Archiving for legal purposes

How to implement the new Belgian legislation to destroy physical invoices and use an electronic archive
Agenda

- Introduction
- Legal context
- Capture
- Archival storage
Introduction
Presentation of the speakers

• Vincent Sterken (Functional Consultant)
• Danny Roeffaer (IT Infrastructure Architect)
Concepts

• Archiving in view of legal requirements
  – “Legal archiving” = marketing term!
  – The key objective is to **legitimate electronic information** by conferring it the same legal value as paper information

• Evidence
  – Admissibility
  – Probative value
  – Conclusive force
Concepts

• What do I need?
  – Archive in such a way that the record is preserved with all the elements necessary to confer legal value
  – Compliant procedures
    • Capture
    • Archival processes
    • Archival storage
Legal context
Applicable laws

• Law on VAT, Art. 60
  – Concerns
    • Physical and electronic financial records on Belgian soil
    • Electronic financial records in the EU member states
  – Conditions for conservation
    – Preservation guarantees need to be provided
    – Data concerning the preservation must be conserved as well
    – Invoices received in paper format may be digitized (art. 32, L. 27/12/2005) if the preservation guarantees are maintained
    – Retention period = 7 years
Applicable laws

• Royal Order (RO) n° 1 art. 8, 29/12/1992 (modified by Art. 5, RO 17.05.2007)
  – Royal Order = Koninklijk Besluit (KB)-Arrêté Royal (AR)
  – A double must be preserved of every outgoing invoice by the supplier or the service provider
Applicable laws

• AFER 16/2008 (E.T. 112.081) dd. 13/05/2008
  – Administrative circular
    • FPS Economy
    • Transl.: Omzendbrief – circulaire
  – Condition and terms for storing and archiving the e-invoices and e-data based on the VAT law
  – Legal context on the production and the archiving of e-docs
Conditions

• Documents to be archived
  – Incoming invoices
  – Outgoing invoices
  – Contracts
  – Related financial records
    (e.g. ledgers, fixed assets table, …)
Conditions

• Conservation
  – Original form or digitized if in paper form
  – Guarantees for the preservation of:
    • Authenticity of the invoice's origin;
    • Integrity of the invoice's contents;
    • Readability during the retention period
Goal

• Identify the scanning operator for every image
• Guarantee
  – the tracability of every image
  – the inalterability
    • of the scanned images
    • of the sequence of the scanned images

Ex. delete an image, move an image from one document to another document, etc...
Goal

• The integrity and authenticity of the images must be guaranteed during the whole workflow:
  – Scanning
  – Indexing
  – Quality control
  – Export
IRIS Powerscan 9

- Advanced scanning software
- Legal Scanning Mode
  - Available as an add-on
  - Compliant with AFER 16/2008 (certified by FPS Finance since January 2010)
Implementation

• Identification
  – Certificate or Belgian eID
  – “Legal Scanning” role with limited rights

• Scanning
  – Digital Signature
  – Time Stamping

• Validation:
  – Integrity
  – Authenticity

• Processing
  – “Legal Scanning” option to ensure that the images won’t be modified during the export
Archival storage
Goal

• Manage archival storage in a cost effective way
• Guarantee
  – Readability during the retention period
  – Inalterability of the object and its contents
Typical archive infrastructure

• Application services
  – Collection of data from existing electronic data repositories
  – Access to data for applications and users
  – Managing, indexing and routing the (pointers of) data

• Repositories
  – Database Storage Area(s)
  – File Storage Area(s)
  – Fixed Content Area(s)
Secure storage

• IBM Information Archive
  – Universal archiving repository
    • Optimizes storage infrastructure
    • High performance
      – Modular
      – Highly scalable
Secure storage

• Tamperproof
  – Set each file’s expiration date
  – never permitted to shorten them
  – Mark files “read only”
  – No alterations, overwrites or deletions possible until file expiration
Secure storage

– System Storage Archive Manager (SSAM)
  • Specialized version of Tivoli Storage Manager
  • Provides variety of data retention policies
    – Chronological
    – Event-based
    – Deletion hold
  • Automated data migration services
  • Sharing of tape libraries

– Industry’s most advanced data protection features
## Secure storage

| Data Encryption | - Protect data when transmitted over the network  
|                 | - Enhanced security via 128-bit AES or 56-bit DES encryption technology. |
| Data Deduplication and Compression | - Storage capacity optimization  
|                                 | - Improved productivity. |
| Enhanced Tamper Protection | - Limited access to unrestricted administrative accounts within the archive system. |
| Data Shredding | - Explicit overwrite of deleted data to make it difficult to discover or reconstruct that data later. |
Conclusion
Archiving invoices

• Legal context
  – We can digitize and subsequently destroy paper invoices
  – If we provide guarantees regarding the preservation of
    • Authenticity of the invoice's origin;
    • Integrity of the invoice's contents;
    • Readability during the retention period

• Compliant procedures
  – Capture (e.g. scanning with IRIS Powerscan 9)
  – Archival processes
  – Archival storage (with e.g. IBM Information archive)
Thank You