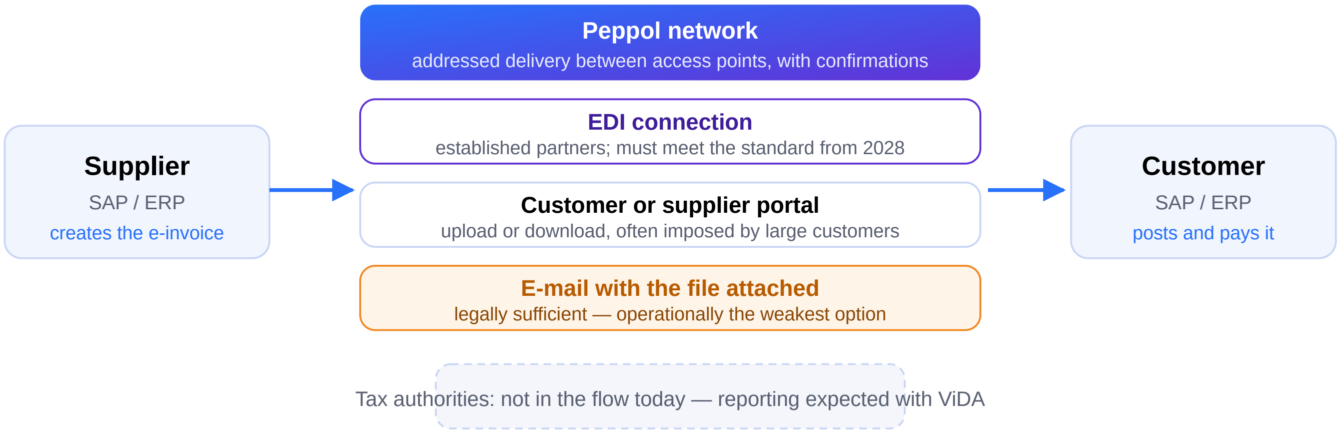
- Invoices up to **€250** (small-amount invoices) and travel tickets.
- Certain VAT-exempt supplies (for example financial services, insurance, health, education, property).
- B2C invoices, and supplies where the customer is not established in Germany — these follow the other country's rules.

What the tax administration has clarified

Point	What it means in practice
The structured part leads	In a hybrid file the XML is decisive. If the PDF and the XML disagree, the XML is the invoice — and the difference is a compliance problem.
Complete information in the data	All mandatory VAT information must be inside the structured data, not only in an attached delivery note, contract or PDF layout.
Corrections follow the same rule	A correction to an e-invoice must itself be electronic and structured.
Validation is strongly advised	Both outgoing and incoming invoices should be validated, and the result documented — it is the evidence that you exercised due care.
Input VAT deduction	Once the transition ends, deduction rests on receiving a proper e-invoice with complete information in the structured data.

03 Explanation: how a German e-invoice travels

There is no prescribed route. The law governs the **content and format**, not the channel — so the decision you actually have to make is which channel gives you control, proof of delivery and automation on both sides.



What the law requires

A structured invoice meeting EN 16931, complete VAT information in the data, and an unchanged structured file kept for the statutory retention period.

What the law leaves open

The transport channel, the format you agree with each partner, and whether you use a service provider at all.

What good looks like

One outbound channel with delivery confirmation, one inbound channel that feeds invoice verification automatically, and validation on both.

Why "e-mail is enough" is expensive

An e-mail inbox satisfies the letter of the law, and the tax administration has said so. It gives you no delivery confirmation, no addressing standard, no duplicate control and no straight-through processing — so the cost moves from the project budget to the accounts payable team, every day, invoice by invoice.

Which channel for which partner

Partner	Usual channel	Why
Public-sector customers	Peppol or the federal invoice portals	XRechnung is required, with the routing identifier they give you
Large corporate customers	Peppol, EDI or their portal	They dictate the channel; most are already automated
Mid-sized and small customers	ZUGFeRD by e-mail, or Peppol if reachable	Readable for their people, structured for their system
Suppliers (inbound)	One address per channel, feeding one queue	Several doors is what makes accounts payable manual

Germany in context

	Germany	France	Spain
Model	Direct exchange, no platform mandated	Approved platforms plus a public directory	Private platforms plus a public repository at the tax agency
Authorities see invoices?	Not today	Invoice and status data	Every invoice, as original or copy
Mandatory statuses	None	Four	Rejection and payment reporting
Live	Receiving 2025 · issuing 2027–2028	Since 1 Sep 2026	From 1 Oct 2027

04 ZUGFeRD, XRechnung and Peppol BIS

Three names, one European standard underneath. They differ in what a human can see, who mandates them, and how they travel.

