Docuten

BUNDLE CLOUD

THE CONSTRUCTION INDUSTRY

E-invoicing, SII & digital signature

INDEX

INTRODUCTION

The constant development of new technologies and innovation aimed at improving our daily lives is a steadfast reality. As new needs arise, more and more user-friendly tech solutions crop up to satisfy them. Companies that do not adapt to this ever-evolving business landscape get left behind.

Traditionally the construction industry has been characterised by tendencies to maintain the status quo and resist change. While that may be true, more and more companies are incorporating new technologies and advancements to improve the way they work.

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As companies and institutions promote technology in industries where previously everything had been done on paper, many businesses are now being required to adopt new measures and introduce innovative practices.

This whitepaper outlines **what obligations exist in the industry for electronic invoicing, which companies are affected and how your company can meet these requirements**. We also show you how to digitise your business with Docuten's secure, legal and user-friendly digital solutions.

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ELECTRONIC INVOICING

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ELECTRONIC INVOICING

1.1. WHAT IS AN ELECTRONIC INVOICE?

While this term has been used in various ways, two definitions are particularly useful in explaining exactly what an electronic invoice is.

The **Spanish Tax Agency** offers a more comprehensive explanation, describing an electronic invoice as:

"a tax document generated by computer means in electronic format which replaces a physical paper document, but retains the same legal validity with certain added security features not present in a paper invoice."

Alternatively, the **Financial Department at Garrigues Law Firm** defines an e-invoice as an invoice

"that has been issued and received in electronic format, without being subject to the use of a specific technology."

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Beginning in **2003,** it has been possible to **invoice electronically** in Spain with **full legal and fiscal validity**. Since that time, legislation regarding electronic invoicing has been advancing rapidly. Here are some of the most important developments:

- Since **2009, using a digital signature is not mandatory** for an electronic invoice to be valid.

- Technological complexity **is no longer a barrier** to e-invoicing.

- Since **2015** it is **mandatory to send electronic invoices** to **public administration** clients**.**

- The **Accounting Register** for Invoices in the Public Sector was created.

- **FACe** and other invoice entry points were created. FACe is a general entry point for electronic invoices; it is an online platform that allows e-invoices to be submitted to any entity of the General State Administration through the same place.

- In **2018**, the new Contract Law that includes **FACeB2B** came into force. FACeB2B is a platform that acts as a general entry point for electronic invoices between companies.

1.2. FACeB2B

1.2.1. What is FACeB2B?

On March 9, 2018, the new Contract Law (published in the BOE on November 9, 2017) entered into force in Spain. The law includes FACeB2B, **a platform that acts as a general entry point for electronic invoices between companies**. It began to be used on June 30, 2018.

The platform has two objectives:

1 First, to **facilitate the submission of invoices from subcontractors to the main contractor:** FACeB2B acts as a single electronic registry that certifies the date on which subcontractors submit invoices to main contractors, and forwards invoices to the recipient (in line with the format for e-invoices indicated in the business directory).

2 Second, to **encourage the use of electronic invoicing between companies, and simplify the process**: FACeB2B has been designed to function as an invoicing distribution hub for clients or invoicing services companies that opt to use the system for B2B provision of goods or services that are not outlined in Law 9/2017.

The FACeB2B system also safeguards invoices presented and sent until they are downloaded by the recipient.

The system does not corroborate the validity of the signature when delivering invoices, so all invoices in e-invoice format are accepted.

Once the invoice is downloaded, however, the authenticity of your electronic signature will be verified, and a validity report issued. If the invoice doesn't receive a favorable report, it may be rejected according to the user's guidelines. The user is able to choose whether or not to approve invoices, or automatically reject invoices deemed invalid.

1.2.2. Who is obligated to use FACeB2B?

Subcontracted companies that work for vendors contracted by the General State Administration and public administration offices are required to issue electronic invoices to such vendors through FACeB2B **when the amount exceeds 5.000€**. They also must present invoices in an administrative register.

1.2.3. How to operate with FACeB2B

To send invoices it is not necessary to enroll in FACeB2B or register with public administration offices. The only requirement is that you use an e-invoicing service from an Invoicing Services Company (ISC) like Docuten.

To receive invoices, however, you must register in the Directory of Entities to obtain your DIRe code, and after, register in FACeB2B. You must then authorise an Invoicing Services Company (ISC) to connect on your behalf to FACeB2B to download invoices sent to your DIRe units.

The DIRe is an alphanumeric code that uniquely identifies each company receiving invoices and each Invoicing Services Company. When sending invoices, it is mandatory to indicate the DIRe of the recipient (the receiving company). You can search for the DIRe and company information in the Directory of Entities.

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1.3. USE CASES: FINANCE/ACCOUNTING

Invoice procedures often entail a heavy administrative burden for financial departments. Docuten enables companies to automate these processes while adapting to the different invoicing formats and requirements of their various clients. Docuten also operates as an official invoicing services company, and is audited for the purposes of invoicing through the FACeB2B platform.

