



ERP TAX TECHNOLOGY · COMPLIANCE · CONFIGURATION GUIDE

E-Invoicing Implementation in SAP S/4HANA and Oracle Fusion ERP

*A comparative reference for implementation teams: regulatory drivers,
system architecture, and the configuration steps required in both platforms*

SAP S/4HANA

Oracle Fusion ERP

DOCUMENT

E-Invoicing – SAP / Oracle

VERSION

1.0

DATE

June 20, 2026

Table of Contents

1. Introduction and Scope
2. The Global E-Invoicing Landscape
3. E-Invoicing in SAP S/4HANA
4. E-Invoicing in Oracle Fusion ERP
5. Side-by-Side Comparison
6. Required Master Data and Tax Configuration
7. Required Transactions, Setup Tasks and Tables
8. Integration Architecture
9. Testing, Cutover and Monitoring
10. Conclusions and Next Steps

Note: This guide reflects publicly available product information as of June 2026. E-invoicing mandates and the corresponding SAP/Oracle product capabilities evolve frequently; always confirm current scope, country coverage, and configuration steps against SAP Help Portal, Oracle Cloud documentation, and the relevant tax authority before starting an implementation.

1. Introduction and Scope

Electronic invoicing (e-invoicing) has shifted from a competitive advantage to a statutory obligation in a growing number of jurisdictions. Tax authorities increasingly require invoices to be issued, transmitted, and in many cases cleared or reported in real time, in structured formats such as XML or UBL, rather than as PDF or paper documents. This is commonly referred to as **Continuous Transaction Control (CTC)**.

This document provides a vendor-neutral functional reference for implementation teams working with the two ERP platforms most commonly deployed in large enterprises: **SAP S/4HANA** (via SAP Document and Reporting Compliance, formerly SAP Document Compliance / eDocument Framework) and **Oracle Fusion Cloud ERP** (via its native tax and e-invoicing capabilities, increasingly complemented by embedded partner solutions). The objective is to describe, at functional and configuration level, what needs to be set up in each platform to support compliant e-invoicing, and to highlight where the two approaches converge or diverge.

OUT OF SCOPE

This document does not replace a country-specific legal or tax advisory engagement. Mandate dates, format requirements, and clearance models differ materially by country and change frequently; always validate against current local regulation and the latest SAP/Oracle release notes.

2. The Global E-Invoicing Landscape

More than 90 countries now require some form of real-time invoice reporting or continuous transaction control, and the pace of new mandates has accelerated. A few illustrative examples relevant to large multinational rollouts:

- **Italy** – Sistema di Interscambio (SDI): mandatory B2B/B2G/B2C clearance via the FatturaPA XML format, in force since 2019.
- **Poland** – Krajowy System e-Faktur (KSeF): mandatory from February 2026 for large enterprises and from April 2026 for other VAT taxpayers.
- **Germany** – phased mandatory B2B e-invoicing under the Wachstumschancengesetz, with reception capability required from 2025 and issuance obligations phasing in through 2027–2028.
- **European Union** – the ViDA (VAT in the Digital Age) package is progressively introducing EU-wide digital reporting requirements for intra-community transactions.
- **Saudi Arabia, Egypt, India, Brazil and others** – well-established clearance or reporting models (ZATCA Fatoora, e-Invoice/ETA, IRN/e-Invoice, NF-e) that continue to expand in scope.

Two broad model families recur across countries: the **clearance model** (the invoice is validated or cleared by, or via, the tax authority before or at the moment it reaches the buyer – e.g. Italy, India, Saudi Arabia) and the **reporting model** (the invoice is exchanged directly between trading partners, often via a network such as Peppol, with the relevant data separately reported to the tax authority – common in several EU member states).

***Note:** Because clearance and reporting models impose different timing and data requirements, the target architecture in both SAP and Oracle typically needs to support both patterns in parallel for a multinational rollout.*

3. E-Invoicing in SAP S/4HANA

3.1 SAP Document and Reporting Compliance (DRC)

SAP's strategic solution for e-invoicing and statutory reporting is **SAP Document and Reporting Compliance (DRC)**, the evolution of the former SAP Document Compliance and eDocument Framework. DRC is available both for S/4HANA on-premise/private cloud and as a Cloud Edition for S/4HANA Cloud Public Edition. It provides a single framework to create, process, and monitor electronic documents and periodic regulatory reports across a large number of countries from one cockpit.

