

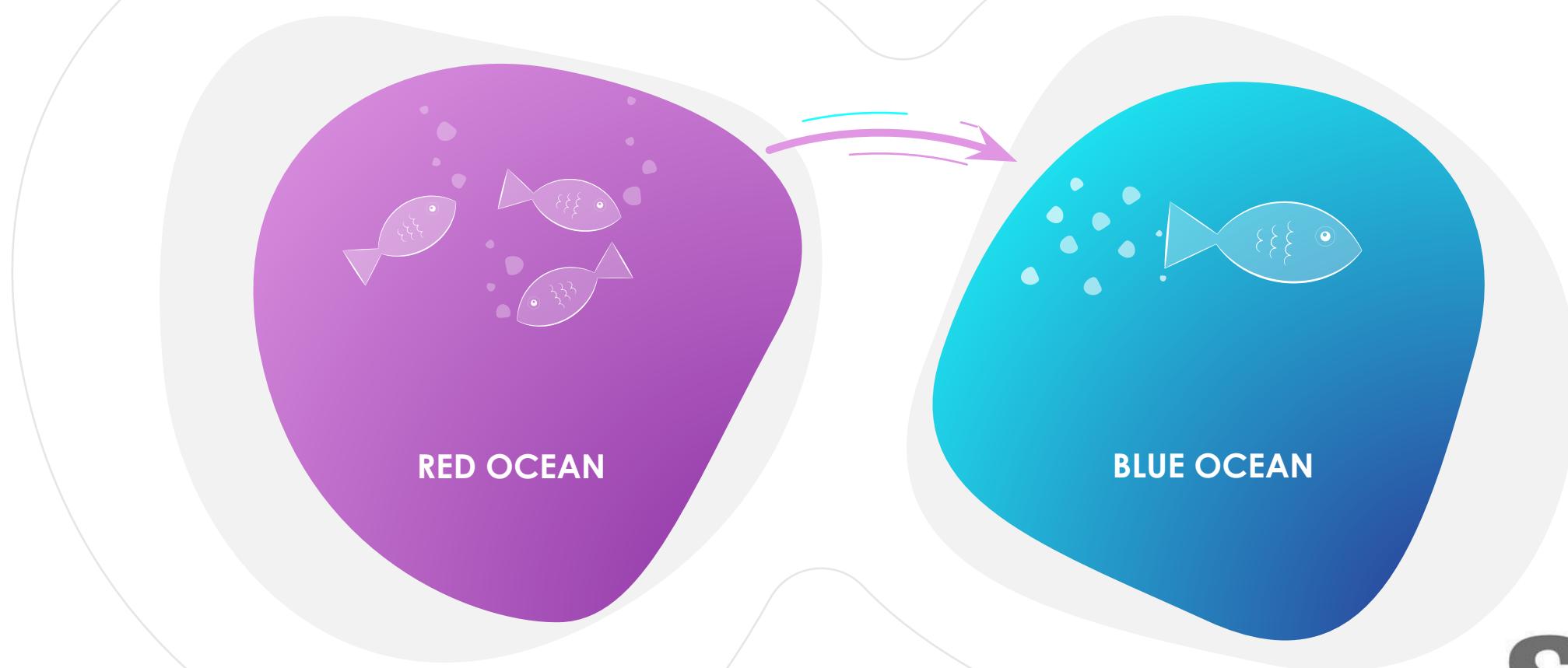


# DIGITAL TAXATION IN THE PLATFORM ECONOMY

Presented by Craig Wilson

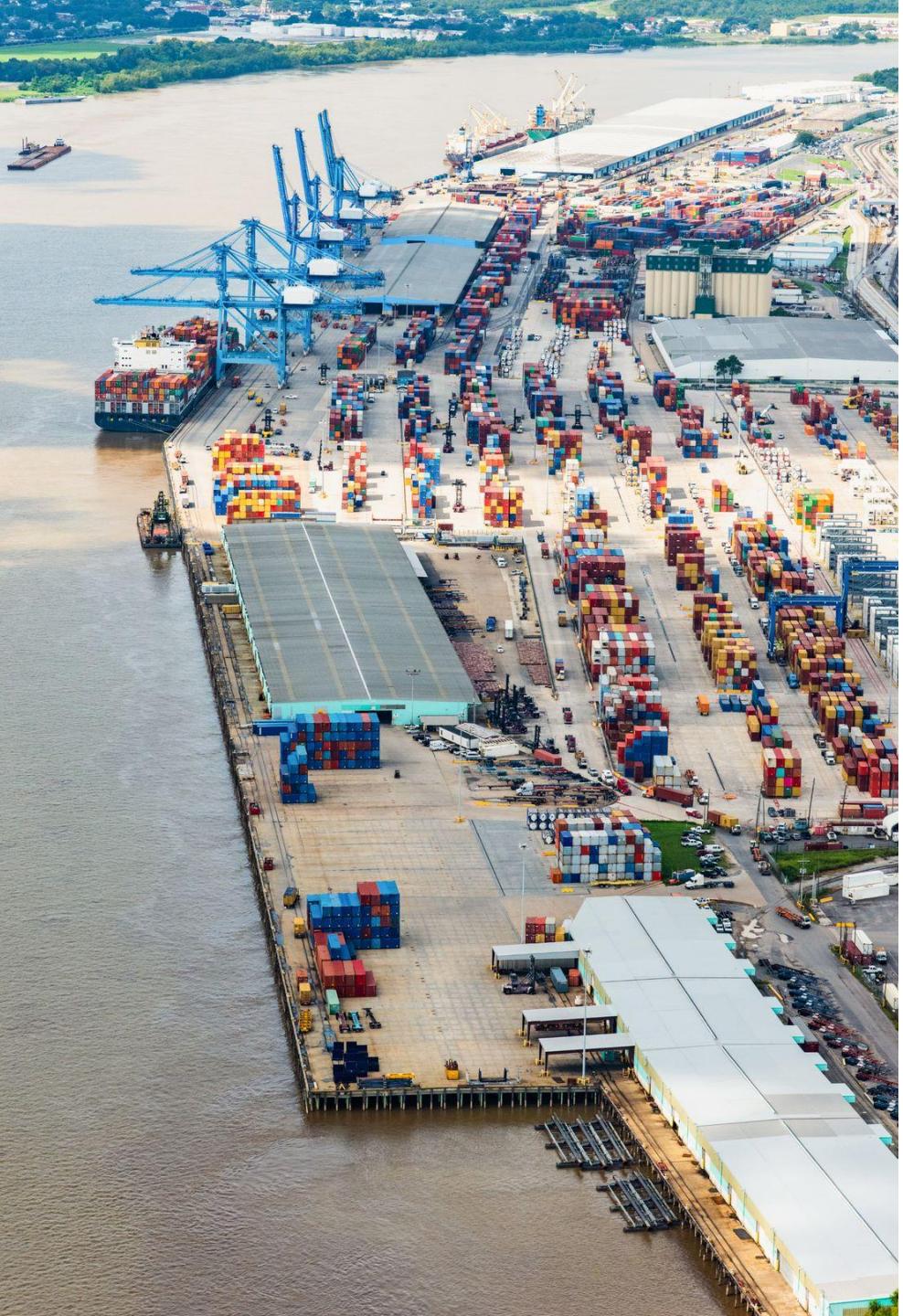
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WHEN YOU NEED TO BE SURE

**SGS**



## Background

- In 2023, three (3) billion emerging market consumers will be online.
- Digitally influenced purchases to a staggering US\$3.9 trillion.
- In April 2020, eCommerce retail sales in North America rose year over year by triple digits.
- Rapidly developing new industry, e-commerce is also an important international trade mode for many countries.

## Governments: Mission and Challenges

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- Unstructured data, fake documents, paper documents, small parcels, declared value below the legally taxable threshold.
- Customs are overwhelmed and cannot trust eCommerce transactions.
- Customs Clearance is slow, can takes several days.
- Some reputable merchants consider this channel as too risky.
- Elevated risks to loose parcels.
- Fraudsters exploit this situation.



