



COUNTRY BRIEFING · UNITED ARAB EMIRATES

E-invoicing and the five-corner model

The UAE's Electronic Invoicing System moves from pilot to obligation in 2027 — but the first hard deadline arrives sooner than most companies expect, and it is not a technical one. This briefing sets out the model, the dates, the data, and what it means for a business running SAP.

-
- | | | | |
|----|----------------------------------|----|--|
| 01 | What the UAE is introducing | 05 | What it means for your SAP system |
| 02 | How the five-corner model works | 06 | Choosing a provider, and the penalties |
| 03 | Dates, scope and exclusions | 07 | Working backwards from go-live |
| 04 | PINT AE: the data you must carry | 08 | How 30 Advisory helps |

For
CFOs, tax and finance leads

Scope
B2B and B2G e-invoicing

Status at
25 September 2026

Prepared by
30 Advisory

Information document, not tax or legal advice. The UAE framework is still being published in stages and dates have moved before. Confirm the position for your entity with the Ministry of Finance, the Federal Tax Authority or your tax adviser before acting on anything in this briefing.

01 What the UAE is introducing

A network, not a portal — and a deadline before the deadline

The UAE is introducing mandatory electronic invoicing for business-to-business and business-to-government transactions. Invoices will no longer be PDFs sent by email: they become structured data, exchanged over an accredited network, with the tax authority receiving the tax content of every transaction as it happens.

30 Oct 2026

Reported deadline for the first group to have appointed an accredited service provider

1 Jan 2027

Go-live for businesses at or above AED 50 million annual revenue

1 Jul 2027

Go-live for the remaining in-scope businesses

5

Corners in the exchange model — you, two providers, your counterparty and the FTA

The legal framework so far

INSTRUMENT	WHAT IT DOES
Amendments to the VAT legislation	Create the legal concepts of the electronic invoice and the electronic credit note, and the power to mandate them
Ministerial Decisions 243 and 244 of 2025	Establish the Electronic Invoicing System, the role and accreditation of service providers, and the obligations of taxable persons
Cabinet Decision 106 of 2025	Sets the administrative penalties for failing to appoint a provider or to transmit on time
Electronic Invoicing Guidelines	The implementation detail — the data dictionary, the exchange rules and the operating requirements, updated during 2026

Instrument names and numbers are as reported in public commentary consulted in September 2026 and should be verified against the official publications before being relied on.

Why this is different from a tax-authority portal

- ◀ **You do not send invoices to the government.** You send them to your accredited service provider, which delivers them to your customer's provider and reports the tax data to the Federal Tax Authority. There is no portal to log into and type.
- ◀ **Your customer receives structured data, not a document.** Which means their systems — and yours, on the buying side — have to be able to consume it, validate it and post from it.
- ◀ **The obligation reaches beyond VAT registration.** The framework is drafted around businesses carrying on activity in the UAE, not only those registered for VAT, so entities that assumed they were out of scope should check.
- ◀ **The first action is commercial.** Appointing an accredited provider is a procurement and contracting exercise with its own lead time, and it is the gate everything else waits behind.

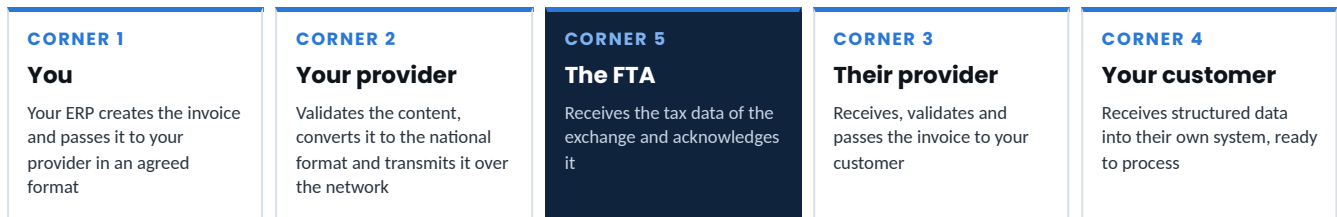
THE DEADLINE MOST PLANS MISS

For the first group, the obligation to have **appointed an accredited service provider** falls months before the obligation to issue electronic invoices. Selection, security review, contracting and onboarding are not quick, and every business in the first wave is doing it in the same quarter. A company that starts the conversation in December is already behind.

