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HH Sheikh Hamdan bin Mohammed bin Rashid Al Maktoum, Crown Prince of Dubai and Deputy Prime Minister of the UAE during his visit to Dubai Multi-Commodities Centre (DMCC) for a tour of the Dubai Diamond Exchange (DDE) accompanied by HE Omar bin Sultan Al Olama, Minister of State for Artificial Intelligence, Digital Economy and Remote Work Applications and HE Ahmed Bin Sulayem, Executive Chairman and Chief Executive Officer of DMCC.

#### Guest Article

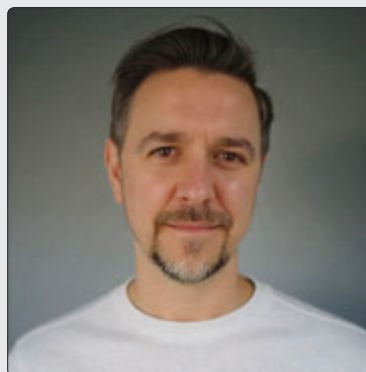


#### **H.E. Ahmed Bin Sulayem**

Executive Chairman and  
Chief Executive Officer, DMCC

**DMCC: Bridging Trade,  
Technology and Capital**

#### Guest Article



#### **David Smith**

Director of Quality &  
Professional Standards,  
Kreston Global

**Building Trust  
Through Quality**



#### **Raju Menon**

Chairman & Managing Partner  
Kreston Menon

**The AI Revolution in UAE Audit and Finance:  
From Compliance to Strategic Intelligence**



#### **Anmol Rathi**

Manager - Indirect Tax  
Kreston Menon

**UAE E-Invoicing: A New Era of  
Digital Tax Compliance**

## EDITOR'S NOTE



**RAJU MENON**

It is exciting to see that the UAE's non-oil foreign trade grew 24% year-on-year, which is 14 times the global average rate. His Excellency Mohammad Al Gergawi, UAE Minister of Cabinet Affairs highlighted that the non-oil foreign trade in goods and services is expected to increase from AED 27 trillion to over AED 68 trillion in the next ten years.

Dubai's economy also maintained its strong upward momentum in the first half of 2025, surpassing projections and reaffirming its status as one of the world's most competitive and vibrant urban economies. The emirate's GDP grew by 4.4% to reach AED 241 billion during the first six months of the year, with the second quarter alone recording a 4.7% increase to AED 122 billion.

We are honoured to have His Excellency Ahmed Bin Sulayem, Executive Chairman and Chief Executive Officer of DMCC share his vision in this edition's Guest Article titled, 'DMCC: Bridging Trade, Technology and Capital'. He mentions that as DMCC deepens its work across commodities, technology, and finance they will build ecosystems that anticipate the future. The goal is to consolidate DMCC's position as the world's most interconnected business district and keep Dubai at the beating heart of global trade.

Across the world, nations are racing to harness the power of Artificial Intelligence — not as a futuristic experiment, but as a present-day engine of growth, efficiency, and competitiveness. AI is reshaping how governments function, how businesses make decisions, and how societies deliver value.

Quality and integrity are fundamental principles that underpin trust in any profession worldwide. Yet, their application must evolve continuously to meet shifting stakeholder expectations, the needs of businesses, and the dynamic environment in which they operate. David Smith, Director of Quality & Professional Standards at Kreston Global talks about how by applying the principle of being technology enabled, but people led, Kreston member firms ensure that the right resources are used in the right way when providing services without compromising the core values of quality, integrity and professionalism.

