OECD/G20 Base Erosion and Profit Shifting Project



Making Dispute Resolution More Effective - MAP Peer Review Report, Morocco (Stage 1)

INCLUSIVE FRAMEWORK ON BEPS: ACTION 14



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Foreword

The integration of national economies and markets has increased substantially in recent years, putting a strain on the international tax rules, which were designed more than a century ago. Weaknesses in the current rules create opportunities for base erosion and profit shifting (BEPS), requiring bold moves by policy makers to restore confidence in the system and ensure that profits are taxed where economic activities take place and value is created.

Following the release of the report *Addressing Base Erosion and Profit Shifting* in February 2013, OECD and G20 countries adopted a 15-point Action Plan to address BEPS in September 2013. The Action Plan identified 15 actions along three key pillars: introducing coherence in the domestic rules that affect cross-border activities, reinforcing substance requirements in the existing international standards, and improving transparency as well as certainty.

After two years of work, measures in response to the 15 actions were delivered to G20 Leaders in Antalya in November 2015. All the different outputs, including those delivered in an interim form in 2014, were consolidated into a comprehensive package. The BEPS package of measures represents the first substantial renovation of the international tax rules in almost a century. Once the new measures become applicable, it is expected that profits will be reported where the economic activities that generate them are carried out and where value is created. BEPS planning strategies that rely on outdated rules or on poorly co-ordinated domestic measures will be rendered ineffective.

Implementation is now the focus of this work. The BEPS package is designed to be implemented via changes in domestic law and practices, and in tax treaties. With the negotiation of a multilateral instrument (MLI) having been finalised in 2016 to facilitate the implementation of the treaty related BEPS measures, over 90 jurisdictions are covered by the MLI. The entry into force of the MLI on 1 July 2018 paves the way for swift implementation of the treaty related measures. OECD and G20 countries also agreed to continue to work together to ensure a consistent and co-ordinated implementation of the BEPS recommendations and to make the project more inclusive. Globalisation requires that global solutions and a global dialogue be established which go beyond OECD and G20 countries.

A better understanding of how the BEPS recommendations are implemented in practice could reduce misunderstandings and disputes between governments. Greater focus on implementation and tax administration should therefore be mutually beneficial to governments and business. Proposed improvements to data and analysis will help support ongoing evaluation of the quantitative impact of BEPS, as well as evaluating the impact of the countermeasures developed under the BEPS Project.

As a result, the OECD established the OECD/G20 Inclusive Framework on BEPS (Inclusive Framework), bringing all interested and committed countries and jurisdictions on an equal footing in the Committee on Fiscal Affairs and all its subsidiary bodies. The Inclusive Framework, which already has more than 135 members, is monitoring and peer reviewing the implementation of the minimum standards as well as completing the work on

standard setting to address BEPS issues. In addition to BEPS members, other international organisations and regional tax bodies are involved in the work of the Inclusive Framework, which also consults business and the civil society on its different work streams.

This report was approved by the Inclusive Framework on 12 May 2020 and prepared for publication by the OECD Secretariat.

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Abbreviations and acronyms

APA	Advance Pricing Arrangement
FTA	Forum on Tax Administration
MAP	Mutual Agreement Procedure
OECD	Organisation for Economic Co-operation and Development

Executive summary

Morocco has a relatively large tax treaty network, with over 75 tax treaties. Morocco has recently established a MAP programme and has limited experience with resolving MAP cases. It has a small MAP inventory with a small number of new cases submitted each year and 25 cases pending on 31 August 2019. Approximately 25 cases were pending as of August 31, 2019. Of these cases, only 4% concern allocation/attribution cases. Overall, Morocco met less than half of the elements of the Action 14 Minimum Standard. Where it has deficiencies, Morocco is working to address them.

All of Morocco's tax treaties contain a provision relating to MAP. Those treaties generally follow paragraphs 1 to 3 of Article 25 of the OECD Model Tax Convention. Its treaty network is largely consistent with the requirements of the Action 14 Minimum Standard, except mainly for the fact that:

- More than 20% of its tax treaties neither contain a provision stating that mutual agreements shall be implemented notwithstanding any time limits in domestic law (which is required under Article 25(2), second sentence), nor the alternative provisions for Article 9(1) and Article 7(2) to set a time limit for making transfer pricing adjustments.
- Almost 15% of its tax treaties do not contain the equivalent of Article 25(1) of the OECD Model Tax Convention either because they do not contain the equivalent of Article 25(1), first sentence of the Model of the OECD Tax Convention or because they do not contain the equivalent of Article 25(1), second sentence, of the OECD Model Tax Convention, as the timeline to file a MAP request is shorter than three years from the first notification of the action resulting in taxation not in accordance with the provision of the tax treaty.

In order to be fully compliant with all four key areas of an effective dispute resolution mechanism under the Action 14 Minimum Standard, Morocco needs to amend and update a certain number of its tax treaties. In this respect, Morocco signed the Multilateral Instrument, through which a number of its tax treaties will potentially be modified to fulfil the requirements under the Action 14 Minimum Standard. Where treaties will not be modified, upon entry into force of this Multilateral Instrument for the treaties concerned, Morocco has indicated its intention to negotiate changes to tax treaties bilaterally. In this respect, Morocco reported that it is currently working on a plan, prioritising jurisdictions with which Morocco has close economic ties.

Morocco does not meet the Action 14 Minimum Standard concerning the prevention of disputes. It has in place a bilateral APA programme, but this programme does not allow roll-backs of bilateral APAs.

Morocco also meets some requirements regarding the availability and access to MAP under the Action 14 Minimum Standard. It provides access to MAP in all eligible cases although it has since 1 January 2019 not received any MAP request from a taxpayer. Furthermore, Morocco does not have in place a documented bilateral consultation or

notification process for those situations in which its competent authority considers the objection raised by taxpayers in a MAP request as not justified. Morocco also has no published guidance on the availability of MAP and how it applies this procedure in practice under tax treaties.

The tentative MAP	statistics	provided by	v Morocco	for 2019	are as follows:

2019 January-August	Opening inventory 1 January 2019	Cases started	Cases closed	End inventory 31 August 2019
Attribution/allocation cases	1	0	0	1
Other cases	24	0	0	24
Total	25	0	0	25

Morocco had 25 pending MAP cases as of 1 January 2019, including one attribution/ allocation case and 24 other cases. Its MAP inventory as per 31 August 2019 remained similar as compared to its inventory as per 1 January 2019, as no cases have been closed or initiated during the Review Period. Morocco clarified that the staff in charge of resolving MAP cases endeavours to resolve the cases as soon as possible. As no cases were closed during the period and since the peers reported having experienced difficulties in contacting Morocco or in obtaining information that would be relevant to the resolution of MAP cases, Morocco's competent authority might not have adequate resources to resolve the MAP cases submitted in a timely and efficient manner. In that regard, Morocco should closely monitor whether the level of resources granted to its competent authority is sufficient to resolve MAP cases in a timely, effective and efficient manner.

Furthermore, Morocco meets almost all of the other requirements under the Action 14 Minimum Standard in relation to the resolution of MAP cases. Morocco's competent authority operates fully independently from the audit function of the tax authorities and adopts a pragmatic approach to resolve MAP cases in an effective and efficient manner. Its organisation is adequate and the performance indicators used are appropriate to perform the MAP function.

As there was no MAP agreement reached that required implementation in Morocco in 2019, it was not yet possible to assess whether Morocco implements MAP agreements and does so in a timely manner. However, Morocco has a domestic statute of limitation that may affect the implementation of MAP agreements. This bears the risk that MAP agreements cannot be implemented when the relevant tax treaty does not contain the equivalent of the Article 25(2), second sentence of the OECD Model Tax Convention.

Introduction

Available mechanisms in Morocco to resolve tax treaty-related disputes

Morocco has entered into 77 tax treaties on income (and/or capital), 53 of which are in force. These 77 treaties are being applied to 80 jurisdictions. All of these treaties provide for a mutual agreement procedure for resolving disputes on the interpretation and application of the provisions of the tax treaty. None of the 77 treaties provide for an arbitration procedure as a final stage to the mutual agreement procedure.

In Morocco, the competent authority function to handle MAP cases is delegated to the *Direction de la Législation, des Études et de la Coopération Internationale* (Directorate of Legislation, Research and International Co-operation). The competent authority of Morocco currently employs nine staff who deal with MAP cases among other tasks. They are responsible for both attribution/allocation cases, and other cases, in addition to other non-MAP-related duties.

Morocco reports that guidance on the governance and administration of the mutual agreement procedure (MAP) has been drafted and will be approved and published in French on the website of the General Directorate of Taxation as soon as possible.

Recent developments in Morocco

Morocco has concluded new tax treaties with Albania (2015), Azerbaijan (2018), Bangladesh (2018), Benin (2019), Burkina Faso (2012), Cameroon (2012), Congo (2018), Estonia (2013), Ethiopia (2016), Ghana (2017), Guinea-Bissau (2015), Iran (2008), Liberia (2019), Lithuania (2013), Madagascar (2016), Mauritius (2015), Rwanda (2016), Sao Tome and Principe (2016), Saudi Arabia (2015), Serbia (2013), Slovenia (2016), South Sudan (2017), Yemen (2006) and Zambia (2017), which have not yet entered into force.

Furthermore, on 25 June 2019, Morocco signed the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting ("Multilateral Instrument"), to adopt, where necessary, modifications to the MAP article under its tax treaties with a view to be compliant with the Action 14 Minimum Standard in respect of all the relevant tax treaties. With the signing of the Multilateral Instrument, Morocco submitted its list of notifications and reservations to that instrument.³ In relation to the Action 14 Minimum Standard, Morocco has not made any reservations pursuant to Article 16 of the Multilateral Instrument (concerning the mutual agreement procedure). The Multilateral Instrument has been approved by the Ministerial Council and the next step towards ratification is to be approved by the Parliament.

Where treaties will not be modified by the Multilateral Instrument, Morocco reported that it would work to modify them through future bilateral negotiations. In this respect, Morocco indicated that it is currently working on a plan, prioritising jurisdictions with which Morocco has close economic ties and frequent transactions.

Basis for the peer review process

The peer review process entails an evaluation of Morocco's implementation of the Action 14 Minimum Standard through an analysis of its legal and administrative framework relating to the mutual agreement procedure, as governed by its tax treaties, domestic legislation and regulations, as well as its MAP programme guidance and the practical application of that framework. The review process performed is desk-based and conducted through specific questionnaires completed by Morocco, its peers and taxpayers. The questionnaires for the peer review process were sent to Morocco and the peers on 30 August 2019.

The period for evaluating Morocco's implementation of the Action 14 Minimum Standard ranges from 1 January 2019 to 31 August 2019 inclusive ("Review Period"). Furthermore, this report may depict some recent developments that have occurred after the Review Period, which at this stage will not impact the assessment of Morocco's implementation of this minimum standard. In the update of this report, being stage 2 of the peer review process, these recent developments will be taken into account in the assessment and, if necessary, the conclusions contained in this report will be amended accordingly.

For the purposes of this report and the statistics below, in assessing whether Morocco is compliant with the elements of the Action 14 Minimum Standard that relate to a specific treaty provision, the newly negotiated treaties or the treaties as modified by a protocol, as described above, were taken into account, even if it concerned a modification or a replacement of an existing treaty.

Concerning the multilateral tax treaty between Algeria, Libya, Morocco, Mauritania and Tunisia ("Union of the Arab Maghreb (UMA)"), this treaty is counted as one treaty, even though it is applicable to multiple jurisdictions. Reference is made to Annex A for the overview of Morocco's tax treaties regarding the mutual agreement procedure.

In total, seven peers provided input: Austria, Canada, Germany, Portugal, Switzerland, Turkey and the United States. None of these peers had a MAP case with Morocco that started on or after 1 January 2019. One peer noted that one case is expected to start soon.

All peers stated that they had little experience with Morocco. However, two peers emphasised the need for procedures to be faster so that co-operation with Morocco could proceed more efficiently, stating that they had encountered difficulties in obtaining specific clarifications

Morocco provided its questionnaire on time. Morocco was very responsive in the course of the drafting of the peer review report by responding timely and comprehensively to requests for additional information, and provided further clarity where necessary. In addition, Morocco provided the following information:

- MAP profile⁴
- Tentative MAP statistics for the purpose of the peer review.

Finally, Morocco is a member of the FTA MAP Forum and has shown good co-operation during the peer review process.

Overview of MAP caseload in Morocco

The analysis of Morocco's MAP caseload relates to the period from 1 January 2019 to 31 August 2019. According to the statistics provided by Morocco, the MAP caseload during this period was as follows:

2019 January-August	Opening inventory 1 January 2019	Cases started	Cases closed	End inventory 31 August 2019
Attribution/allocation cases	1	0	0	1
Other cases	24	0	0	24
Total	25	0	0	25

General outline of the peer review report

This report includes an evaluation of Morocco's implementation of the Action 14 Minimum Standard. The report comprises the following four sections:

- A. Preventing disputes
- B. Availability and access to MAP
- C. Resolution of MAP cases
- D. Implementation of MAP agreements.

Each of these sections is divided into elements of the Action 14 Minimum Standard, as described in the terms of reference to monitor and review the implementation of the BEPS Action 14 Minimum Standard to make dispute resolution mechanisms more effective ("**Terms of Reference**"). 5 Apart from analysing Morocco's legal framework and its administrative practice, the report depicts the changes adopted and plans shared by Morocco to implement elements of the Action 14 Minimum Standard where relevant. The conclusion of each element identifies areas for improvement (if any) and provides for recommendations how the specific area for improvement should be addressed.

The objective of the Action 14 Minimum Standard is to make dispute resolution mechanisms more effective and concerns a continuous effort. Therefore, this peer review report includes recommendations that Morocco should continue to act in accordance with a given element of the Action 14 Minimum Standard, even if there is no area for improvement for that specific element.

Notes

1. The tax treaties Morocco has entered into are available online at: https://www.tax.gov.ma/wps/portal/DGI/Documentation-fiscale/Conventions-internationales. The treaties that are signed but have not yet entered into force are with Albania (2015), Azerbaijan (2018), Bangladesh (2018), Benin (2019), Burkina Faso (2012), Cameroon (2012), Congo (2018), Estonia (2013), Ethiopia (2016), Ghana (2017), Guinea-Bissau (2015), Iran (2008), Liberia (2019), Lithuania (2013), Madagascar (2016), Mauritius (2015), Rwanda (2016), Sao Tome and Principe (2016), Saudi Arabia (2015), Serbia (2013), Slovenia (2016), South Sudan (2017), Yemen (2006) and Zambia (2017). Annex A gives an overview of Morocco's tax treaties.