3.2 Functional building blocks

- **eDocument Cockpit** – central monitoring app to track the status of outbound/inbound electronic documents (generated, submitted, accepted, rejected) and reprocess failed documents.
- **eDocument Framework** – the underlying technical layer that extracts invoice data from the FI/SD billing document, maps it to the target XML/UBL schema, and manages the document lifecycle.
- **Communication arrangements / scope items** – in S/4HANA Cloud Public Edition, country scenarios are activated as scope items (for example, scope item 5XU for SAP Document and Reporting Compliance), with a communication arrangement configured for each integration endpoint.
- **SAP Integration Suite (Cloud Integration / CPI)** – middleware layer that hosts country-specific integration flows, performs schema validation, and manages connectivity with tax authority platforms, Peppol access points, or third-party compliance providers.

3.3 Typical implementation steps

1. Activate the relevant DRC scope item / business function for the target country and edition (Public Cloud scope item, or the on-premise eDocument business function).
2. Install, configure, and deploy the country-specific integration flow in SAP Integration Suite, maintaining separate test and production endpoints (most providers expose distinct sandbox and production URLs).
3. Configure the communication arrangement and communication system in S/4HANA pointing to the Integration Suite tenant.
4. Maintain value mappings (for example tax codes, unit of measure, payment terms) between SAP internal codes and the codes expected by the target XML schema.
5. Complete the required master data: company code tax registration numbers, customer/vendor tax IDs, address formatting, and digital certificates where the local mandate requires digital signature.
6. Configure output determination (BRF+ or classic output control) so that billing documents trigger eDocument generation automatically at the correct point in the process.
7. Test end-to-end in the sandbox endpoint, validate schema compliance, then cut over to the production endpoint with monitoring active in the eDocument Cockpit.

Note: SAP DRC roadmap webinars throughout 2026 have continued to expand country coverage (for example Poland KSeF and Germany), so the list of pre-delivered integration content should be re-checked at project start rather than assumed from prior releases.

4. E-Invoicing in Oracle Fusion ERP

4.1 Native tax and e-invoicing capabilities

Oracle Fusion Cloud ERP addresses statutory and tax requirements primarily through the **Oracle Fusion Tax** engine (rules-based tax determination, reporting, and configuration) combined with country-specific localizations and, for the e-invoicing transmission layer, **Oracle Collaboration Messaging Framework (CMK)**, which interfaces invoice data out of Fusion to a target system (a government platform, an access point, or a compliance partner).

4.2 Embedded and partner-based e-invoicing

Because building and maintaining native clearance integrations for dozens of jurisdictions is costly, Oracle has increasingly partnered with specialized e-invoicing/CTC providers that embed directly into Fusion Cloud ERP, reducing the need for separate middleware projects:

- **Thomson Reuters ONESOURCE Pagero** – natively available inside Oracle Fusion Cloud ERP for global e-invoicing and CTC compliance, alongside ONESOURCE Indirect Tax Determination, with no separate middleware required.
- **Avalara E-Invoicing and Live Reporting** – integrates via CMK: invoices generated in Fusion are extracted in XML format, transmitted through CMK, validated, and submitted to the tax authority by Avalara.
- **Thomson Reuters ONESOURCE Pagero embedded solution** (announced for early 2026) – the first embedded e-invoicing solution purpose-built to streamline Oracle Fusion Cloud workflows.

4.3 Typical implementation steps

1. Define the legal entity, business unit, and tax regime setup required for the target country in Oracle Fusion Tax (tax regimes, tax types, tax rates, tax rules).
2. Configure the customer/supplier tax profile: add the Tax Registration Number and required tax registration subtype for each trading partner that will receive or send e-invoices.
3. Enable the relevant invoice processing opt-in feature (for example, Customer Invoice Processing) at customer account level so that transactions are flagged for e-invoicing.
4. Configure Collaboration Messaging Framework (CMK): trading partner setup, message types, document definitions, and the outbound interface that extracts invoices into the required XML structure.
5. If using an embedded partner solution (ONESOURCE Pagero, Avalara, etc.), complete the partner-side onboarding and Domain Value Mapping (DVM) – mapping Fusion values (tax rate codes, currency codes, country codes, freight/payment terms) to the values expected by the trading partner or tax authority schema.
6. Validate end-to-end in a non-production environment using the provider's test endpoint, then promote configuration to production and activate live transmission.

