E-BOOK · EXECUTIVE GUIDE

From SAP NFE to SAP DRC

The GRC deadline has passed and the Tax Reform ships its notes through DRC — what changes, the window that is left and how to run the switchover.

Inove Solutions · inovesolutions.com · 2026 edition

CHAPTER 1

The deadline has already passed — and the Reform will not wait

SAP GRC NFE, which for more than a decade handled the issuing of electronic tax documents in Brazil, left mainstream maintenance on **31 December 2025**. Anyone still running it today is operating a component that no longer receives functional evolution — precisely when the Brazilian tax authorities are going through their biggest change in decades.

Figure 1 — The crossing is mandatory: the old platform is turning off its lights; the new one is where evolution happens.

The successor is **SAP DRC** (Document and Reporting Compliance). It is not simply a new name for the same thing: it is where SAP delivers the technical notes for tax documents and statutory reporting — including those of Brazil's **Tax Reform**. In other words, whoever does not migrate does not receive the adaptations the law will require.

> **The right question** — it is not 'when does GRC stop working?' (it keeps running), it is 'when does it stop keeping up with the law?'. That answer is already past due.

CHAPTER 2

What actually changes

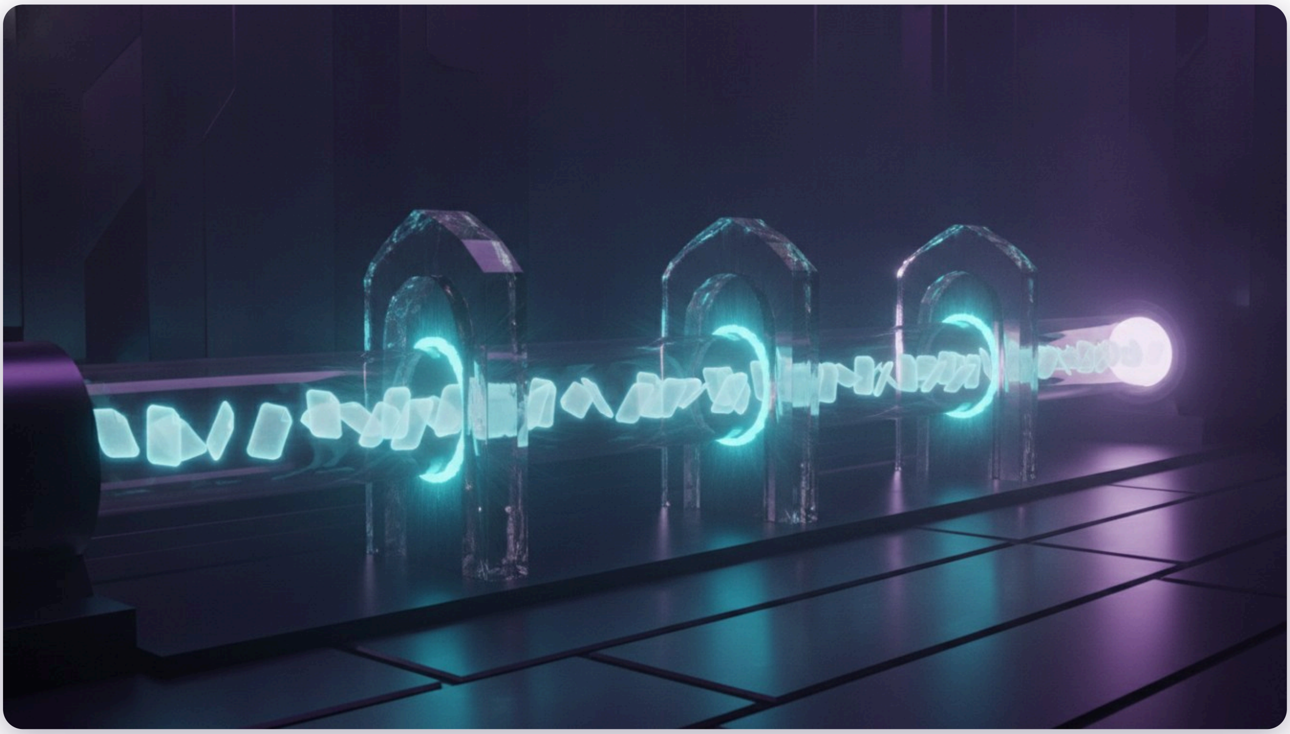

Figure 2 — A single document flow, with staged validation and end-to-end monitoring.