- 2. Morocco is a signatory to the Union of the Arab Maghreb (UMA) Convention that for Morocco applies to Algeria, Libya, Mauritania and Tunisia.
- 3. See: www.oecd.org/tax/treaties/beps-mli-position-morocco.pdf.
- 4. Available at www.oecd.org/tax/dispute/Morocco-Dispute-Resolution-Profile.pdf.
- 5. Terms of Reference to Monitor and Review the Implementing of the BEPS Action 14 Minimum Standard to Make Dispute Resolution Mechanisms More Effective. Available at: www.oecd.org/tax/beps/beps-action-14-on-more-effective-dispute-resolution-peer-review-documents.pdf.

Part A

Preventing disputes

[A.1] Include Article 25(3), first sentence, of the OECD Model Tax Convention in tax treaties

Jurisdictions should ensure that their tax treaties contain a provision which requires the competent authority of their jurisdiction to endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of their tax treaties.

Cases may arise concerning the interpretation or the application of tax treaties that do not necessarily relate to individual cases, but are more of a general nature. Inclusion of the first sentence of Article 25(3) of the OECD Model Tax Convention (OECD, 2017a) in tax treaties invites and authorises competent authorities to solve these cases, which may avoid submission of MAP requests and/or future disputes from arising, and which may reinforce the consistent bilateral application of tax treaties.

Current situation of Morocco's tax treaties

- Out of Morocco's 77 tax treaties, 75 contain a provision equivalent to Article 25(3), first sentence, of the OECD Model Tax Convention requiring their competent authority to endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the tax treaty. Of the two remaining treaties, one does not contain a provisions that is based or equivalent to Article 25(3), first sentence. The other treaty contains such provision, but does not include the part of the sentence reading "to resolve any difficulties or doubts arising as to the interpretation or application of the Convention", but instead refers to "any conflict". Therefore, the treaty is considered not to contain the equivalent of Article 25(3), first sentence, of the OECD Model Tax Convention.
- Morocco reported that it is willing to enter into MAP agreements of a general nature even where the applicable treaty does not contain a provision equivalent to Article 25(3), first sentence, of the OECD Model Tax Convention.

Anticipated modifications

Multilateral Instrument

Morocco signed the Multilateral Instrument on 25 June 2019, which has been approved by the Ministerial Council and the next step towards ratification is to be approved by the Parliament.

- 5. Article 16(4)(c)(i) of that instrument stipulates that Article 16(3), first sentence containing the equivalent of Article 25(3), first sentence, of the OECD Model Tax Convention will apply in the absence of a provision in tax treaties that is equivalent to Article 25(3), first sentence, of the OECD Model Tax Convention. In other words, in the absence of this equivalent, Article 16(4)(c)(i) of the Multilateral Instrument will modify the applicable tax treaty to include such equivalent. However, this shall only apply if both contracting parties to the applicable tax treaty have listed this treaty as a covered tax agreement under the Multilateral Instrument and insofar as both notified, pursuant to Article 16(6)(d)(i), the depositary that this treaty does not contain the equivalent of Article 25(3), first sentence, of the OECD Model Tax Convention.
- 6. In regard of the two treaties identified above that is considered not to contain the equivalent of Article 25(3), first sentence, of the OECD Model Tax Convention, Morocco listed this both as a covered tax agreement under the Multilateral Instrument, but only for one of them did it make a notification, pursuant to Article 16(6)(d)(i), that it does not contain a provision described in Article 16(4)(c)(i). The relevant treaty partner is a signatory to the Multilateral Instrument, listed its tax treaty with Morocco as a covered tax agreement under that instrument and also made a notification on the basis of Article 16(6)(d)(i). Therefore, at this stage, the Multilateral Instrument will, upon entry into force for this treaty, modify it to include the equivalent of Article 25(3), first sentence, of the OECD Model Tax Convention.

Bilateral modifications

7. In respect of the tax treaty that does not contain the equivalent of Article 25(3), first sentence, of the OECD Model Tax Convention and that will not be modified by the Multilateral Instrument, Morocco further reported that it intends to amend it via bilateral negotiations with a view to make them compliant with element A.1. Morocco indicated that it is currently working on a plan, prioritising jurisdictions with which Morocco has close economic ties and frequent transactions. In addition, Morocco reported that it will seek to include Article 25(3), first sentence, of the OECD Model Tax Convention in all its future tax treaties.

Peer input

8. No peer input was provided in respect of the two treaties identified that do not contain the equivalent of Article 25(3), first sentence, of the OECD Model Tax Convention.

Conclusion

	Areas for improvement	Recommendations
	Two out of 77 tax treaties do not contain a provision that is equivalent to Article 25(3), first sentence, of the OECD Model Tax Convention. One of these two treaties will not be modified by the Multilateral Instrument to include the required provision.	Morocco should as quick as possible complete the ratification process of the Multilateral Instrument to include the equivalent of Article 25(3), first sentence, of the OECD Model Tax Convention into one of these two treaties that currently does not contain such equivalent.
[A.1]		For the remaining treaty that will not be modified by the Multilateral Instrument to include the equivalent of Article 25(3), first sentence of the OECD Model Tax Convention, Morocco should request the inclusion of the required provision via bilateral negotiations. To this end, Morocco should follow its intention to put a plan in place on how it envisages updating these treaties to include the required provision.
	-	In addition, Morocco should maintain its stated intention to include the required provision in all future tax treaties.

[A.2] Provide roll-back of bilateral APAs in appropriate cases

Jurisdictions with bilateral advance pricing arrangement ("APA") programmes should provide for the roll-back of APAs in appropriate cases, subject to the applicable time limits (such as statutes of limitation for assessment) where the relevant facts and circumstances in the earlier tax years are the same and subject to the verification of these facts and circumstances on audit.

An APA is an arrangement that determines, in advance of controlled transactions, an appropriate set of criteria (e.g. method, comparables and appropriate adjustment thereto, critical assumptions as to future events) for the determination of the transfer pricing for those transactions over a fixed period of time. The methodology to be applied prospectively under a bilateral or multilateral APA may be relevant in determining the treatment of comparable controlled transactions in previous filed years. The "roll-back" of an APA to these previous filed years may be helpful to prevent or resolve potential transfer pricing disputes.

Morocco's APA programme

Morocco indicated that it is authorised to enter into bilateral APAs and that the legal basis for the bilateral APA programme is found in the article relating to the mutual agreement procedure in the tax conventions in force and ratified by Morocco and in articles 234a and 234b of the General Tax Code. Morocco has also published administrative instructions on the topic, specifying the procedure to follow in order to apply for an APA.² In this regard, Morocco clarified that an APA request must be filed at least six months before the opening of the first fiscal year covered by the agreement³, and that according to article 234b of the general tax code the duration of an APP cannot exceed 4 years.

Roll-back of bilateral APAs

Morocco reported that the bilateral APA programme does not provide for roll-back but that de facto an APA could be applied retroactively once the facts and circumstances of the previous fiscal years are identical and were subject to verification during a tax audit.

Practical application of roll-back of bilateral APAs

- Morocco reported that it has received two requests for bilateral APAs but that none of them included a roll-back request.
- All peers indicated that they had not received any requests for roll back of bilateral APAs with Morocco.

Anticipated modifications

Morocco indicated that it does not anticipate any modifications in relation to element A.2.

Conclusion

	Areas for improvement	Recommendations
[A.2]	Roll-back of bilateral APAs is not provided unless facts and circumstances were subject to verification during a tax audit.	Morocco should without further delay introduce the possibility of requesting and in practice provide for roll-back of bilateral APAs in appropriate cases.

Notes

- 1. This description of an APA is based on the definition of an APA in the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations (OECD, 2017b).
- 2. Available at the following address: https://www.tax.gov.ma/wps/portal/DGI/Documentation-fiscale/Recommandations-des-Assises.
- 3. In accordance with the provisions of Decree No. 2-16-571 of 8 Chaoual 1438 (July 3, 2017) setting the terms for the conclusion of an APA.

References

OECD (2017a), *Model Tax Convention on Income and on Capital 2017 (Full Version)*, OECD Publishing, Paris, https://dx.doi.org/10.1787/g2g972ee-en.

OECD (2017b), *OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations 2017*, https://dx.doi.org/10.1787/tpg-2017-en.

Part B

Availability and access to MAP

[B.1] Include Article 25(1) of the OECD Model Tax Convention in tax treaties

Jurisdictions should ensure that their tax treaties contain a MAP provision which provides that when the taxpayer considers that the actions of one or both of the Contracting Parties result or will result for the taxpayer in taxation not in accordance with the provisions of the tax treaty, the taxpayer may, irrespective of the remedies provided by the domestic law of those Contracting Parties, make a request for MAP assistance, and that the taxpayer can present the request within a period of no less than three years from the first notification of the action resulting in taxation not in accordance with the provisions of the tax treaty.

15. For resolving cases of taxation not in accordance with the provisions of the tax treaty, it is necessary that tax treaties include a provision allowing taxpayers to request a mutual agreement procedure and that this procedure can be requested irrespective of the remedies provided by the domestic law of the treaty partners. In addition, to provide certainty to taxpayers and competent authorities on the availability of the mutual agreement procedure, a minimum period of three years for submission of a MAP request, beginning on the date of the first notification of the action resulting in taxation not in accordance with the provisions of the tax treaty, is the baseline.

Current situation of Morocco's tax treaties

Inclusion of Article 25(1), first sentence, of the OECD Model Tax Convention

Out of Morocco's 77 tax treaties, 64¹ contain a provision equivalent to Article 25(1), first sentence, of the OECD Model Tax Convention (OECD, 2015a) as it read prior to the adoption of the Action 14 Final Report (OECD, 2015b), allowing taxpayers to submit a MAP request to the competent authority of the State in which they are resident when they consider that the actions of one or both of the treaty partners result or will result for the taxpayer in taxation not in accordance with the provisions of the tax treaty and that can be requested irrespective of the remedies provided by domestic law of either State. In addition, two of Morocco's tax treaties contain a provision equivalent to Article 25(1), first sentence, of the OECD Model Tax Convention (OECD, 2017), as amended by the Action 14 Final Report, and allowing taxpayers to submit a MAP request to the competent authority of either state.

17. The remaining 13 tax treaties can be categorised as follows:

Provision	Number of tax treaties
A variation of Article 25(1), first sentence, of the OECD Model Tax Convention as it read prior to the adoption of the Action 14 final report, whereby taxpayers can only submit a MAP request to the competent authorities of the contracting state of which they are a resident.	10
A variation to Article 25(1), first sentence, of the OECD Model Tax Convention as it read prior to the adoption of the Action 14 final report, whereby the taxpayer has to prove that actions taken by one or both of the contracting states result for them in taxation not in accordance with the provisions of this convention and whereby taxpayers are not allowed to submit a MAP request irrespective of domestic remedies	2
A variation of Article 25(1), first sentence, of the OECD Model Tax Convention as it read prior to the adoption of the Action 14 final report, whereby residents only can submit a MAP request to the competent authorities of the contracting state while the non-discrimination clause applies both to nationals that are and are not resident of one of the contracting states.	1

- 18. The treaties mentioned in the first row of the table above are considered not to have the full equivalent of Article 25(1), first sentence, of the OECD Model Tax Convention as it read prior to the adoption of the Action 14 final report, since taxpayers are not allowed to submit a MAP request in the state of which they are a national where the case comes under the non-discrimination article. However, for the following reasons all ten treaties are considered to be in line with this part of element B.1:
 - The relevant tax treaty does not contain a non-discrimination provision and only applies to residents of one of the states (two treaties).
 - The non-discrimination provision only covers nationals that are resident of one of the contracting states. Therefore, it is logical to allow only for the submission of MAP requests to the state of which the taxpayer is a resident (eight treaties).
- 19. The two treaties in the second row of the table above are also considered not to contain the equivalent of Article 25(1), first sentence, of the OECD Model Tax Convention as it read prior to the adoption of the Action 14 Final Report, since they do allow taxpayers to submit a MAP request in cases where they consider that an action of one or both of the contracting states "will result" for him in taxation not in accordance with the provisions of this Convention". Furthermore, they do not allow taxpayers to submit a MAP request irrespective of domestic available remedies.
- 20. The last treaty in the third row of the table above is also not considered to have the full equivalent of Article 25(1), first sentence, of the OECD Model Tax Convention as the non-discrimination provision is almost identical to Article 24(1) of the OECD Model Tax Convention and applies both to nationals that are and are not resident of one of the contracting states, while the MAP article only allows the residents to submit a MAP request. The omission of part of the text of Article 25(1), first sentence, of the OECD Model Tax Convention is therefore not clarified by the absence of or a limited scope of the non-discrimination provision, following which this treaty is not in line with this part of element B.1.

Inclusion of Article 25(1), second sentence, of the OECD Model Tax Convention

21. Out of Morocco's 77 tax treaties, 63² contain a provision equivalent to Article 25(1), second sentence, of the OECD Model Tax Convention allowing taxpayers to submit a MAP request within a period of no less than three years from the first notification of the action resulting in taxation not in accordance with the provisions of the particular tax treaty.

The remaining 14 tax treaties that do not contain such a provision can be categorised as follows:

Provision	Number of tax treaties
No provision for a filing period for a MAP request	8
Filing period more than 3 years for a MAP request (four years)	1
Filing period less than 3 years for a MAP request (two years)	4
Filing period for a MAP request based on the time limits in the domestic law of the treaty partners	1

23. The tax treaties that provide a shorter timeframe than that of Article 25(1), second sentence of the OECD Model Tax Convention to submit a MAP request and those that refer to domestic time limits are not considered in line with this part of element B1. For the latter tax treaties, this can be explained by the fact that domestic time limits may expire before the end of the filing period provided under the OECD Model Tax Convention.

Practical application

Article 25(1), first sentence, of the OECD Model Tax Convention

All of Morocco's tax treaties contain a provision that allows taxpayers to submit a MAP request irrespective of the remedies provided for in domestic law. In this respect, Morocco confirmed that access to MAP would be granted in eligible cases, even if at the same time remedies under domestic administrative and judicial remedies are pending for the same case. In that regard, Morocco reported that its competent authority cannot deviate from court decisions delivered in Morocco.

Article 25(1), second sentence, of the OECD Model Tax Convention

Morocco reported that, if the tax treaty does not contain a filing period for MAP requests, its competent authority will follow the time limit provided for in Article 25, second sentence, of the OECD Model Tax Convention, namely three years as from the first notification of the action resulting in taxation not in accordance with the provisions of the tax treaty.

Anticipated modifications

Multilateral Instrument

Morocco signed the Multilateral Instrument on 25 June 2019, which has been approved by the Ministerial Council and the next step towards ratification is to be approved by the Parliament.