Note: Oracle's go-to-market direction in 2026 favors embedded, natively licensed compliance partners over bespoke middleware integrations; confirm with Oracle and the chosen partner which delivery model (native embedded vs. CMK-based integration) applies to the country and Fusion release in scope.

5. Side-by-Side Comparison

Dimension	SAP S/4HANA	Oracle Fusion ERP
Core solution	SAP Document and Reporting Compliance (DRC)	Oracle Fusion Tax + Collaboration Messaging Framework (CMK), increasingly complemented by embedded partners
Monitoring cockpit	eDocument Cockpit (single app for status tracking and reprocessing)	Distributed across Fusion Tax, CMK message monitor, and partner portal (e.g. Pagero, Avalara)
Integration layer	SAP Integration Suite (Cloud Integration) with pre-built country flows	CMK outbound interface, or native embedded partner connectivity (no separate middleware)
Activation mechanism	Scope item activation (Cloud) or business function (on-premise)	Tax regime / tax rule setup plus opt-in feature at customer/supplier level
Value mapping	Value mapping tables per country in the eDocument Framework	Domain Value Mapping (DVM) tables per country, often maintained on the partner side
Typical strength	Strong out-of-box country coverage for large enterprise on-premise/private cloud landscapes	Strong native tax engine plus rapidly expanding embedded compliance partner ecosystem

6. Required Master Data and Tax Configuration

Regardless of platform, the quality of the underlying master data is the single most common cause of e-invoice rejection. The following elements must be complete and accurate before go-live in either system:

- Legal entity / company code registered name, address, and tax registration number exactly as held by the tax authority.
- Customer and vendor tax identification numbers (VAT ID, fiscal code, GSTIN, CNPJ, etc., depending on country) maintained in the correct format and validated where possible.
- Tax codes / tax rate codes mapped consistently to the categories expected by the target XML schema (standard rate, reduced rate, exempt, reverse charge, and so on).
- Unit of measure, currency, payment terms, and delivery terms codes mapped to the controlled vocabularies required by the schema (UBL code lists, national code lists).
- Digital certificates for digital signature or secure transmission, where the local mandate requires them, renewed and monitored for expiry.
- Bank account and payment information where the e-invoice schema requires embedded payment instructions.

COMMON PITFALL

Expired or misconfigured digital certificates, and inconsistent tax code mapping between the ERP and the target schema, are consistently reported as the leading causes of e-invoice transmission failure across both SAP and Oracle implementations.

7. Required Transactions, Setup Tasks and Tables

7.1 SAP S/4HANA – relevant transactions and tables

Code / Object	Purpose
EDOC_COCKPIT	eDocument Cockpit: monitor and reprocess outbound/inbound electronic documents
SPRO > Cross-Application Components > General Application Functions > eDocument	Customizing node for eDocument Framework: source, process, value mapping
OAER / SCOA	Output control / output management configuration linking billing to eDocument generation
BRF+ (Business Rule Framework plus)	Configure rule-based output and process determination for eDocuments
SOAMANAGER / Communication Arrangement app	Configure the communication system/arrangement to SAP Integration Suite
EDOINVMAP / EDOC_VALMAP (Fiori app: Value Mapping)	Maintain value mapping between SAP codes and target schema codes per country
EDOC_HDR / EDOC_LOG (underlying tables)	Header and processing log data for individual eDocuments, used for troubleshooting
BUPA / KNA1 / LFA1	Business partner / customer / vendor master tables holding tax registration data

7.2 Oracle Fusion ERP – relevant setup tasks and objects

Setup Task / Object	Purpose
Manage Tax Regimes / Manage Taxes / Manage Tax Rules (Fusion Tax)	Define the tax regime, tax types, rates and determination rules for the target country
Manage Customers > Tax Profile > Tax Registration	Maintain customer tax registration number required for e-invoice issuance
Manage Legal Entity Tax Profiles	Configure legal entity-level tax registration and reporting attributes
Collaboration Messaging Framework (CMK) setup	Configure trading partners, message types and document definitions for outbound e-invoice transmission
Domain Value Mapping (DVM)	Map Fusion values (tax rate code, currency, country, payment/freight terms) to trading-partner/schema values, per country
Manage Receivables Lookups – XML_DELIVERY_STATUS and related lookup types	Track delivery/transmission status of generated e-invoices
Customer Invoice Processing opt-in	Customer-level flag enabling automatic e-invoice generation on AR transactions
BI Publisher / Oracle Transactional Business Intelligence (OTBI)	Extract and report on tax registration data, invoice status, and compliance exceptions

Note: Exact menu paths and setup task names can vary slightly between Fusion releases (quarterly update cycle); always cross-check against the release notes for the target update.