Format	What it is	Where it fits
ZUGFeRD = Factur-X in France	A **hybrid** file: a PDF a person can read, with the structured XML embedded inside it. One file, two audiences.	B2B customers of every size — especially where the recipient is not yet automated and still wants to look at an invoice
XRechnung	Pure XML, the German public-sector specification of EN 16931. No visual layer.	Mandatory for invoices to federal public bodies; also used B2B by automated recipients
Peppol BIS	The EN 16931-compliant format used on the Peppol network (pure XML).	A channel-native format: what travels when you send through Peppol, at home and cross-border

ZUGFeRD profiles: the detail that decides compliance

Profile	Content	Valid as a German e-invoice?
MINIMUM	Only booking-level data — not a complete invoice	**No**
BASIC WL	Header data without invoice lines	**No**
BASIC	Simple invoices with lines, a subset of the standard	**Yes**, for simple cases
EN 16931 (COMFORT)	The full European standard — the usual target	**Yes**
EXTENDED	Adds industry and cross-border detail beyond the standard	**Yes**
XRECHNUNG	The XRechnung specification inside a ZUGFeRD container	**Yes**

Many accounting tools still default to MINIMUM or BASIC WL because it is enough to book an invoice. Check what your systems actually produce — and what your suppliers send you.

Versions: current, and what is coming

Still valid

XRechnung 3.x and ZUGFeRD 2.3 / 2.4 remain valid for domestic invoicing. Nothing you send today becomes invalid on 1 January 2027.

The 2026 revision

EN 16931 received its largest update since 2017 — more business terms, designed to be ready for ViDA reporting.

New releases

ZUGFeRD 2.5 (mid-2026) implements the new standard; **XRechnung 4.0** follows for the public sector. Plan an upgrade path, not a rush.

How to choose, in one line each

- **Public-sector customers:** XRechnung, with the routing identifier (*Leitweg-ID*) they give you.
- **Automated B2B customers:** the format their channel expects — usually Peppol BIS over Peppol, or XRechnung.
- **Everyone else:** ZUGFeRD in an EN 16931-compliant profile: compliant data for their system, a readable PDF for their people.

What to ask your software and service providers

On output

Which format and **which profile** do we actually produce, and can we set it per customer? Can we switch to newer versions without a project?

On input

Do we read the embedded XML or the PDF? What happens to a file in a non-compliant profile? Is the validation result stored?

On evidence

Where is the structured original archived, unchanged, and how quickly can we retrieve one invoice from 2025?

05 Peppol: the channel Germany did not mandate

Peppol is an international network for exchanging business documents. You connect once to an **access point**, your partners connect to theirs, and documents travel between them using agreed formats and addresses — like e-mail, but with identity, structure and delivery confirmation. Germany uses it for public-sector invoicing and it is spreading through B2B.

Your SAP
One outbound channel for all e-invoices

Your access point
Format conversion, validation, delivery

Peppol network
Addressed routing, confirmations, directory of participants

Partner's access point
Delivers into their ERP or portal

Peppol compared with the alternatives

	Peppol	E-mail attachment	EDI	Customer portals
Addressing	Standard participant IDs in a public directory	Whatever mailbox someone gave you	Bilateral agreement per partner	Per portal, with logins
Proof of delivery	Yes — confirmed at the access point	No	Depends on the setup	Screen, not system
Effort per new partner	Low — they are already reachable	Low, but manual	High — a project each	Manual onboarding
Cross-border reach	Strong across the EU and beyond	None	Partner-specific	None
Fits Germany's mandate?	Yes, and future mandates too	Yes, legally	Until 2028, then must meet the standard	Yes, if the file is compliant

Why groups choose Peppol anyway

- One connection covers Germany, public-sector customers and other countries' mandates.
- France's approved platforms use Peppol as their interoperability layer — the same channel serves both countries.
- ViDA's cross-border reporting from 2030 is expected to ride on the same standards.
- Deliveries are confirmed, addressed and traceable, which removes an entire class of disputes.

What to clarify with a provider

- Are you an access point, and which German and EU scenarios do you cover?
- Can you send ZUGFeRD to partners who are not on Peppol, from the same channel?
- How do you handle inbound invoices — delivery into SAP, or a portal we have to check?
- Which validations run before an invoice leaves, and what do we get as evidence?