Article 25(1), first sentence, of the OECD Model Tax Convention

Article 16(4)(a)(i) of that instrument stipulates that Article 16(1), first sentence - containing the equivalent of Article 25(1), first sentence, of the OECD Model Tax Convention as amended by the Action 14 Final Report and allowing the submission of MAP requests to the competent authority of either Contracting State – will apply in the place of or in the absence of a provision in tax treaties that is equivalent to Article 25(1), first sentence, of the OECD Model Tax Convention as it read prior to the adoption of the Action 14 Final

Report. However, this shall only apply if both Contracting Parties to the applicable tax treaty have listed this tax treaty as a covered tax agreement under the Multilateral Instrument and insofar as both notified the depositary, pursuant to Article 16(6)(a), that this treaty contains the equivalent of Article 25(1), first sentence, of the OECD Model Tax Convention as it read prior to the adoption of the Action 14 Final Report. Article 16(4)(a)(i) will for a tax treaty not take effect if one of the treaty partners has, pursuant to Article 16(5)(a), reserved the right not to apply the first sentence of Article 16(1) of that instrument to all of its covered tax agreements.

- 28. With the signing of the Multilateral Instrument, Morocco opted, pursuant to Article 16(4)(a)(i) of that instrument, Morocco opted to introduce in all of its tax treaties a provision that is equivalent to Article 25(1), first sentence, of the OECD Model Tax Convention as amended by the Action 14 final report, allowing taxpayers to submit a MAP request to the competent authority of either contracting state. In other words, where under Morocco's tax treaties taxpayers currently have to submit a MAP request to the competent authority of the contracting state of which a resident, Morocco opted to modify these treaties allowing taxpayers to submit a MAP request to the competent authority of either contracting state. In this respect, Morocco listed 75 of its 77 treaties as a covered tax agreement under the Multilateral Instrument and made, on the basis of Article 16(6)(a), for 73 of them the notification that they contain a provision that is equivalent to Article 25(1), first sentence, of the OECD Model Tax Convention as it read prior to the adoption of the Action 14 final report.
- 29. Of the relevant 73 treaty partners, 22 are not a signatory to the Multilateral Instrument, whereas six did not list their treaty with Morocco as a covered tax agreement under that instrument, and 13 reserved the right pursuant to Article 16(5)(a) not to apply the first sentence of Article 16(1) to their existing tax treaties. All remaining 32 partners listed their treaty with Morocco as including a provision equivalent to Article 25(1), first sentence, of the OECD Model Tax Convention as it read prior to the adoption of the Final Report on Action 14. Therefore, at this stage, the Multilateral Instrument will, upon entry into force for the treaties concerned, modify these 32 treaties to incorporate the equivalent of Article 25(1), first sentence, of the OECD Model Tax Convention, as amended by the Action 14 final report.
- 30. Furthermore, for the two treaties mentioned above where either Morocco or the relevant treaty partners did not make a notification on the basis of Article 16(6)(a), the Multilateral Instrument will only supersede these treaties to the extent that the provisions contained therein are incompatible with the first sentence of Article 16(1) and insofar as none of the treaty partners made a reservation on the basis of Article 16(5)(a). Of the relevant two treaty partners, one made such a reservation and therefore the treaty will not be superseded by the Multilateral Instrument. For the remaining treaty, since this treaty contains a MAP provision that is considered not to contain the equivalent of Article 25(1), first sentence, of the OECD Model Tax Convention as it read prior to the adoption of the Action 14 final report, it is considered incompatible with the first sentence of Article 16(1). Therefore, at this stage this treaty will be superseded upon entry into force of the Multilateral Instrument for this treaty to include the equivalent of Article 25(1), first sentence, of the OECD Model Tax Convention as amended by the Action 14 final report.
- 31. In view of the above, for those three treaties identified in paragraphs 19 and 20 above that are considered not to contain the equivalent of Article 25(1), first sentence, of the OECD Model Tax Convention as it read prior to the adoption of the Action 14 final report, none is included in the list of 32 treaties that will be modified via the Multilateral

Instrument. Furthermore, one of these three treaties will be superseded by that instrument with a view to allow taxpayers to submit a MAP request to the competent authority of either contracting state.

Article 25(1), second sentence, of the OECD Model Tax Convention

- With respect to the period of filing of a MAP request, Article 16(4)(a)(ii) of the Multilateral Instrument stipulates that Article 16(1), second sentence – containing the equivalent of Article 25(1), second sentence, of the OECD Model Tax Convention - will apply where such period is shorter than three years from the first notification of the action resulting in taxation not in accordance with the provisions of a tax treaty. However, this shall only apply if both contracting parties to the applicable tax treaty have listed this treaty as a covered tax agreement under the Multilateral Instrument and insofar as both notified, pursuant to Article 16(6)(b)(i), the depositary that this treaty does not contain the equivalent of Article 25(1), second sentence, of the OECD Model Tax Convention.
- In regard of the four tax treaties identified in paragraph 22 above that contain a filing period for MAP requests of less than three years, Morocco listed all of them as a covered tax agreement under the Multilateral Instrument and for the four of them did it make, pursuant to Article 16(6)(b)(i), a notification that they do not contain a provision equivalent to that described in Article 16(4)(a)(ii). Of the relevant four treaty partners, one is not a signatory to the Multilateral Instrument. Three of the remaining four treaty partners have listed their tax treaty with Morocco as a covered tax agreement under the Multilateral Instrument and also made a notification on the basis of Article 16(6)(b)(i). Therefore, at this stage, the Multilateral Instrument will, upon entry into force for the treaties concerned, modify three of the four tax treaties identified above to include the equivalent of Article 25(1), second sentence, of the OECD Model Tax Convention.
- In regard of the treaty that the filing period for a MAP request based on the time limits in the domestic law of the treaty partners, Morocco listed it as a covered tax agreement under the Multilateral Instrument, and it make, pursuant to Article 16(6)(b)(i), a notification that it does not contain a provision equivalent to that described in Article 16(4)(a) (ii). The relevant treaty partner is a signatory to the Multilateral Instrument, however it did not list the treaty with Morocco on the notification on the basis of Article 16(6)(b)(i). Therefore, at this stage, the Multilateral Instrument will, not modify this treaty to include the equivalent of Article 25(1), second sentence, of the OECD Model Tax Convention.

Bilateral modifications

- In respect of the tax treaties that do not contain the equivalent of Article 25(1) of the OECD Model Tax Convention, as it read prior to the adoption of the Final Report on Action 14, and that will not be modified by the Multilateral Instrument, Morocco further reported that it intends to amend them via bilateral negotiations with a view to make them compliant with element B.1. Morocco indicated that it is currently working on a plan, prioritising jurisdictions with which Morocco has close economic ties.
- With respect to the first sentence of Article 25(1), Morocco reported that, in those bilateral negotiations, it will seek to include the equivalent of that provision as it read after the adoption of the Action 14 Final Report. In addition, Morocco reported that it will seek to include Article 25(1) of the OECD Model Tax Convention, as it read after the adoption of the Action 14 Final Report in all its future tax treaties.

Peer input

37. The relevant peers did not provide any input in respect of the treaties identified that do not contain the equivalent of Article 25(1) of the OECD Model Tax Convention.

Conclusion

	Areas for improvement	Recommendations
	Three of the 77 tax treaties do not contain the equivalent of Article 25(1), first sentence, of the OECD Model Tax Convention. One of these treaties will be superseded by the Multilateral Instrument to include such equivalent when it enters into force.	Morocco should as quickly as possible complete the ratification process of the Multilateral Instrument to incorporate the equivalent to Article 25(1) of the OECD Model Tax Convention in this treaty that currently do not contain such equivalent and that will be modified by the Multilateral Instrument upon its entry into force for the treaty concerned.
		For the remaining two treaties that will not be modified by the Multilateral Instrument to include the equivalent of Article 25(1), first sentence of the OECD Model Tax Convention, Morocco should request the inclusion of the required provision via bilateral negotiations. To this end, Morocco should follow its intention to put a plan in place on how it envisages updating these treaties to include the required provision.
[B.1]	Five of Morocco's 77 tax treaties do not contain the equivalent of Article 25(1), second sentence, of the OECD Model Tax Convention, either (i) because the timeline to file a MAP request is shorter than three years from the first notification of the action resulting in taxation not in accordance with the provision of the tax treaty, or (ii) because the timeline for submitting a MAP request refers to domestic law of the treaty partners. Three of these treaties will be modified by the Multilateral Instrument to include the required provision.	Morocco should as quickly as possible complete the ratification process of the Multilateral Instrument in order to incorporate the equivalent of Article 25(1), second sentence, of the OECD Model Tax Convention in three of the five treaties that currently do not contain such equivalent. For the remaining two treaties that will not be modified by the Multilateral Instrument to include the equivalent of Article 25(1), second sentence of the OECD Model Tax Convention, Morocco should request the inclusion of the required provision via bilateral negotiations. To this end, Morocco should follow its intention to put a plan in place on how it envisages updating these treaties to include
	-	the required provision. In addition, Morocco should maintain its stated intention to include Article 25(1) of the OECD Model Tax Convention, as amended in the Action 14 final report in all future tax treaties.

[B.2] Allow submission of MAP requests to the competent authority of either treaty partner, or, alternatively, introduce a bilateral consultation or notification process

Jurisdictions should ensure that either (i) their tax treaties contain a provision which provides that the taxpayer can make a request for MAP assistance to the competent authority of either Contracting Party, or (ii) where the treaty does not permit a MAP request to be made to either Contracting Party and the competent authority who received the MAP request from the taxpayer does not consider the taxpayer's objection to be justified, the competent authority should implement a bilateral consultation or notification process which allows the other competent authority to provide its views on the case (such consultation shall not be interpreted as consultation as to how to resolve the case).

- In order to ensure that all competent authorities concerned are aware of MAP requests submitted, for a proper consideration of the request by them and to ensure that taxpayers have effective access to MAP in eligible cases, it is essential that all tax treaties contain a provision that either allows taxpayers to submit a MAP request to the competent authority:
 - i. of either treaty partner; or, in the absence of such provision,
 - ii. where it is a resident, or to the competent authority of the state of which they are a national if their cases come under the non-discrimination article. In such cases, jurisdictions should have in place a bilateral consultation or notification process where a competent authority considers the objection raised by the taxpayer in a MAP request as being not justified.

Domestic bilateral consultation or notification process in place

- As discussed under element B.1, two of Morocco's 77 tax treaties contain a provision equivalent to Article 25(1), first sentence, of the OECD Model Tax Convention as amended by the Action 14 Final Report, allowing taxpayers to submit a MAP request to the competent authority of either treaty partner. Furthermore, as was also discussed under element B.1, 32 of these 77 treaties will be modified by the Multilateral Instrument, when it enters into force, to allow taxpayers to submit a MAP request to the competent authority of either treaty partner.
- 40. Morocco reported that it has not yet put in place a bilateral consultation or notification process that allows the other competent authority concerned to provide its views in cases where Morocco's competent authority does not consider the objection raised in the MAP request to be justified. Morocco explained that, to date, it has never refused a MAP request. Morocco added that if the access to MAP would be refused by the Moroccan competent authority, it would inform the taxpayer and would notify the other competent authority, stating the reasons for the rejection.

Practical application

- Morocco reported that since 1 January 2019 its competent authority has not received any MAP requests from a taxpayer. Therefore, there were no cases where it was decided that the objection raised by taxpayers in such request was not justified.
- All the peers who provided input reported that they were not aware of any cases in 42. which the competent authority of Morocco had refused access to MAP. They also reported that they had not been consulted or notified of any cases where Morocco's competent authority had not considered the objection raised in the MAP request to be justified. This can be explained by the fact that, at that date, Morocco had not considered any objection raised in a MAP request not to be justified.

Anticipated modifications

Morocco indicated that its draft guidance provides that, if it refused access to MAP, its competent authority would notify the taxpayer and the other competent authority, stating the reasons for the denial.

Conclusion

	Areas for improvement	Recommendations
[B.2]	75 out of the 77 treaties do not contain a provision equivalent to Article 25(1) of the OECD Model Tax Convention, as amended by the Final Report on Action 14, allowing taxpayers to submit a MAP request to the competent authority of either State. There is no documented bilateral notification or consultation process in place for these treaties that allows the other competent authority concerned to provide its views on a case in which the Moroccan competent authority does not consider the objection raised to be justified.	Morocco should without further delay put in place and document a bilateral notification or consultation process that allows the other competent authority concerned to provide its views in a case where its own competent authority does not consider the objection raised in the MAP request to be justified; the documentation should set out procedural rules on how this process should be applied in practice, including the steps to be taken and the timetable that applies to them.
		In addition, Morocco should apply this bilateral notification or consultation process to future cases where its competent authority does not consider the objection raised in a MAP request to be justified and where the tax treaty concerned does not contain the equivalent of Article 25(1) of the OECD Model Tax Convention as amended by the Action 14 final report.

[B.3] Provide access to MAP in transfer pricing cases

Jurisdictions should provide access to MAP in transfer pricing cases.

44. Where two or more tax administrations take different positions on what constitutes arm's length conditions for specific transactions between associated enterprises, economic double taxation may occur. Not granting access to MAP with respect to a treaty partner's transfer pricing adjustment, with a view to eliminating the economic double taxation that may arise from such an adjustment, will likely frustrate the main objective of tax treaties. Jurisdictions should thus provide access to MAP in transfer pricing cases.

Legal and administrative framework

- 45. Out of Morocco's 77 tax treaties, 60 contain a provision equivalent to Article 9(2) of the OECD Model Tax Convention requiring their state to make a corresponding adjustment in case a transfer pricing adjustment is imposed by the treaty partner. Furthermore, 16³ treaties do not contain a provision that is based on or equivalent to Article 9(2) of the OECD Model Tax Convention. The remaining treaty contains a provision that based on Article 9(2) of the OECD Model Tax Convention, but is considered not being equivalent thereof as it stipulates that a corresponding adjustment can only be made through an agreement or consultation between the competent authorities.
- 46. Access to MAP should be provided in transfer pricing cases regardless of whether the equivalent of Article 9(2) is contained in Morocco's tax treaties and irrespective of whether its domestic legislation enables the granting of corresponding adjustments. In accordance with element B.3, as translated from the Action 14 Minimum Standard, Morocco indicated that it will always provide access to MAP in transfer pricing cases and is willing to make corresponding adjustments, regardless of whether the equivalent of Article 9(2) of the OECD Model Tax Convention is contained in its tax treaties.

Application of legal and administrative framework in practice

47. Morocco reported that, since 1 January 2019, it has not denied access to MAP on the ground that the case in question concerned transfer pricing. However, Morocco reported that its competent authority has not received any MAP requests for cases of this kind from taxpayers during the Review Period.

All the peers who provided input reported that they were not aware of any cases in which the competent authority of Morocco had refused access to MAP on the grounds that it concerned a transfer pricing case.