8. Integration Architecture

Both platforms follow a broadly similar architectural pattern: the ERP system generates the invoice and the underlying business data, a middleware or embedded compliance layer transforms and validates the data into the required structured format, and the data is transmitted to the tax authority, a clearance platform, or directly to the trading partner (often via a network such as Peppol).

Layer	SAP S/4HANA	Oracle Fusion ERP
Source transaction	FI / SD billing document (invoice, credit memo)	Receivables (AR) / Payables (AP) transaction
Transformation & validation	eDocument Framework + SAP Integration Suite integration flow	CMK extraction + partner-side transformation (or native embedded engine)
Transmission	Integration flow connects to tax authority / Peppol access point / provider API	CMK / embedded partner connects to tax authority / Peppol access point / provider API
Status feedback	eDocument Cockpit reflects accepted/rejected status from the authority	CMK message monitor and/or partner portal reflects status; can be surfaced via OTBI

For multinational rollouts, it is common to separate test and production endpoints completely (distinct credentials, distinct URLs, distinct certificates) on both platforms, and to maintain a country-by-country activation plan rather than a single global cutover, given that mandate dates differ materially across jurisdictions.

9. Testing, Cutover and Monitoring

9.1 Test strategy

- Unit test each value mapping / DVM entry against sample transactions covering all tax scenarios in scope (standard rate, reduced rate, exempt, reverse charge, cross-border).
- Schema validation testing against the official XSD/UBL schema published by the tax authority or network operator, ideally automated as part of the integration flow.
- End-to-end testing in the provider's sandbox/test endpoint, including negative testing (deliberately malformed data) to confirm error handling and reprocessing behavior.
- User acceptance testing with the AP/AR and tax teams, focused on the exception-handling workflow (rejected invoice correction and resubmission).

9.2 Cutover considerations

- Plan country-by-country go-live aligned to statutory mandate dates rather than a single big-bang cutover across all countries.
- Freeze master data changes (tax registration numbers, certificates) in the days immediately before cutover.
- Keep a manual fallback process documented and approved by the tax/finance team for the stabilization period immediately after go-live.

9.3 Ongoing monitoring

After go-live, both platforms require continuous monitoring of transmission status and exception volumes: the eDocument Cockpit in SAP, and the CMK message monitor or partner portal in Oracle. Establishing a clear operational ownership model (who reviews rejected documents daily, who renews certificates, who tracks upcoming mandate changes) is essential, since e-invoicing is a live compliance process rather than a one-time project deliverable.

10. Conclusions and Next Steps

Both SAP S/4HANA and Oracle Fusion ERP provide credible, actively evolving paths to compliant e-invoicing, but neither is a pure "turn it on" feature: both require deliberate configuration of tax data, master data, value/domain mappings, and integration connectivity, and both increasingly lean on a layer of specialized compliance content — SAP through its own Document and Reporting Compliance integration flows, Oracle through native Fusion Tax capabilities complemented by embedded partners such as Thomson Reuters ONESOURCE Pagero and Avalara.

Recommended next steps for an implementation team:

1. Build a country-by-country mandate map (clearance vs. reporting model, go-live dates, format requirements) for all jurisdictions in scope.
2. Confirm current product coverage and the recommended delivery model with SAP (DRC scope items / integration flows) and Oracle (native Fusion Tax vs. embedded partner) for each country.
3. Assess master data quality (tax registration numbers, customer/vendor tax profiles) and remediate gaps before configuration begins.
4. Run a pilot in one or two lower-risk countries to validate the end-to-end architecture before scaling to the full country footprint.
5. Define the steady-state operating model for monitoring, exception handling, and certificate/mandate change management post go-live.

Note: Given the pace of regulatory change (over 90 countries now enforce some form of continuous transaction control, with new mandates taking effect roughly every quarter), this document should be treated as a point-in-time reference and revisited at the start of every new country rollout.