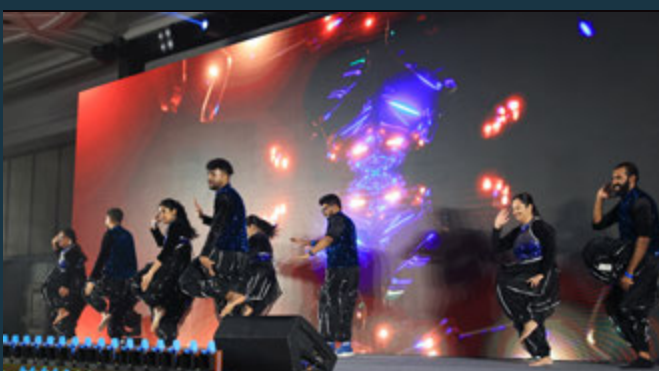
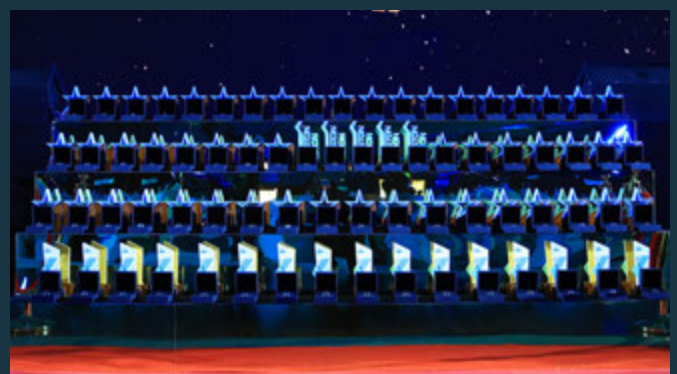
As the UAE continues to break new ground in trade, technology, and economic growth, it is clear that the future belongs to those who embrace innovation and lead change. I hope this edition inspires you to not only witness these exciting developments but to actively participate in shaping them — driving growth, fostering innovation, and strengthening the country's role as a global hub of trade and enterprise.



## Kreston Menon – Celebrating You 2025

At Kreston Menon, our people are at the heart of everything we do. Recently, we came together to celebrate our people. "Celebrating You" — the special occasion was marked by the presentation of Service Awards, Top Performer Awards, and Chairman's Awards, applauding long service, outstanding performance, and remarkable achievements.

The event served as a reminder that every team member plays a meaningful role in our journey to offer exceptional service to our esteemed clients.





# DMCC: Bridging Trade, Technology and Capital

## DMCC sits at the intersection of those flows

For more than 20 years, we have grown alongside Dubai, becoming a strategic hub for commerce and enterprise. Today, more than 26,000 companies from 180 countries call us home. Our district contributes over 15% of Dubai's foreign direct investment and 7% of its GDP. From Jumeirah Lakes Towers to Uptown Dubai, our physical footprint attracts multinationals, scale-ups, and entrepreneurs in equal measure.

This growth mirrors the UAE's wider strategy: diversify the economy, compete at the frontiers of innovation, and anchor new global trade corridors. With Comprehensive Economic Partnership Agreements spanning India to Indonesia, Dubai's reach is accelerating.

## Commodities: Our Bedrock

Global trade is reshaping, but fundamentals endure: goods still move markets. We built our foundations in commodities, and they remain central to our identity.

More than 1,500 companies operate within our gold and precious metals ecosystem, supported by exchanges and settlement platforms built for high-volume, high-trust trades. The Dubai Diamond Exchange – the world's largest tender facility – connects over 1,365 companies across the precious stones value chain, from miners to polishers to dealers.

Energy is evolving, too. With more than 3,600 firms across hydrocarbons and renewables, we support a diversified energy ecosystem. In agri-commodities, our Coffee and Tea Centres handle thousands of tonnes annually, linking

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Dubai has always traded on geography and reinvention. From pearl diving to one of the world's leading hubs for trade and innovation, the engine has been connection – across goods, ideas, and capital.

producers in Africa, Asia, and Latin America with buyers in Europe and the Gulf. Newly announced honey and saffron centres will extend that reach even further.

### **Technology: Building the New Trade Architecture**

While commodities anchor us, technology defines what's next. The coming era of global trade will be shaped by digital transformation, and we are building the infrastructure to support it.

More than 3,400 firms form our tech ecosystem – from algorithmic traders and metaverse builders to enterprise AI labs. The DMCC Crypto Centre hosts 700+ blockchain and digital asset businesses. The Gaming Centre houses 140+ developers and esports studios. The DMCC AI Centre includes 120+ teams building applied AI for logistics, finance, and supply chains.

What links them is not sector but direction: from physical to digital, from static to programmable. Our role is to ensure these flows are built on the same trust, infrastructure, and interoperability that underpin global commodities.

### **Finance: Turning Trade into Capital**

Trade and technology need capital to scale. Finance is the connective tissue between the two.