Anticipated modifications

- Morocco signed the Multilateral Instrument on 25 June 2019, which has been approved by the Ministerial Council and the next step towards ratification is to be approved by the Parliament.
- 50 Article 17(2) of that instrument stipulates that Article 17(1) – containing the equivalent of Article 9(2) of the OECD Model Tax Convention - will apply in place of or in the absence of a provision in tax treaties that is equivalent to Article 9(2) of the OECD Model Tax Convention. However, this shall only apply if both contracting parties to the applicable tax treaty have listed this treaty as a covered tax agreement under the Multilateral Instrument. Article 17(2) of the Multilateral Instrument does not take effect for a tax treaty if one or both of the treaty partners have, pursuant to Article 17(3), reserved the right not to apply Article 17(2) for those tax treaties that already contain the equivalent of Article 9(2) of the OECD Model Tax Convention, or not to apply Article 17(2) in the absence of such an equivalent provision under the condition that: (i) it shall make appropriate corresponding adjustments, or (ii) its competent authority shall endeayour to resolve the case under mutual agreement procedure of the applicable tax treaty. Where neither treaty partner has made such a reservation, Article 17(4) of the Multilateral Instrument stipulates that both have to notify the depositary whether the applicable treaty already contains a provision equivalent to Article 9(2) of the OECD Model Tax Convention. Where such a notification is made by both parties, the Multilateral Instrument will modify this treaty to replace that provision. If neither or only one treaty partner made this notification. Article 17(1) of the Multilateral Instrument will supersede this treaty only to the extent that the provision contained in that treaty relating to the granting of corresponding adjustments is incompatible with Article 17(1) (containing the equivalent of Article 9(2) of the OECD Model Tax Convention).
- Morocco has, pursuant to Article 17(3), reserved the right not to apply Article 17(2) of the Multilateral Instrument to all of its covered tax agreements on the basis that in the absence of a provision referred to in Article 17(2) in its covered tax agreement: i) it shall make the appropriate adjustment referred to in Article 17(1); or ii) its competent authority shall endeayour to resolve the case under the provisions of a covered tax agreement relating to mutual agreement procedure. Therefore, at this stage, the Multilateral Instrument will, upon entry into force, not modify any of Morocco's tax treaties to include the equivalent of Article 9(2) of the OECD Model Tax Convention.

Conclusion

	Areas for improvement	Recommendations
[B.3]	Morocco reported it will give access to. MAP in transfer pricing cases. Its competent authority, however did not receive any MAP request for such cases during the Review Period. Morocco is therefore recommended to follow policy and grant access to MAP in such cases.	

[B.4] Provide access to MAP in relation to the application of anti-abuse provisions

Jurisdictions should provide access to MAP in cases in which there is a disagreement between the taxpayer and the tax authorities making the adjustment as to whether the conditions for the application of a treaty anti-abuse provision have been met or as to whether the application of a domestic law anti-abuse provision is in conflict with the provisions of a treaty.

52. There is no general rule denying access to MAP in cases of perceived abuse. In order to protect taxpayers from arbitrary application of anti-abuse provisions in tax treaties and in order to ensure that competent authorities have a common understanding on such application, it is important that taxpayers have access to MAP if they consider the interpretation and/or application of a treaty anti-abuse provision as being incorrect. Subsequently, to avoid cases in which the application of domestic anti-abuse legislation is in conflict with the provisions of a tax treaty, it is also important that taxpayers have access to MAP in such cases.

Legal and administrative framework

53. None of Morocco's 77 tax treaties allow competent authorities to restrict access to MAP for cases where a treaty anti-abuse provision applies or where there is a disagreement between the taxpayer and the tax authorities as to whether the application of a domestic law anti-abuse provision is in conflict with the provisions of a tax treaty. In addition, the domestic law and/or administrative processes of Morocco do not include a provision allowing its competent authority to limit access to MAP for cases in which there is a disagreement between the taxpayer and the tax authorities as to whether the conditions for the application of a domestic law anti-abuse provision are in conflict with the provisions of a tax treaty.

Practical application

- 54. Morocco reported that, since 1 January 2019, it has not denied access to MAP in any cases in which there was a disagreement between the taxpayer and the tax authorities as to whether the conditions for the application of a treaty anti-abuse provision have been met, or as to whether the application of a domestic law anti-abuse provision is in conflict with the provisions of a tax treaty. Morocco reported that its competent authority has not received any MAP requests for cases of this kind from taxpayers during the Review Period.
- 55. All the peers who provided input reported that they were not aware of any cases in which the competent authority of Morocco had refused access to MAP since 1 January 2019 with regard to the application of a treaty anti-abuse provision or a domestic law anti-abuse provision.

Anticipated modifications

56. Morocco indicated that it does not anticipate any modifications in relation to element B.4.

Conclusion

	Areas for improvement	Recommendations
[B.4]	Morocco reported that it will give access to MAP in cases a treaty anti-abuse provision have been met or whether the conflict with the provisions of a treaty. However, its compekind from taxpayers during the Review Period. Morocco is access to MAP in such cases.	e application of a domestic law anti-abuse provision is in tent authority did not receive any MAP requests of this

[B.5] Provide access to MAP in cases of audit settlements

Jurisdictions should not deny access to MAP in cases where there is an audit settlement between tax authorities and taxpayers. If jurisdictions have an administrative or statutory dispute settlement/resolution process independent from the audit and examination functions and that can only be accessed through a request by the taxpayer, jurisdictions may limit access to the MAP with respect to the matters resolved through that process.

An audit settlement procedure can be valuable to taxpayers by providing certainty on their tax position. Nevertheless, as double taxation may not be fully eliminated by agreeing on such settlements, taxpayers should have access to the MAP in such cases, unless they were already resolved via an administrative or statutory disputes settlement/resolution process that functions independently from the audit and examination function and which is only accessible through a request by taxpavers.

Legal and administrative framework

Audit settlements

Under Morocco's domestic law, it is possible for taxpayers and the tax administration to enter into an audit settlement. However, Morocco reported that when an audit settlement is entered into, the taxpayer can still access the MAP. However, its competent authority cannot deviate from the agreement reached in the audit settlement. Morocco's MAP profile also clarifies this.

Administrative or statutory dispute settlement/resolution process

Morocco reported it has an administrative or statutory dispute settlement/resolution process in place, which is independent from the audit and examination functions and which can only be accessed through a request by the taxpayer. Morocco reported that this process takes place in two distinct commissions, the local taxation commission and the national commission for tax remedies, depending on the amount in dispute. Morocco mentioned that the taxpayer has the possibility of requesting the opening of a MAP in parallel with the introduction of this dispute settlement process and that its competent authority can deviate from any decision taken in such process.

Practical application

- Morocco reported that, since 1 January 2019, it has not denied access to MAP in any cases where the issue presented by the taxpayer in a MAP request has already been resolved through an audit settlement between the taxpayer and the tax administration or through an administrative or statutory dispute settlement/resolution process. In this respect, Morocco reported that its competent authority has not received any MAP requests for cases of this kind from taxpayers during the Review Period.
- All the peers who provided input reported that they were unaware of any cases in which the competent authority of Morocco had refused access to MAP since 1 January 2019 in respect of cases where an audit settlement between a taxpayer and the tax administration had been reached.

Anticipated modifications

62. As mentioned under element B.10, Morocco reported that it will specify in its MAP guidance currently under preparation that entering into an audit settlement does not preclude a taxpayer from accessing the MAP.

Conclusion

	Areas for improvement	Recommendations
[B.5]	Morocco reported it will give access to MAP in cases when an audit settlement. Its competent authority, however, did in during the Review Period. Morocco is therefore recommensuch cases surface.	not receive any MAP requests of this kind from taxpayers

[B.6] Provide access to MAP if required information is submitted

Jurisdictions should not limit access to MAP based on the argument that insufficient information was provided if the taxpayer has provided the required information based on the rules, guidelines and procedures made available to taxpayers on access to and the use of MAP.

63. To resolve cases where there is taxation not in accordance with the provisions of the tax treaty, it is important that competent authorities do not limit access to MAP when taxpayers have complied with the information and documentation requirements as provided in the jurisdiction's guidance relating hereto. Access to MAP will be facilitated when such required information and documentation is made publicly available.

Legal framework governing access to MAP and information to be submitted

- 64. The information and documentation that Morocco requires taxpayers to include in a MAP request for assistance are discussed under element B.8.
- 65. Morocco reported that its draft MAP guidance lists all the information and documentation that the taxpayer is required to provide. Morocco further stated that, after an initial analysis of the MAP request, and within two months of the date of its receipt, its competent authority will notify the taxpayer whether additional information or documentation needs to be submitted, allowing a deadline of one month for submission. In the absence of a response from the taxpayer, the tax authority sends him a reminder letter inviting him to provide the missing documents.

Practical application

- 66. Morocco reported that it provides access to MAP in all cases where taxpayers have complied with the information or documentation requirements as set out in its draft MAP guidance. Moreover, since 1 January 2019, Morocco has not denied access to MAP in any cases where a taxpayer had failed to provide the information or documents requested. However, Morocco reported that its competent authority has not received any MAP requests from taxpayers during the Review Period.
- 67. All the peers who provided input reported that they were not aware of Morocco's limiting access to MAP since 1 January 2019 in cases where taxpayers complied with the information and documentation requirements.

Anticipated modifications

68. Morocco indicated that it does not anticipate any modifications in relation to element B.6.

Conclusion

	Areas for improvement	Recommendations
[B.6] Morocco reported that it will provide access to MAP in cases where taxpayers have complied with its informal and documentation requirements. However, its competent authority did not receive any MAP requests during Review Period. Morocco is therefore recommended to follow its policy and grant access to MAP when it receive request that includes the required information and documentation.		authority did not receive any MAP requests during the ow its policy and grant access to MAP when it receives a

[B.7] Include Article 25(3), second sentence, of the OECD Model Tax Convention in tax treaties

Jurisdictions should ensure that their tax treaties contain a provision under which competent authorities may consult together for the elimination of double taxation in cases not provided for in their tax treaties.

69. For ensuring that tax treaties operate effectively and in order for competent authorities to be able to respond quickly to unanticipated situations, it is useful that tax treaties include the second sentence of Article 25(3) of the OECD Model Tax Convention, enabling them to consult together for the elimination of double taxation in cases not provided for by these treaties.

Current situation of Morocco's tax treaties

- Out of Morocco's 77 tax treaties, 73⁴ contain a provision equivalent to Article 25(3), second sentence, of the OECD Model Tax Convention allowing their competent authorities to consult together for the elimination of double taxation in cases not provided for in their tax treaties.
- The remaining four tax treaties do not contain a provision that is based on or equivalent to Article 25(3), second sentence, of the OECD Model Tax Convention.

Anticipated modifications

Multilateral Instrument

- Morocco signed the Multilateral Instrument on 25 June 2019, which has been approved by the Ministerial Council and the next step towards ratification is to be approved by the Parliament.
- Article 16(4)(c)(ii) of that instrument stipulates that Article 16(3), second sentence - containing the equivalent of Article 25(3), second sentence, of the OECD Model Tax Convention – will apply in the absence of a provision in tax treaties that is equivalent to Article 25(3), second sentence, of the OECD Model Tax Convention. In other words, in the absence of this equivalent, Article 16(4)(c)(ii) of the Multilateral Instrument will modify the applicable tax treaty to include such equivalent. However, this shall only apply if both contracting parties to the applicable tax treaty have listed this treaty in question as a covered tax agreement under the Multilateral Instrument and insofar as both notified, pursuant to Article 16(6)(d)(ii), the depositary that this treaty does not contain the equivalent of Article 25(3), second sentence, of the OECD Model Tax Convention.

74. In regard of the four tax treaties identified above that do not contain the equivalent of the second sentence of Article 25(3), second sentence, of the OECD Model Tax Convention, Morocco has listed all of them as a covered tax agreement under the Multilateral Instrument and has made for all, pursuant to Article 16(6)(d)(ii), that they do not contain the provision described in Article 16(4)(c)(ii). Of the relevant four treaty partners, one is not a signatory to the Multilateral Instrument. The other three treaty partners listed their tax treaty with Morocco as a covered tax agreement under that instrument and also made a notification on the basis of Article 16(6)(d)(ii). Therefore, at this stage, the Multilateral Instrument will, upon entry into force for the treaties concerned, modify three of the four treaties identified above to include the equivalent of Article 25(3), second sentence, of the OECD Model Tax Convention.

Bilateral modifications

75. In respect of the treaty that does not contain a provision equivalent to Article 25(3), second sentence, of the OECD Model Tax Convention and that will not be modified under the Multilateral Instrument, Morocco has stated its intention to contact the relevant treaty partner with a view to bilateral negotiations to make the treaty compliant with element B.7. Morocco indicated that it is currently working on a plan, prioritising jurisdictions with which Morocco has close economic ties. In addition, Morocco reported that it will continue to seek to include Article 25(3), second sentence, of the OECD Model Tax Convention in all its future tax treaties.

Peer input

76. In relation to the four treaties identified that do not contain the equivalent of Article 25(3), second sentence, of the OECD Model Tax Convention, one relevant peer confirmed that its treaty with Morocco did not contain that provision. The other relevant peers did not provide any input.

Conclusion

	Areas for improvement	Recommendations
	Four out of 73 tax treaties do not contain a provision equivalent to Article 25(3), second sentence, of the OECD Model Tax Convention. Three of these four treaties will be modified by the Multilateral Instrument to include the required provision.	Morocco should as quickly as possible complete the ratification process of the Multilateral Instrument to include the equivalent of Article 25(3), second sentence, of the OECD Model Tax Convention into the three treaties that currently do not contain such equivalent, and that will be modified by the Multilateral Instrument upon its entry into force for the treaties concerned.
[B.7]		For the remaining treaty that will not be modified by the Multilateral Instrument to include the equivalent of Article 25(3), second sentence, of the OECD Model Tax Convention when it enters into force, Morocco should seek to include the required provision via bilateral negotiations. To this end, Morocco should follow its intention to put a plan in place on how it envisages updating these treaties to include the required provision.
	-	In addition, Morocco should maintain its stated intention to include the required provision in all future tax treaties.

[B.8] Publish clear and comprehensive MAP guidance

Jurisdictions should publish clear rules, guidelines and procedures on access to and use of the MAP and include the specific information and documentation that should be submitted in a taxpayer's request for MAP assistance.

77 Information on a jurisdiction's MAP regime facilitates the timely initiation and resolution of MAP cases. Clear rules, guidelines and procedures on access to and use of the MAP are essential for making taxpayers and other stakeholders aware of how a jurisdiction's MAP regime functions. In addition, to ensure that a MAP request is received and will be reviewed by the competent authority in a timely manner, it is important that a jurisdiction's MAP guidance clearly and comprehensively explains how a taxpayer can make a MAP request and what information and documentation should be included in such request.