02 How the five-corner model works

Peppol, with the tax authority as a fifth corner

The UAE has adopted a decentralised model built on the Peppol network, with one addition: the tax authority sits at a fifth corner and receives the tax data of each exchange.



The fifth corner sits alongside the exchange rather than in the middle of it: the authority receives the tax data of the transaction and acknowledges it, while the invoice itself continues from provider to provider.

What this means in practice

CONSEQUENCE	WHAT CHANGES FOR YOU
The provider is part of your compliance	Your accredited provider performs validation and reporting on your behalf. Their availability, their validation rules and their status handling become operational concerns of yours
Both directions are in scope	You issue structured invoices and you receive them. The receiving side changes accounts payable at least as much as issuing changes accounts receivable
Your counterparties must be reachable	Exchange depends on both sides being registered on the network with an identifier derived from their tax registration — so customer and supplier master data acquires a new mandatory attribute
There is a status to manage	An invoice that is rejected or not acknowledged is not simply a technical event. Someone has to see it, understand it and act on it the same day
PDF stops being the original	A readable copy may still be useful, but the structured file is the invoice — archiving, disputes and audits follow the data

What happens when something goes wrong

SITUATION	WHAT IT MEANS, AND WHO HAS TO ACT
Your provider rejects the invoice	A content problem — a missing or invalid mandatory field. It never reached the network, so the invoice does not legally exist yet. Finance has to fix the data and resend, the same day
The network cannot reach your customer	Their identifier is wrong, or they are not registered. Nothing you can fix in your own system alone — it becomes a customer conversation, which is why identifiers belong in master data early
No acknowledgement comes back	Silence is not success. Somebody has to be watching a list of documents without a final status, because nothing will alert you otherwise
Your own system is unavailable	The framework contemplates notifying failures within a defined period — so an outage is a compliance event, not only an IT incident
You must cancel or correct	Corrections follow the rules of the regime, through a credit note that references the original document. Deleting and reissuing is not an option once a document is on the network

THE FAMILIAR COMPARISON

If you operate in Europe, this is not the French or Italian model, where a central government platform sits in the middle of every exchange. It is closer to the Peppol approach used in Belgium and the Nordics, with a reporting obligation attached. **The practical difference:** choosing your provider matters more, because the provider — not a state platform — is the route to compliance.

03 Dates, scope and exclusions

Two deadlines per wave: appoint, then transact

Jul – Dec 2026

Voluntary pilot: selected businesses exchange live invoices through accredited providers

1 Jan 2027

Wave 1 — businesses at or above AED 50 million annual revenue. Provider appointed by 30 October 2026

1 Jul 2027

Wave 2 — remaining in-scope businesses below that threshold. Provider appointed by 31 March 2027

1 Oct 2027

Government entities. Provider appointed by 31 March 2027

CONFIRM THE APPOINTMENT DATES FOR YOUR WAVE

Published commentary agrees on the go-live dates but differs on the provider-appointment deadlines. Because that is the deadline governing when you must start, **verify it against the Ministry of Finance publication** rather than any secondary summary, including this one.

Who is in scope

CATEGORY	IN SCOPE	NOTES
Business to business (domestic)	Yes	The core of the mandate, in both directions
Business to government	Yes	Supplies to government entities, which themselves come into scope from late 2027
Businesses not registered for VAT	Yes	The framework is drafted around carrying on business in the UAE, not VAT registration
Non-established persons issuing UAE tax invoices	Check	Reported as in scope in defined circumstances — confirm entity by entity
Business to consumer	Not yet	Excluded from the current mandate, with the expectation that it is revisited later
Certain exempt activities	Excluded	Reported exclusions include sovereign government activities, international passenger air transport and defined financial services

The pilot, and whether to join it

The voluntary pilot running through the second half of 2026 lets selected businesses exchange real invoices before the mandate applies.