Nearly 1,700 companies in banking, investment, and fintech now operate within our community. The Dubai Gold and Commodities Exchange processes over a million

contracts annually, providing hedging and liquidity for global markets. DMCC Tradeflow registered AED 1.4 trillion in Islamic finance transactions last year, enabling Shariah-compliant, asset-backed lending at scale.

This architecture is extending into the digital realm. In partnership with Dubai's Virtual Assets Regulatory Authority (VARA), we are developing a framework for tokenised commodities, bringing physical assets like gold and diamonds onto blockchain rails. These pilots will test market and regulatory models for secure, tradable tokens, with the long-term goal of embedding real-world assets into institutional markets.

We are formalising what has already taken shape: a fully operational financial centre that brings together structured capital, digital assets, trade finance, and fintech on one platform. Anchored by the DMCC Wealth Hub, a regulated clearing house, and access to Common Law courts, our aim is not to replicate other districts but to connect the flows that already move through Dubai.

### **The Next Decade**

Our next chapter is our most ambitious. As we deepen our work across commodities, technology, and finance we will build ecosystems that anticipate the future and reinforce Dubai's role as a trusted platform for growth. By doing so, we will consolidate our position as the world's most interconnected business district and keep Dubai at the beating heart of global trade.







**David Smith**

Director of Quality & Professional Standards, Kreston Global  
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Quality and integrity are two core principles that apply across the globe when a profession is built on trust. The application of these principles, however, must continuously adapt to reflect changing stakeholder expectations, the businesses, and the world in which our professional services firms operate.

So, in a time where significant change is being driven by the introduction of emerging technologies, where there are challenges and opportunities presented by the ways we trade across borders, and in regions like the Middle East and Africa, where we have such pace of transformation and reform, we must ensure that we continuously evolve to provide high-quality, valuable services to our clients whilst our core principles are respected.

#### Continuous improvement in a changing world

Over the past decade, the global audit and professional services landscape has shifted dramatically and this has driven the need for a proactive approach to continuous quality management and improvement.

All Kreston Global member firms are committed to the adoption of globally recognized quality management standards (ISQM1) which help ensure a common foundation in the way we manage risk. This commitment, even in jurisdictions that do not yet require adoption, alongside local and globally coordinated quality monitoring programs, helps our firms to embed a culture of continuous improvement across our service offerings.

Clients work with firms they trust and regulators respect firms that are proactive. This understanding and commitment to quality across our member firms helps to build relationships and our businesses on solid foundations.

#### Being technology enabled, but people led

We understand that the way technology is implemented in a business, and the ways that associated risks are managed, have a significant impact on the quality of a business' products or services. This creates new opportunities to

work with clients in areas relating to their own use of technology, as well as driving innovation in the way we design and provide services to existing clients.

By applying the principle of being technology enabled, but people led, we ensure that the right resources are used in the right way by our teams when providing our services. This involves empowering teams to remain authentic, alongside making sure that they are enabled by the right tools and technologies, but still leading the relationships and service provision.

### Enhanced regulatory drivers of change

Across the Middle East and Africa, regulatory systems are developing quickly, strengthening oversight, establishing local standard setters, and adopting international frameworks. Our firms operate in accordance with both local and international regulations, ensuring consistency in quality and independence.

For audit engagements, this includes compliance with the International Standards on Auditing, which continue to evolve based on global regulatory feedback and best practice. Recent changes to auditing standards have driven enhancements to the approach we take to conducting group audits. This leads to a greater amount of collaboration with group and subsidiary management, other group auditors and a focused approach to addressing risks of material misstatement to help continuously improve the work performed on these types of engagement.

### Working with clients to help define quality

Many of the factors that change the way professional services firms work reinforce the importance of client collaboration as a critical enabler of high-quality service delivery. As regulatory environments change, continuous improvements are made, and technology adoption matures, we see that this can affect the ways this collaboration takes shape.

We are seeing, across many of our firms, that the type, nature and timing of information requests is changing. This often takes the form of more structured, and earlier,

information requests than may have been the case previously which helps our teams to plan proactively, focus work and increase the value of work performed.

In many cases we see requests for entire raw datasets, to enable greater depth of work and testing, rather than a trial balance and some selected items, which reflect teams having access to tools that better enable broader testing to support a high-quality deliverable.

