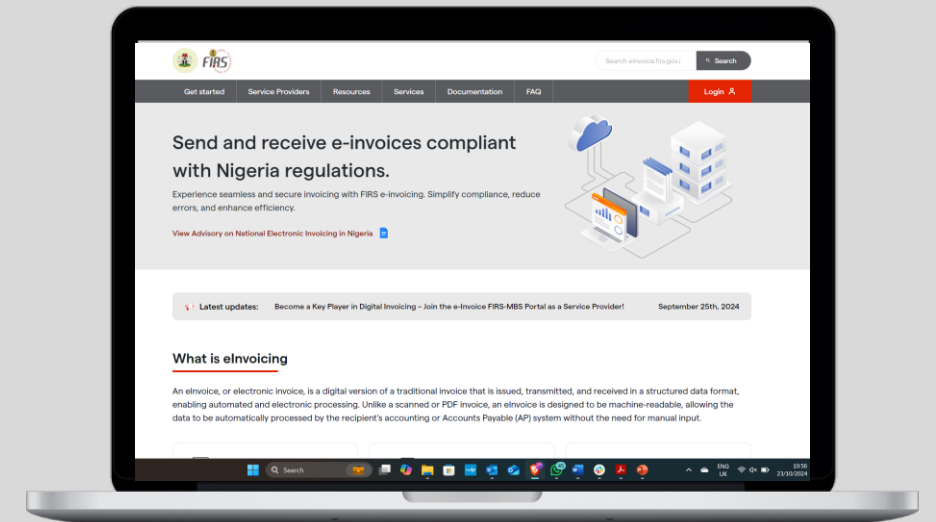


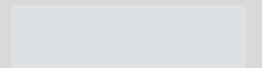


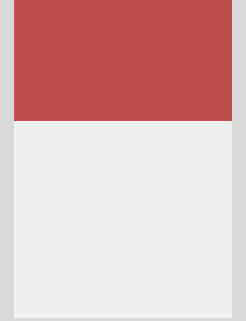
Technical Presentation

Merchant Buyer Solution e-Invoicing System



April 2025





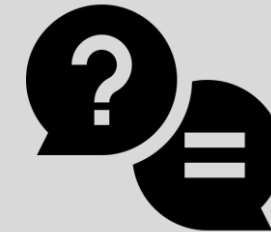
Before We Get Started



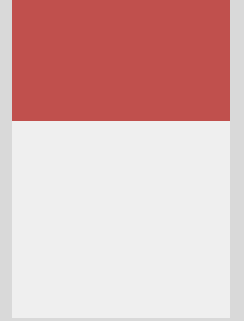
The **presentation** will be shared afterwards with all participants.



You will get the slides via the **email** you used to register for attendance.



If you have any questions, there will be a **Q&A session**, we will address them.



Key features of the solution

The MBS e-invoicing is considered in two parts:

- the eInvoice itself
- the mechanism for sending and receiving an eInvoice

The system is designed to be a secure, scalable, and intelligent to integrates seamlessly with existing business and financial systems.



Peppol-Based
e-Invoicing Network.

**Invoice
Exchange**



Structured
(UBL Format)

**Invoice
Generation**

Technical

Presentation

Essential Definitions



E-invoice

An invoice in a structured format that is issued, transmitted, and received electronically.

Benefits

Auto-issued & received

Faster processing (ERP-Linked)

Significantly lower costs

Greater visibility



INVOICE
Invoice ID: #1234567890

INVOICE TO

Marceline Anderson
+123-456-7890

hello@reallygreatsite.com
123 Anywhere St, Any City

PRODUCT	PRICE	QTY	TOTAL
Logo Design	₦ 100.00	1	₦ 100.00
Business Magazine Design	₦ 60.00	2	₦ 120.00
Business Card	₦ 125.00	1	₦ 125.00
Website Page	₦ 30.00	4	₦ 120.00