Morocco's MAP guidance

As Morocco has not yet published MAP guidance, the information that the FTA MAP Forum agreed should be included in a jurisdiction's guidance is not publicly available. This information includes: (i) the contact information of the competent authority or the office in charge of MAP cases and (ii) the manner and form in which the taxpayer should submit a MAP request.⁵

Information and documentation to be included in a MAP request

To facilitate the review of a MAP request by competent authorities and to have more consistency in the required content of MAP requests, the FTA MAP Forum agreed on guidance that jurisdictions could use in their domestic guidance on what information and documentation taxpayers need to include in a request for MAP assistance.⁶ The agreed guidance is shown below. Although not publicly available, the elements that should be included in a MAP request to Morocco are as checked:

\checkmark	identity of the taxpayer(s) covered in the MAP request
$\overline{\checkmark}$	the basis for the request
$ \sqrt{} $	facts of the case
$ \sqrt{} $	analysis of the issue(s) to be resolved via MAP
	whether the MAP request was also submitted to the competent authority of the other treaty partner
	whether the MAP request was also submitted to another authority under another instrument that provides for a mechanism to resolve treaty-related disputes
	whether the issue(s) involved were dealt with previously
V	a statement confirming that all information and documentation provided in the MAP request is accurate and that the taxpayer will assist the competent authority in its resolution of the issue(s) presented in the MAP request by furnishing any other information or documentation required by the competent authority in a timely manner

- 80. Morocco also requests additional information on:
 - copies of administrative or judicial appeals by the taxpayer, if any.

Anticipated modifications

- 81. Morocco reported that its MAP guidance is currently in draft form and that it contains the following basic information:
 - a. contact information for the competent authority or the office in charge of MAP cases
 - b. the manner and form in which the taxpayer should submit a MAP request
 - c. the specific information and documentation that should be included in a MAP request
 - d. how the MAP functions in terms of timing and the role of the competent authorities
 - e. access to the MAP in transfer pricing cases
 - f. relationship with domestic remedies
 - g. implementation of MAP agreements.
 - h. rights and role of taxpayers in the process
 - i. suspension of tax collection
 - j. interest charges, refunds and penalties.
- 82. Although the information included in Morocco's draft MAP guidance is detailed and comprehensive, various subjects are not specifically discussed, including:
 - whether MAP is available in cases of bona fide foreign-initiated self-adjustments
 - whether taxpayers can request for the multi-year resolution of recurring issues through MAP
 - the time limits applicable to the implementation of a MAP agreement.

Conclusion

	Areas for improvement	Recommendations
	The MAP guidance has not been published.	Morocco should introduce and publish, without further delay, guidance on access to and use of the MAP as well as the manner and form in which the taxpayer should submit its MAP request, including the documentation/information that it should include in such a request.
		Although not required under the Action 14 Minimum Standard, in order to ensure that its draft MAP guidance is more comprehensive, Morocco could consider including information on:
[B.8]		whether MAP is available in cases of bona fide foreign-initiated self-adjustments; whether taxpayers can request for the multi-year resolution of recurring issues through MAP
		the time limits applicable to the implementation of a MAP agreement.
	-	Recommendations for guidance on the relationship between access to the MAP and audit settlements in the MAP guidance are discussed under element B.10.

[B.9] Make MAP guidance available and easily accessible and publish MAP profile

Jurisdictions should take appropriate measures to make rules, guidelines and procedures on access to and use of the MAP available and easily accessible to the public and should publish their jurisdiction MAP profiles on a shared public platform pursuant to the agreed template.

83. The public availability and accessibility of a jurisdiction's MAP guidance increases public awareness on access to and the use of the MAP in that jurisdiction. Publishing MAP profiles on a shared public platform further promotes the transparency and dissemination of the MAP programme.⁷

Rules, guidelines and procedures on access to and use of the MAP

As stated under element B.8, Morocco has not yet published its MAP guidance. 84.

MAP Profile

- The MAP profile of Morocco is published on the website of the OECD and last updated in November 2019. This MAP profile is complete and often with detailed information. This profile includes external links that provide extra information and guidance where appropriate.
- One peer has noted that Morocco's MAP profile was not available and that this may result in delays if a jurisdiction were required to open a discussion with the competent authority of Morocco. This peer clarified that the publication of Morocco's MAP profile was welcome.

Anticipated modifications

Morocco stated its intention to publish the MAP guidance as soon as possible.

Conclusion

	Areas for improvement	Recommendations
[B.9]	Morocco's MAP guidance is not publically available.	Morocco should make its MAP guidance available and easily accessible to the public. Furthermore, it should ensure that its MAP profile published on the shared public platform is updated if needed.

[B.10] Clarify in MAP guidance that audit settlements do not preclude access to MAP

Jurisdictions should clarify in their MAP guidance that audit settlements between tax authorities and taxpayers do not preclude access to MAP. If jurisdictions have an administrative or statutory dispute settlement/resolution process independent from the audit and examination functions and that can only be accessed through a request by the taxpayer, and jurisdictions limit access to the MAP with respect to the matters resolved through that process, jurisdictions should notify their treaty partners of such administrative or statutory processes and should expressly address the effects of those processes with respect to the MAP in their public guidance on such processes and in their public MAP programme guidance.

As explained under element B.5, an audit settlement can be valuable to taxpayers by providing certainty to them on their tax position. Nevertheless, as double taxation may not be fully eliminated by agreeing with such settlements, it is important that a jurisdiction's MAP guidance clarifies that in case of audit settlement taxpayers have access to the MAP. In addition, for providing clarity on the relationship between administrative or statutory dispute settlement or resolution processes and the MAP (if any), it is critical that both the public guidance on such processes and the public MAP programme guidance address the effects of those processes, if any. Finally, as the MAP represents a collaborative approach between treaty partners, it is helpful that treaty partners are notified of each other's MAP programme and limitations thereto, particularly in relation to the previously mentioned processes.

MAP and audit settlements in the MAP guidance

- 89. As stated under element B.5, under Moroccan domestic law, taxpayers and the tax administration may enter into audit settlements. As mentioned in the element B.8, Morocco's MAP guidance is not yet publicly available.
- 90. Peers stated that they were not aware of any audit settlements or their effects on the MAP. Peers raised no issues with element B.10 in respect of this process.

MAP and other administrative or statutory dispute settlement/resolution processes in available guidance

91. As previously mentioned under element B.5, Morocco reported that it has an administrative or statutory dispute settlement/resolution process in place that is independent from the audit and examination functions and that can only be accessed through a request by the taxpayer, but Morocco specified that this process has no impact on MAP, as its competent authority can deviate from the decision taken in such process.

Notification of treaty partners of existing administrative or statutory dispute settlement/resolution processes

- 92. As Morocco does not have an internal administrative or statutory dispute settlement/ resolution process in place that has an impact on MAP, there is no need for notifying treaty partners of such process.
- 93. Peers indicated no issues regarding element B.10 in relation to administrative or statutory dispute settlement or resolution processes.

Anticipated modifications

94. Morocco indicated that its draft MAP guidance is being prepared and that it will specify that access to the MAP is granted in the event of an audit settlement.

Conclusion

	Areas for improvement	Recommendations
[B.10]	There is no published MAP guidance.	Morocco should introduce and publish its MAP guidance without delay, stating that the conclusion of transactions between tax authorities and taxpayers does not exclude the opening of a MAP procedure.

Notes

- 1. These 63 treaties include the UMA Convention that for Morocco applies to Algeria, Libya, Tunisia and Mauritania.
- 2. These 63 treaties include the UMA Convention that for Morocco applies to Algeria, Libya, Tunisia and Mauritania.
- 3. These 16 treaties include the UMA Convention that for Morocco applies to Algeria, Libya, Tunisia and Mauritania.
- These 73 treaties include the UMA Convention that for Morocco applies to Algeria, Libya, 4. Tunisia and Mauritania.
- 5. See: https://www.oecd.org/fr/fiscalite/beps/beps-action-14-accroitre-l-efficacite-des-mecanismesde-reglement-des-differends-documents-pour-l-examen-par-les-pairs.pdf.
- 6. See: www.oecd.org/fr/fiscalite/beps/beps-action-14-accroitre-l-efficacite-des-mecanismes-dereglement-des-differends-documents-pour-l-examen-par-les-pairs.pdf.
- 7. The shared public platform can be found at: www.oecd.org/tax/beps/country-map-profiles.htm.

References

- OECD (2017), Model Tax Convention on Income and on Capital 2017 (Full Version), OECD Publishing, Paris, https://dx.doi.org/10.1787/g2g972ee-en.
- OECD (2015a), Model Tax Convention on Income and on Capital 2014 (Full Version), OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264239081-en.
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Part C

Resolution of MAP cases

[C.1] Include Article 25(2), first sentence, of the OECD Model Tax Convention in tax treaties

Jurisdictions should ensure that their tax treaties contain a provision which requires that the competent authority who receives a MAP request from the taxpayer, shall endeavour, if the objection from the taxpayer appears to be justified and the competent authority is not itself able to arrive at a satisfactory solution, to resolve the MAP case by mutual agreement with the competent authority of the other Contracting Party, with a view to the avoidance of taxation which is not in accordance with the tax treaty.

95. It is of critical importance that in addition to allowing taxpayers to request a MAP. tax treaties should also include the equivalent of the first sentence of Article 25(2) of the OECD Model Tax Convention (OECD, 2017), which obliges competent authorities, in situations where the objection raised by taxpayers are considered justified and where cases cannot be unilaterally resolved, to enter into discussions with each other to resolve cases of taxation not in accordance with the provisions of a tax treaty.

Current situation of Morocco's tax treaties

Out of Morocco's 77 tax treaties, 73¹ contain a provision equivalent to Article 25(2), first sentence, of the OECD Model Tax Convention requiring its competent authority to endeavour – when the objection raised is considered justified and no unilateral solution is possible – to resolve by mutual agreement with the competent authority of the other treaty partner the MAP case with a view to the avoidance of taxation which is not in accordance with the tax treaty. The other four treaties do not contain a provision that is equivalent to Article 25(2), first sentence, of the OECD Model Tax Convention. These treaties contain a provision that does not incorporate several elements that are considered material. Therefore, they are considered not having the full equivalent of Article 25(2), first sentence, of the OECD Model Tax Convention.

Anticipated modifications

Multilateral Instrument

- Morocco signed the Multilateral Instrument on 25 June 2019, which has been approved by the Ministerial Council and the next step towards ratification is to be approved by the Parliament.
- Article 16(4)(b)(i) of that instrument stipulates that Article 16(2), first sentence - containing the equivalent of Article 25(2), first sentence, of the OECD Model Tax

Convention – will apply in the absence of a provision in tax treaties that is equivalent to Article 25(2), first sentence, of the OECD Model Tax Convention. In other words, in the absence of this equivalent provision, Article 16(4)(b)(i) of the Multilateral Instrument will modify the applicable tax treaty to include such equivalent. However, this shall only apply if both Contracting Parties to the applicable tax treaty have listed this treaty as a covered tax agreement under the Multilateral Instrument and insofar as both notified, pursuant to Article 16(6)(c)(i), the depositary that this treaty does not contain the equivalent of Article 25(2), first sentence, of the OECD Model Tax Convention.

99. In regard of the four tax treaties identified above that are considered not to contain the equivalent of Article 25(2), first sentence, of the OECD Model Tax Convention, Morocco listed all of them as a covered tax agreement under the Multilateral Instrument, but only for two of them did it make, pursuant to Article 16(6)(c)(i), a notification that they do not contain a provision described in Article 16(4)(b)(i). Of the relevant two treaty partners, one is not a signatory to the Multilateral Instrument. The other treaty partner listed its tax treaty with Morocco as a covered tax agreement under that instrument and also has made a notification on the basis of Article 16(6)(c)(i). Therefore, at this stage, the Multilateral Instrument will, upon its entry into force for this latter treaty, to include the equivalent of Article 25(2), first sentence, of the OECD Model Tax Convention.

Bilateral modifications

100. In respect of the three treaties that do not contain a provision equivalent to Article 25(2), first sentence, of the OECD Model Tax Convention, and that will not be modified by the Multilateral Instrument, Morocco stated that it intends to amend them via bilateral negotiations to make them compliant with element C.1. Morocco indicated that it is currently working on a plan, prioritising jurisdictions with which Morocco has close economic ties. In addition, Morocco reported that it will endeavour to include Article 25(2), first sentence, of the OECD Model Tax Convention in all future tax treaties.

Peer input

101. In respect of the four treaties identified that do not contain the equivalent of Article 25(2), first sentence, of the OECD Model Tax Convention, one relevant peer confirmed that its treaty with Morocco did not contain that provision. The other relevant peers did not provide any input.

Conclusion

	Areas for improvement	Recommendations
	Four out of 77 tax treaties do not contain a provision equivalent to Article 25(2), first sentence, of the OECD Model Tax Convention. One of these treaties will be modified by the Multilateral Instrument to include the required provision.	Morocco should as quickly as possible complete the ratification process of the Multilateral Instrument in order to include the equivalent of Article 25(2), first sentence, of the OECD Model Tax Convention into one of the four treaties that currently does not contain such equivalent, and that will be modified by the Multilateral Instrument upon its entry into force for the treaty concerned.
[C.1]		For three of the remaining four treaties that will not be modified by the Multilateral Instrument to include the equivalent of Article 25(2), first sentence of the OECD Model Tax Convention, Morocco should request the inclusion of the required provision via bilateral negotiations. To this end, Morocco should follow its intention to put a plan in place on how it envisages updating these treaties to include the required provision.

	Areas for improvement	Recommendations
[C.1]	-	Morocco should maintain its stated intention to include the required provision in all its future tax treaties.

[C.2] Seek to resolve MAP cases within a 24-month average time frame

Jurisdictions should seek to resolve MAP cases within an average time frame of 24 months. This time frame applies to both jurisdictions (i.e. the jurisdiction which receives the MAP request from the taxpayer and its treaty partner).

102. As double taxation creates uncertainties and leads to costs for both taxpayers and jurisdictions, and as the resolution of MAP cases may also avoid (potential) similar issues for future years concerning the same taxpayers, it is important that MAP cases are resolved swiftly. A period of 24 months is considered as an appropriate time period to resolve MAP cases on average.

Reporting of MAP statistics

103. The FTA MAP Forum has agreed on rules for reporting MAP statistics ("MAP Statistics Reporting Framework") for MAP requests submitted on or after 1 January 2016 ("post-2015 cases"). Also, for MAP requests submitted prior to that date ("pre-2016 cases"), the FTA MAP Forum agreed to report MAP statistics on the basis of an agreed template.

104. Since it joined the inclusive framework in 2019, Morocco has not yet reported MAP statistics in accordance with the MAP Statistics Reporting Framework. However, Morocco provided a tentative version of its MAP statistics for the purpose of its peer review. In addition, the statistics referred to relate to pre-2019 cases in respect of cases on record at 31 December 2018 and post-2018 cases in respect of cases started on or after 1 January 2018. The statistics discussed below include pre-2019 and post-2018 cases. The statistics discussed below include both pre-2017 and post-2016 cases and the full statistics are attached to this report as Annex B and Annex C respectively and should be considered jointly to understand Morocco's MAP caseload.