The difference between the two platforms is not on the screen — it is in the architecture and the scope:

- **Scope** — GRC NFE mainly handled the issuing of electronic documents. DRC covers **documents and statutory reporting** in the same place, with a unified monitor.
- **Delivery of new requirements** — the technical notes from the tax authorities (and those of the Reform) arrive through DRC. It is the official channel for evolution.
- **Operation** — centralized monitoring and error handling: the tax team no longer has to jump between transactions to understand why a document is stuck.
- **Technology base** — designed for S/4HANA and for cloud scenarios, including RISE with SAP.

> **Not just a component swap** — it is an end-to-end review of the tax flow: issuing, contingency, cancellation, number voiding, correction letters, inbound documents and statutory reporting. Every one of those paths has to be tested again.

CHAPTER 3

The window that is left

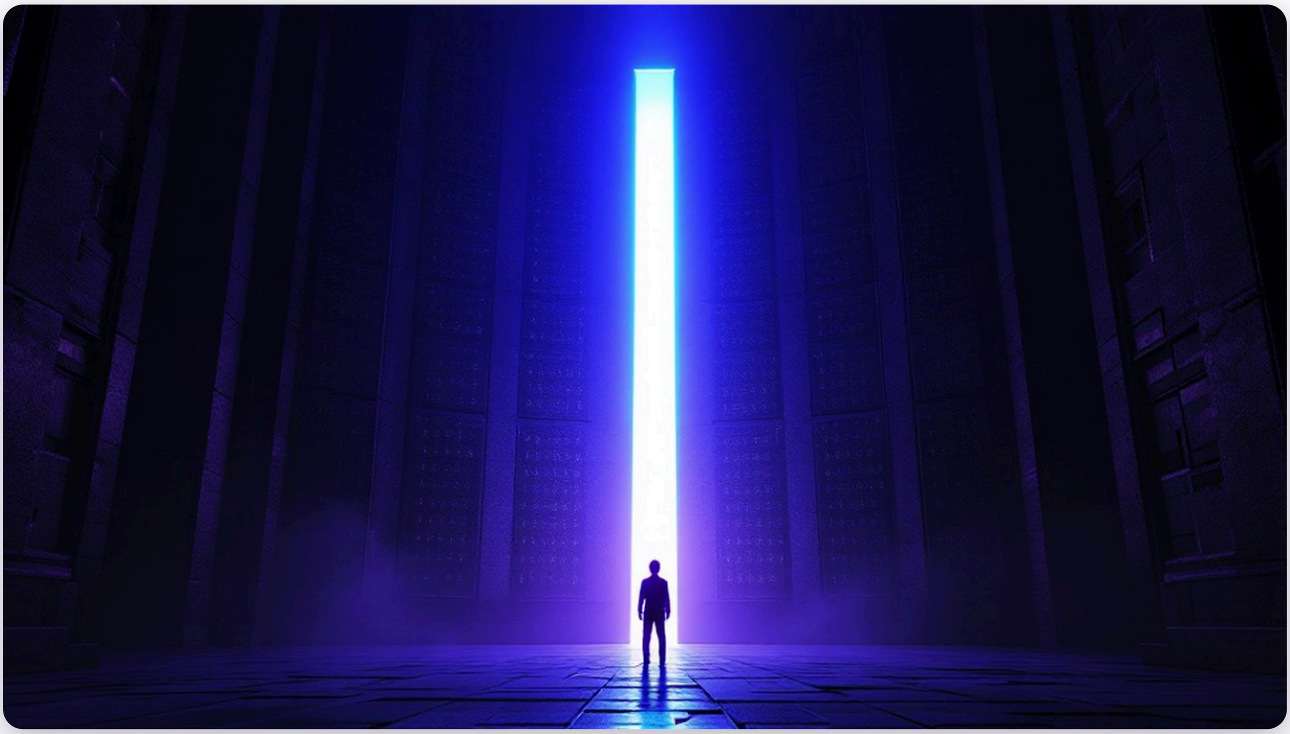

Figure 3 — The sliver of light is the window that remains: narrow, but still open for whoever starts now.

Three calendars intersect and define the urgency:

Milestone	What it means
31 Dec 2025	End of mainstream maintenance for GRC NFE — no functional evolution
2026	Test year of the Tax Reform (CBS 0.9% / IBS 0.1%): the adaptations arrive through DRC
2027	Full CBS and the end of PIS/COFINS — tax operations move to another level

The practical effect is a **queue**: the same companies, the same months, the same small pool of SAP tax specialists in Brazil. Whoever joins the queue later pays more and tests with less slack.

