APIs:
A Business Perspective

FTA ITTI COI meeting – service integration and APIs
October 2023
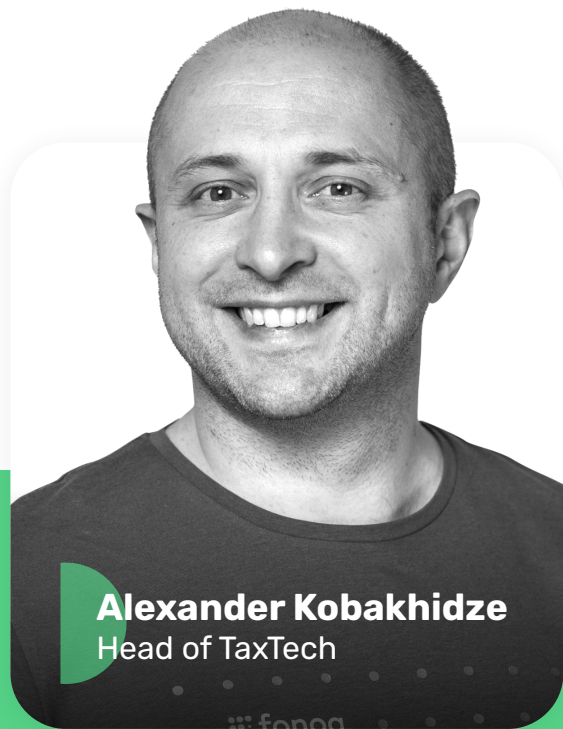
Alexander Kobakhidze
Head of TaxTech

Presenters
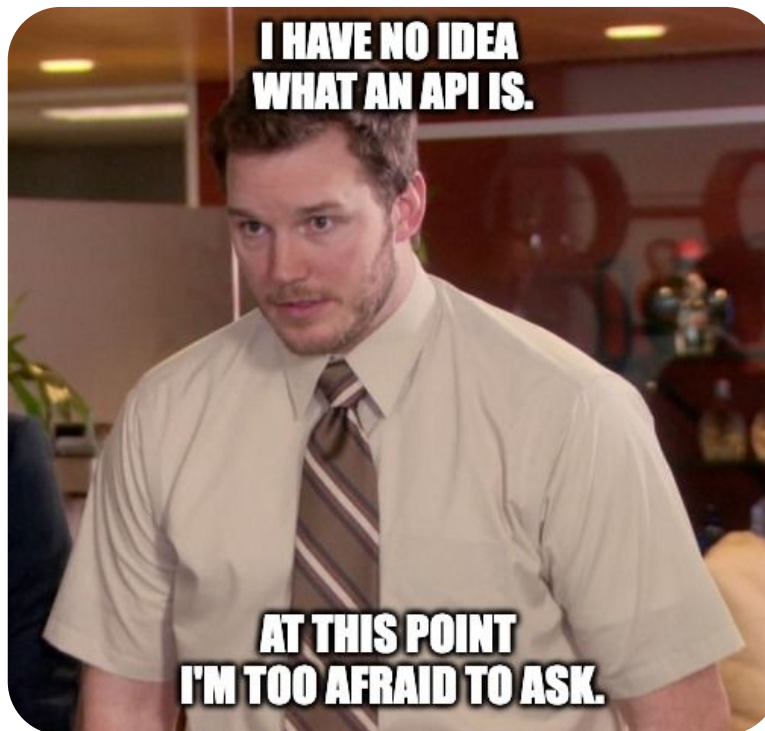

Alexander Kobakhidze
Head of TaxTech

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"A set of protocols, routines, and tools for building applications. It defines how different software components should interact with each other"

Antonio (an informed colleague)

