

## Benefits

As a valuable collaborative business application on the Ariba Network, Ariba's e-invoicing solution supports paperless operations and VAT compliance for global commerce.

- Supports VAT, GST, PST and other sales tax methods
- Offers valuable Tax Compliance Country Guides for North America, Europe and Asia-Pacific
- Provides options for choosing the best document archiving approach to comply with global e-invoice regulations

The ability to support indirect tax methods such as VAT, GST, PST and other commonly used sales tax methods is vital to making e-invoicing practical for global commerce.

The Ariba<sup>®</sup> Network is uniquely qualified to accommodate these global business requirements. Organizations in 130 countries are managing business-to-business transactions over the Ariba Network, processing transactions in 70 different currencies.

As a valuable collaborative business application on the Ariba Network, Ariba's e-invoicing solution supports paperless operations and VAT compliance for global commerce. Ariba's global e-invoicing and VAT compliance capabilities serve the needs of customers in the European Union and other countries using indirect tax mechanisms such as VAT, GST, and PST.

Over the past year, Ariba has revised its Tax Compliance Country Guides to expand global coverage to more than 36 countries in North America, EMEA and Asia-Pacific. These revisions were written and signed by KPMG, which advises Ariba on interpretation of tax-related invoice requirements and enhancements. KPMG's tax compliance expertise is based upon analysis of e-invoicing legislation for specific countries relating to domestic, cross-border, and intra-EU trade.

The updated guides for creating VAT-compliant electronic invoices summarize VAT legislation applicable in specific countries regarding electronic invoices, and a summary of the technical process used by Ariba to achieve these requirements. Ariba provides these guides to both buyers and suppliers.

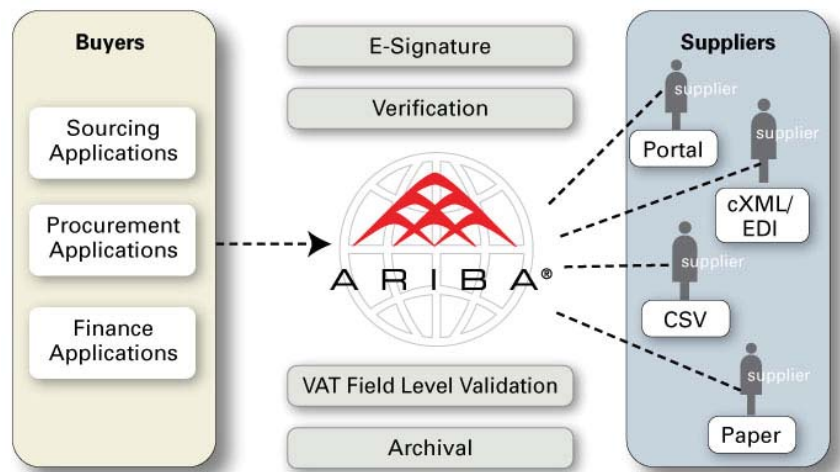


Figure 1. Ensuring global e-invoice and VAT compliance over the Ariba Network.

In addition to the KPMG Indirect Tax Network, Ariba works with leading tax advisories including Deloitte, PricewaterhouseCoopers (PwC), and Stefan Engel-Flehsig in response to customer requests for audits of the Ariba solution in specific countries.

## About Ariba, Inc.

Ariba, Inc. is the leading provider of collaborative business commerce solutions. Ariba combines industry-leading technology with the world's largest web-based trading community to help companies discover, connect and collaborate with a global network of partners – all in a cloud-based environment. Using the Ariba® Commerce Cloud, businesses of all sizes can buy, sell and manage cash more efficiently and effectively. Over 500,000 companies around the globe use the Ariba Commerce Cloud to simplify inter-enterprise commerce and enhance results. Why not join them? To get on the path to Better Commerce visit: [www.ariba.com/commercecloud/](http://www.ariba.com/commercecloud/)

	VAT Compliance Step	Ariba's Process	Other Provider's Process
▶ <b>Step 1</b>	<i>Controlling mandatory VAT fields</i>	Ariba identifies all fields required to create a legal invoice including VAT fields, trade regulations, etc.	Most control only VAT fields.
▶ <b>Step 2</b>	<i>Guarantee of authenticity and integrity</i>	Ariba Tax Authority advisors ensure that invoice issuers provide Digital Certificates delivered by Certification Authorities accredited by each local Tax Authority. For example, a VAT invoice in Spain will be signed with a Spanish Digital Certificate. In the case of a cross-border transaction between Germany and Spain, Ariba applies and verifies both the Spanish and German e-signatures.  Ariba partners with TrustWeaver to ensure the eSignature process. TrustWeaver supports local Digital Certificate requirements, including those countries requiring double signature.	"One size fits all" approach means that all invoices in all countries will be signed by the same Digital Certificate delivered by a Certification Authority of one particular country in Europe.
▶ <b>Step 3</b>	<i>eSignature and verification report</i>	Ariba verifies and creates the Verification Report on behalf of our customers. We attach the Verification Report, eSignature(s) and Digital Certificate(s) to the eSignature on the paperless VAT invoice.	Most deliver the Verification Report but not the Digital Certificate, which is used to create and verify the eSignature.
▶ <b>Step 4</b>	<i>Storage and archival of the paperless VAT invoice</i>	Ariba combines all documents required for tax audit, including a PDF version of the legal invoice and the eSignature to the paperless VAT invoice, in a single file. Ariba facilitates archival with a single non-rewritable format that can be incorporated into your workflow and back-end systems.	Most competitors propose that customers adopt their own archiving solution because they do not deliver the legal documents and other information required for audits.

Every VAT compliant process requires four key steps.

## Document Archiving Options

Ariba offers several options for archiving your documents. You can download them in a PDF file or as cXML and its log, then archive them according to your company policies. This self-service option is available to you at no charge.

You can also automatically store your documents with an Ariba-supported service in a manner that complies with any European Union country rules. With this option, you get a secure, scalable, and flexible digital document archive that eliminates the cost and overhead of maintaining costly legacy archive applications, servers, data centers, security solutions and support. This value-added service is flexible enough to process all Ariba documents as well as documents from other enterprise systems and workflows.

Achieving global compliance is essential to a successful e-invoicing initiative. With Ariba, you have a proven global e-invoice solution that allows you to choose the best approach for complying with many different global e-invoice regulations.

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