1.3.1. Sending and receiving e-invoices

1.3.1.1. Sending electronic invoices

Docuten facilitates the sending of invoices to public or private clients through a single platform, eliminating printing and delivery costs, and giving companies more control over the process. Invoices can be generated manually or automatically:

GENERATING INVOICES MANUALLY

Invoices can be generated manually through a form. What to include in the invoice will be indicated on the form: required and optional information, attached files, etc.

GENERATING INVOICES SEMI-AUTOMATICALLY

Docuten enables users to upload a file with the relevant information, so you don't have repeatedly generate invoices on the platform. If a company's management system allows for the invoice to be exported in a txt, XML, or CSV format, it can be imported into the platform.

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A. Invoicing in the public sector

You can send invoices through Docuten to the general entry points for electronic invoices for public administration offices:

1 The platform lets you bill though a **system that is simple and legal.**

2 **Status updates from public administration offices**: clients receive information on the status of invoices as soon as the entry point updates the system.

3 The platform supports **leading e-invoicing formats:**

- E-invoice versions 3.1, 3.2, 3.2.1 and 3.2.2

- Invoices in signed PDF format

- Also compatible with European UBL/CII format

Docuten

B. Invoicing in the private sector

Docuten facilitates the sending of invoices to any type of client, with all invoices saved and safegaurded in one place. It operates in conjunction with other private billing platforms, sending invoices to clients through their chosen means:

- FACeB2B

- Attached to an email

- API Rest

- FTP (sFTP)

- AS2

- Docuten is also compatible with European standards for e-invoicing (EN19631, Peppol)
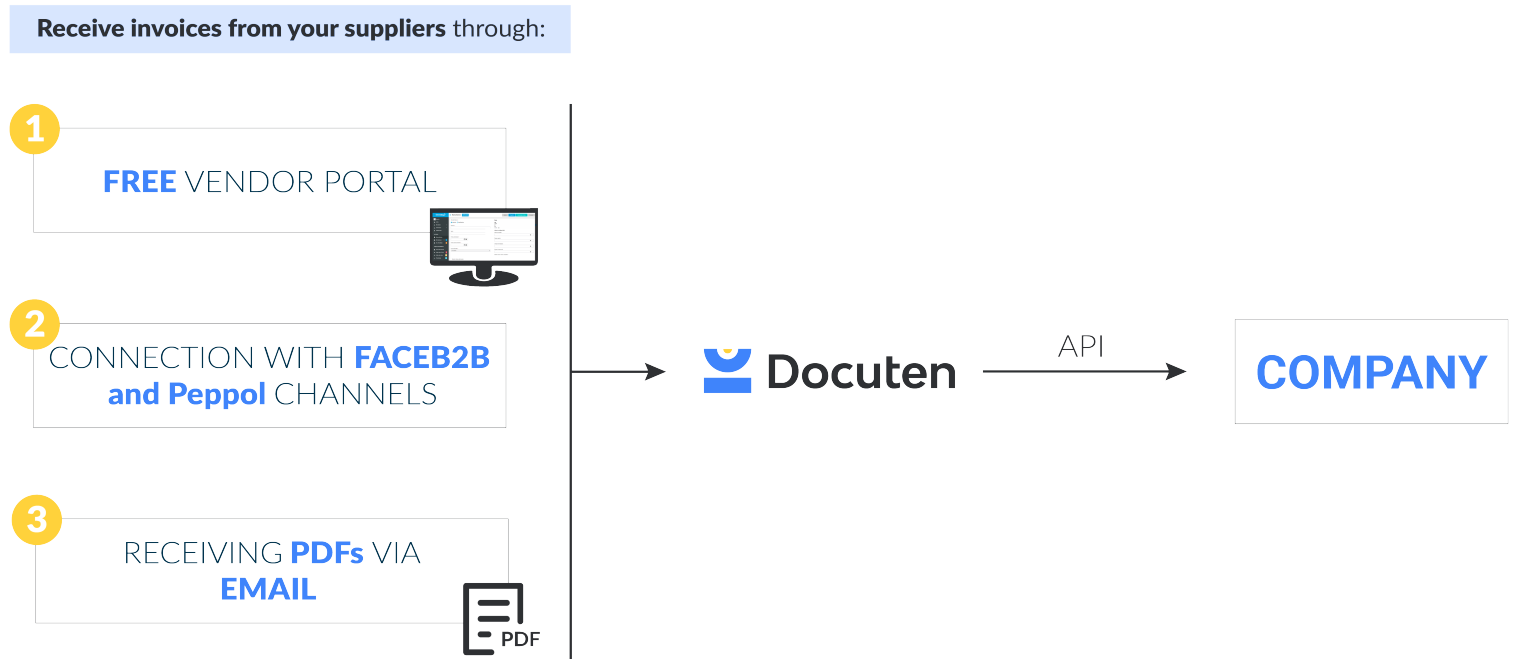
1.3.1.2. Receiving electronic invoices

! COMMON PROBLEM

Receiving invoices manually is often a **complex process that involves a substantial investment of time and money** for company finance departments.