fonoa

What we often come across in the field

Application Programming Interface
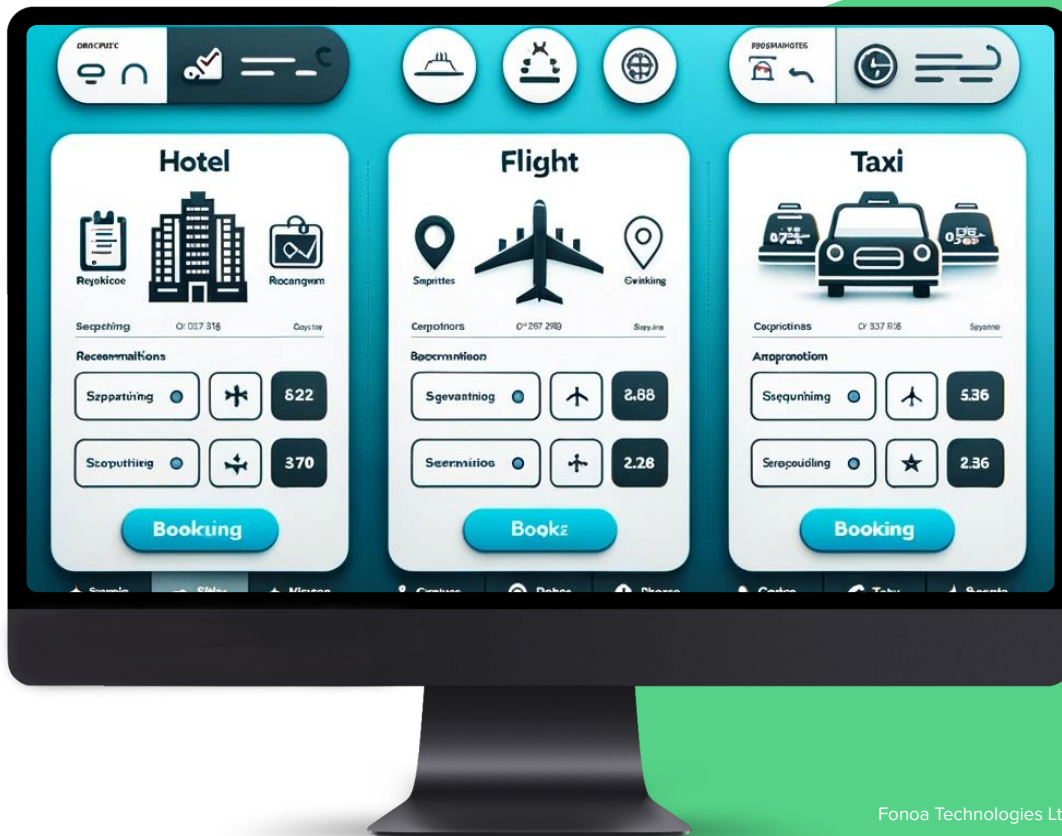
The basics

You use API's every day

Checking the weather....

You use API's every day

...Or simply browsing the internet and booking flights, hotels & taxis

At the restaurant...

Using an API, is like visiting a restaurant.

The restaurant **menu** = **API**

The menu contains **items**, the things you can **request** or **order** from the menu (API).

Restaurants have certain etiquette or language, which in the API world is the **protocol.** This tells you how to interact and place orders.

Each menu item is called an **endpoint.** An endpoint is like a specific dish

Other important restaurant (API) terms

- **Authenticity** = proof of ID (eg for your table reservation)
- **Latency** = the time it takes from your **order** to receiving your food item
- **Availability =** opening hours. What can you expect from the Restaurant (API)?

API use cases in Tax

Best practises

Fonoa Technologies Ltd.

Periodic filing

Tax engine*

Use cases

E-Invoicing

Tax number lookup

Usually internal API

E-Invoicing API use case

- Reporting transactions to tax authorities in real or near real time
- Suitable for contemporary companies
- Practically the only option that can scale to *millions of transactions* a month
- Integration is resource intensive
  - Research
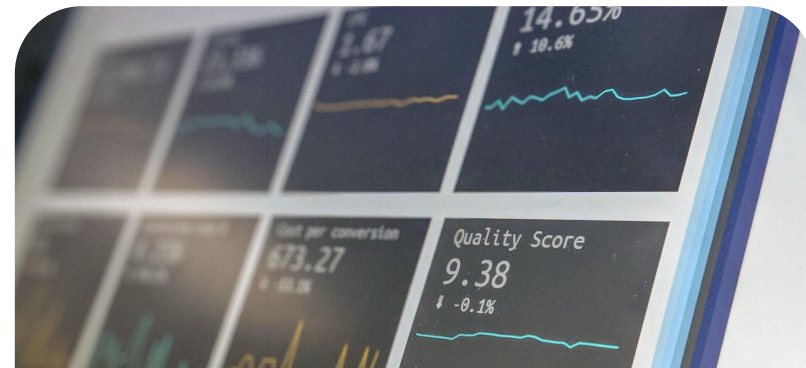 - Scoping
  - Data preparation
  - etc.

API integration lifecycle

Hurdles and effective strategies for mitigating them

Pre-launch
planning, designing, implementing

›››

Post-launch
monitoring, maintenance

Pre-launch

🛣️ **Roadmap management**

Hurdle
Enterprises often need to plan projects 12-18 months in advance

Good practice
Announce changes in advance and share the documentation with businesses early

💬 **Language barrier**

Hurdle
Foreign organizations often don't speak the native language

Good practice
Provide English documentation and ensure meaning is not lost in translation

❓ **Unknown unknowns**

Hurdle
Testing in a laboratory is not as effective as the real thing

Good practice
Allow businesses to test the API so that any *unknowns* can be promptly discovered and addressed

Post-launch

🙋 Support

Hurdle
Asking questions about the system behaviours (e.g., late submissions)

Good practice
Have a FAQ page and a contact form where organizations may ask questions and collaboratively improve the solution

💬 Announcements

Hurdle
Tracking updates across different sources is resource intensive

Good practice
Maintain a single source of truth communicating upcoming changes and when they take effect

⏱ Timing

Hurdle
Adapting to changes may take more time depending on the time of the year

Good practice
Don't do any changes around holiday season, new years eve, etc.

Collaboration

No one person knows everything

Internal

- Joint effort by different functions within the organization
- Involved parties may speak different languages (sales, technology, tax, legal, etc.)

External

- Two way communication
- Leverage each other's insights and experiences

Thank you!