REASONS TO JOIN

- Problems surface while there is still time and no penalty attached
- Your provider's real behaviour is observable before you depend on it
- Your team learns the exceptions before volume arrives

REASONS TO WAIT

- It consumes the same scarce people the build needs
- Specifications can still change, causing rework
- It is worth little if your master data is not ready to be tested

Three scoping questions worth answering now

- ◀ **Which entities cross the revenue threshold**, measured how and over which period? A group with several licences may find entities in both waves — two projects, six months apart.
- ◀ **Do we issue invoices from more than one system?** Billing engines, service platforms and local applications all have to reach the provider, not only the main ERP.
- ◀ **How are free-zone, intra-group and recharge transactions treated?** This is where the general rule meets the detail, and an early answer from your tax adviser saves rework.

04 PINT AE: the data you must carry

The format is the easy part. The content is not

The UAE uses a national specialisation of the Peppol invoice specification, known as PINT AE. Public commentary reports in the order of fifty mandatory fields for a standard tax invoice. The count matters less than the nature of the requirement: **every mandatory field must be present, correctly typed and derived from real data** — not assembled by hand at the point of issue.

Where the mandatory fields come from

GROUP	WHAT IT COVERS	USUAL SOURCE OF TROUBLE
Party identification	Legal names, addresses, tax registration numbers and network identifiers for both parties	Customer master records with incomplete addresses or no registration number
Document identification	Invoice number, type, issue date, currency, references to orders or contracts	Number ranges shared across entities; document types that do not map to the allowed list
Line detail	Description, quantity, unit of measure, unit price, discounts, line totals	Free-text lines with no article, and local units that are not standard codes
Tax detail	Tax category and rate per line, taxable amounts, tax totals, reasons for exemption or zero rating	Tax codes that carry the right rate but not the category or the legal reason
Totals and payment	Document totals, rounding, payment terms, bank details where required	Rounding rules that differ between the printed invoice and the structured data
Corrections	Credit notes and their reference to the original document	Corrections issued without a machine-readable link to what they correct

The master-data work is the project

The schedule is set by master data, not by software. Start these now — none depends on choosing a provider, and none can be compressed later:

- Customer and supplier tax registration numbers: present, valid and in the right field
- Legal names and addresses complete enough to satisfy a validation rule, not just a printed form
- Network identifiers for counterparties, once the registration model is confirmed
- Tax codes reviewed so that each carries a category and, where needed, an exemption reason
- Units of measure aligned to standard codes rather than local abbreviations
- Document and billing types reviewed against what the specification permits

05 What it means for your SAP system

The document framework, and the road to your provider

SAP addresses mandates of this kind through **SAP Document and Reporting Compliance**. Its electronic-document framework turns a billing document or supplier invoice into an electronic document, moves it to the exchange, and brings the response back so that status is visible where the transaction lives — rather than in a provider's web portal that nobody in finance opens.

What a working solution looks like

ELEMENT	WHAT IT DOES
Determination	Decides which documents become electronic invoices — by company code, country, customer type and transaction — so nothing in scope is missed and nothing out of scope is sent
Mapping	Fills the national format from your own data, with validation applied before transmission rather than after a rejection
Connectivity	A single, monitored channel from SAP to your accredited provider, with credentials and certificates managed like any other production interface
Status and process	Acknowledgement and rejection brought back against the document, with clear rules on what a user may do at each status and what it blocks downstream
Inbound	Supplier invoices received as structured data, matched and posted — the part of the programme most often discovered late
Monitoring	One place to see what has not been acknowledged, with alerting, so an exception is handled the same day rather than found at month-end

Good news on platform — with one caveat

Unlike periodic audit-file obligations, which depend on the statutory reporting side of the solution and are unavailable on older SAP platforms, the electronic-document framework exists on both SAP S/4HANA and classic SAP ERP. **A UAE e-invoicing project is therefore feasible without first moving the whole ledger** — although country content, prerequisites and support-package levels differ by release and must be confirmed with SAP for your exact system.