✓ SOLUTION

Automating and digitising incoming e-invoices **simplifies the process** and provides **multiple benefits for both our clients and their vendors**. Better management and organisation for every invoice received, on a single platform.

Receive invoices from your suppliers through:

1 **FREE** VENDOR PORTAL

2 CONNECTION WITH **FACEB2B and Peppol** CHANNELS

3 RECEIVING **PDFs** VIA **EMAIL**
PDF

Docuten → API → **COMPANY**

WAYS TO RECEIVE E-INVOICES WITH DOCUTEN

1   **Vendor Portal**

If your vendors do not have a specific solution for e-invoicing, they can do so through our Docuten platform for free.

2   **Connect with FACeB2B & Peppol channels**

At Docuten we connect to FACeB2B and PEPPOL channels. If your vendors handle e-invoicing through these channels, they can connect to our platform so you can receive invoices automatically.

3   **Receive invoices in PDF format: OCR reader**

An OCR (Optical Character Recognition) reader is technology that allows you to convert physical documents, PDF files or images, into digital format with editable data.

How it works: your vendor sends a PDF invoice as an email attachment to a Docuten account that identifies the client. We process the emails received to then send along to the OCR connector that extracts the information from the PDF.

Docuten

1.4. ADVANTAGES TO E-INVOICING

Research indicates that in 2017 using electronic invoicing contributed to a savings of 775.5 million euros and 570,303 management hours for invoices received, and 440.2 million euros and 92,127 management hours for invoices issued. Moreover, eliminating of the use of paper "significantly" reduced environmental impact.

Source: Diario Expansión

In addition to facilitating compliance with current requirements, e-invoicing has many advantages over traditional invoicing:
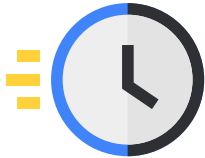
Streamline administrative processes with clients and public administration offices. The process of printing an invoice, mailing it, receiving it and processing it is automated and done electronically, drastically reducing the time needed to manage invoicing. A process that used to take days is now resolved in a matter of minutes.

Greater organisation and control over your invoices. Having all of your invoices organised and stored on a single online platform means better control over and easier access to invoices when needed.

Avoid losing or damaging original documents. Another benefit to having greater control over your invoices is that original documents are safely stored on the platform, intact and available from any device.

Maximum legal protection. We help you meet all e-invoicing obligations your company may have. Additionally, Docuten's signature and invoicing services are completely legal and comply with existing legislation.

Reduce expenses by cutting out the cost of supplies (paper, ink, mail, etc.). Studies indicate between a 1 to 5 and 1 to 10 ratio when comparing the costs of digital vs. paper processes.

Improve employee efficiency and productivity. The time dedicated to managing invoices is reduced, enabling staff to focus on other activities that bring value to the company.

Guarantee the **authenticity and integrity of your invoices** without having to invest in an **electronic certificate for your company**. With our delegated signature, a third party is authorised to digitally sign on behalf of the original signatory. This type of signature holds complete legal validity.

IMMEDIATE SUPPLY OF INFORMATION ON VAT (SII)

2

IMMEDIATE SUPPLY OF INFORMATION ON VAT (SII)

2.1. WHAT IS SII?

SII is the online system in place to electronically declare VAT records.

This system focuses on the obligation to electronically declare information for issued and received invoices, by sending the information to the Tax Agency in Spain (AEAT).

SII allows for immediate communication of operations carried out by companies.

2.2. WHO IS OBLIGATED TO USE IT?

Companies that have to declare and calculate VAT on a monthly basis are required to use SII. These include:

- Large companies, with more than 6 million euros in billing.

- Companies enrolled in the monthly consumption tax refund scheme (REDEME).

- Companies that fall into the category of entities included in Chapter IX of Title IX of the VAT Law.

- Any other company that voluntarily opts to use SII.

2.3. HOW DO YOU INTEGRATE DOCUTEN?

Docuten integrates with your company's management systems and automates the VAT reporting process with AEAT. We offer different formats and channels for integration:

Format: standard Docuten platform formats (CSV, XML), or integration specific to the company's setup.

Channel: integration via web services SOAP, API Rest, sFTP or AS2.

By integrating your systems, **incoming invoices** are automated and you have a record of all your company's billing. In a short period of time (approximately 4 days) you will be able to use the Immediate Supply of Information on VAT system. Docuten's platform connects automatically with the SII to send information.

We also transform the formats exported from your system to the XML format required by the Tax Agency in Spain.

