



**Spectrum
Auditing**

UAE e-INVOICING . Q&A

Demystifying the 5-Corner Model



23 straight answers to the questions accountants and finance teams keep asking about the UAE's e-Invoicing rollout.

01

QUESTION 01 OF 23

Do companies need to replace their ERP to implement E- Invoicing, and what if they don't have a sophisticated ERP system?

Not necessarily. Most businesses can keep their existing ERP — an E-Invoicing platform can connect through APIs, file uploads, or other integrations and convert invoice data into the required structured format. If a company doesn't have a sophisticated ERP, many platforms also let users create invoices directly in the portal or upload simple templates (for example, Excel), which are then converted into the correct electronic format.

02

QUESTION 02 OF 23

Can these platforms work with different accounting or ERP systems, and how do they support organizations with multiple branches or legal entities (including VAT groups)?

Yes. E-Invoicing platforms can integrate with a wide range of accounting and ERP systems, so businesses can adopt e-invoicing without disrupting existing workflows. They also typically support multi-entity setups, allowing you to configure multiple branches/legal entities (including separate tax registrations) within one platform while maintaining the appropriate compliance and reporting per entity. For VAT groups, integration is generally handled at the legal-entity level — each member entity typically needs its own endpoint/integration via a UAE Accredited Service Provider.

03

QUESTION 03 OF 23

There are many mandatory fields in the Data Dictionary. If some data can't be integrated, can businesses fill it in manually?

All mandatory business fields must still be provided by the seller to the Accredited Service Provider. How you provide the data — through integration, file upload, or manual entry — depends on what you agree with your ASP, including the format and structure.

04

QUESTION 04 OF 23

How does the system ensure the invoice data is correct before sending it?

All mandatory business fields must still be provided by the seller to the Accredited Service Provider. How you provide the data — through integration, file upload, or manual entry — depends on what you agree with your ASP, including the format and structure.

05

QUESTION 05 OF 23

Once an invoice is generated, how long does it take to reach the customer?

In most cases, delivery is almost instant. Once the supplier generates the invoice, it is transmitted through the Accredited Service Provider (ASP) and the Peppol network, validated, and routed to the buyer's service provider for delivery to the buyer's system — typically within seconds, provided both parties are connected.

06

QUESTION 06 OF 23

Can users track what happens after an invoice is sent, and what if it is rejected due to an error?

Yes. The system usually provides status updates showing whether the invoice has been sent, received, accepted, or rejected. If the invoice is rejected, the platform will indicate the reason; you can correct the information and resend the invoice without needing to recreate everything from scratch.

07

QUESTION 07 OF 23

Large companies generate hundreds of invoices every day. Can these systems handle bulk processing?

Yes. Most E-Invoicing platforms support bulk uploads through direct integration with ERP systems, allowing businesses to process large volumes efficiently.

08

QUESTION 08 OF 23

What happens if the system fails or the network is temporarily unavailable?

Most E-Invoicing platforms have contingency procedures. If there is a temporary system or network issue, invoices are typically queued and transmitted once the connection is restored. Businesses should also maintain internal controls so invoices generated during downtime can be processed when the system becomes available again.

09

QUESTION 09 OF 23

Many companies worry about data privacy. How secure is the information in an E-Invoicing system?

Security is a core requirement in the UAE framework. Accredited Service Providers must comply with strict security standards, including encryption, secure transmission protocols, and controlled system access. Invoice data is exchanged through certified networks, and only authorized participants can access it.

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QUESTION 10 OF 23

If a mistake is discovered after an invoice has been issued, can it be edited?

Generally, once an invoice is officially transmitted, it cannot be altered. Corrections are typically made by issuing a credit note and, if needed, generating a revised invoice.

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QUESTION 11 OF 23

How should scenarios be handled where an invoice is partially rejected by the buyer?

Credit notes are the standard mechanism. There is no concept of cancelling an invoice; adjustments should be made through credit notes.

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QUESTION 12 OF 23

Since B2B sales sometimes occur via POS systems, will integration with POS systems be necessary?