This has practical implications. Clients who reconcile and prepare data throughout the year, and who use systems capable of clean, consistent data export, often benefit from smooth engagements, faster delivery and greater overall value. Those who rely on manual or delayed information may find the process more complex as engagement teams need to do more to meet the necessary standards.

### Doing the right thing when no one is looking

Consistent quality frameworks help to maintain confidence in our work, with genuine trust coming from acting with integrity. It is important that our teams do the right thing when no one is looking.

In this context, Kreston Global member firms commit to applying policies that adhere to a globally recognized Code of Ethics (the IESBA Code). This helps us to maintain a consistent ethical culture across jurisdictions, and for individual firms, it helps to support making the right decisions in difficult situations.

Growth must be matched by strong governance and ethical leadership. Firms that are known for independence, confidentiality, and fairness build a reputation that supports long-term success.

### Collaboration as a defining factor

Few global regions illustrate the pace of change as vividly as the Middle East and Africa. Economic diversification, infrastructure investment, regulatory reform, and digital transformation are redefining how businesses operate, with governments strengthening requirements for transparency, sustainability reporting, and corporate governance.

The introduction of corporate tax, ESG disclosure, and digital reporting requirements across both regions is creating both new opportunities and new challenges and businesses are reassessing their data, systems, and controls to meet a higher standard of accuracy and accountability.

As we consider the future of how our businesses grow alongside regional and global reform, our promise is consistent to clients worldwide: to continue to build trust through quality. This process of driving quality through continuous improvement never ends, and neither does our commitment to collaboration.

It is this commitment to collaboration within our businesses, across the Kreston network of firms, and with our clients, that ensures local expertise is combined with global standards. By working together, we ensure our firms can compete not only on scale, but on capability, consistency, and trust.







### When policy meets possibility

In April this year, something remarkable happened. The UAE Cabinet approved the world's first AI-powered regulatory intelligence ecosystem. This is not about digitizing forms. It is about creating a system that monitors how laws impact our economy in real-time and can accelerate the entire legislative process by up to 70 percent. Think about what that means for those of us managing compliance. Regulatory changes that used to require weeks of manual review now adapt automatically.

The vision started in 2017 when we became the first country to appoint a Minister of State for Artificial Intelligence. According to the UAE Strategy for Artificial Intelligence 2031, we are aiming to cut government costs by 50 percent while boosting GDP by 35 percent. Those are not aspirational numbers. They are driving real infrastructure investments and regulatory clarity that allows us to move fast.

The creation of the Artificial Intelligence and Advanced Technology Council in January 2024 sent a clear message: this commitment comes from the top. For finance professionals, this matters because we are not experimenting in a regulatory vacuum. We have backing.

### What I am seeing in the field

Walk through any major financial institution in Dubai today, and you will notice something different. Teams are smaller, but they are accomplishing more. Machine learning algorithms catch anomalies in financial statements with 95% accuracy, spotting issues that would slip past even the most diligent human reviewer after hours of work.

I have spent three decades in finance, and I can tell you what is happening right now in the UAE is unlike anything we have seen before. AI is not just another tool in the auditor's kit. It is fundamentally changing what it means to work in finance.



Compliance audits that once took months now finish in 40% less time, with better results.

Look at Emirates NBD. According to McKinsey's October 2024 analysis, they have built over 100 AI models with a team of 70+ specialists, targeting a five-to-seven times return on their AI investment. They deployed an internal legal tool that answers regulatory queries instantly. This is work that used to consume hours of senior legal counsel time. One regional bank saved AED 1.2 million annually after implementing AI fraud detection that reduced false positives by 40 percent.

These are not pilot projects anymore. This is how work gets done.



### The three places AI changes everything

First, document processing. Our multilingual environment used to be a nightmare for standardization. Now AI extracts data from invoices, contracts, and statements across Arabic, English, and multiple other languages in minutes. Junior auditors who spent days on this work are now analyzing trends and advising clients.

Second, risk becomes predictive instead of reactive. We are navigating VAT, Economic Substance Regulations, and the new 9% corporate tax on profits above AED 375,000. AI models spot compliance issues before they become regulatory problems. The Central Bank's Guidelines for Financial Institutions require transparency and human oversight in AI systems, and the leaders in our space have figured out how to deliver both.