PAYMENT METHOD

Sub-TOTAL
TAX (7.5%)
TOTAL

₦ 465.00
₦ 93.00
₦ 558.00

Name

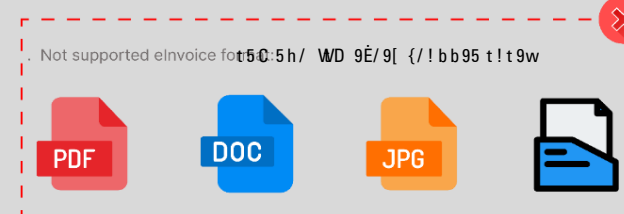
Abubakar Yusuf

id Bank

: 123-456-7890

Bank

ID Bank



```
2  "business_id": "{{TEST_BUSINESS_ID}}",
3  "irn": "{{TEST_IRN}}",
4  "issue_date": "2025-01-29",
5  "due_date": "2025-03-29", //optional
6  "issue_time": "17:59:04", //optional
7  "invoice_type_code": "396",
8  "payment_status": "PENDING", //optional, defaults to pending
9  "note": "dummy_note (will be encrypted in storage)", //optional
10 "tax_point_date": "2024-05-14", //optional
11 "document_currency_code": "NGN",
12 "tax_currency_code": "NGN", //optional
13 "accounting_cost": "2000", //optional
14 "buyer_reference": "buyer REF IRN?", //optional
15 "invoice_delivery_period": {
16   "start_date": "2024-06-14",
17   "end_date": "2024-06-16"
18 }, //optional
19 "order_reference": "order REF IRN?", //optional
20 "billing_reference": {
21   {
22     "irn": "ITW001-E9E0C803-20240619",
23     "issue_date": "2024-05-14"
24   },
25   {
26     "irn": "ITW001-E9E0C803-20240619",
27     "issue_date": "2024-05-14"
28   } //optional - second value to ...x in array is always optional
29 }, //optional
30 "accounting_supplier_party": {
31   "party_name": "Test Pls", //optional if id is set
32   "tin": "5550001-0007",
33   "email": "supplier_business@email.com",
34   "telephone": "+23480254099000", //optional, must start with + (meaning country code)
35   "business_description": "this entity is into sales of Cement and building materials", //optional
36   "postal_address": {
37     "street_name": "32, omonikoko street", //optional if id is set
38     "city_name": "Gwarikpa", //optional if id is set
39     "postal_zone": "023401", //optional if id is set
40     "country": "NG" //optional if id is set
41   } //optional if id is set
42 },
43 "accounting_customer_party": {
44   "party_name": "Test Pls", //optional if id is set
45   "tin": "5550001-0007",
46   "email": "business@email.com",
47   "telephone": "+23480254099000", //optional, must start with + (meaning country code)
48   "business_description": "this entity is into sales of Cement and building materials", //optional
49   "postal_address": {
50     "street_name": "32, omonikoko street", //optional if id is set
51     "city_name": "Gwarikpa", //optional if id is set
52     "postal_zone": "023401", //optional if id is set
53     "country": "NG" //optional if id is set
54   } //optional if id is set
```

```
{,
  "period": {
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    "start": 1698825600
  },
}
```

Supported eInvoice format:



Ensuring a transparent and accountable tax ecosystem through e-invoice.



Essential Definitions

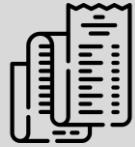


E-invoicing Solutions

Accounting software installed on PCs, phones, or tablets, and cloud-based platforms. Examples of e-invoicing solutions include online cash registers, virtual cash registers on tablets.



Essential Definitions



Simplified Tax Invoice

A B2C invoice is issued by a business to a consumer, including simplified tax elements such as seller details, invoice number, date, goods or services description, total amount, and applicable taxes.

Seller details only
(Name & Address)

SIMPLIFIED TAX INVOICE

ABC ENTERPRISES IRN: INV001-9MTH78H9-20250422 Invoice Reference Number (IRN)
456 Commerce St. 24/04/2024 Issue Date
Anytown, Lagos
TIN: 12345678-0001 +234 801 234 5678 Buyer details, minimum identity

Description of goods/services

DESCRIPTION	QTY	AMOUNT
Product 1	2	30,000.00

Total Excluding Tax: ₦ 30,000.00 Total amount excluding tax
VAT@7.5% ₦ 2,250
Total Amount Due ₦ 32,250.00 Total amount due

QR Code generated using Cryptographic Key to encrypt IRN.TimeStamp

Essential Definitions



Tax Invoice

B2B invoice typically issued by one business to another, containing required tax details like seller and buyer information, invoice number, date, description of goods or services, quantity, price, tax rates, and total payable.