Peppol in four words you will hear

Term	What it means
Access point	Your connection to the network, usually provided by a service provider or by SAP.
Participant ID	The address of a company on the network — typically built from its VAT or company identifier.
Directory	Where you check whether a partner is reachable, and for which document types.
BIS document	The agreed document specification — the invoice format that travels on the network.

The realistic German set-up

Most companies end up with a **channel mix**: Peppol for partners who are reachable there and for the public sector, EDI where it already runs, and ZUGFeRD by e-mail as the fallback for the long tail of smaller customers and suppliers. The goal is not one channel — it is one place in SAP where all of them are visible.

06 The customer side: invoices you issue

This is the obligation with the deadline. From 1 January 2027 every domestic B2B invoice you issue must be a compliant e-invoice — which means your customer master data, your formats and your channels all have to be ready before the first invoice run of the year.

Outbound in five steps

1 · Bill
Invoice or credit note posted in SAP

2 · Format
ZUGFeRD, XRechnung or Peppol BIS, per customer

3 · Validate
Structure and VAT content checked before sending

4 · Send
Peppol, EDI, portal or e-mail — from one channel

5 · Keep
Structured file archived unchanged, with the validation result

The decisions behind those steps

Decision	What to settle	Why it matters
Format per customer	A default (usually ZUGFeRD in a compliant profile) plus exceptions for public-sector and automated customers	Sending a format the customer cannot process creates disputes, not compliance
Channel per customer	Peppol ID, EDI connection, portal or e-mail address, held in the customer master	This is master data now, not a note in someone's mailbox
Completeness of data	All mandatory VAT information inside the XML — including references, discounts and payment terms	Information only visible in the PDF layout does not count
Credit notes and corrections	Same format, same channel, referencing the original	A correction to an e-invoice must itself be electronic
Self-billing	Where your customer issues on your behalf, agree format and validation	The obligation still attaches to the supply, not to who types it
Archiving	The structured file, unchanged, for the statutory retention period, retrievable	A PDF copy is not the invoice; the data is

Getting customer master data ready

Who is in scope
German-established business customers — the test is establishment, not just a VAT number.

Routing data
Peppol IDs, EDI partner profiles, portal references, and the *Leitweg-ID* for public bodies.

Contacts
One invoice-receipt address per customer, owned by the master data team, not by sales.

Exceptions
Invoices under €250, exempt supplies and B2C — keep the rules in the system, not in people's heads.

A migration plan that fits the time left

Wave	Who	What to prove
Now	Public-sector customers and the largest automated customers	Format, routing identifiers and channel work end to end
Q4 2026	Top customers by volume and by revenue	Real files accepted and posted on their side, not just validated on yours
December 2026	The long tail, by default format	Master data complete; exceptions documented
January 2027	First invoice run under the obligation	Monitoring, rejection handling and a named owner in place

> **A practical sequence for the last months of 2026:** pick the default format, clean the customer master, switch your largest customers first (they are the most likely to reject non-compliant files), then move the long tail before the year-end close.

07 The supplier side: invoices you receive

Receiving has been mandatory since 2025, so this side is usually "done" on paper and unfinished in practice. As suppliers switch during 2027, the volume of structured invoices arriving at your accounts payable team goes from a trickle to the default — and input VAT deduction depends on handling them properly.

Inbound in five steps

1 · Arrive	2 · Capture	3 · Validate	4 · Process	5 · Keep
Peppol, EDI, portal or e-mail — several doors today	Read the XML, not the PDF; no re-keying, no OCR	Format and mandatory VAT content checked and logged	Matched, approved and posted in invoice verification	Structured original archived unchanged and retrievable

What to get right — and what goes wrong

Topic	What good looks like	Typical failure
One front door	A single inbound channel per format, feeding one queue in SAP	Invoices in three mailboxes, a portal and a supplier's e-mail to a buyer
The XML is the source	Postings are built from the structured data	The PDF is scanned while the XML sits unused in the attachment
Hybrid mismatches	PDF and XML compared; differences stopped and queried	Paying what the PDF says while the XML says something else
Incomplete profiles	Supplier invoices checked for a compliant profile on arrival	MINIMUM or BASIC WL files accepted as if they were invoices
Validation evidence	Validation result stored with the document	No record of what was checked when a question arrives years later
Archiving	The structured file kept unchanged for the statutory period	Only a print or a PDF rendering is kept
Duplicates	Duplicate detection on invoice number and supplier, across channels	The same invoice paid twice because it arrived twice, differently

Questions worth asking your AP team this quarter

- How many structured invoices did we receive last month, and what happened to the XML?
- If a supplier sends a compliant invoice today, does anyone have to touch it?
- Who checks that an incoming file is a valid e-invoice at all?
- What do we do when the PDF and the XML disagree?
- Can we produce the original structured file for any invoice from 2025 onwards?
- What is our plan for the wave of suppliers switching in January 2027?

