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UNLOCKING VALUE

UAE E-INVOICING READINESS CHECKLIST

Executive Compliance Brief | 2026–2027



A strategic readiness checklist designed for CEOs, CFOs, CTOs, Finance Leaders, and Compliance Teams preparing for the UAE Federal Tax Authority (FTA) e-invoicing mandate.

Issuing Authority	Federal Tax Authority (FTA)
Regulation	Ministerial Decision on UAE E-Invoicing Rollout
Prepared	May 2026
Status	Mandatory - Non-compliance may attract penalties
Audience	CEO, CFO, CTO, COO, Legal & Compliance Heads



Executive Summary

The UAE Federal Tax Authority (FTA) is introducing a nationwide electronic invoicing framework as part of the country's digital tax transformation initiative. Businesses operating in the UAE are expected to transition from paper or unstructured invoice formats to structured, FTA-compliant electronic invoicing systems. Organizations that delay readiness may face operational disruption, financial penalties, and increased regulatory scrutiny.

This executive checklist converts the regulatory expectations into actionable business priorities, enabling leadership teams to assess readiness, assign ownership, and execute a phased compliance strategy.



Key Deadlines at a Glance

- » Phase 1 - Large taxpayers (AED 50M & above) expected to comply by starting 2027
- » Phase 2 - SMEs and remaining entities rollout through mid & late 2027
- » FTA may impose fines for non-issuance, non-reporting, or non-archival
- » Immediate action required: ERP assessment, ASP selection (deadline by 30th October 2026), and staff training.





01 Regulatory & Legal Readiness

- | | |
|-------------------------------------|---|
| <input checked="" type="checkbox"/> | Confirm entity classification under the FTA e-invoicing rollout |
| <input checked="" type="checkbox"/> | Review PEPPOL-aligned technical standards and structured formats |
| <input checked="" type="checkbox"/> | Ensure TRN validation and readiness via EmaraTax or future onboarding platforms |
| <input checked="" type="checkbox"/> | Update commercial contracts and invoice delivery clauses |
| <input checked="" type="checkbox"/> | Review VAT law amendments with legal counsel |
| <input checked="" type="checkbox"/> | Define cross-border invoice handling procedures |



02 Finance & Tax Operations

- | | |
|-------------------------------------|--|
| <input checked="" type="checkbox"/> | Audit current invoicing workflows and identify manual dependencies |
| <input checked="" type="checkbox"/> | Ensure all VAT-taxable scenarios are mapped for e-invoicing |
| <input checked="" type="checkbox"/> | Validate mandatory invoice fields |
| <input checked="" type="checkbox"/> | Align debit note and credit note processes with FTA requirements |
| <input checked="" type="checkbox"/> | Implement compliant archival and retention procedures |
| <input checked="" type="checkbox"/> | Assign a dedicated Tax Compliance Officer |





03 Technology & Systems

<input checked="" type="checkbox"/> Assess ERP and billing system compatibility
<input checked="" type="checkbox"/> Select an FTA-approved ASP
<input checked="" type="checkbox"/> Enable UBL XML (Peppol BIS format) generation capability”
<input checked="" type="checkbox"/> Enable structured invoice exchange via Peppol network and ensure reporting capability as per future FTA guidance.
<input checked="" type="checkbox"/> Strengthen security controls, encryption, and audit trails
<input checked="" type="checkbox"/> Plan failover and business continuity procedures



04 Vendor & Supply Chain

- | | |
|-------------------------------------|---|
| <input checked="" type="checkbox"/> | Notify suppliers and customers about the transition timeline |
| <input checked="" type="checkbox"/> | Update procurement and AP processes for structured invoice handling |
| <input checked="" type="checkbox"/> | Validate vendor certifications and service agreements |
| <input checked="" type="checkbox"/> | Establish SLAs covering uptime and compliance obligations |





05 People, Process & Change Management

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|-------------------------------------|--|
| <input checked="" type="checkbox"/> | Assign an executive sponsor for the transformation program |
| <input checked="" type="checkbox"/> | Create a cross-functional implementation task force |
| <input checked="" type="checkbox"/> | Train finance, AP/AR, and operations teams |
| <input checked="" type="checkbox"/> | Update SOPs and finance process documentation |
| <input checked="" type="checkbox"/> | Conduct end-to-end testing before go-live |



06 Risk, Audit & Governance

- | | |
|-------------------------------------|--|
| <input checked="" type="checkbox"/> | Add e-invoicing compliance to the enterprise risk register |
| <input checked="" type="checkbox"/> | Include readiness checks within the audit cycle |
| <input checked="" type="checkbox"/> | Define escalation procedures for FTA notices |
| <input checked="" type="checkbox"/> | Monitor invoice success/failure dashboards |
| <input checked="" type="checkbox"/> | Schedule quarterly compliance reviews |





Penalties for Non-Compliance

- » Failure by the Issuer to implement the Electronic Invoicing System, including failure to appoint an Accredited Service Provider within the timeline prescribed by the Minister: AED 5,000 for each month of delay or part thereof
- » Failure by the Issuer to issue and transmit an Electronic Invoice to the Recipient through the Electronic Invoicing System within the timeline prescribed by the Minister: AED 100 per Electronic Invoice, up to a maximum of AED 5,000 per calendar month
- » Failure by the Issuer to issue and transmit an Electronic Credit Note to the Recipient through the Electronic Invoicing System within the timeline prescribed by the Minister: AED 100 per Electronic Credit Note, up to a maximum of AED 5,000 per calendar month
- » Failure by the Issuer to notify the Authority of a system failure within the timeline prescribed by the Minister: AED 1,000 per day of delay or part thereof
- » Failure by the Recipient to notify the Authority of a system failure within the timeline prescribed by the Minister: AED 1,000 per day of delay or part thereof
- » Failure by the Issuer or the Recipient to notify the appointed Accredited Service Provider of changes to the data registered with the Authority within the timeline prescribed by the Minister: AED 1,000 per day of delay or part thereof



Recommended Executive Actions - Next 60 Days

Priority	Action	Owner	Timeline
Critical	Establish executive steering committee	CEO	Week 1
Critical	Complete ERP gap	CFO + CTO	Week 2
High	Shortlist and evaluate e-invoicing vendors / ASPs	Finance + IT	Week 4
High	Finalise solution architecture and integration approach	IT + CTO	Week 5
Medium	Train AP/AR teams on updated invoicing workflows	Finance + HR	Week 6
Medium	Complete vendor selection and onboarding initiation	CFO + IT	Week 7
Medium	Conduct end-to-end UAT and simulation testing	IT + Finance	Week 8