Full details of the supplier (TIN, address, etc.) – Accounting Supplier Party

Full details of the supplier (TIN, address, etc.) – Accounting Supplier Party

INVOICE

Supplier
ABC LIMITED
TIN: 123456789-0001
123 LAGOS STREET
IKEJA, LAGOS
100001

Buyer
XYZ ENTERPRISES
TIN: 123456789-0001
456 ABUJA ROAD
MAITAMA, ABUJA
900001

Issue Date
2024-04-24

Invoice Reference Number (IRN)
INV001-9MTH78H9-20250422

QR Code generated using Cryptographic Key to encrypt IRN.TimeStamp

DESCRIPTION	QTY	UNIT PRICE	AMOUNT
Product A	10	₦ 5,000	₦50,000
Service B	10	₦ 3,000	₦30,000
		Withholding of 5%	₦4000
		VAT @7.5%	₦6000
TOTAL			₦ 90,000

Applicable VAT rate and tax amount

PAYMENT TERMS
NET 30 DAYS

Payment terms

Essential Definitions

IRN

Invoice Reference Number

An Invoice Reference Number is a unique identifier assigned to each invoice, used to track and validate the invoice in electronic invoicing systems. It ensures the authenticity and traceability of the invoice throughout the invoicing process.

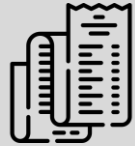
INV001-94ND90NR-20240611

INVOICE NUMBER

SERVICE ID

TIMESTAMP

Essential Definitions



Verifiable QR Code

The QR Code (Cryptographic Stamp Identifier) serves as a secure, verifiable, and tamper-proof mechanism for e-invoice validation, tax compliance, and fraud prevention.



Encrypted IRN + Time Stamp Cryptographic

Essential Definitions

System Integrator

B2B invoice typically issued by one business to another, containing required tax details like seller and buyer information, invoice number, date, description of goods or services, quantity, price, tax rates, and total payable.



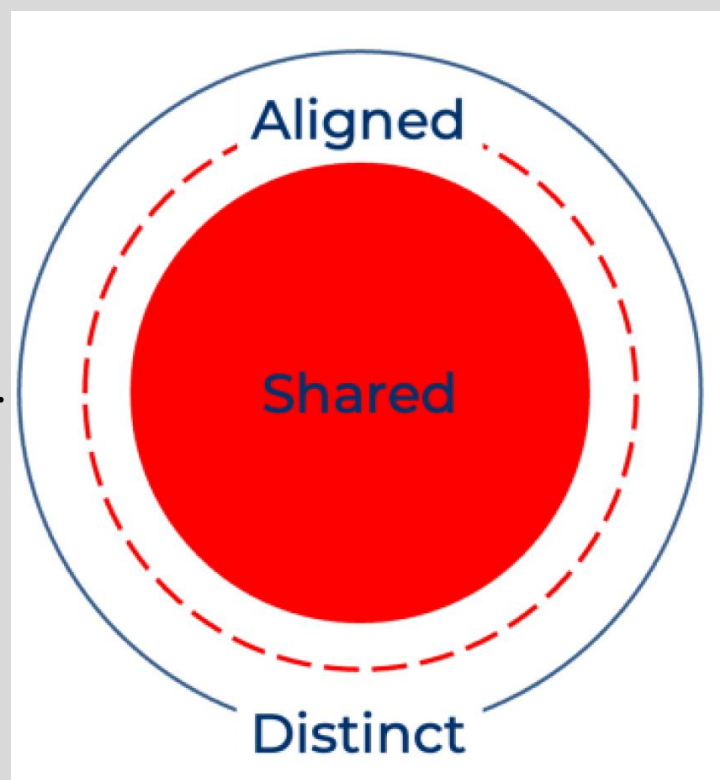
Accesspoint Provider

Access Point Providers are responsible for validating and transmitting invoices. They also serve as the gateway that links businesses' e-invoicing solution with the broader e-invoicing infrastructure mandated by the government.

Model Adopted

FIRSMBS E-Invoice Data Model

The **shared** element covers around **80%** of invoice content. Content around trading parties, items, prices and amounts.



The **aligned** element is legally driven, with the content around tax information that varies across jurisdictions, but can be aligned. This typically covers around **15%** of invoice content.