# e-Invoicing solution

## Cross-border electronic Invoicing

- SGS E-Invoicing plays a central role by interfacing with the e-commerce platforms to enhance trust and to deliver electronic invoices to competent Authorities with substantial benefits.
- SGS verifies independently the vendors' legal existence.
- SGS ensure that data is gathered from the source and reported unaltered on the eInvoices.
- Customs can trust SGS Cross Border eInvoice integrity.





## Cross-border e-Invoicing solution

- Adoption of the standard eInvoice format facilitates inspection by the Authorities.
- eInvoice data can be integrated in the Customs Management System for pre-clearance and automated checks.
- SGS eInvoice can enable automatic calculation of Duties & Taxes for advance payment.
- SGS eInvoice facilitates Central Bank verification to approve payments abroad.



## How does e-Invoicing work?

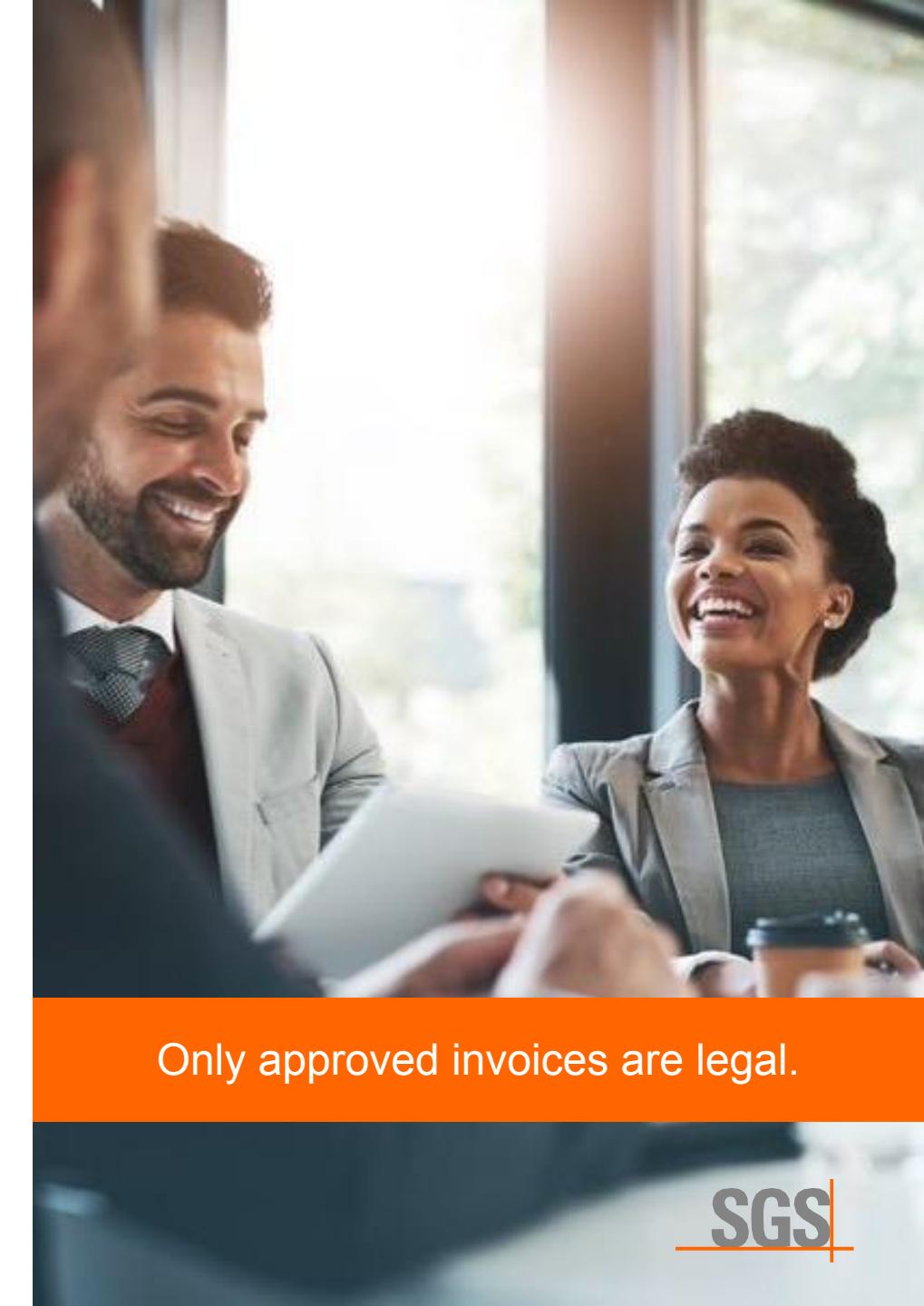
- e-Invoicing is the electronic exchange of an invoice in a prescribed format between a supplier and a buyer based in two different countries.
- Electronic invoices are digitized, easy to manage, processed automatically and transmitted instantaneously.