What to measure once it runs

Structured share
Percentage of supplier invoices arriving as valid e-invoices.

Touchless rate
Invoices posted without anyone opening them.

Exception ageing
How long blocked or invalid invoices sit before resolution.

Days to post
From arrival to posting — the number that protects early-payment discounts.

Why this side carries the money
Issuing badly is a compliance risk. Receiving badly is a cash and cost risk: blocked postings, missed discounts, duplicate payments and — once the transition ends — input VAT deduction resting on invoices your systems never properly captured.

08 Impact on SAP

SAP Document and Reporting Compliance (DRC) covers Germany: it creates the electronic invoice from the billing document, produces XRechnung or ZUGFeRD, connects to Peppol through SAP Business Technology Platform, and shows every document and its status in one monitor — the eDocument Cockpit and the Manage Electronic Documents app.

Area	What to set up	Watch out for
Outbound formats	Format determination per customer: ZUGFeRD, XRechnung or Peppol BIS	The ZUGFeRD profile your system actually produces
Channels	Peppol through SAP BTP; e-mail, EDI or portal for the rest	Fallbacks that quietly bypass the monitor
Inbound	Incoming e-invoices into the cockpit, then invoice verification (MM, VIM or Ariba)	Parallel PDF and OCR routes left running in production
Master data	Peppol IDs, *Leitweg-ID*, VAT IDs, bank data, invoice-receipt addresses	Missing identifiers are the top cause of rejected files
Billing content	References, payment terms, discounts and delivery dates carried into the structured data	Information that exists only in the print layout
Archiving	Structured originals and validation results kept and retrievable	Archiving the rendering instead of the data
Monitoring	Daily review of errors and rejections, with an owner	A cockpit nobody opens after go-live
Updates	SAP notes and the regulatory change tracker for new format versions	Treating the project as finished at go-live

What changes, by role

Role	What changes	Decisions to make
CFO	A deadline with VAT consequences, and a cost question on both sides of the ledger	Channel strategy for the group, budget, sponsor, target automation rate
Accounting & tax	Format compliance, corrections, archiving and input VAT evidence	Default format, validation policy, retention approach
Accounts receivable	Customer master data becomes routing data; rejected files come back to billing	Migration sequence for customers before 1 Jan 2027
Accounts payable	Structured invoices replace PDFs; the XML drives the posting	One inbound channel, duplicate control, exception handling
PM & IT	DRC set-up, BTP connectivity, roles, testing and monitoring	Sequence: outbound for 2027, then inbound automation

Lessons from SAP e-invoicing projects

- **Master data first.** Most rejected invoices trace back to a missing identifier or address.
- **Stay on standard.** Custom conversions age badly — new format versions arrive regularly.
- **Plan roles and connectivity early**; they delay more projects than mapping does.
- **Test with real partners**, not only with sample files.
- **Close the side doors** — every bypass channel becomes an audit finding.
- **One design, several countries.** Germany, France and Spain share the same building blocks.

09 How 30 Advisory can help

A founder-led boutique specialised in **SAP DRC & e-invoicing compliance**, **S/4HANA Finance optimisation** and **CFO/CIO strategic advisory**, delivering across European mandates.

1 · Prepare
Vorbereiten

- **Readiness assessment** for both sides: what you issue today, what you receive, and where each stands against 2027.
- **Format and channel strategy**: ZUGFeRD as default, XRechnung where required, Peppol where it pays — with the group and other mandates in view.

2 · Explore
Analysieren

- Fit-gap against EN 16931 and the German rules; customer and supplier segmentation by channel.
- Finance design: billing content, master data, corrections, validation and archiving.

3 · Realize
Umsetzen

- **SAP DRC implementation and configuration**, Peppol connectivity through SAP BTP, inbound automation into invoice verification.
- Validation, duplicate control, monitoring and exception handling built in from the start.

4 · Deploy
Einführen

- Partner testing with real customers and suppliers; migration waves before the 1 January 2027 cut-off.
- Training for AR and AP teams, operating procedures and an evidence pack for auditors.