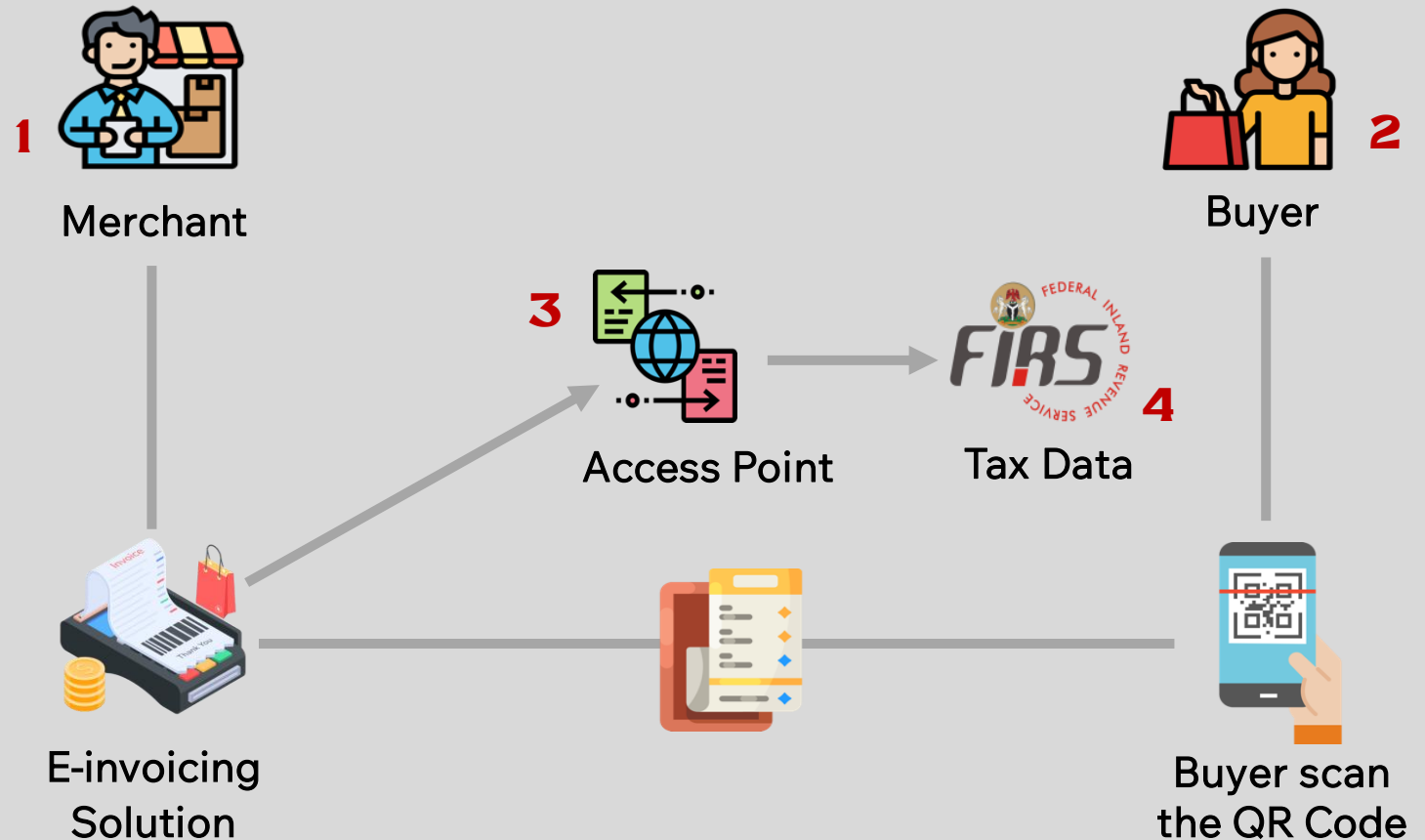
The **distinct** element covers around **5%** of invoice content, typically in relation to organisational identifiers that are jurisdiction-specific.

Model Adopted - Continuous Transaction Controls (CTC)

Business-to-Consumer (B2C)

Enables merchants to automate invoicing for high-volume consumer transactions, ensuring accuracy and tax compliance.

The merchant reports the e-invoice to FIRS near-real time via an integrated e-invoicing solution with FIRS-MBS.