Third, continuous monitoring replaces the month-end scramble. Finance teams get real-time alerts on spending anomalies, cash flow issues, and vendor irregularities. The week-long close process that used to shut down entire departments now runs quietly in the background, all the time.

### Infrastructure makes the difference

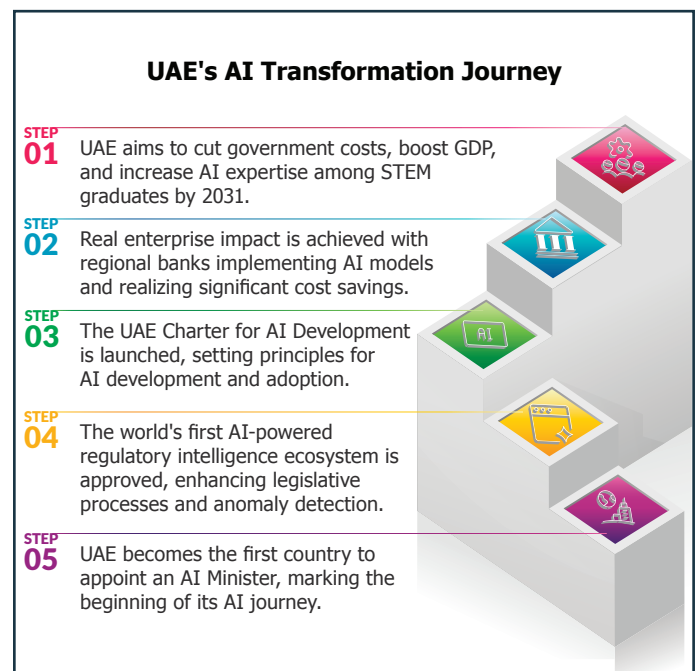
At GITEX 2024, Dubai's Financial Audit Authority launched three digital services that show where government auditing is headed. The AI Mo'ashir Dashboard provides live insights from auditing activities across government entities. The Financial Violations Reporting Platform enables instant reporting. This is not about catching problems after the fact. It is about maintaining continuous readiness.

The shift to e-invoicing and digitalized tax systems could have been overwhelming. Instead, AI platforms now reconcile transactions, validate VAT classifications, and flag issues before submission. Compliance has moved from quarterly fire drills to always-on systems.

### The human side gets more important

Here is what surprises people: AI has not made finance professionals less important. It has made us more important, just in different ways. The technical knowledge still matters, obviously. But now we are interpreting AI insights, challenging algorithmic assumptions, and translating findings into strategy.

The UAE Charter for the Development and Use of Artificial Intelligence, launched in July 2024, established 12 principles for protecting community rights while enabling innovation. This framework recognizes something critical: as AI handles routine compliance, humans focus on the judgment calls that require experience, ethics, and strategic thinking. That is where the real value lives.



### Where we go from here

A regional research shows 49% of UAE organizations actively deploying AI in finance functions, compared to just 35% globally. We are not just ahead. We are defining what is possible. The government's goal of ensuring one in three STEM graduates have AI expertise by 2031 means this advantage compounds over time.

I have watched enough technology transitions to know this one is different. The companies that treat AI as an experimental side project will spend the next five years catching up to competitors who moved decisively. The regulatory framework supports innovation. The infrastructure exists. The talent is coming.

The only question is whether you are ready to lead this transformation or watch it happen to you. The tools work. The policy environment encourages adoption. Success comes down to leadership.

# UAE E-Invoicing: A New Era of Digital Tax Compliance



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### 1. Introduction to UAE's E-Invoicing Framework

The United Arab Emirates ('UAE') is embarking on a transformative journey in its tax administration landscape with the introduction of a nationwide Electronic Invoicing System (EIS). This initiative, spearheaded by the Ministry of Finance ('MOF') and the Federal Tax Authority (FTA), aims to digitize the issuance, exchange, and storage of invoices in a structured electronic format. The legal foundation for this reform is laid out in Ministerial Decisions No. 243 and 244 of 2025, which define the scope, obligations, and phased implementation of e-invoicing across the country.