Monitoring of MAP statistics

105. Morocco reported that the staff in charge of MAP seeks to resolve MAP cases in a timely manner. In this respect, it clarified that MAP case inventory is monitored using a scorecard that identifies all open MAP cases and tracks their progress (current, dealt with or pending a position paper from the other treaty party) by year. Morocco reported that it also monitors new requests to verify that they are justified. Morocco noted that it also monitors the result by contacting the tax service to ensure that the MAP outcome is implemented. Morocco stated that it monitors the time frame needed to resolve a MAP, including providing the earliest possible responses to position papers from other competent authorities.

Analysis of Morocco's MAP caseload

106. The following table shows Morocco's MAP caseload over the Review Period.

2019 January-August	Opening inventory 01/01/2019	Cases started	Cases closed	End Inventory 31/08/2019
Attribution/allocation cases	1	0	0	1
Other cases	24	0	0	24
Total	25	0	0	25

107. As of 1 January 2019 Morocco had 25 pending MAP cases, one of them being an attribution/allocation case and the remaining 24 are other MAP cases. At the end of the review period, the caseload was the same, as no cases started or was closed during the Review Period. Therefore, all cases in Morocco's MAP inventory are pre-2019 cases.

Overview of cases closed during the Review Period

108. No cases were closed during the Review Period.

Average timeframe needed to resolve MAP cases

109. No cases were closed during the Review Period, and it is not possible to assess the average time needed to close MAP cases

Peer input

- 110. Two peers commented on the time needed for the resolution of MAP cases with Morocco. One stated that it has two cases with Morocco's competent authority where difficulties had arisen in the application of the treaty. According to this peer, during exchanges of position papers and in communications between the competent authorities, Morocco's competent authority did not supply enough information, even when expressly asked to do so, and, no evidence was presented to justify or support the tax assessment. The peer stated that these constraints place limits on the case analysis and assessment as well as on the dialogue intended to address the matter.
- 111. Another peer stated that it has one current case with Morocco that was initiated by Morocco before 1 January 2016. This peer reported that it had provided its position paper and, three years later, sent a reminder. This peer mentioned that a response is still awaited. In relation to this input, Morocco reported that indeed, it has two open cases with this peer and that it has expressed its positions for each case. Morocco considers that it has provided all the information necessary to defend its positions during the exchange of notes. Morocco also noted that its competent authority has met with its counterpart during a joint commission. In addition, Morocco reported that both competent authorities have met again recently and have agreed to meet again in the near future to discuss the technical aspects of MAP cases between the two jurisdictions. Morocco added that it has just received the peer's positions and these are currently under review.
- 112. One peer noted that due to the small number of cases, it is difficult to assess whether Morocco endeavours to resolve MAP cases in a reasonable timeframe. One other peer further noted that it has no MAP-experience with Morocco, but it has recently received a request for the initiation of a MAP.

Anticipated modifications

113. Morocco indicated that it does not anticipate any modifications in relation to element C.2.

Conclusion

	Areas for improvement	Recommendations	
1 1	Morocco submitted tentative MAP statistics for 2019 for this peer review on the basis of the MAP Statistics Reporting Framework.		
	Morocco's tentative MAP statistics show that no post-2018 cases started during the Review Period. In that regard, Morocco is recommended to seek to resolve future post-2018 cases within a timeframe that results in an average timeframe of 24 months.		

[C.3] Provide adequate resources to the MAP function

Jurisdictions should ensure that adequate resources are provided to the MAP function.

114. Adequate resources, including personnel, funding and training, are necessary to properly perform the competent authority function and to ensure that MAP cases are resolved in a timely, efficient and effective manner.

Description of Morocco's competent authority

- 115. Under Morocco's tax treaties, the competent authority function is assigned to the Direction de la Législation, des Études et de la Coopération Internationale (Directorate of Legislation, Research and International Co-operation), where nine staff deal partly with MAP cases along with other tasks involving international taxation, including the negotiation and interpretation of treaties.
- 116. Morocco stated that the General Directorate of Taxation provides ongoing training in international taxation and allows its officials to undergo training delivered in other countries by the OECD or other international organisations. Morocco further reported that any necessary adjustments to the level of resources allocated in its competent authority and the provision of training for staff would be discussed as the need arises.
- 117. As mentioned under element C.2, Morocco also reported that the MAP case inventory is monitored using a scorecard that identifies all open MAP cases and tracks their progress, including whether cases are pending, have been dealt with or are pending a position paper from the other party, by year. Morocco further emphasised that new requests are also monitored to verify that they are justified. Morocco also reported that the time taken to resolve cases is monitored by the staff in charge of MAP case resolution, who endeavour to reply to other competent authorities' position papers at the earliest opportunity.

Monitoring mechanism

118. Morocco noted that its competent authority is supposed to keep the General Director of the Tax Directorate informed about whether the resources supplied to the competent authorities are adequate. If there was not enough resources, Morocco specified that the tax administration would ensure it takes the necessary measures to solve this deficiency. Morocco stated that, to date, it was of the view that the resources supplied to its competent authority were adequate.

Practical application

MAP statistics

119. No cases were closed during the Review Period, while 25 cases were pending as of 1 January 2019

Peer input

120. Two peers commented on the resolution of MAP cases. As discussed under element C.2, the two peers referred to cases in which they had experienced difficulties in obtaining a response or relevant information from Morocco.

Anticipated modifications

121. Morocco indicated that it does not anticipate any modifications in relation to element C.3.

Conclusion

	Areas for improvement	Recommendations
[C.3]	No MAP cases were closed during the Review Period and peers expressed difficulties to get information or a response from Morocco within a satisfactory timeframe. This might indicate that Morocco's competent authority is not adequately resourced while no specific actions have been taken by South Africa to address this in the meantime.	Morocco should ensure that the resources available for the competent authority function are adequate in order to resolve MAP cases in a timely, efficient and effective manner.

[C.4] Ensure staff in charge of MAP have the authority to resolve cases in accordance with the applicable tax treaty

Jurisdictions should ensure that the staff in charge of MAP processes have the authority to resolve MAP cases in accordance with the terms of the applicable tax treaty, in particular without being dependent on the approval or the direction of the tax administration personnel who made the adjustments at issue or being influenced by considerations of the policy that the jurisdictions would like to see reflected in future amendments to the treaty.

122. Ensuring that staff in charge of MAP can and will resolve cases, absent any approval/direction by the tax administration personnel directly involved in the adjustment and absent any policy considerations, contributes to a principled and consistent approach to MAP cases.

Functioning of staff in charge of MAP

- 123. As stated under element C.3, the Moroccan competent authority is the Directorate of Legislation, Research and International Co-operation. Morocco also reported that its officials are independent of tax inspection officials and that, when resolving cases, they take into account the provisions of domestic law, the tax treaties in force, the Commentaries on the OECD and United Nations Model Tax Conventions (international guidance), the OECD Transfer Pricing Guidelines and the United Nations Transfer Pricing Manual.
- 124. Morocco explained that its competent authority is also responsible for treaty negotiation, the general interpretation of tax treaties and policy work.

125. In view of the above, Morocco reported that staff with responsibility for MAP operate independently and have the authority to resolve MAP cases without the approval/direction of the tax administration personnel directly involved in the adjustment, noting that the process for negotiating MAP agreements is not influenced by tax policy considerations that Morocco would like to see reflected in future amendments to the treaty.

Practical application

126. Peers reported no impediments in Morocco to perform its MAP function in the absence of approval or the direction of the tax administration personnel who made the adjustments at issue or being influenced by any policy considerations.

Anticipated modifications

127. Morocco indicated that it does not anticipate any modifications in relation to element C.4.

Conclusion

	Areas for improvement	Recommendations
[C.4]	-	As it has done thus far, Morocco should continue to ensure that its competent authority has the authority, and uses that authority in practice, to resolve MAP cases without being dependent on approval or direction from the tax administration personnel directly involved in the adjustment at issue and absent any policy considerations that Morocco would like to see reflected in future amendments to the treaty.

[C.5] Use appropriate performance indicators for the MAP function

Jurisdictions should not use performance indicators for their competent authority functions and staff in charge of MAP processes based on the amount of sustained audit adjustments or maintaining tax revenue.

128. In order to ensure that each case is considered on its individual merits and will be resolved in a principled and consistent manner, it is essential that any performance indicators for the competent authority function and for the staff in charge of MAP processes are appropriate and not based on the amount of sustained audit adjustments or aim at maintaining a certain amount of tax revenue.

Performance indicators used by Morocco

- 129. Morocco reported that it does not use performance indicators. However, Morocco noted that the time taken to settle a MAP case is verified by the competent authority.
- 130. The Action 14 Final Report (OECD, 2015) includes examples of performance indicators that are considered appropriate. These indicators are shown below and checked when they are used by Morocco:
 - ☑ number of MAP cases resolved a consistency (i.e. a treaty should be applied in a principled and consistent manner to MAP cases involving the same facts and taxpayers in similar situations)

- ☑ time taken to resolve a MAP case (recognising that this may vary depending on its complexity and may be significantly affected by factors outside a competent authority's control)
- 131. Morocco stated that it does not use any performance indicators for staff in charge of MAP that are based on the amount of sustained audit adjustments or on maintaining tax revenue. In other words, the staff in charge of MAP processes are not evaluated on the basis the material outcome of MAP discussions. Morocco mentioned that the staff in charge of MAP seeks to resolve MAP cases in a timely manner.

Practical application

132. Peers generally provided no specific input in relation to this element of the Action 14 Minimum Standard.

Anticipated modifications

133. Morocco indicated that it does not anticipate any modifications in relation to element C.5.

Conclusion

	Areas for improvement	Recommendations
[C.5]		As it has done thus far, Morocco should continue to use appropriate performance indicators.

[C.6] Provide transparency with respect to the position on MAP arbitration

Jurisdictions should provide transparency with respect to their positions on MAP arbitration.

134. The inclusion of an arbitration provision in tax conventions may help ensure that MAP cases are resolved within a certain timeframe, which provides certainty to both taxpayers and competent authorities. In order to have full clarity on whether arbitration as a final stage in the MAP process can and will be available in jurisdictions it is important that jurisdictions are transparent on their position on MAP arbitration.

Position on MAP arbitration

135. As clarified in Morocco's MAP profile, Morocco reported that MAP arbitration is not a mechanism currently available for the resolution of tax treaty related disputes in any Morocco's tax treaties

Practical application

136. To date, Morocco has not incorporated an arbitration provision into any of its treaties as a final stage to the MAP.

Anticipated modifications

137. Morocco indicated that it does not anticipate any modifications in relation to element C.6.

Conclusion

	Areas for improvement	Recommendations
[C.6]	-	-

Note

1. These 73 treaties include the UMA Convention that for Morocco applies to Algeria, Libya, Tunisia and Mauritania.

References

- OECD (2017), Model Tax Convention on Income and on Capital 2017 (Full Version), OECD Publishing, Paris, https://dx.doi.org/10.1787/g2g972ee-en.
- OECD (2015), "Making Dispute Resolution Mechanisms More Effective, Action 14 -2015 Final Report", in OECD/G20 Base Erosion and Profit Shifting Project, OECD Publishing, Paris, https://dx.doi.org/10.1787/9789264241633-en.

Part D

Implementation of MAP agreements

[D.1] Implement all MAP agreements

Jurisdictions should implement any agreement reached in MAP discussions, including by making appropriate adjustments to the tax assessed in transfer pricing cases.

138. In order to provide full certainty to taxpayers and the jurisdictions, it is essential that all MAP agreements are implemented by the competent authorities concerned.

Legal framework to implement MAP agreements

- 139. Morocco reported that no time limits are applied to adjustments arising from MAP agreements in accordance with Article 25(2), second sentence, of the OECD Model Tax Convention (OECD, 2017). However, some of the treaties entered into by Morocco do not contain that provision. In those cases, Morocco reported that its statute of limitation applies and the starting point for a four-year time limit is the date the tax is due under the rules of domestic law. The time limit is not suspended in the event of a MAP.
- 140. Morocco added that the Moroccan competent authority notifies the taxpayer in order to implement a MAP agreement. The taxpayer notifies his acceptance or refusal of the MAP outcome within one month. In the event of acceptance, he must withdraw from any proceedings to the extent that they involve the points resolved by the MAP. The relevant tax office is also notified of the details of the MAP agreement so that it can be implemented. In addition Morocco specified that it ensures the MAP agreement is implemented. It reported that its competent authority contacts the tax office to ensure the MAP agreement is implemented.

Practical application

141. Morocco has not reached any MAP agreement during the Review Period.

Anticipated modifications

142. Morocco indicated that its draft MAP guidance includes information on the process to follow to implement MAP agreements.

Conclusion

	Areas for improvement	Recommendations
	As there was no MAP agreement reached during the Revie Morocco would have implemented all MAP agreements thu	
[D.1]	As will be discussed under element D.3 not all of Morocco's tax treaties contain the equivalent of Article 25(2), second sentence, of the OECD Model Tax Convention. Therefore, there is a risk that for those tax treaties that do not contain that provision, not all MAP agreements will be implemented due to the four-year time limits in its domestic law.	When, after a MAP case is initiated, the domestic statute of limitation may, in the absence of the second sentence of Article 25(2) of the OECD Model Tax Convention in an assessed jurisdiction's relevant tax treaty, prevent the implementation of a MAP agreement, Morocco should put appropriate procedures in place to ensure that such an agreement is implemented and inform taxpayers in order to mitigate the risk that an agreement cannot be implemented. In addition, where during the MAP process the domestic statute of limitations may expire and may then affect the possibility to implement a MAP agreement, Morocco should for clarity and transparency purposes notify the treaty partner thereof without delay.

[D.2] Implement all MAP agreements on a timely basis

Agreements reached by competent authorities through the MAP process should be implemented on a timely basis.

143. Delay in the implementation of MAP agreements may lead to adverse financial consequences for both taxpayers and competent authorities. To avoid this and to increase certainty for all parties involved, it is important that the implementation of any MAP agreement is not obstructed by procedural and/or statutory delays in the jurisdictions concerned.

Theoretical time frame for implementing mutual agreements

- 144. As noted under element D.1, Morocco reported that it informs taxpayers of a MAP conclusion as soon as the authorities reach agreement. Morocco did not refer to any other time frames that apply to the implementation of MAP agreements.
- 145. Morocco reported that the competent Moroccan authority is not in itself responsible for the implementation of MAP agreements but it monitors the implementation of MAP agreements.

Practical application

146. As noted under element D.1, no MAP agreements were reached during the Review Period.

Anticipated modifications

147. Morocco indicated that it does not anticipate any modifications in relation to element D.2.

Conclusion

	Areas for improvement	Recommendations				
[D.2]	As there was no MAP agreement reached during the Revi Morocco would have implemented all MAP agreements or	ew Period, it was not yet possible to assess whether a timely basis thus far.				

[D.3] Include Article 25(2), second sentence, of the OECD Model Tax Convention in tax treaties or alternative provisions in Article 9(1) and Article 7(2)

Jurisdictions should either (i) provide in their tax treaties that any mutual agreement reached through MAP shall be implemented notwithstanding any time limits in their domestic law, or (ii) be willing to accept alternative treaty provisions that limit the time during which a Contracting Party may make an adjustment pursuant to Article 9(1) or Article 7(2), in order to avoid late adjustments with respect to which MAP relief will not be available.