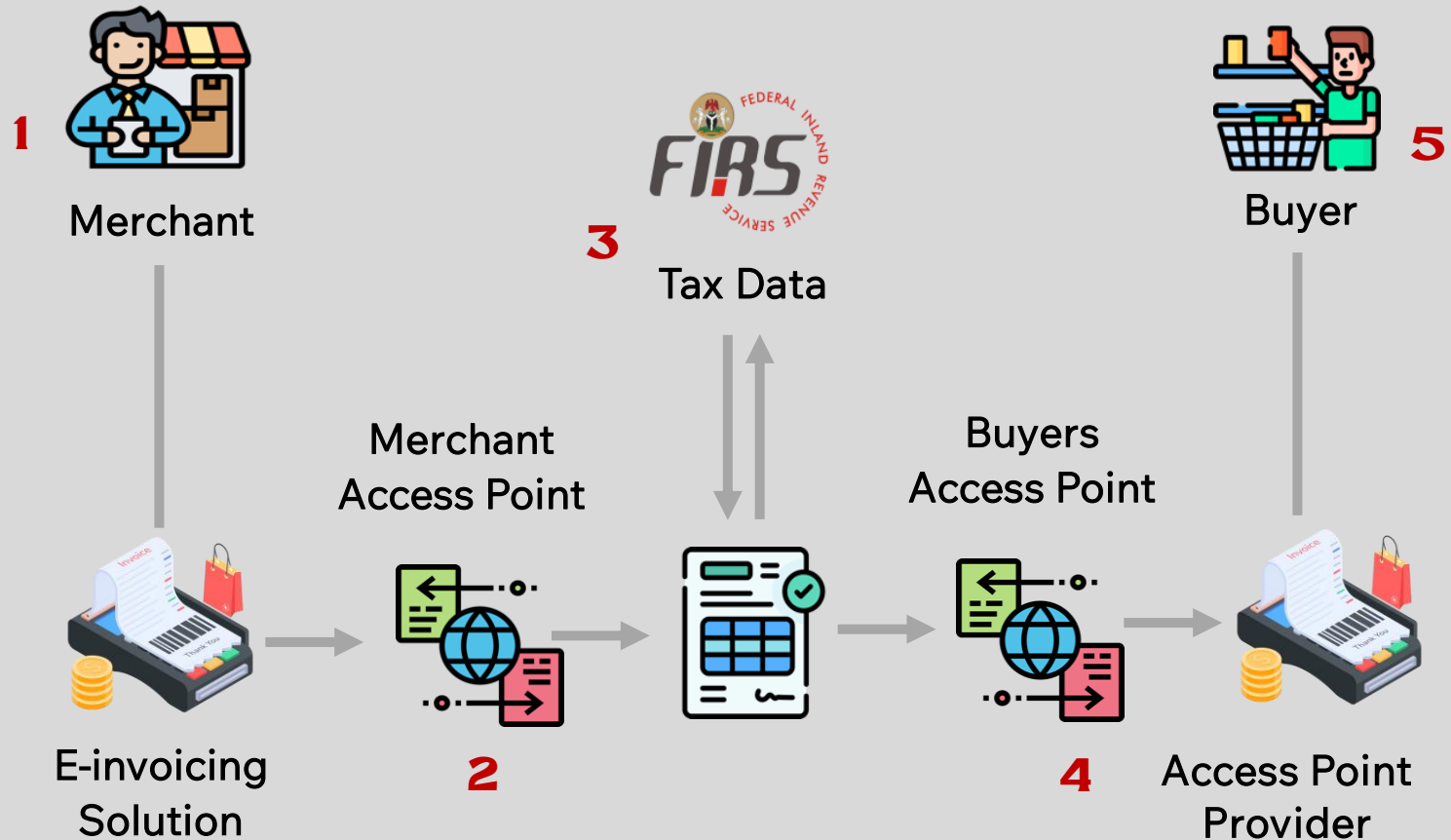


Model Adopted - Continuous Transaction Controls (CTC)

Business-to-Business (B2B)

Facilitates transactions between Merchants and Buyers, ensuring tax-compliant, standardized invoicing for large-scale transactions.

E-invoice is automatically sent from the supplier's system to the buyer's system without any human interaction



Standard Adopted



UBL (Universal Business Language)



WORLD CUSTOMS ORGANIZATION

WCO Harmonized System (HS) Code



GDPR & NDPA



ISO 20022



ISO 27001



Legal Entity Identifier (LEI)

Benefits of E-Invoicing to the FSI

1 Enhanced Efficiency and Cost Reduction

E-invoicing systems automate the entire invoicing process, eliminating the need for manual entry, reducing errors, and speeding up payment cycles. For instance, the UK's Royal Bank of Scotland (RBS) has successfully implemented the **RBS EIPP** (Electronic Invoice Presentment and Payment) platform.

2 Expansion of Financial Services

E-invoicing generates valuable data that banks can use to offer additional services such as invoice financing, credit scoring, and working capital management. In Kenya, Equity Bank uses data from its Equity E-invoicing platform to provide microloans to SMEs. This has improved financial inclusion and driven economic growth.

Benefits of E-Invoicing to the FSI (Contd.)