5 · Run
Betreiben

- **Ongoing compliance monitoring**: SAP notes, new format versions (ZUGFeRD 2.5, XRechnung 4.0), KPIs and hypercare.
- Roadmap to the 2028 wave, other country mandates and **ViDA** reporting.

Why 30 Advisory

- **Founder-led**: direct work with founders and senior consultants.
- **Finance rigour + SAP DRC depth.**
- **Multi-country execution** across Europe (Italy, Turkey, Spain).
- **Boutique agility**: clear timelines, honest feedback.

Engagement models

Time & Materials — transparent daily rates per senior profile.

Fixed Price / SoW — milestone-based delivery.

Partnering — independently or alongside your system integrator.

Short on time before 2027?

A focused four-week assessment gives you the gap list, the format and channel decision, and a migration plan for your largest customers — enough to protect the January invoice run.

Typical deliverables

Gap & risk list
Per entity and per process, with effort and owner.

Format & channel decision
Documented, with the group and other mandates in view.

SAP design
Outbound, inbound, master data, validation, archiving.

Migration & test plan
Waves, partner tests and the evidence pack.

Let's Build Together

Book a 1-hour technical diagnostic for your German entities.

WEB 30advisory.com
EMAIL kike.romero.lara@30advisory.com
EMAIL maricel.campos@30advisory.com

10 Roles, key dates and next steps

Who does what

TAX ADVISORS

- Scope and exemptions, VAT treatment, input VAT and correction rules.
- Retention requirements and the audit-proof archive.

AUDITORS & INTERNAL CONTROL

- Controls over validation, completeness and archiving; process documentation.
- Independent review — whoever builds the solution should not certify it.

SAP ADVISOR · 30 ADVISORY

- Design, build and run the SAP and channel solution for both sides.
- Produce the evidence auditors ask for: logs, validations, test results.

Key dates

1 Jan 2025	Receiving mandatory for every domestic business
1 Jan 2027	**Issuing mandatory** where prior-year turnover exceeds €800,000
1 Jan 2028	All remaining businesses; EDI must meet the standard
1 Sep 2027	France: SMEs must issue (relevant for groups with French entities)
1 Oct 2027	Spain: B2B mandate starts for companies above €8M turnover
From 2030	EU ViDA digital reporting; a German reporting system is expected to follow

Next steps

1. **Confirm which entities cross the €800,000 threshold** — the test is prior-year turnover, per entity.
2. **Decide the default format and channel**, and where Peppol earns its place.
3. **Clean customer and supplier master data**, including routing identifiers.
4. **Automate the inbound side** so 2027 volumes do not land on the AP team.
5. **Prove archiving and validation** — pick five invoices and try to produce the originals.
6. **Plan the 2028 wave and the new format versions** as a recurring cycle, not a project.

What a first conversation needs from you

Entities
German entities, turnover and who is above the threshold.

Volumes
Customer and supplier invoices per month, and public-sector share.

Systems
SAP release, DRC status, current channels and any provider.

Pain points
Where issuing or receiving is manual or failing today.

Three questions we get asked most

Can we keep sending PDFs in 2027?
Only where the customer is out of scope, the invoice is exempt or under €250, or your entity is still in the 2028 group.

Do we need a service provider?
Not legally. In practice, one is what gives you Peppol reach, delivery evidence and one channel instead of four.

Is ZUGFeRD enough?
Yes, in a compliant profile — provided the structured data is complete and matches the PDF a customer reads.

Sources & disclaimer

Mandate: German VAT law as amended by the Growth Opportunities Act; Federal Ministry of Finance guidance and FAQ on the e-invoice (including the October 2025 letter on hybrid formats, validation and input VAT); IHK and practitioner summaries of the transition periods and exemptions.
Formats: FeRD/FNFE specifications for ZUGFeRD and Factur-X; KoSIT XRechnung specification; Peppol BIS Billing. The 2026 revision of EN 16931 introduced ZUGFeRD 2.5 and XRechnung 4.0; earlier versions remain valid for domestic invoicing.
SAP: SAP Document and Reporting Compliance documentation and community material on XRechnung, ZUGFeRD and Peppol. Scope, licensing and release details must be confirmed with SAP for your landscape.
Prepared by 30 Advisory, September 2026. Information only — not legal or tax advice. Thresholds, exemptions and retention periods depend on your circumstances; confirm them with your tax advisor.