DECISIONS TO TAKE EARLY

- Which accredited provider, and on what contract terms
- Whether the connection runs through your existing integration platform or directly
- Who operates the monitoring, in IT or in finance

TRAPS WE SEE REPEATEDLY

- Treating inbound as a phase two, then discovering AP cannot post
- Leaving non-ERP billing systems out of scope until testing
- Assuming the provider's portal is an acceptable operating model

Five questions for whoever implements this

- ◀ **Is the country content delivered for our exact release**, or does reaching it require a support-package project first?
- ◀ **Does the proposal include inbound**, or only issuing? If inbound is excluded, when does it arrive and at what cost?
- ◀ **How will an exception reach a human?** Show the monitoring and the alert, not just the happy path.
- ◀ **What happens to our non-SAP billing systems** — are they in the design, or assumed to be somebody else's problem?
- ◀ **Who applies changes** when the specification is updated after go-live, and is that included?

06 Choosing a provider, and the penalties

The first decision, and the cost of getting it late

Accredited service providers are approved by the Ministry of Finance against criteria covering technical capability, security, ERP integration experience and service commitments. The list has been growing through 2026. Accreditation tells you a provider is permitted to operate — it does not tell you whether they suit your business.

What to ask an accredited provider

AREA	THE QUESTION
SAP experience	How many live SAP connections do they operate, on which releases, and will they name a reference you can speak to?
Integration model	Do they support a direct, monitored system-to-system channel — or is their normal mode a portal with a file upload?
Validation transparency	Will they tell you exactly which rules they apply before transmission, so the same checks can run in your system first?
Status granularity	What responses come back, how quickly, and can each be returned to the source document rather than only shown in their portal?
Other countries	If you operate elsewhere, can the same provider serve those mandates — and do you want that concentration or not?
Commercials and exit	How is pricing structured as volume grows, and what happens to your data and your network identifier if you change provider?
Availability	What uptime do they commit to, how are incidents communicated, and what is their documented procedure when the network is unavailable at month-end?
Archiving	Who retains the exchanged documents, for how long, in what form, and can you retrieve them yourself without asking?

Penalties

A dedicated penalty regime accompanies the mandate. Amounts reported in public commentary as at September 2026 are summarised below; they should be confirmed against the Cabinet Decision itself before being quoted internally.

FAILURE	REPORTED PENALTY
Not appointing an accredited provider on time	A monthly amount for as long as the failure continues
Failing to transmit an invoice within the required time	A per-invoice amount, subject to a monthly cap
Not notifying a system failure in time	A daily amount until notification is made

THE EXPOSURE THAT IS NOT A FINE

If an invoice cannot be issued, it cannot be sent — and if it cannot be sent, it will not be paid. **The largest risk in an e-invoicing mandate is rarely the penalty; it is the working-capital effect of a billing run that stops.** That is the argument for testing exceptions properly and for monitoring that someone actually watches from day one.

07 Working backwards from go-live

Count back from the date, not forward from today

BEFORE GO-LIVE

WHAT HAS TO HAPPEN

T-6 months	Scope confirmed per entity and per billing system. Provider selected and contracted. Master-data remediation started — it runs in parallel with everything else
T-5 to T-4 months	Design: determination rules, mapping to the national format, status model, exception handling, archiving, and the operating model for who watches what
T-4 to T-2 months	Build and connect. First document exchanged end to end with the provider in a test environment. Mapping gaps closed against real invoices, not samples
T-2 to T-1 months	Full testing including the exceptions: rejection, no response, credit notes, corrections, a customer not yet reachable on the network. Inbound processing proven
T-1 month	Production credentials proven. Users trained on what to do when a document fails. Go/no-go with the billing calendar, not against it
Go-live	First live invoices issued under supervision. Daily monitoring from day one, with rejections triaged the same day

Indicative for a single entity issuing from one SAP system with engaged business participation. Several entities, multiple billing systems or significant master-data remediation extend it.