AEAT provides updates on the status of the information sent, indicating whether it has been accepted fully or partially, or if it has been rejected.
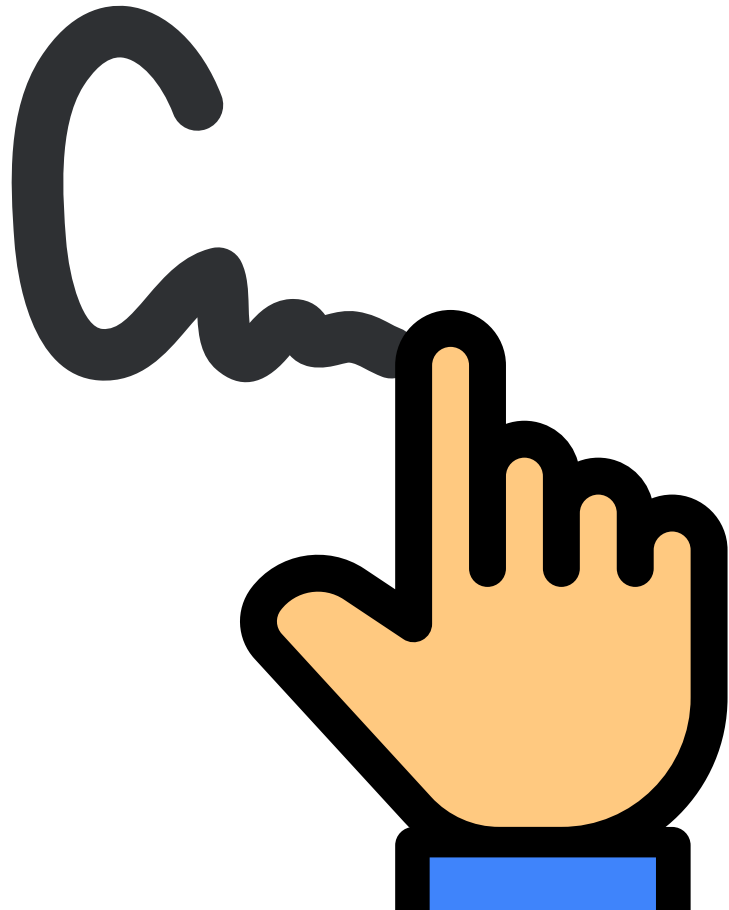
DIGITAL
SIGNATURE

3

DIGITAL SIGNATURE

3.1. WHAT IS A DIGITAL SIGNATURE?

Digital signature is a cryptographic mechanism that lets the recipient of a digitally signed document verify the legal validity and evidentiary weight of a signature. The recipient is able to:

1 Clearly identify the signatory.

2 Guarantee the integrity of the signed document; ensure that it is original and has not been manipulated or altered since its signing.

1.2. WHAT IS A TRUST SERVICE PROVIDER?

As a Trust Service Provider, Docuten establishes the appropriate procedures to guarantee the security of communications, collect evidence every step of the way, register requests and notifications, as well as archive and safeguard all documents as electronic evidence.

DETAILS ABOUT THE SHIPMENTS MADE: Event, date and time, IP address from which it was made and details about which browser and operating system it was made from.

TRUST SERVICE PROVIDER CERTIFICATION: The seal includes the certificate's unique verification code, as well as details of Docuten Tech S.L.

3.3. LEGALITY OF THE DIGITAL SIGNATURE

- **Legal basis**: Docuten's digital signature is outlined in European Regulation eIDAS (Regulation (EU) No. 910/2014 of the European Parliament and of the Council) as well as other international legislation.

- **Legal guarantees**: digital signature ensures **traceability** and guarantees the **integrity of a document**—advantages that only digital technology can offer.

- **Evidentiary validity**: if the **identity of the signatory is in dispute**, time and money spent on handwriting analyses is no longer necessary. Digital technology automatically provides all the evidence needed, eliminating any costs associated with having to consult a traditional handwriting expert.

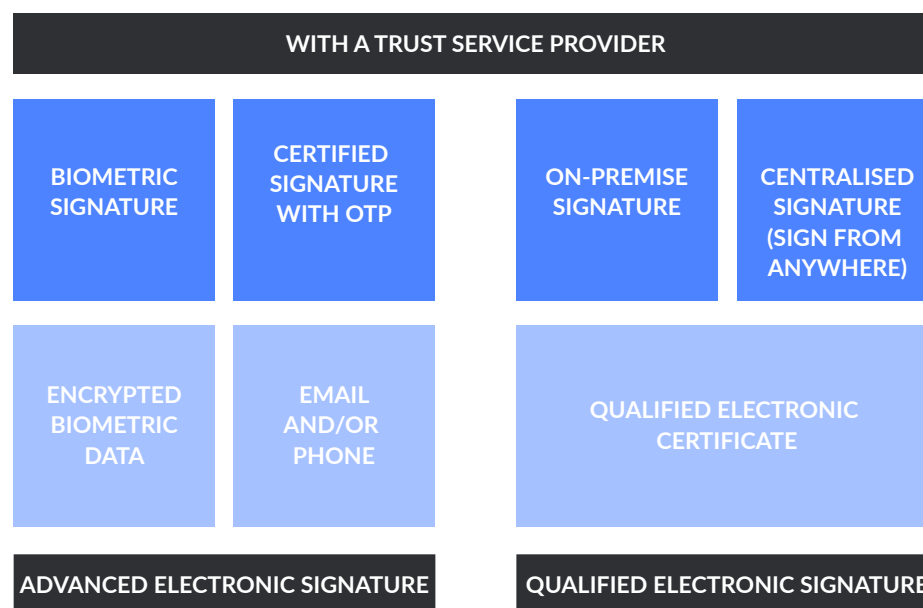Legal guarantees: the digital signature vs. the handwritten signature

Docuten

3.4. TYPES OF DIGITAL SIGNATURE

There are several types of digital signature outlined in Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 (eIDAS). All of Docuten's solutions comply with the eIDAS regulation, as well as other exisiting international regulations on digital signature. With our service, you can digitally sign documents **using different types of digital signatures, depending on the use case.**

Our **experience and knowledge** on different signature solutions enables us to **expertly advise clients** on which digital signature will best suit their needs.

