Extending SAP S/4HANA Cloud localization beyond standard

October 20, 2020

Divya Chandrika Mohan, Sina Kuehnemund and Sridhar Sundaram
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Agenda

› What is localization?
› Salient aspects of localization in SAP S/4HANA Cloud
   › Key benefits
   › What’s new?
› Extending localization beyond standard
   › What is the localization toolkit for SAP S/4HANA Cloud?
   › What is to come - outlook and road ahead
› Resources around localizations
› How to engage with us?
What’s localization and salient aspects of localization in SAP S/4HANA Cloud
Typical areas addressed by Localization

**Payments**
Country formats used to collect incoming and outgoing payment data

**Social Media Integration**
Integration between SAP Products, social media and social media applications.

**Invoicing**
Country-specific invoicing process extensions

**Languages**
Country official language(s)

**Validations**
Country-specific format for address, IDs, bank accounts

**Taxes**
Tax codes based on conditions or formulas for mandatory tax computation, taxation processes, exemptions

**Statutory Reporting**
Financial statements, tax declarations, EC sales list, document numbering

**Benefits**
Country-specific benefits, eligibility and admissibility rules

**Time Data**
Country-specific rules and formats

**UIX**
Fiori Apps
Country-specific fields and features
Localization coverage of SAP S/4HANA Cloud

43
Local versions

25
Languages supported

100s
Business processes localized and legal changes handled

More details on Roadmap Explorer
S/4HANA Public cloud offers best in class localization (Key benefits)

<table>
<thead>
<tr>
<th>Country/Region</th>
<th>Component</th>
<th>Legal Information</th>
<th>Company Status</th>
<th>SAP Solution Status</th>
<th>Last Changed (SAP Note)</th>
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<td>Advanced Compliance Reporting (ACR) - India GST Reporting</td>
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<td>Available</td>
<td>28.07.2020</td>
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<td>Changes - Report 190 - Summary of vendors withholding taxes</td>
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Announcement of Legal Change through SAP Support Launchpad
IDC MarketScape Names SAP a Leader in recent 2020 ERP Reports

- Globalization highlighted as a key strength in all 3*
  - S/4HANA Cloud is adept at supporting even the most complex globalization demands...
  - Includes support for all local legal guidelines and reporting standards...
  - Highly attractive for large multinational, multi-entity organizations for whom localization can be a cumbersome and costly process

IDC Services Automation (PSA) ERP Applications 2020 Vendor Assessment
IDC MarketScape: Worldwide SaaS Cloud-Enabled Medium-Sized/Midmarket Business ERP Applications 2020 Vendor Assessment
Over 125+ innovations/ updates in the next three quarters

Further Innovations planned for:

- Financial and Statutory Reporting (incl Extensibility)
- FICA
- Indirect Tax Management
- New localizations for Egypt, Qatar and some more..

Scan through the latest innovations and the planned innovations on the SAP Road Map Explorer
Extending localization beyond standard
S/4HANA Cloud Localization Toolkit enables **extending localization beyond standard**

**Last - Mile Localization**

- Extending SAP-delivered localizations, for example by adding:
  - Additional forms, reports
  - e-invoicing
  - Payment Formats

**New Local Version** *

- Creating a new local version via SAP-delivered solutions*:
  - Simple legislations
  - Implementation project-driven
  - Mostly customer-specific (subsidiaries)

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* Please note that the one-off localization feature is currently in development
### SAP S/4HANA Cloud Localizations

#### Layers of a localization & consumption options

<table>
<thead>
<tr>
<th>Layers of Localization</th>
<th>43 available local versions</th>
<th>Local versions planned as of 2105&lt;sup&gt;1&lt;/sup&gt;</th>
<th>Partner/customer-built localization&lt;sup&gt;1&lt;/sup&gt;</th>
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<td>Configuration</td>
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<td>(One-off localization feature within Central</td>
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<td>(Extensibility)</td>
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1 Depending on availability of one-off localization feature within Central Business Configuration
Localization Toolkit - Under the Hood

- Inbuilt Localization Features
  - Payment Medium Workbench
  - Advanced Compliance Reporting
- In-App Extensibility
  - Custom User Interface
  - Custom CDS Views
  - Custom Business Objects
  - Custom Fields...
- Side-by-Side Extensibility
  - SAP Cloud SDK
  - API Business Hub
- *Central Business Configuration
  - *One-off localization feature currently in development

Local Gear: Localization Toolkit for SAP S/4HANA Cloud

- Tax Reporting
- Fixed Assets
- Invoicing
- Inventory Valuation
- Account Payables / Receivables
- Payment Media
- Payment Methods
- Language Verticalization
- Language

- Withholding Tax
- Tax
- Deferred Tax
- Product Tax
- Legal Reporting / Fiscal Closing
- Local GAAP

30 plus localization scenarios across a palette of areas already available for you on the toolkit community page.

Interactive space for your questions and constant feedback.

Stay up-to-date with informative blogs on several topics around S/4HC localizations.
Partner Integration service for the cloud edition of SAP Document Compliance

- **Sender**: Post customer invoice → eDocument created → Map to generic format and send

- **Partner Integration Service**: Generate local format
  - Sign Document
  - Communication with Tax Authority

- **Partner Solution**
- **Tax Authority**

- **Update eDocument status**: Process notification and update the legal format → Push Notification
Partner/Customer-built Localization

What to consider before starting implementation

The one-off localization feature within the Central Business Configuration aims to enable our customers and partners to create their own localization by copying (parts of) an existing localization.

The following factors have to be evaluated to check if a local version can be created:

- Legal requirements of the country/region
- Customer implementation scope for the country/region
- Capabilities of the toolkit
Resources around localizations
Information Sources around SAP S/4HANA Cloud Localizations

01. SAP Help Portal
   - Country/Region specific functionalities

02. SAP Best Practices for SAP S/4HANA Cloud
   - Best Practices Explorer
     - Accelerate and simplify the adoption of SAP S/4HANA Cloud for faster time to value, using best practice business processes.

03. RASD
   - Release Assessment and Scope Dependency Tool

04. SAP Roadmap Explorer
   - Latest Innovations and outlook on planned innovations

05. Localization Toolkit for SAP S/4HANA Cloud
   - Localization-relevant extensibility and alongside an aggregation of useful links
We appreciate your constant feedback

Gain access to a range of valuable resources, get answers, ask questions, join events, and connect directly with your peers and SAP experts.

Have questions or requests? Post them on our Q&A Forum.
Engage with us

Have you looked at the upcoming Customer Engagement Initiative for the localization toolkit yet?

Project Goals and Activities

We would love to hear from you and involve you in shaping the localization toolkit and the upcoming features. Is there a business-specific need which you want us to analyze and provide a how-to guide on? Do you have feedback on the localization relevant resources and tools? Can you test a few upcoming features along with us to provide first-hand feedback? As part of this engagement, we would like to have your feedback on several components of the toolkit.
Additional Resources

- S/4HANA Cloud Localization Overview Video
- Customer Testimonial
- Legal change notification on SAP Support Launchpad
- Localization Toolkit for SAP S/4HANA Cloud
- SAP Best Practices for SAP S/4HANA Cloud
- SAP Globalization Services
Thank you.

Reach us via the SAP S/4HANA Cloud Customer Community