Under this system, an electronic invoice is not merely a scanned copy or PDF; it is a machine-readable document—typically in XML or UBL format—transmitted through accredited service providers using the Peppol network. The goal is to enhance transparency, reduce fraud, and streamline VAT compliance. The system applies to all VAT-registered entities conducting business-to-business (B2B) and business-to-government (B2G) transactions.

#### However, certain transactions are excluded from the scope of e-invoicing. These include:

- Transactions conducted by government entities in a sovereign capacity.
- International passenger transport services with electronic tickets and ancillary airline services.
- International transport services with airway bills, temporarily excluded for 24 months.

- Financial services that are exempt or zero-rated under UAE VAT law.

- Business-to-consumer (B2C) transactions, which are currently outside the mandatory scope.

### 2. Implementation Timeline and Compliance Requirements

The rollout of e-invoicing in the UAE is designed to be gradual, allowing businesses ample time to prepare. A voluntary pilot program will commence on July 1, 2026, for entities that meet the technical prerequisites. Mandatory compliance will follow in phases based on the size and nature of the business:

- Businesses with annual revenue equal to or exceeding AED 50 million must appoint an Accredited Service Provider (ASP) by July 31, 2026, and begin issuing e-invoices from January 1, 2027.
- Other businesses with revenue below AED 50 million must appoint an ASP by March 31, 2027, and comply by July 1, 2027.
- Government entities are expected to comply by October 1, 2027.

All e-invoices must be issued within 14 days of the taxable transaction and stored within the UAE. Businesses are required to report invoices and credit notes to the FTA through their ASPs. The system also permits self-billing and agent-based invoicing, provided both parties are VAT-registered.

### 3. Benefits and Strategic Advantages of E-Invoicing

The shift to e-invoicing offers a multitude of benefits for UAE businesses. First and foremost, it enhances operational efficiency by automating invoice generation, validation, and transmission. This reduces manual errors, accelerates payment cycles, and lowers administrative costs.



Moreover, e-invoicing improves financial transparency and data accuracy. Businesses gain access to real-time insights into their transactions, enabling better decision-making and audit readiness. The structured format of e-invoices also facilitates seamless integration with ERP systems, allowing for automated compliance and reporting.

Another strategic advantage lies in cross-border compatibility. Since the UAE's system is based on the Peppol network, businesses can exchange invoices with international partners using the same standards, thereby simplifying global trade operations. For SMEs, this levels the playing field by providing access to advanced invoicing technology at a manageable cost.

#### 4. Comparative Analysis: UAE vs Global E-Invoicing Models

While the UAE's e-invoicing system is ambitious and forward-looking, it differs significantly from models adopted in other countries. Understanding these differences is crucial for multinational businesses and advisors.

Saudi Arabia, for instance, uses a centralized clearance model under its FATOORA system. Invoices must be submitted to the Zakat, Tax and Customs Authority (ZATCA) for real-time validation before being shared with buyers. This model ensures tight control and immediate oversight but can be more rigid and technically demanding for businesses.

India's e-invoicing system, governed by the Goods and Services Tax Network (GSTN), also follows a clearance model. Businesses must generate invoices through government-authorized portals, which assign unique Invoice Reference Numbers (IRNs) and QR codes. While effective in curbing tax evasion, the system is heavily reliant on centralized infrastructure and may pose integration challenges for smaller firms.

The European Union, where Peppol originated, has adopted a variety of models. Countries like Belgium and

Denmark mandate Peppol for B2G transactions, using either centralized portals or open access points. The Netherlands and Germany have integrated Peppol into their national procurement systems, ensuring seamless public sector invoicing.