With our services, clients have the **flexibility** to use different types of signatures for different use cases.

WITH A TRUST SERVICE PROVIDER			
BIOMETRIC SIGNATURE	CERTIFIED SIGNATURE WITH OTP	ON-PREMISE SIGNATURE	CENTRALISED SIGNATURE (SIGN FROM ANYWHERE)
ENCRYPTED BIOMETRIC DATA	EMAIL AND/OR PHONE	QUALIFIED ELECTRONIC CERTIFICATE	
ADVANCED ELECTRONIC SIGNATURE		QUALIFIED ELECTRONIC SIGNATURE	

Docuten

3.4.1. Advanced electronic signature

According to Articule 26 of regulation eIDAS, an advanced electronic signature should fulfill certain **requirements**:

✓   *"it is uniquely linked to the signatory;*

✓   *it is capable of identifying the signatory;*

✓   *it is created using electronic signature creation data that the signatory can, with a high level of confidence, use under his sole control; and*

✓   *it is linked to the data signed therewith in such a way that any subsequent change in the data is detectable."*

Docuten offers **two types of advanced electronic signature**. All of them comply with the legal requirements listed above.

Biometric

with OTP (One-Time Password)

Docuten

Biometric signature

A biometric signature allows you to sign documents with a handwritten signature on any mobile device (tablet or smartphone), and has full legal validity.

The Docuten mobile application sends the signed document with the biometric information encrypted in the document itself, providing complete legal guarantees. This ensures the inalterability of the document since it can't be modified after it is signed.

In addition to biometric information, the device also stores additional data, including the date and time when the document was signed.

Docuten also has a forensic verification tool that can be used by a handwriting expert if there is a legal dispute.

One possible use case for the biometric signature is signing a service contract. The receiver signs through our application with a smartphone or tablet, using his or her finger to sign on the original document, similar to a handwritten signature.
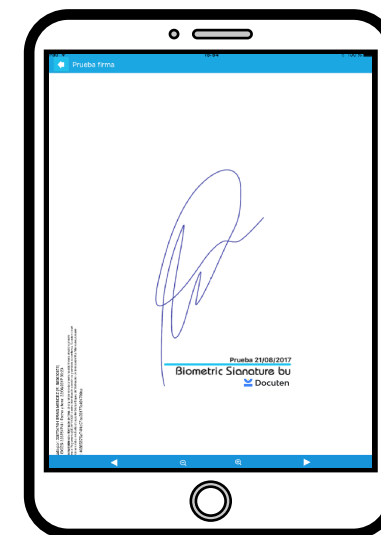
How to sign a document with a biometric signature

Signature with OTP (One-Time Password)

Signature with OTP (one-time password) is a digital signature done by sending a single-use code via SMS or email (depending on the information and preferences defined by the user) to the signatory.

This type of signature is certified on the server, and the identity of the signatory is confirmed through the code required to sign.

It is especially useful for companies with geographically dispersed employees, or cases where the signatories of an employment contract are in different locations.

How to sign a document with OTP in Docuten
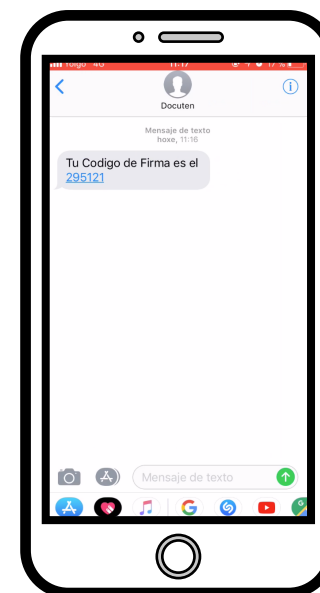
3.4.1. Qualified electronic signature

A qualified electronic signature offers the highest level of security. This security is achieved by using a qualified certificate through a secure signature creation device, which provides these types of signatures with a legality that is equivalent to a handwritten signature.Qualified certificates are issued by a qualified trust service provider. An example are the certificates used to access the services of the Tax Agency in Spain.

Docuten offers two possible uses for signing with a qualified certificate.

First, the certificate can be on site; meaning, on the signatory's own computer. In this way, the signature can only be done from the computer where the certificate is accessible.

Second, Docuten offers the possibility of storing qualified certificate software in the cloud. The certificate is stored on a server, which allows the signatory to access it from any computer or mobile device. Additionally, the certificate remains in the custody of the signatory, as it can only be accessed with the password that the signatory has encrypted. For added security, when the signature is executed, an OTP code is sent to the signatory's mobile to complete the signature process.

