Risk Spotlight

June 2025

Dear reader,

As we approach what we hope will be a lovely summer, we are pleased to present our second Risk Spotlight email for the year! This edition will highlight IMERA and the forthcoming updates regarding e-invoicing. Happy reading!

PS: If you were interested in our successful Copilot for Internal Audit / Risk experts session (from prompting to practical use cases) but missed it, let us know and we might organise a new session later this year.

1

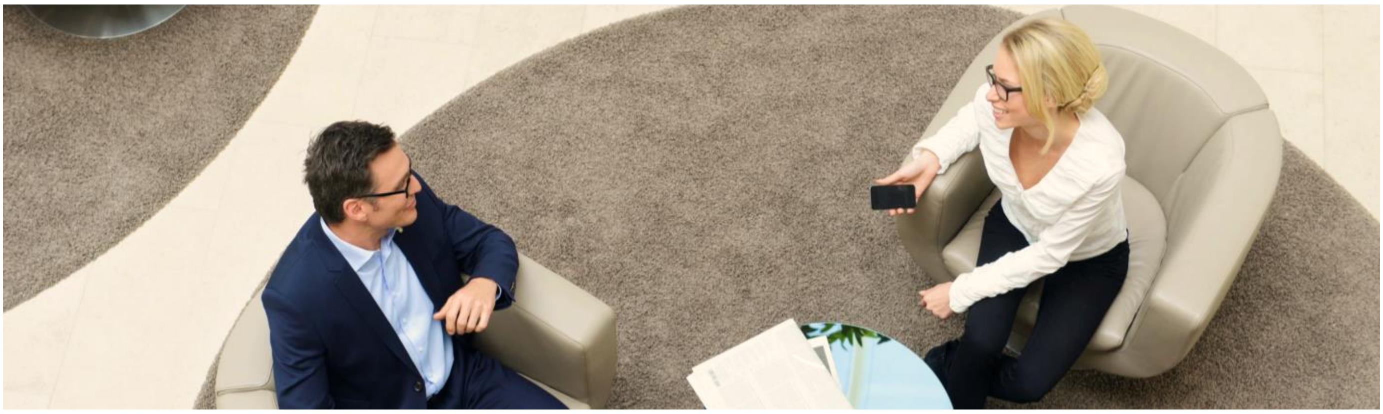
E-invoicing: from compliance to competitive edge

E-invoicing is on the rise across Europe, as governments digitize VAT reporting. In fact Belgium, as one of the frontrunners, is moving toward mandatory e-invoicing, with B2G requirements already in effect and B2B obligations coming soon. From 1 January 2026, all invoices between Belgian VAT-established businesses will have to be structured and transmitted via the Peppol network (exceptions are possible, under strict conditions). This means that simply emailing PDF invoices will no longer be acceptable. The same thing is happening in many other EU countries (France, Poland, Germany...) with similar timeframes to comply. While compliance is essential, e-invoicing provides significant benefits as well, including faster processing, reduced costs, less errors, stronger audit trails, fewer disputes, better cash flow, and valuable data insights. So overall, ensuring data quality and embedding robust controls is key!

Key Considerations:

- **Mandatory Implementation Dates:** Be aware of the timeline for the implementation of mandatory e-invoicing. This includes understanding which sectors and transaction types are affected first and planning accordingly to meet compliance deadlines.
- **Technical Standards and Formats**: Companies should ensure that their invoicing systems are updated and compatible with technical standards and acceptable e-invoice formats to avoid processing delays or rejections.
- **Integration with Existing Systems**: Assess how e-invoicing will integrate with current accounting and ERP systems. A thorough evaluation to ensure smooth interoperability will help prevent disruptions in financial operations.

- **Data quality and availability:** Ensure you have access to the necessary data in your system (your ERP system data, but also data out of ancillary system(s)) and ensure you can rely on the quality of this information, as there will be no more room for improvements in a 'real-time submission' scenario.
- **Data Security and Privacy**: Compliance with data protection laws such as GDPR is crucial. Companies must implement robust security measures to protect invoicing data and personally identifiable information shared through e-invoices.
- **Reporting and Archiving Obligations**: Businesses should establish procedures for maintaining electronic records that reconcile in real time with the information already shared and ensure that they can produce required reports efficiently.
- **Vendor and Client Communication:** Clear communication with vendors and clients is essential to facilitate a smooth transition to e-invoicing.
- **Training and Change Management**: Be aware that implementing e-invoicing may require staff training and process changes.



Call to action

Evaluate your company's readiness to be compliant with E-invoicing regulation

Perform data readiness assessments to identify incomplete or inaccurate customer, supplier, and tax data while remaning compliant with GDPR requirements. This "Get Clean & Stay Clean" approach is critical.

Review the process & Control Framework: Map out and update the impacted business cycles (Accounts Payable, Accounts Receivable, payments, sales, procurement...).

Leverage analytics tools to provide **ongoing data assurance**. They can help to identify in real time anomalies such as duplicate invoices, unusual payment patterns, or compliance deviations.

2

Understanding IMERA: A new pillar of EU Crisis Resilience

The Internal Market Emergency and Resilience Act (IMERA), adopted by the EU in 2024 and entering into force in May 2026, is a landmark regulation designed to safeguard the free movement of goods, services, and people during future crises. Born from the lessons of COVID-19 and geopolitical shocks like the war in Ukraine, IMERA introduces a structured framework for early warnings, supply chain monitoring, and coordinated emergency responses across member states.

Key Considerations:

- **Crisis Activation Trigger**: A formal mechanism for declaring an "internal market emergency".
- **Supply Chain Vigilance Obligations:** Organizations may be required to provide information on critical supply chains and participate in monitoring efforts. Therefore, the early mapping of dependencies and vulnerabilities is essential.
- **Priority Production and Orders:** During emergencies, the EU Commission can issue priority orders for essential goods. Businesses may be legally obliged to prioritize these, so contingency planning and the legal review of contracts are advised.
- **Free Movement Enforcement:** IMERA prohibits unjustified national restrictions on the movement of goods, services, and people. Risk professionals should track compliance risks and ensure operations align with EU-wide measures, not just national ones.
- **Faster Market Access for Critical Goods:** Emergency procedures will accelerate conformity assessments and market entry for essential products. Companies should prepare to leverage these fast-track processes when relevant.
- **Transparency and Reporting Requirements:** Companies may be required to share sensitive operational data with EU authorities. It is recommended to establish internal protocols for secure and compliant data sharing .

In short, IMERA signals a shift toward proactive resilience for risk professionals.

Call to action

Assess your company's exposure to critical supply chains

Align with new reporting and compliance requirements

Prepare for potential priority production or delivery obligations during EU-declared emergencies

For detailed guidance and support,
please contact your PwC professional or reply to this email.

We are ready to help you navigate these changes with confidence.

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