3 Risk Reduction and Compliance

FIRSMBS ensures compliance with tax regulations and reduces the risk of fraud by creating a transparent, auditable trail of transactions. In Mexico, the implementation of mandatory e-invoicing through platforms like **Factura Electronica** has drastically reduced tax evasion and increased compliance. Banks that offer such services benefit from enhanced trust and client retention.

4 Facilitating Cross-Border Trade

FIRSMBS streamline cross-border transactions, which is crucial as Nigeria integrates more closely with the African Continental Free Trade Area (AfCFTA). Banks like Deutsche Bank in Europe have successfully implemented the **db-eBills platform**, facilitating seamless international trade within the EU by simplifying invoicing and payments across borders.

Global and Regional Examples



United Kingdom: **Royal Bank of Scotland** has implemented the RBS EIPP platform.



Mexico: The adoption of **Factura Electronica** has been pivotal in reducing fraud and tax evasion.



Sweden: **SEB Bank** in Sweden, which also supports e-invoicing through the PEPPOL network.



South Africa: **Standard Bank** has successfully used its Payables Financing platform to integrate e-invoicing with financing options.



Kenya: **Equity Bank** has leveraged its Equity E-invoicing platform to offer microloans to SMEs.



Norway, Nordea's & DNB e-invoicing solutions are designed to help businesses automate their invoicing processes.

Adoption Strategy



Partnerships: Collaborate with fintech companies and government agencies to develop robust e-invoicing platforms tailored to the Nigerian market, ensuring compliance with local regulations.



Customer Education: Launch educational initiatives to inform clients about the benefits of e-invoicing, offering training and support to facilitate the transition from manual to digital processes.

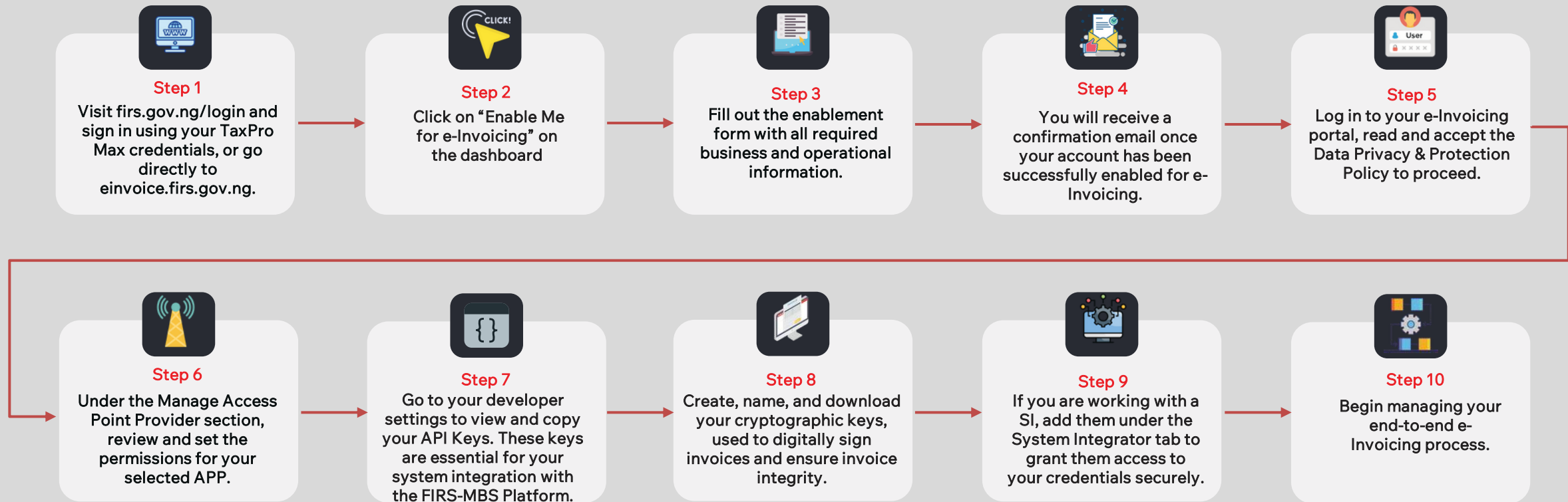


Customization: Launch educational initiatives to inform clients about the benefits of e-invoicing, offering training and support to facilitate the transition from manual to digital processes.



Value-Added Services: Utilize e-invoicing data to offer new financial products, such as invoice financing, credit scoring, and working capital management, to meet the specific needs of Nigerian businesses.

How to Onboard





VISIT – elinvoice.firs.gov.ng

NOTE

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