Needing to have a qualified certificate can be a requirement that complicates its use for those who sign sporadically. However, it is meant for cases where the verification of the signatory is especially important.

One example is signing commercial contracts.

How to sign a document with your own certificate

3.5. WHAT CAN BE SIGNED

FINANCE DEPT.

Purchase contracts

Continuation agreements

Contractor contracts

Vendor contracts

...

LEGAL DEPT.

Withholdings and fees

Document approvals

Merger agreements

Purchase agreements

Commercial contracts

...

SALES DEPT.

New contracts

Offer quotes

Sales proposals

Partner agreements

Client offers

...

HR DEPT.

NDAs

Work contracts

Occupational hazard prevention

Form 145

Extensions

Account authorisations

Vacation time approvals

...

3.6. THE ADVANTAGES OF DIGITAL SIGNATURE

Digital signature offers additional benefits as compared to the traditional signature:

An increase in documents signed (shorter time, easier format): for certain Docuten clients, the rate of signing has increased to 60%, especially in companies with employees in different geographic locations.

Less time spent **sending, retrieving, and archiving signed documents**.

Reduced risk of incomplete documentation.
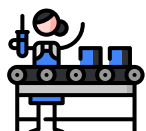
Improved employee productivity: more time spent generating value for the company and less time on routine administrative processes.

Better document management through automation: increased control over labor documentation, which means fewer missing documents and delays.

Greater legal coverage: digital signature provides traceability, ensures the integrity of the document and prevents falsification since data is collected during the process. This includes the parties involved, the time the document was signed, the device used, etc. Digital signature not only identifies the signatory, but safeguards against document alteration.

Better company image: using new technologies often increases the positive perception of a company in the public sphere.

Reduced costs

**CSR:** significantly lower the amount of paper used and reduce your company's environmental footprint.

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4

DOCUTEN

4.1. USE CASES IN THE CONSTRUCTION INDUSTRY

Docuten is a **partner** that supports companies in digitising their document processes. We integrate with your systems so you can manage all internal and external documentation digitally, in a **secure, legal,** and easy-to-use way.
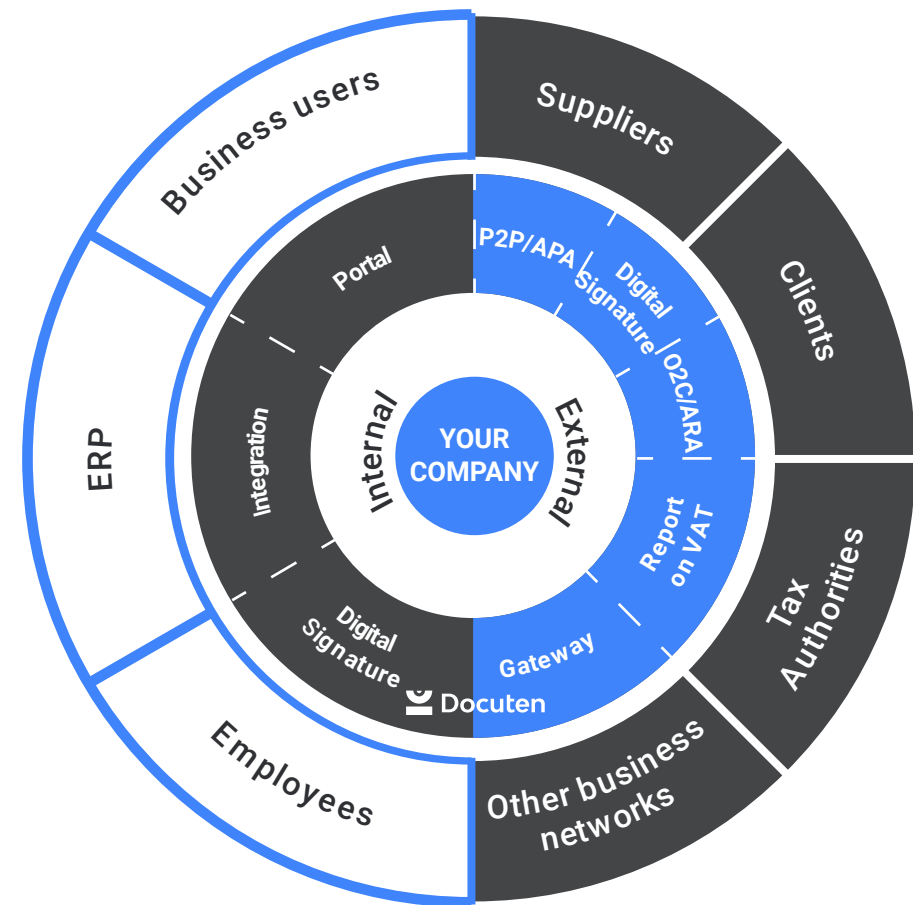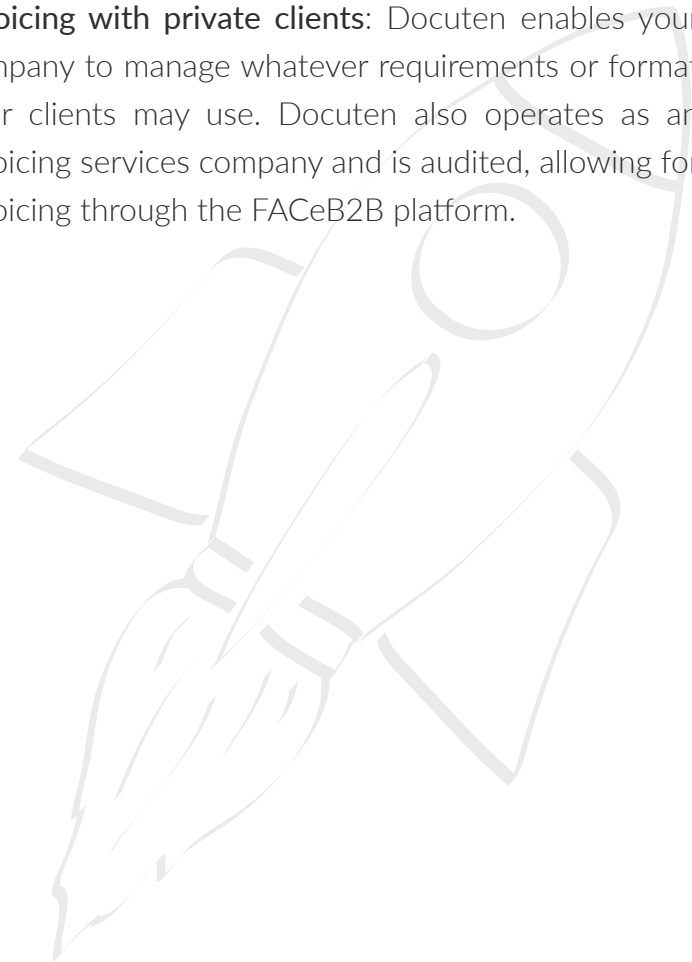