Digitization provides governments with greater control over transaction compliance and facilitates revenue mobilization.

## How does e-Invoicing work?

- The legal and concrete existence of suppliers of goods and services abroad is verified and authenticated.
- Once authenticated, suppliers can issue approved electronic invoices, ensuring:
  - A single, non-forgeable invoice shared with the competent authorities and the buyer.
  - Structured and comprehensive data.
  - The integrity of electronic invoices (no subsequent modification is possible).



Only approved invoices are legal.

# Cross-Border e-Invoicing' process



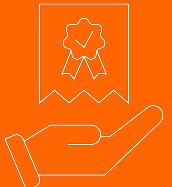
# Authentication of Suppliers and Invoice Processing



Worldwide Authentication  
of Suppliers



Clear digitally signed  
structured eInvoice  
in required format



Delivery of cleared  
eInvoice

- Enrolment and verification of global suppliers, applying the related regulations of the importing country – certificate valid for one year.
- Perform clearance of final commercial invoice from valid suppliers in structured electronic format with legally required content.
- Return cleared eInvoice with unique identifier to supplier for transmission to buyer.
- Transmit cleared eInvoice to the Government for processing by authorized banks and public authorities.



## The government agent

Regulations should be enforced by local authorities to mandate e-Invoicing for customs clearance processes and/or international bank transfers.

The regulation will allow **service provider** to :

- Interact and verify all foreign entities issuing invoices.
- Manage the electronic invoicing platform.
- Receive, validate and authenticate electronic invoices to be shared with all stakeholders.

Cross-border e-invoices for international trade transactions are « certified »



## Key benefits of e-Invoicing

The reliability of electronic invoices contributes to :

- Increase the collection of customs duties and taxes.
- Strengthen the control over the balance of payments.
- Consolidate customs risk management.
- Support trade facilitation.
- Collect trade data and statistics.

# References

The CBN Enrolment Portal enables trade suppliers to and from Nigeria to apply for authentication and, subject to approval, to access the e-Invoicing Platform in view of issuing e-invoices through an easy-to-use web application.

Please refer to relevant CBN regulations on e-invoicing for international trade in Nigeria, as well as to the Terms and Conditions on the next page.

If you are not yet a user of the CBN e-Invoicing Platform, please start registration now.

**REGISTER**

**Registration steps**

- Identify Company and Accept terms**  
The new user must accept the terms of use and enter the data necessary to begin the registration process
- Fill in company details**  
Please complete the details with which to register the user associated with the company. Please also state a valid email account.
- Submit application**  
Your request will be checked by the platform administrator and following approval you will receive an email with the platform access credentials

To contact us, please email us at:  
[einvoicing.ng@sgs.com](mailto:einvoicing.ng@sgs.com)

