

France

1. France was reviewed as part of the 2017/2018 and the 2018/2019 peer reviews. This report is supplementary to those previous reports (OECD, 2019^[1]) (OECD, 2018^[2]).
2. The first filing obligation for a CbC report in France commences in respect of fiscal years commencing on or after 1 January 2016.

Summary of key findings

3. France's implementation of the Action 13 minimum standard meets all applicable terms of reference, except for the following:
 - It is recommended that France introduce a provision which would have an equivalent effect as the "deemed listing provision", i.e. ensuring that all entities that are not legally required to prepare Consolidated Financial Statements (whether under commercial / company law, or under regulations governing the relevant stock exchange / market, or other) be included in the scope of the parent entity filing obligation.
 - It is recommended that France ensure that local filing only occurs in the circumstances contained in the terms of reference (OECD, 2017^[3]).

Part A: The domestic legal and administrative framework

4. France has legislation in place for implementing the BEPS Action 13 minimum standard.

(a) Parent entity filing obligation

5. It is recommended that France to complete the definition of an "Ultimate Parent Entity" in a manner consistent with the terms of reference, by introducing a provision which would have an equivalent effect as the "deemed listing provision" remains in place. This recommendation remains unchanged since the 2017/2018 peer review. France's 2017/2018 peer review also included three monitoring point on the parent entity filing obligation.

(b) Scope and timing of parent entity filing

6. No changes were identified.

(c) Limitation on local filing obligation

7. It is recommended that France to ensure that local filing only occurs in the circumstances permitted under the minimum standard and to prevent local filing in the absence on an international agreement remains in place. This recommendation remains unchanged since the 2017/2018 peer review. France's 2017/2018 peer review also included a monitoring point on the limitation on local filing obligation that remains in place.¹

(d) Limitation on local filing in case of surrogate filing

8. No changes were identified.

(e) Effective implementation

9. No changes were identified.

Conclusion

10. France's implementation of the Action 13 minimum standard meets all applicable terms of reference, except for the following:

- It is recommended that France introduce a provision which would have an equivalent effect as the "deemed listing provision", i.e. ensuring that all entities that are not legally required to prepare Consolidated Financial Statements (whether under commercial / company law, or under regulations governing the relevant stock exchange / market, or other) be included in the scope of the parent entity filing obligation. This recommendation remains unchanged since the 2017/2018 peer review.
- It is recommended that France ensure that local filing only occurs in the circumstances contained in the terms of reference. This recommendation remains unchanged since the 2017/2018 peer review.

Part B: The exchange of information framework**(a) Exchange of information framework**

11. As of 31 March 2020, France has 67 bilateral relationships, including those activated under the CbC MCAA and under the EU Council Directive (2016/881/EU). Within the context of its international exchange of information agreements that allow automatic exchange of information, France has taken steps to have Qualifying Competent Authority agreements in effect with jurisdictions of the Inclusive Framework that meet the confidentiality, consistency and appropriate use conditions. Regarding France's exchange of information framework, no inconsistencies with the terms of reference were identified.

(b) Content of information exchanged

12. No changes were identified.

(c) Completeness of exchanges

13. No changes were identified.

(d) Timeliness of exchanges

14. No changes were identified.

(e) Temporary suspension of exchange or termination of QCAA

15. No changes were identified.

(f) Consultation with other Competent Authority before determining systemic failure or significant non-compliance

16. No changes were identified.

(g) Format for information exchange

17. No changes were identified.

(h) Method for transmission

18. No changes were identified.

Conclusion

19. France meets all the terms of reference regarding the exchange of information.

Part C: Appropriate use**Appropriate use**

20. No changes were identified.

Conclusion

21. France meets all the terms of reference relating to appropriate use of CbC reports.

Summary of recommendations on the implementation of Country-by-Country Reporting

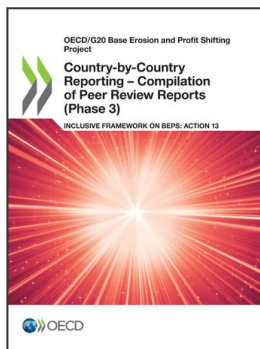
Aspect of the implementation that should be improved		Recommendation for improvement
Part A	Domestic legal and administrative framework – definition of an Ultimate Parent Entity	It is recommended that France introduce a provision which would have an equivalent effect as the “deemed listing provision”, i.e. ensuring that all entities that are not legally required to prepare Consolidated Financial Statements (whether under commercial / company law, or under regulations governing the relevant stock exchange / market, or other) be included in the scope of the parent entity filing obligation.
Part A	Domestic legal and administrative framework – limitation on local filing obligation	It is recommended that France ensure that local filing only occurs in the circumstances contained in the terms of reference.
Part B	Exchange of information framework	-
Part C	Appropriate use	-

References

- OECD (2019), *Country-by-Country Reporting – Compilation of Peer Review Reports (Phase 2): Inclusive Framework on BEPS: Action 13*, OECD/G20 Base Erosion and Profit Shifting Project, OECD Publishing, Paris, <https://dx.doi.org/10.1787/f9bf1157-en>. [1]
- OECD (2018), *Country-by-Country Reporting – Compilation of Peer Review Reports (Phase 1): Inclusive Framework on BEPS: Action 13*, OECD/G20 Base Erosion and Profit Shifting Project, OECD Publishing, Paris, <https://dx.doi.org/10.1787/9789264300057-en>. [2]
- OECD (2017), *Terms of reference for the conduct of peer review of the Action 13 minimum standard on country-by-country reporting*, OECD Publishing, <https://www.oecd.org/tax/beps/beps-action-13-on-country-by-country-reporting-peer-review-documents.pdf>. [3]

Note

¹ France's 2017/2018 peer review included a monitoring point with respect to the limitation of local filing to the instances of "Systemic Failure" as defined in paragraph 21 of the terms of reference. France confirms that its legislation implies that the obligations under the CbC MCAA are complied with (in particular the obligation for a prior consultation between Competent Authorities under Section 6 of the CbC MCAA) and will only apply local filing if there is a "Systemic Failure". This monitoring point remains in place.



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