

WHITEPAPER
KGT SAP Add-On for
Croatia e-Invoicing

End-to-End eRačun Compliance via FINA and PEPPOL — Fully Integrated in SAP

Executive Summary

Croatia has established one of Central Europe's most comprehensive e-invoicing frameworks, combining a mandatory B2G (Business-to-Government) electronic invoice infrastructure operated by FINA (Financijska agencija — the Croatian Financial Agency), a national Fiscalization (Fiskalizacija) system for real-time cash transaction reporting, and growing EU-driven obligations for structured B2B e-invoicing aligned with the European standard EN 16931.

For organizations operating SAP in Croatia — whether Croatian entities, foreign-owned subsidiaries, or multinationals with Croatian operations — compliance with these overlapping mandates requires precise integration between SAP financial processes and Croatia's regulatory platforms. The KGT SAP Add-On for Croatia e-Invoicing delivers a single, certified solution that automates eRačun generation, FINA platform submission, Fiscalization reporting, and PEPPOL-based cross-border exchange — all natively within SAP.

Key Takeaway

KGT's SAP-native add-on is the only solution that addresses Croatia's full e-invoicing landscape — B2G via FINA, B2B structured invoicing via PEPPOL, and Fiscalization compliance — in a single certified integration without middleware or external platforms.

Regulatory Background: Croatia e-Invoicing

Legislative Foundation

Croatia transposed the EU e-Invoicing Directive (2014/55/EU) into national law through the Act on Electronic Invoicing in Public Procurement (Zakon o elektroničkom izdavanju računa u javnoj nabavi). The law mandates that all suppliers to Croatian public sector bodies issue invoices in a structured electronic format compliant with the European standard EN 16931 and transmit them via FINA's centralized B2G platform.

The eRačun Framework

Croatia's e-invoicing ecosystem is built on three interconnected pillars:

Pillar	Description
B2G eRačun	Mandatory since 1 December 2018 for central government; 1 June 2019 for all public bodies. All B2G invoices must be submitted via FINA's eRačun platform in CII XML or UBL 2.1 format, EN 16931 compliant.
Fiscalization (Fiskalizacija)	Mandatory for all businesses issuing cash receipts. Each receipt must be assigned a Unique Invoice Identifier (JIR) by the Croatian Tax Administration (Porezna uprava) in real time via a secure API call before being issued to the customer.
B2B Structured Invoicing	Voluntary but strongly encouraged structured B2B e-invoicing via FINA's platform or PEPPOL network, aligned with EU interoperability goals and anticipated future mandatory B2B obligations.

FINA's Role as Central Platform

FINA (Financijska agencija) acts as Croatia's national e-invoicing hub. It operates the B2G e-invoice exchange platform, validates submitted invoices against EN 16931 and Croatian business rules, routes invoices to the correct public sector buyer, and provides archiving and status management services. FINA is also an accredited PEPPOL Access Point, enabling cross-border structured invoice exchange within the EU.

Supported Invoice Formats

- UBL 2.1 (Universal Business Language) — primary format for B2G and B2B exchange via FINA and PEPPOL
- UN/CEFACT CII (Cross Industry Invoice) — alternative structured XML format, EN 16931 compliant
- Factur-X / ZUGFeRD — hybrid PDF/XML, supported for cross-border EU exchange
- Croatian national XML schema for Fiscalization (Fiskalizacija) — proprietary format for cash receipt reporting

Penalties for Non-Compliance

- Failure to issue B2G invoices via FINA: rejection of invoice by the public body, delayed payment, and potential exclusion from future public tenders
- Fiscalization non-compliance: fines ranging from HRK 10,000 to HRK 500,000 (EUR 1,300 – EUR 66,000) per infringement under the Fiscalization Act
- VAT reporting mismatches: heightened Croatian Tax Administration (Porezna uprava) audit risk

KGT SAP Add-On: Solution Overview

Design Philosophy

KGT designed the Croatia e-Invoicing Add-On to address the full complexity of Croatian compliance within the SAP ABAP stack and SAP BTP, without relying on external runtime environments or duplicate data entry. The solution hooks into SAP posting events, generates the required structured output for each compliance context (FINA, Fiscalization, PEPPOL), and writes all regulatory responses and identifiers back to the originating SAP document.