A USEFUL TEST

Take twenty real invoices from last month — including a credit note, an intra-group recharge and a zero-rated supply. Ask whether every mandatory field could be populated from data already in the system, without anybody typing. **The ones that fail are your project plan.**

The next ninety days

Days 1–30 • Decide scope

- Confirm which entities fall in which wave, and both of their dates
- List every system that issues an invoice
- Confirm the treatment of free-zone and intra-group flows

Days 31–60 • Choose

- Shortlist accredited providers and run the questions from section 06
- Start master-data remediation now, not after signature
- Agree the integration route with IT

Days 61–90 • Commit

- Contract the provider and book onboarding
- Approve a plan built backwards from go-live
- Name the owner of daily monitoring after go-live

IF YOU ARE IN THE SECOND WAVE

A July 2027 date feels distant, and it is not. The first wave will absorb provider capacity, SAP implementation capacity and your own team's attention through the first half of 2027. Work that starts in January competes with everyone else's emergency; work that starts now does not.

08 How 30 Advisory helps

An SAP finance and compliance practice,
independent of any provider

We design and build the path from your SAP system to the network, and leave your team able to run it — including on the days it goes wrong.

Scoping and provider selection

Entities, waves and dates confirmed, every issuing system identified, master-data gaps quantified, providers assessed on your criteria.

Output: a decision document and a costed plan.

Implementation

Determination, mapping, connectivity, status and exception handling, inbound processing, testing against real invoices and the exceptions that break them, and go-live support.

Output: invoices that leave, and statuses you can see.

Run and next country

Monitoring handed to a named owner, legal-change watch, and the same design extended to your other jurisdictions.

Output: one compliance model, not several.

What a first engagement typically involves

Scoping

Entity, wave and system scoping with finance, tax and IT, and an inventory of everything that issues an invoice

Measurement and choice

Master-data profiling against the mandatory fields — quantified, not described — provider assessment, and a costed plan with a defensible date

What makes this different

- ◀ **We are independent of the provider.** We help you choose one and hold them to their commitments — we do not sell you the network.
- ◀ **We design for the bad day.** Rejections, silence from the network, credit notes and unreachable customers are tested deliberately, because that is when billing stops.
- ◀ **Inbound is in scope from the start.** Receiving structured supplier invoices changes AP; leaving it to a later phase is the most common cause of a second project.
- ◀ **We say what we are not.** We are not your tax adviser and we are not the accredited provider. We build and prove the path between your system and theirs.

A SENSIBLE FIRST STEP

A short scoping exercise answers the questions that govern everything else: **which wave is each entity in, which systems issue invoices, and what will the master data cost?** With the first appointment deadline weeks away, it is also the fastest way to find out whether you are early or already late.

Sources consulted 25 September 2026 — Avalara, ClearTax and EDICOM guidance on the UAE Electronic Invoicing System, its phases, provider accreditation and penalties; Peppol-focused country guides for the exchange model and PINT AE. SAP behaviour from the SAP Help Portal and partner commentary on the electronic-document framework in SAP DRC.

This briefing is provided for information only and does not constitute tax, legal or accounting advice. It summarises publicly available material as at 25 September 2026. The framework is being published in stages, dates have changed before, and secondary sources disagree on specifics — notably the provider-appointment deadlines and the penalty amounts. Confirm the position for your entity with the Ministry of Finance, the Federal Tax Authority or a qualified adviser before acting. 30 Advisory accepts no liability for decisions taken on the basis of this document.