> **The sequence that avoids rework** — migrate to DRC *before* configuring the Reform. Doing it the other way around means configuring twice: once on the platform that is leaving, once on the one that stays.

CHAPTER 4

How to run the migration

A DRC migration project has five workstreams that have to move together:

1. **Assessment** — an inventory of what exists today: document types in use, custom code, integrations with the tax partner, messaging and the current monitor. This is where the surprises show up.
2. **Architecture** — DRC in which environment, with what connectivity to the tax authorities, and what changes in the role of the tax partner (where there is one).
3. **Configuration and development** — determination, mappings, and whatever used to be custom code either gets rewritten or retired. Old custom code is a strong candidate to disappear into the standard.
4. **Testing** — every document type, every exception: rejection by the tax authority, contingency, late cancellation, correction letter, returns. Tax flows prove themselves in the exceptions, not on the happy path.
5. **Switchover and follow-up** — a tax cutover with a contingency plan and reinforced monitoring through the first billing and assessment cycles.

> **Involve the people who operate it** — the tax team that clears rejections every day knows which exceptions actually occur in your operation. A test script written by IT alone tests what should happen, not what does.

CHAPTER 5

What the foundation has to deliver

Figure 4 — The flows converge into a single observation point: without it, a tax error only surfaces when the customer calls.

Tax is a functional topic, but it rests entirely on the foundation of the IT environment — and that is where Inove works:

- **Environments** — DRC needs a test environment with real volume and real connectivity to the tax authority sandbox, not ten sample invoices.
- **Integrations and certificates** — communication with the tax authorities depends on a valid digital certificate, proxy, DNS and outbound firewall rules. A certificate expiring on switchover day is a classic incident.
- **Performance** — billing peaks and month-end closing are the moments of heaviest tax load. They have to be measured beforehand.
- **Access** — who can cancel, void and reprocess a tax document? Segregation of duties matters especially here.
- **Monitoring** — an alert when documents stop going out. Without it, the discovery comes from the customer or the carrier.

> **Cloud caveat** — in RISE with SAP and other managed environments, connectivity to the tax authorities and certificate management follow the responsibility matrix: a good share of it stays on the client side.

CHAPTER 6

Executive checklist

- ✓ Are we still on GRC NFE? If so, is there a decision date — not just an intention?
- ✓ Does our Tax Reform plan assume DRC is already working — and is it in the right sequence?
- ✓ Have we inventoried the custom code and integrations of the current tax flow?
- ✓ Does our test environment talk to the tax authority sandbox?
- ✓ Do the digital certificates have an owner, an expiry date and an expiration alert?
- ✓ Is anyone automatically notified when a tax document stops going out?
- ✓ Is the tax team part of the test script — or only IT?

> **How to read the result** — if the first answer is 'yes, we are still on GRC' and the second is 'we have not decided yet', that is the most urgent item in your 2026 tax backlog. It blocks everything that comes after it.

Worth remembering: migrating to DRC is not a gain in scope, it is **keeping the capability you already have**. The gain shows up later — when the Reform adaptations arrive and the environment simply receives them.

ABOUT INOVE

Who keeps your tax flow running

A DRC migration has a functional-tax half and an **IT foundation** half. Inove Solutions looks after that foundation — and knows the route because we have already walked it:

- **DRC configuration** — real experience in Brazilian environments, from assessment to switchover.
- **Environments and connectivity** — testing with the tax authorities, certificates, proxy and firewall rules that typically stall projects.
- **Cybersecurity and access** — segregation of duties in the tax flow and an audit trail.
- **Cloud and FinOps** — the project's extra environments with cost under control.
- **Application management** — our 'life insurance' model: monitoring of the tax flow and on-call support when a document gets stuck.

We serve companies such as **Petrobras, Nespresso and Qualicorp** — and we know that in tax, downtime is not an inconvenience: it is billing at a standstill.

> **Our vision** — we want our clients to have no IT headaches and to be happy. Including on the day the invoice has to go out.

Still on GRC NFE? The Reform clock is already running.

Ask for a DRC migration assessment — inventory, architecture and the route to switchover, with your environment on the table.

To go deeper, at the Inove Academy: e-book **Brazil's Tax Reform in SAP** · quick guide **Dual operation in the Tax Reform** · infographics on NFE→DRC and the Reform — inovesolutions.com/en/inove-academy-en

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