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4.1.1. Sending and receiving invoices

Through Docuten, you can manage all invoicing with both public and private clients.

Invoicing with public clients: Docuten supports invoicing via the established general points of entry for invoices for public administration offices:

✔ FACe, the General Entry Point for Electronic Invoices for the **General State Administration** in Spain

✔ e.FACT, the Open Administration of **Catalunya**

✔ The Electronic Invoicing Service of the **La Rioja** Government

✔ Platform of the Regional Government of **Castilla-La Mancha**

✔ General Entry Point for **País Vasco**

✔ General Entry Point for **Galicia**; EsPublico Platform (sedeelectronica.es)

Invoicing with private clients: Docuten enables your company to manage whatever requirements or format your clients may use. Docuten also operates as an invoicing services company and is audited, allowing for invoicing through the FACeB2B platform.
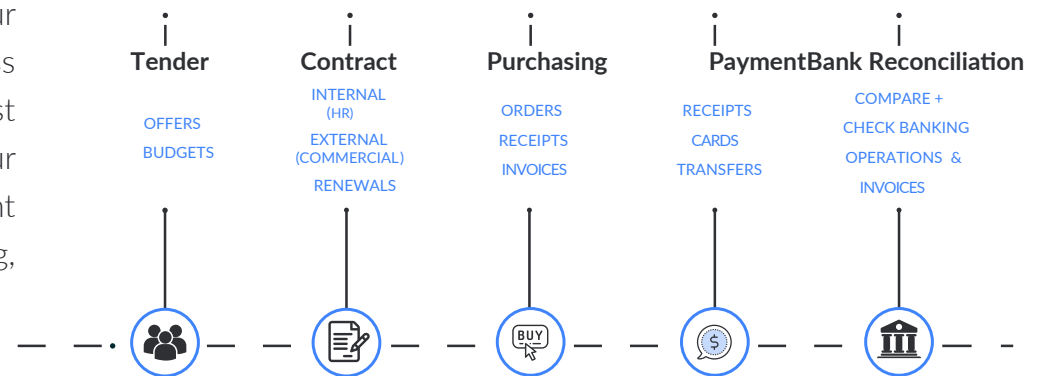
4.1.2. Digital signature

Docuten is a **Trusted Third Party.** In addition to being able to easily send and sign documents electronically, you can send **certified notifications**. Meaning, communications with sensitive information are monitored, and there is confirmation of receipt (with probative value).

4.1.3. Procurement to pay

With our digital signature solution, we help your company digitise the complete cycle of business documents (or, *procurement to pay*). From the first interaction with a client to the final payment, our solutions serve to automate and simplify the different steps along the way: tenders, contracts, purchasing, payment, and bank reconciliation.

4.1.4. Immediate Supply of Information on VAT

You can easily comply with the Immediate Supply of Information on VAT through our platform. We connect with your company's systems to **automate incoming invoices** and streamline the entire VAT communication process (which includes generating the XML-SII format required by the administration).