This should be agreed between the taxpayer and their service provider as part of the solution architecture. If the taxpayer is in scope for E-Invoicing, all in-scope B2B transactions should pass through the E-Invoicing network, even if they originate from a POS environment.

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QUESTION 13 OF 23

What should companies do before go-live (including internal training) and will there be a testing/transitional phase?

Companies should review their invoicing processes, confirm their ERP/accounting system can generate the required structured data, and ensure all mandatory Data Dictionary fields can be captured (via integration, upload, or manual entry as agreed with their service provider). They should also train finance, billing, and IT teams on invoice creation, handling validation errors/rejections, credit notes, and monitoring invoice status. Finally, they should complete end-to-end testing with their Accredited Service Provider during the pre-go-live testing/transitional phase to resolve early issues before launch.

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QUESTION 14 OF 23

If a supplier sends an E-Invoice but the customer is not yet connected to the network, what happens?

The supplier can still generate the invoice through the E-Invoicing system. If the buyer is not connected to the exchange network, the invoice may be shared through alternative methods like email or PDF, while the structured data is still maintained for compliance.

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QUESTION 15 OF 23

Can the system handle invoices in different currencies for international clients?

Yes. E-Invoicing platforms support multiple currencies. Invoices can be issued in the required currency while still including the tax information needed for local compliance.

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QUESTION 16 OF 23

Let's say the buyer side (Corner 3) rejects an E-Invoice — what should the supplier do in that situation?

If Corner 3 rejects the invoice, that submission is treated as closed — so you don't issue a credit note. Instead, the supplier (Corner 1) should fix whatever caused the rejection and then resubmit the invoice using the same invoice number and the same identifier.

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QUESTION 17 OF 23

When Corner 3 rejects an invoice, who actually takes care of the “rejection closure” in the system?

The supplier’s side handles it — specifically, the supplier’s Accredited Service Provider (Corner 2). Corner 2 sends a Withdraw TDD to Corner 5 (MoF) so the tax data that was previously submitted is formally closed.

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QUESTION 18 OF 23

Here’s a tricky one: what if Corner 3 rejects the invoice, but Corner 5 still accepts the tax data — what’s the “final” status?

In this model, Corner 5 (MoF) is validating the TDD (tax data), while Corner 3 is validating the invoice and business rules. So if Corner 3 says “rejected” but Corner 5 says “accepted,” the operational outcome is still rejection — Corner 3’s rejection wins. Then Corner 2 sends a Withdraw TDD to Corner 5 to close the tax data, and Corner 1 corrects the invoice and resubmits it.

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QUESTION 19 OF 23

After a rejection, can you keep the same invoice number — or do you have to create a brand-new invoice?

You can reuse the same invoice number after rejection. The idea is to correct the issue and resubmit — there's usually no need to generate a completely new invoice number just because it was rejected.

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QUESTION 20 OF 23

People ask this a lot — once something is submitted, can you “withdraw” an invoice?

You don't withdraw the invoice itself — but you can withdraw the TDD (Tax Data Document). That's done by sending a Withdraw TDD, which effectively pulls back the tax data submission.

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QUESTION 21 OF 23

Timing-wise, how fast does all of this need to happen – what are the key time limits we should know?

The TDD needs to be sent to Corner 5 within 15 minutes. You should typically expect an MLS response in about 10 minutes. If there's no response, the approach is to retry sending the TDD every 15–20 minutes until you get confirmation.

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QUESTION 22 OF 23

Can MLS be used to reject an invoice for commercial reasons – like pricing or quantity disputes?

No – MLS is for technical validation only. If it's a commercial dispute (for example, wrong price, quantity, or terms), that's handled outside MLS – typically through normal business resolution and, where needed, credit notes.

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QUESTION 23 OF 23

What's the biggest misconception people have about the UAE E-Invoicing model?

The biggest misconception is thinking, “If Corner 5 accepts it, then the invoice is final.” In reality, you generally don’t cancel — you correct the issue and resubmit (and withdraw the TDD if needed), especially if the buyer-side validation (Corner 3) fails.

Still have questions about e-Invoicing?

Our audit and tax advisory team can walk your business through the 5-Corner Model, ASP selection, and go-live readiness.

[Get in touch →](#)



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