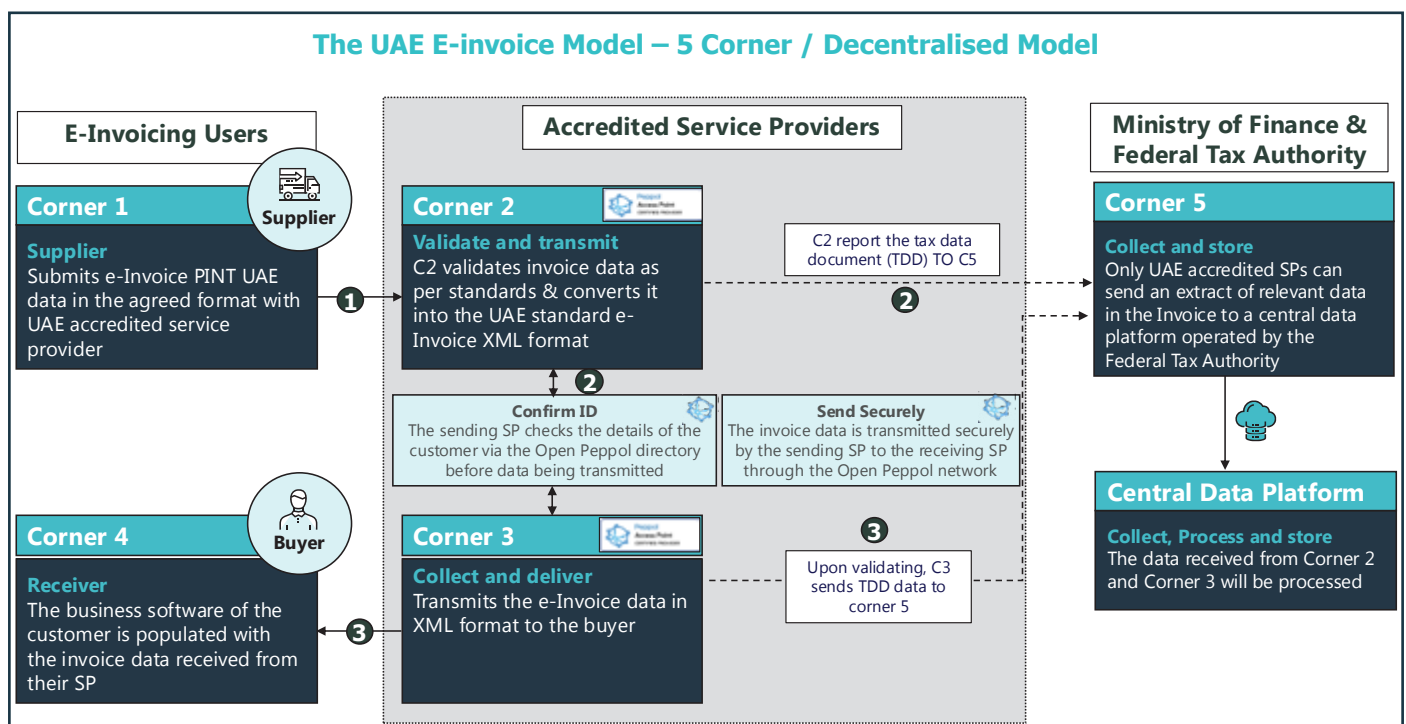
In contrast, the UAE has opted for a decentralized "five-corner" model built on the Peppol network. Here, invoices are validated and exchanged through accredited service providers, with the FTA receiving transaction data post-validation. This approach offers greater flexibility and scalability, especially for cross-border transactions, and aligns with global interoperability standards

What sets the UAE apart is its hybrid approach: it combines the global Peppol standard with localized compliance rules, such as mandatory ASP accreditation and UAE-specific data dictionaries. This ensures both international compatibility and domestic regulatory alignment.

#### Conclusion

The UAE's e-invoicing initiative marks a significant milestone in the country's digital transformation journey. By replacing traditional invoicing methods with a standardized, secure, and automated system, the government aims to foster greater transparency, efficiency, and compliance in the business ecosystem. For companies operating in the UAE, this is an opportunity to modernize their financial operations, reduce costs, and align with global best practices.

However, success will depend on timely preparation, strategic planning, and a clear understanding of the regulatory landscape. As the implementation deadlines approach, businesses must act proactively to ensure a smooth transition into this new era of digital tax compliance. Moreover, understanding how the UAE's model compares with other jurisdictions can help businesses navigate cross-border operations more effectively and leverage the full potential of e-invoicing.



## The Kreston Middle East Conclave - Egypt 2025



The Kreston Middle East Conclave in Sharm El Sheikh, hosted by Ahmed Mamdouh & Co. Kreston Egypt, The conclave brought together delegates from across the region for meaningful discussions, collaboration and shared growth.

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