148. In order to provide full certainty to taxpayers, it is essential that implementation of MAP agreements is not obstructed by any time limits in the domestic law of the jurisdictions concerned. Such certainty can be provided by either including the equivalent of Article 25(2), second sentence, of the OECD Model Tax Convention in tax treaties or, alternatively, setting a time limit in Article 9(1) and Article 7(2) for making adjustments to avoid that late adjustments obstruct granting of MAP relief.

Legal framework and current status of Morocco's tax treaties

- 149. As noted under element D.1, Morocco's domestic law provides for a four-year time limit for implementing MAP agreements that applies in all cases unless otherwise provided for in the tax treaties.
- 150. Out of Morocco's 77 tax treaties, 60¹ contain a provision equivalent to Article 25(2). second sentence, of the OECD Model Tax Convention requiring that any mutual agreement reached through MAP shall be implemented notwithstanding any time limits in their domestic law. The remaining 17 treaties do not contain a provision that is based on or equivalent to Article 25(2), second sentence, of the OECD Model Tax Convention nor the alternative provisions for Article 9(1) and Article 7(2) setting a time limit for making transfer pricing adjustments.

Anticipated modifications

Multilateral Instrument

- 151. Morocco signed the Multilateral Instrument on 25 June 2019, which has been approved by the Ministerial Council and the next step towards ratification is to be approved by the Parliament.
- 152. Article 16(4)(b)(ii) of that instrument stipulates that Article 16(2), second sentence - containing the equivalent of Article 25(2), second sentence, of the OECD Model Tax Convention – will apply in the absence of a provision in tax treaties that is equivalent to Article 25(2), second sentence, of the OECD Model Tax Convention. In other words, in the absence of this equivalent provision, Article 16(4)(b)(ii) of the Multilateral Instrument will modify the applicable tax treaty to include such a provision. However, this shall only apply if both contracting parties to the applicable tax treaty have listed this treaty as a covered tax agreement under the Multilateral Instrument and insofar as both, pursuant to Article 16(6)(c)(ii), notified the depositary that this treaty does not contain the equivalent of Article 25(2), second sentence, of the OECD Model Tax Convention. Article 16(4)(b) (ii) of the Multilateral Instrument will for a tax treaty not take effect if one or both of the treaty partners has, pursuant to Article 16(5)(c), reserved the right not to apply the second sentence of Article 16(2) of that instrument for all of its covered tax agreements under the condition that: (i) any MAP agreement shall be implemented notwithstanding any time

limits in the domestic laws of the contracting states, or (ii) the jurisdiction intends to meet the Action 14 Minimum Standard by accepting in its tax treaties the alternative provisions to Article 9(1) and 7(2) concerning the introduction of a time limit for making transfer pricing profit adjustments.

153. Morocco listed all of the 17 tax treaties identified above that are considered not to contain a provision equivalent to Article 25(2), second sentence, of the OECD Model Tax Convention, as a covered tax agreement under the Multilateral Instrument and made, pursuant to Article 16(6)(c)(ii), a notification that 14 of the 17 treaties do not contain the provision described in Article 16(4)(b)(ii). All 14 treaty partners concerned are signatories to the Multilateral Instrument. 13 out of the 14 listed their treaty with Morocco as a covered tax agreement pursuant to that Instrument. 12 of the 13 treaty partners have made a notification under Article 16(6)(c)(ii). Therefore, at this stage, 12 of the 17 tax treaties identified above will be modified by the Multilateral Instrument upon its entry into force to include the equivalent of Article 25(2), second sentence, of the OECD Model Tax Convention.

Bilateral modifications

154. In respect of those tax treaties that do not contain a provision equivalent to Article 25(2), second sentence, of the OECD Model Tax Convention or the two alternatives provided for in Articles 9(1) and 7(2) and that will not be modified by the Multilateral Instrument, Morocco further reported that it intends to amend them via bilateral negotiations in order to make them compliant with element D.3. Morocco indicated that it is currently working on a plan, prioritising jurisdictions with which Morocco has close economic ties. Morocco further reported that it would seek to include Article 25(2), second sentence, of the OECD Model Tax Convention in all its future treaties, or would be willing to agree that all such treaties include the two alternative provisions. One peer proposed an amending protocol after the signature of the Multilateral Instrument by Morocco. Morocco confirmed that they are open to negotiate bilaterally with the peer in question.

Conclusion

	Areas for improvement	Recommendations
	17 of Morocco's 77 tax treaties do not contain either a provision equivalent to Article 25(2), second sentence, of the OECD Model Tax Convention or the two alternative provisions provided for in Article 9(1) and Article 7(2). Twelve of these 17 treaties will be modified by the Multilateral Instrument to include the required provision.	Morocco should as quickly as possible complete the ratification process of the Multilateral Instrument in order to incorporate the equivalent of Article 25(2), second sentence, of the OECD Model Tax Convention into the 12 treaties that currently contain no such equivalent and that will be modified by the Multilateral Instrument when it enters into force.
[D.3]		With regard to the five treaties that will not be modified by the Multilateral Instrument to include a provision equivalent to Article 25(2), second sentence, of the OECD Model Tax Convention, Morocco should seek to include the required provision or be willing to accept the two alternatives through bilateral negotiations. To this end, Morocco should follow its intention to put a plan in place on how it envisages updating these treaties to include the required provision.
	-	In addition, Morocco should maintain its stated intention to include the required provision, or be willing to agree to include both alternative provisions, in all future tax treaties.

Note

1. These 60 treaties include the UMA Convention that for Morocco applies to Algeria, Libya, Tunisia and Mauritania.

Reference

OECD (2017), Model Tax Convention on Income and on Capital 2017 (Full Version), OECD Publishing, Paris, https://dx.doi.org/10.1787/g2g972ee-en.

Summary

	Areas for improvement	Recommendations			
	Part A. Preventin	g disputes			
	Two out of 77 tax treaties do not contain a provision that is equivalent to Article 25(3), first sentence, of the OECD Model Tax Convention. One of these two treaties will not be modified by the Multilateral Instrument to include the required provision.	Morocco should as quick as possible complete the ratification process of the Multilateral Instrument to include the equivalent of Article 25(3), first sentence, of the OECD Model Tax Convention into one of these two treaties that currently does not contain such equivalent.			
[A.1]		For the remaining treaty that will not be modified by the Multilateral Instrument to include the equivalent of Article 25(3), first sentence of the OECD Model Tax Convention, Morocco should request the inclusion of the required provision via bilateral negotiations. To this end, Morocco should follow its intention to put a plan in place on how it envisages updating these treaties to include the required provision.			
	-	In addition, Morocco should maintain its stated intention to include the required provision in all future tax treaties.			
[A.2]	Roll-back of bilateral APAs is not provided unless facts and circumstances were subject to verification during a tax audit.	Morocco should without further delay introduce the possibility of requesting and in practice provide for roll-back of bilateral APAs in appropriate cases.			
	Part B. Availability and	nd access to MAP			
	Three of the 77 tax treaties do not contain the equivalent of Article 25(1), first sentence, of the OECD Model Tax Convention. One of these treaties will be superseded by the Multilateral Instrument to include such equivalent when it enters into force.	Morocco should as quickly as possible complete the ratification process of the Multilateral Instrument to incorporate the equivalent to Article 25(1) of the OECD Model Tax Convention in this treaty that currently do not contain such equivalent and that will be modified by the Multilateral Instrument upon its entry into force for the treaty concerned.			
[B.1]		For the remaining two treaties that will not be modified by the Multilateral Instrument to include the equivalent of Article 25(1), first sentence of the OECD Model Tax Convention, Morocco should request the inclusion of the required provision via bilateral negotiations. To this end, Morocco should follow its intention to put a plan in place on how it envisages updating these treaties to include the required provision.			
[B.1]	Five of Morocco's 77 tax treaties do not contain the equivalent of Article 25(1), second sentence, of the OECD Model Tax Convention, either (i) because the timeline to file a MAP request is shorter than three years from the first notification of the action resulting in taxation not in accordance with the provision of the tax treaty, or (ii) because the timeline for submitting a MAP request refers to domestic law of the treaty partners. Three of these treaties will be modified by the Multilateral Instrument to include the required provision.	Morocco should as quickly as possible complete the ratification process of the Multilateral Instrument in order to incorporate the equivalent of Article 25(1), second sentence, of the OECD Model Tax Convention in three of the five treaties that currently do not contain such equivalent. For the remaining two treaties that will not be modified by the Multilateral Instrument to include the equivalent of Article 25(1), second sentence of the OECD Model Tax Convention, Morocco should request the inclusion of the required provision via bilateral negotiations. To this end, Morocco should follow its intention to put a plan in place on how it envisages updating these treaties to include the required provision.			

	Areas for improvement	Recommendations							
[B.1]	-	In addition, Morocco should maintain its stated intention to include Article 25(1) of the OECD Model Tax Convention, as amended in the Action 14 final report in all future tax treaties.							
[B.2]	75 out of the 77 treaties do not contain a provision equivalent to Article 25(1) of the OECD Model Tax Convention, as amended by the Final Report on Action 14, allowing taxpayers to submit a MAP request to the competent authority of either State. There is no documented bilateral notification or consultation process in place for these treaties that allows the other competent authority concerned to provide its views on a case in which the Moroccan competent authority does not consider the objection raised to be justified.	Morocco should without further delay put in place and document a bilateral notification or consultation process that allows the other competent authority concerned to provide its views in a case where its own competent authority does not consider the objection raised in the MAP request to be justified; the documentation should set out procedural rules on how this process should be applied in practice, including the steps to be taken and the timetable that applies to them. In addition, Morocco should apply this bilateral notification or consultation process to future cases where its competent authority does not consider the objection raised in a MAP request to be justified and where the tax treaty concerned does not contain the equivalent of Article 25(1) of the OECD Model Tax Convention as amended by the Action 14 final report.							
[B.3]	Morocco reported it will give access to. MAP in transfer pricing cases. Its competent authority, however did not receive any MAP request for such cases during the Review Period. Morocco is therefore recommended to follow its policy and grant access to MAP in such cases.								
[B.4]	Morocco reported that it will give access to MAP in cases concerning whether the conditions for the application of a treaty anti-abuse provision have been met or whether the application of a domestic law anti-abuse provision is in conflict with the provisions of a treaty. However, its competent authority did not receive any MAP requests of this kind from taxpayers during the Review Period. Morocco is therefore recommended to follow its policy and grant access to MAP in such cases.								
[B.5]	Morocco reported it will give access to MAP in cases where the settlement. Its competent authority, however, did not receive ar Period. Morocco is therefore recommended to follow its policy	ny MAP requests of this kind from taxpayers during the Review							
[B.6]	Morocco reported that it will provide access to MAP in cases we documentation requirements. However, its competent authority Morocco is therefore recommended to follow its policy and grant required information and documentation.	did not receive any MAP requests during the Review Period.							
	Four out of 77 tax treaties do not contain a provision equivalent to Article 25(3), second sentence, of the OECD Model Tax Convention. Three of these four treaties will be modified by the Multilateral Instrument to include the required provision.	Morocco should as quickly as possible complete the ratification process of the Multilateral Instrument to include the equivalent of Article 25(3), second sentence, of the OECD Model Tax Convention into the three treaties that currently do not contain such equivalent, and that will be modified by the Multilateral Instrument upon its entry into force for the treaties concerned. For the remaining treaty that will not be modified by							
[B.7]		the Multilateral Instrument to include the equivalent of Article 25(3), second sentence, of the OECD Model Tax Convention when it enters into force, Morocco should seek to include the required provision via bilateral negotiations. To this end, Morocco should follow its intention to put a plan in place on how it envisages updating these treaties to include the required provision.							
	-	In addition, Morocco should maintain its stated intention to include the required provision in all future tax treaties.							

	Areas for improvement	Recommendations				
(D 01	The MAP guidance has not been published.	Morocco should introduce and publish, without further delay, guidance on access to and use of the MAP as well as the manner and form in which the taxpayer should submit its MAP request, including the documentation/information that it should include in such a request. Although not required under the Action 14 Minimum Standard, in order to ensure that its draft MAP guidance is more comprehensive, Morocco could consider including information on:				
[B.8]		whether MAP is available in cases of bona fide foreign-initiated self-adjustments; whether taxpayers can request for the multi-year resolution of recurring issues through MAP the time limits applicable to the implementation of a MAP agreement.				
	-	Recommendations for guidance on the relationship between access to the MAP and audit settlements in the MAP guidance are discussed under element B.10.				
[B.9]	Morocco's MAP guidance is not publically available.	Morocco should make its MAP guidance available and easily accessible to the public. Furthermore, it should ensure that its MAP profile published on the shared public platform is updated if needed.				
[B.10]	There is no published MAP guidance.	Morocco should introduce and publish its MAP guidance without delay, stating that the conclusion of transactions between tax authorities and taxpayers does not exclude the opening of a MAP procedure.				
	Part C. Resolution of	of MAP cases				
	Four out of 77 tax treaties do not contain a provision equivalent to Article 25(2), first sentence, of the OECD Model Tax Convention. One of these treaties will be modified by the Multilateral Instrument to include the required provision.	Morocco should as quickly as possible complete the ratification process of the Multilateral Instrument in order to include the equivalent of Article 25(2), first sentence, of the OECD Model Tax Convention into one of the four treaties that currently does not contain such equivalent, and that will be modified by the Multilateral Instrument upon its entry into force for the treaty concerned.				
[C.1]		For three of the remaining four treaties that will not be modified by the Multilateral Instrument to include the equivalent of Article 25(2), first sentence of the OECD Model Tax Convention, Morocco should request the inclusion of the required provision via bilateral negotiations. To this end, Morocco should follow its intention to put a plan in place on how it envisages updating these treaties to include the required provision.				
	-	Morocco should maintain its stated intention to include the required provision in all its future tax treaties.				
	Morocco submitted tentative MAP statistics for 2019 for this per Framework.	er review on the basis of the MAP Statistics Reporting				
[C.2]	Morocco's tentative MAP statistics show that no post-2018 cas is recommended to seek to resolve future post-2018 cases with 24 months.					
[C.3]	No MAP cases were closed during the Review Period and peers expressed difficulties to get information or a response from Morocco within a satisfactory timeframe. This might indicate that Morocco's competent authority is not adequately resourced while no specific actions have been taken by South Africa to address this in the meantime.	Morocco should ensure that the resources available for the competent authority function are adequate in order to resolve MAP cases in a timely, efficient and effective manner.				