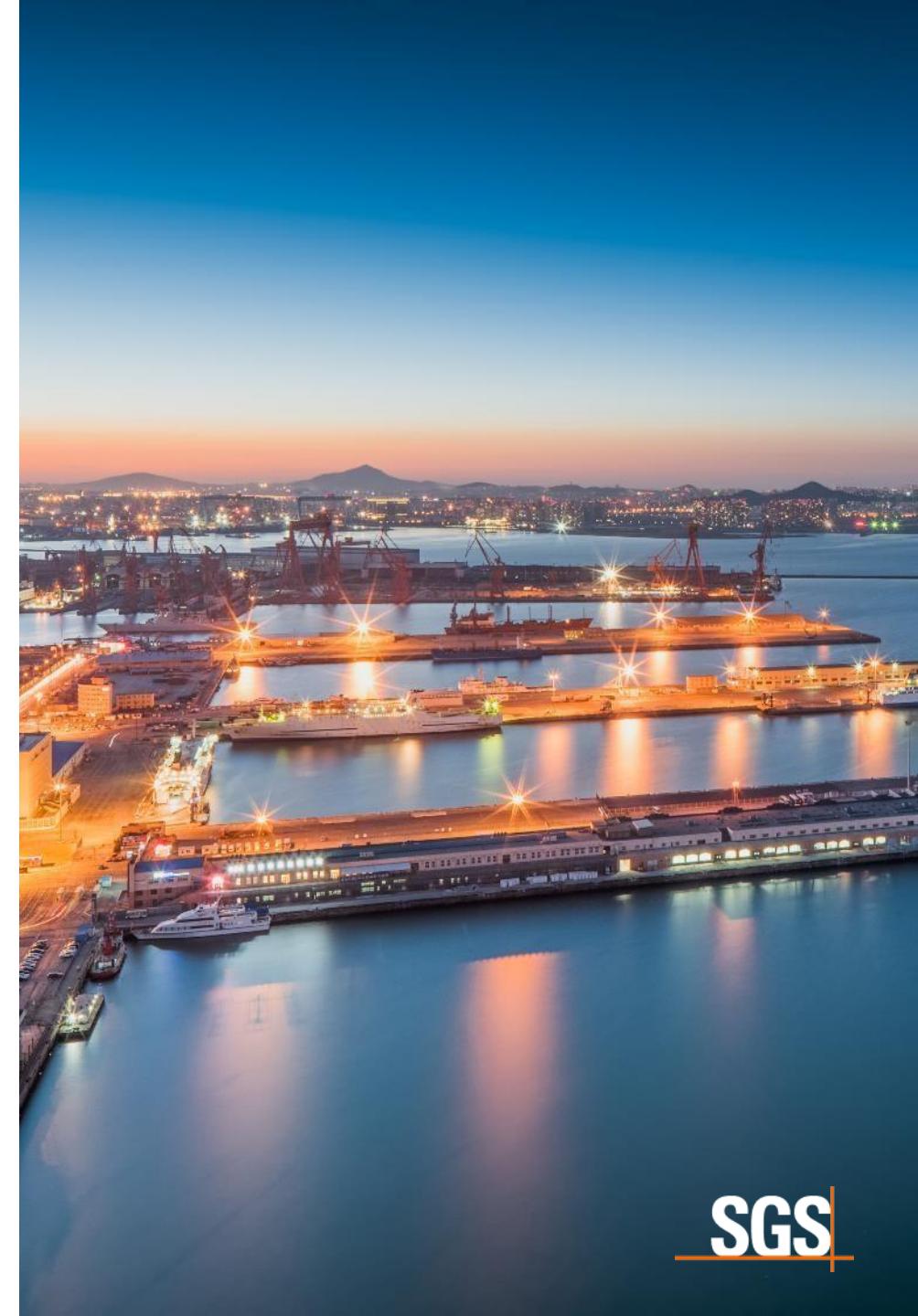
- **Central Bank of Nigeria**
- **Implemented since February 2022**



<https://youtu.be/jqB6Hig6v2k>

# Competent Authorities

- Ministry of Finance.
- Customs and Tax Authorities.
- Central Banks.
- Zero cost to Government.



# About SGS

We are SGS – the world's leading testing, inspection and certification company :

- Specialists in helping businesses large and small.
- Industry leader with reputation for integrity.
- Consistency in audits.
- Flexibility to meet unique needs.
- Most recognized registration worldwide.



**Nº1**

World leader



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Employees



**2 600**

Offices and laboratories



**11**

Global industries



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Local Expertise**



Craig Wilson  
SGS  
SiMS Technologies Business  
Development Director  
[Craig.Wilson@sgs.com](mailto:Craig.Wilson@sgs.com)  
+255767811147

Way forward



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