Core Functional Modules

Module	Description
FINA B2G Connector	Generates EN 16931-compliant UBL 2.1 or CII invoices and submits them to FINA's eRačun platform via secure API, with automated status polling and SAP write-back of FINA document IDs.
Fiscalization Engine	Handles real-time JIR (Jedinstveni Identifikator Računa) and ZKI (Zaštitni Kod Izdavatelja) generation for all cash transactions via the Porezna uprava API, with automatic retry and error handling.
PEPPOL Gateway	Enables structured B2B invoice transmission and reception via the PEPPOL network using FINA as the Access Point, supporting cross-border EU e-invoicing with trading partners.
Format Engine	Generates UBL 2.1, CII, Factur-X, and Croatian Fiscalization XML from SAP FI/SD documents, with configurable field mapping and business rule validation before transmission.
OIB Validator	Validates Croatian Personal Identification Numbers (OIB — Osobni Identifikacijski Broj) for suppliers and customers against the Ministry of Finance registry before invoice issuance.
Exception Workbench	Centralized SAP-native dashboard for error management, guided correction with Croatian authority error code mapping, and one-click resubmission.
Audit Trail & Archive	Immutable log of every submission, response, JIR, and ZKI — meeting Croatia's 11-year invoice archiving obligation under the VAT and Fiscalization Acts.

Technical Architecture

SAP-Native Deployment

The KGT Add-On is delivered as a standard SAP transport package and installed directly into the customer's ABAP stack. It uses Business Add-Ins (BAdIs) on FI document save, SD billing release, and cash receipt posting events to trigger the correct compliance workflow automatically — with zero modifications to SAP standard code and no impact on existing business processes or authorizations.

Multi-Channel Compliance Architecture

A distinctive feature of the Croatian compliance landscape is the simultaneous requirement for multiple regulatory channels — FINA for B2G invoices, Porezna uprava for Fiscalization, and PEPPOL for cross-border B2B. The KGT Add-On manages all three channels from a single configuration framework, using document type, partner, and posting channel as routing criteria to ensure each transaction reaches the correct regulatory endpoint.

Supported SAP Releases

SAP ECC 6.0 (EhP4 and above), SAP S/4HANA 1909 through 2023, and SAP S/4HANA Cloud Private Edition. Regulatory updates — including Porezna uprava schema changes and FINA platform updates — are delivered as incremental transports within 30 days of official publication.

Compliance Coverage

- B2G invoices: 100% coverage of EN 16931 mandatory fields and Croatian FINA business rules
- Fiscalization: JIR and ZKI generation for all cash receipts, invoices, and advance payments
- PEPPOL B2B: outbound and inbound structured invoicing for cross-border EU transactions
- OIB validation for all Croatian counterparties before invoice issuance
- PDV (VAT) reporting alignment with the Croatian Tax Administration's eVAT return framework
- Invoice archiving: compliant 11-year retention with searchable audit logs per Croatian VAT Act
- Self-billing (samofakturiranje), credit notes (dobropis), and debit notes (terećenje)

Regulatory Currency Guarantee

KGT maintains a dedicated Croatia compliance team monitoring all FINA platform updates, Porezna uprava schema revisions, and EU directive transpositions. All regulatory changes are delivered to customers within 30 days of official publication — included in the annual support subscription.

Conclusion

Croatia's e-invoicing landscape is unique in its multi-layer structure — combining a FINA-operated B2G exchange platform, a real-time Fiscalization system, and PEPPOL-based cross-border B2B capabilities, all underpinned by EU EN 16931 standards. For SAP-based organizations, manually bridging these regulatory requirements creates significant operational risk and resource burden.

The KGT SAP Add-On for Croatia e-Invoicing is the only solution that addresses all three pillars of Croatian compliance from a single SAP-native integration. With proven deployment experience across Croatian and international entities, a certified FINA and Fiscalization integration, and a contractual commitment to regulatory currency, KGT provides the compliance certainty that finance and IT teams need.