Tender	Contract	Purchasing	Payment	Bank Reconciliation
OFFERS	INTERNAL (HR)	ORDERS	RECEIPTS	COMPARE + CHECK BANKING
BUDGETS	EXTERNAL (COMMERCIAL)	RECEIPTS	CARDS	OPERATIONS &
	RENEWALS	INVOICES	TRANSFERS	INVOICES

4.2. FLEXIBILITY

### 4.2.1. Everything you need in one platform

Pick and choose from the variety of features and capabilities that our products offer, including:

✔️ Total contract management

✔️ Advanced, customised search for pending and completed contracts

✔️ Signing of thousands of documents in bulk (frequently used in employment contract renewals)

✔️ OCR

✔️ Account configuration with customised access for subsidiaries and other offices

✔️ Multi-level user capabilities

4.2.2. Customise the platform

Customise the platform to reflect your corporate image and include your company logo.
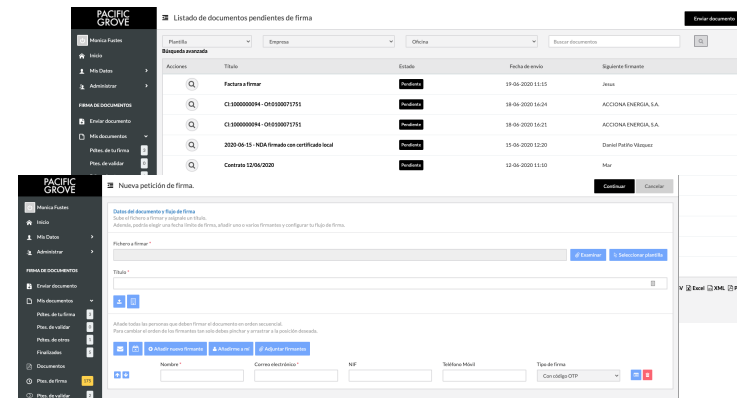
Docuten

4.2.3. Integrate your systems

At Docuten we have APIs that let us connect our signature and e-invoicing services with any business software (ERP, CRM, BPM, Intranet, etc.).

✓ **Custom integration**

Clients contact us with their specific needs, and we handle integrating Docuten with their business systems.

Available information: **Our API**

4.2.4. Blockchain certification

Blockchain technology guarantees full security and legality.

Docuten operates on the blockchain, which permits auditing the existence of documents and invoices, as well as monitoring their life cycle.

✓ **Security:** a system that is transparent and can be publicly audited

✓ **International guarantees:** a transnational system protected by supranational jurisprudence

✓ **Legislative compliance:** nodes in the Alastria Telsius network located in EU countries

4.3. DO BUSINESS BETTER

1 **Reduce your environmental impact**

At Docuten, we want to do our part. We are committed to making company administrative processes not only more efficient, but also more sustainable and environmentally friendly.

2 **Decrease operating costs**

Save time and money: automation reduces the time invested in managing processes, which means better use of your time and improved productivity. The cost of supplies (printing, sending, filing, etc.) are also drastically reduced.

3 **Retain talent and bolster your business reputation**

Using new technologies makes the onboarding process for recent hires easier, adding to a positive company image. Automation also reduces tedious tasks for your staff, which translates into more engaged, happier employees.
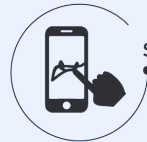
DIGITISING THE BUSINESS CYCLE MAKESSENSE

ERP/CRM CLIENTS

CRM salesforce SAP ERP Wolters Kluwer ACCOUNT. SYSTEMS

SERVICES DOCUTEN

SIGNATURE INVOICE PAYMENTS

INTEGRATIONS

BLOCKCHAIN	FACe	FACeB2B	Peppol	Tax Agency	Other nets	Payment institution

LEGAL (STANDARDS)

eID.AS EN16931 PSD2 Peppol The future is open SEPA Single Euro Payments Area

4.4. SAVE MONEY WITH DOCUTEN

One of Docuten's main benefits is saving you money. When you **eliminate costs associated with the printing, delivering, storing, and overall management** of documents, your expenses are drastically reduced.

With Docuten, **you can save at least 80% of the cost of invoicing and sending documents** as opposed to traditional methods. Our findings bolster this claim: Docuten conducted a study comparing how much the traditional approach costs, versus digital processing (based on the administrative expenses of a medium-sized company per year). The results are pretty clear.

Download our Whitepaper on Savings

TRADITIONAL METHOD

108.783,56 €

WITH DOCUTEN

20.000 €

Docuten

4.5. OUR CLIENTS, OUR BEST ENDORSEMENTS

Lantania

"Thanks implementing e-invoicing through Docuten we have been able to continue working seamlessly during this time, while taking the appropriate precautions."

Emilio Casal

Systems Director, Lantania

Grupo Caamaño

"Right now all documentation is sent through the platform to our employees. In addition to receiving information much faster, we don't have printing costs."

Lorena Suárez

HR Director

Watch interview >

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