	Areas for improvement	Recommendations
[C.4]	-	As it has done thus far, Morocco should continue to ensure that its competent authority has the authority, and uses that authority in practice, to resolve MAP cases without being dependent on approval or direction from the tax administration personnel directly involved in the adjustment at issue and absent any policy considerations that Morocco would like to see reflected in future amendments to the treaty.
[C.5]	-	As it has done thus far, Morocco should continue to use appropriate performance indicators.
[C.6]	-	-
	Part D. Implementation o	f MAP agreements
[D.1]	As there was no MAP agreement reached during the Review P would have implemented all MAP agreements thus far.	eriod, it was not yet possible to assess whether Morocco
	As will be discussed under element D.3 not all of Morocco's tax treaties contain the equivalent of Article 25(2), second sentence, of the OECD Model Tax Convention. Therefore, there is a risk that for those tax treaties that do not contain that provision, not all MAP agreements will be implemented due to the four-year time limits in its domestic law.	As will be discussed under element D.3 not all of Morocco's tax treaties contain the equivalent of Article 25(2), second sentence, of the OECD Model Tax Convention. Therefore, there is a risk that for those tax treaties that do not contain that provision, not all MAP agreements will be implemented due to the four-year time limits in its domestic law.
[D.2]	As there was no MAP agreement reached during the Review P would have implemented all MAP agreements on a timely basis	
	17 of Morocco's 77 tax treaties do not contain either a provision equivalent to Article 25(2), second sentence, of the OECD Model Tax Convention or the two alternative provisions provided for in Article 9(1) and Article 7(2). Twelve of these 17 treaties will be modified by the Multilateral Instrument to include the required provision.	Morocco should as quickly as possible complete the ratification process of the Multilateral Instrument in order to incorporate the equivalent of Article 25(2), second sentence, of the OECD Model Tax Convention into the 12 treaties that currently contain no such equivalent and that will be modified by the Multilateral Instrument when it enters into force. With regard to the five treaties that will not be modified by
[D.3]		the Multilateral Instrument to include a provision equivalent to Article 25(2), second sentence, of the OECD Model Tax Convention, Morocco should seek to include the required provision or be willing to accept the two alternatives through bilateral negotiations. To this end, Morocco should follow its intention to put a plan in place on how it envisages updating these treaties to include the required provision.
	-	In addition, Morocco should maintain its stated intention to include the required provision, or be willing to agree to include both alternative provisions, in all future tax treaties.

Annex A

Tax treaty network of Morocco

	A			Article 25(1) of the OECD Model Tax Convention ("MTC")			Anti-abuse	Article 25(2) of the OECD MTC		Article 25(3) of the OECD MTC		Arbitration
			B.1	B.1		B.3	B.4	C.1	D.3	A.1	B.7	C.6
Column 1	Colu	ımn 2	Column 3	Colum	n 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10	Column 11
Treaty partner	DTC in force?		Inclusion Art. 25(1) first sentence?) Inclusion Art. 25(1) second sentence? (Note 1)		Inclusion Art. 9(2) (Note 2) If no, will your CA provide access to MAP in TP cases?	Inclusion provision that MAP Article will not be available in cases where your jurisdiction is of the assessment that there is an abuse of the DTC or of the domestic tax law?	Inclusion Art. 25(2) first sentence? (Note 3)	Inclusion Art. 25(2) second sentence? (Note 4)	Inclusion Art. 25(3) first sentence? (Note 5)	Inclusion Art. 25(3) second sentence? (Note 6)	Inclusion arbitration provision?
			If yes, submission to either competent authority? (new Art. 25(1), first sentence)	If no, please sta	f no, please state reasons		If no, will your CA accept a taxpayer's request for MAP in relation to such cases?		If no, alternative provision in Art. 7 & 9 OECD MTC? (Note 4)			
	Y = yes N = signed pending ratification	If N, date of signing	E = yes, either CAs O = yes, only one CA N = No	Y = yes i = no, no such provision ii = no, different period iii = no, starting point for computing the 3 year period is different iv = no, other reasons	if ii, specify period	Y = yes i = no, but access will be given to TP cases ii = no and access will not be given to TP cases	Y = yes i = no and such cases will be accepted for MAP ii = no but such cases will not be accepted for MAP	Y = yes N = no	Y = yes i = no, but have Art. 7 equivalent ii = no, but have Art. 9 equivalent iii = no, but have both Art. 7 & 9 equivalent N = no and no equivalent of Art. 7 and 9	Y = yes N = no	Y = yes N = no	Y = yes N = no
Albania	N	6/24/2016	0	Y	N/A	Υ	i	Υ	Υ	Υ	Υ	N
Algeria	Y	N/A	0	Y	N/A	i	i	Y	Y	Υ	Y	N
Austria	Y	N/A	0	Y	N/A	Υ	i	Υ	Y	Υ	Υ	N
Azerbaijan	N	3/5/2018	0	Y	N/A	Y	i	Υ	Y	Y	Y	N
Bahrain	Y	N/A	0	Y	N/A	Y	i	Y	Y	N	Υ	N

			Article 25(1) of the OE	CD Model Tax Conv	vention ("MTC")	Article 9(2) of the OECD MTC	Anti-abuse	Article 25(2) of the OECD MTC		5(3) of the D MTC	Arbitration
			B.1	B.1		B.3	B.4	C.1	D.3	A.1	B.7	C.6
Column 1	Col	umn 2	Column 3	Colum	n 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10	Column 11
Treaty partner	DTC in force?		first sentence? (Note 1)		Inclusion Art. 9(2) (Note 2) If no, will your CA provide access to MAP in TP cases?	Inclusion provision that MAP Article will not be available in cases where your jurisdiction is of the assessment that there is an abuse of the DTC or of the domestic tax law?	Inclusion Art. 25(2) first sentence? (Note 3)	Inclusion Art. 25(2) second sentence? (Note 4)	Inclusion Art. 25(3) first sentence? (Note 5)	Inclusion Art. 25(3) second sentence? (Note 6)	Inclusion arbitration provision?	
			If yes, submission to either competent authority? (new Art. 25(1), first sentence)	ent			If no, will your CA accept a taxpayer's request for MAP in relation to such cases?		If no, alternative provision in Art. 7 & 9 OECD MTC? (Note 4)			
Bangladesh	N	2/2/2018	0	Υ	N/A	Y	i	Y	Υ	Y	Υ	N
Belgium	Υ	N/A	O*	Υ	N/A	Y	i	Y	Υ	Y	N*	N
Benin	N	3/25/2019	E	Y	N/A	Y	i	Y	Υ	Y	Υ	N
Bulgaria	Υ	N/A	O*	Y	N/A	Y	i	Y	Υ	Υ	Υ	N
Burkina Faso	N	5/18/2012	O*	Υ	N/A	Y	i	Υ	Y	Υ	Υ	N
Cameroon	N	12/31/2014	O*	Υ	N/A	Y	i	Υ	Υ	Υ	Υ	N
Canada	Υ	N/A	0	ii*	2 years	i	i	Υ	N	Υ	Υ	N
China (People's Republic of)	Υ	N/A	0	Y	N/A	Y	i	Y	Y	Y	Y	N
Congo	N	4/30/2018	0	Υ	N/A	Y	i	Y	Υ	Y	Υ	N
Cote d'Ivoire	Υ	N/A	0*	Υ	N/A	Y	i	Y	Υ	Y	Υ	N
Croatia	Υ	N/A	0	Υ	N/A	Y	i	Y	Υ	Y	Υ	N
Czech Republic	Υ	N/A	0*	Υ	N/A	Y	i	Y	Υ	Y	Υ	N
Denmark	Υ	N/A	O*	Υ	N/A	Y	i	Y	N*	Υ	Υ	N
Egypt	Υ	N/A	O*	iv	N/A	i	i	Υ	N*	Υ	Y	N
Estonia	N	9/25/2013	O*	Υ	N/A	Y	i	Υ	Υ	Y	Y	N
Ethiopia	N	11/19/2016	0	Υ	N/A	Y	i	Υ	Υ	Y	Υ	N
Finland	Υ	N/A	O*	Υ	N/A	Y	i	Υ	Υ	Y	Y	N
France	Υ	N/A	N**	i	N/A	i	i	N*	N*	N*	Y	N
Gabon	Υ	N/A	O*	Υ	N/A	Y	i	Y	Υ	Υ	Υ	N
Germany	Υ	N/A	0	i	N/A	i	i	Υ	N	Υ	Y	N
Ghana	N	2/17/2017	0	Υ	N/A	Y	i	Υ	Υ	Υ	Υ	N

			Article 25(1) of the OB	ECD Model Tax Con	vention ("MTC")	Article 9(2) of the OECD MTC Anti-abuse	Article 25(Article 25(2) of the OECD MTC		Article 25(3) of the OECD MTC		
			B.1	B.1		B.3	B.4	C.1	D.3	A.1	B.7	C.6
Column 1	Colu	ımn 2	Column 3	Colum	n 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10	Column 11
Treaty partner	DTC in force?		Inclusion Art. 25(1) first sentence?	set sentence? sentence? (Note 1) es, submission ither competent uthority? (new		Inclusion Art. 9(2) (Note 2) If no, will your CA provide access to MAP in TP cases?	Inclusion provision that MAP Article will not be available in cases where your jurisdiction is of the assessment that there is an abuse of the DTC or of the domestic tax law?	Inclusion Art. 25(2) first sentence? (Note 3)	Inclusion Art. 25(2) second sentence? (Note 4)	Inclusion Art. 25(3) first sentence? (Note 5)	Inclusion Art. 25(3) second sentence? (Note 6)	Inclusion arbitration provision?
			If yes, submission to either competent authority? (new Art. 25(1), first sentence)				If no, will your CA accept a taxpayer's request for MAP in relation to such cases?		If no, alternative provision in Art. 7 & 9 OECD MTC? (Note 4)			
Greece	Y	N/A	O*	Y	N/A	Y	i	Υ	Y	Y	Y	N
Guinea	Y	N/A	0	Y	N/A	Υ	i	Υ	Υ	Υ	Y	N
Guinea- Bissau	N	5/28/2015	0	Y	N/A	Y	i	Y	Y	Y	Y	N
Hungary	Υ	N/A	0	Y	N/A	i	i	Y	Y	Y	Y	N
India	Υ	N/A	0	Y	N/A	Y	i	Y	Y	Y	Y	N
Indonesia	Υ	N/A	0	Y	N/A	Y	i	Υ	N	Y	Υ	N
Iran	N	2/25/2008	0	Y	N/A	Y	i	Y	Y	Y	Y	N
Ireland	Y	N/A	0*	Y	N/A	Y	i	Y	Υ	Y	Y	N
Italy	Y	N/A	0	i	N/A	i	i	Υ	N*	Y	Y	N
Jordan	Y	N/A	0*	Y	N/A	Y	i	Y	Y	Y	Y	N
Korea	Y	N/A	0*	Y	N/A	Y	i	Y	Υ	Y	Y	N
Kuwait	Y	N/A	O*	Y	N/A	Y	i	Y	Y	Υ	Y	N
Latvia	Y	N/A	0	Y	N/A	Y	i	Y	Υ	Υ	Y	N
Lebanon	Y	N/A	0	ii	2-years	Y	i	Y	Y	Υ	Y	N
Liberia	N	3/25/2019	E	Y	N/A	Y	i	Y	Υ	Υ	Y	N
Libya	Υ	N/A	0	Y	N/A	i	i	Y	Υ	Υ	Υ	N
Lithuania	N	4/19/2013	O*	Y	N/A	Y	i	Y	Υ	Υ	Y	N
Luxembourg	Υ	N/A	O*	ii*	2-years	i	i	Y	N*	Υ	Υ	N
Malaysia	Υ	N/A	O*	Υ	N/A	i	i	Y	N*	Υ	Υ	N
Madagascar	N	11/21/2016	0	Y	N/A	Y	i	Υ	Y	Υ	Υ	N
Mali	Υ	N/A	0	Υ	N/A	Y	i	Y	Y	Υ	Υ	N
Malta	Υ	N/A	O*	Y	N/A	Y	i	Υ	Y	Y	Υ	N
		1		L	1	I	1	l.				

			Article 25(1) of the OB	ECD Model Tax Conv	vention ("MTC")	Article 9(2) of the OECD MTC	Anti-abuse	Article 25(2) of the OECD MTC		5(3) of the D MTC	Arbitration
			B.1	B.1		B.3	B.4	C.1	D.3	A.1	B.7	C.6
Column 1	Col	umn 2	Column 3	Colum	n 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10	Column 11
Treaty partner	DTC in force?		first sentence? (Note 1)		Inclusion Art. 9(2) (Note 2) If no, will your CA provide access to MAP in TP cases?	Inclusion provision that MAP Article will not be available in cases where your jurisdiction is of the assessment that there is an abuse of the DTC or of the domestic tax law?	Inclusion Art. 25(2) first sentence? (Note 3)	Inclusion Art. 25(2) second sentence? (Note 4)	Inclusion Art. 25(3) first sentence? (Note 5)	Inclusion Art. 25(3) second sentence? (Note 6)	Inclusion arbitration provision?	
			If yes, submission to either competent authority? (new Art. 25(1), first sentence)	If no, please sta	ate reasons		If no, will your CA accept a taxpayer's request for MAP in relation to such cases?		If no, alternative provision in Art. 7 & 9 OECD MTC? (Note 4)			
Mauritania	Y	N/A	0	Y	N/A	i	i	Y	Y	Υ	Υ	N
Mauritius	N	11/25/2015	0	Υ	N/A	Y	i	Y	Y	Υ	Υ	N
Netherlands	Υ	N/A	0*	i	N/A	i	Y	Y	N*	Y	Y	N
North Macedonia	Y	N/A	0	Y	N/A	Y	i	Y	Y	Y	Y	N
Norway	Y	N/A	0	i	N/A	i	i	Y	N	Y	Υ	N
Oman	Υ	N/A	0*	Υ	N/A	Y	i	Y	Υ	Y	Y	N
Pakistan	Υ	N/A	O*	Υ	N/A	Y	i	Y	Υ	Υ	Υ	N
Poland	Υ	N/A	0	Υ	N/A	Y	i	Y	Y	Υ	Υ	N
Portugal	Υ	N/A	0	Y	N/A	Y	i	Y	Υ	Y	Υ	N
Qatar	Υ	N/A	O*	ii*	2-years	Y	i	Y	N*	Υ	Υ	N
Romania	Υ	N/A	N	ii	4-years	Y	i	Y	Υ	Y	Υ	N
Russia	Υ	N/A	0*	Υ	N/A	i	i	Y	N*	Y	N*	N
Rwanda	N	10/19/2017	0	Υ	N/A	Y	i	Y	Υ	Y	Υ	N
Sao Tome and Principe	N	1/25/2016	0	Y	N/A	Y	i	Y	Y	Y	Y	N
Saudi Arabia	N	4/14/2015	O*	Y	N/A	Y	i	Y	Υ	Υ	Υ	N
Senegal	Υ	N/A	O*	Υ	N/A	Y	i	Y	Y	Υ	Υ	N
Serbia	N	6/6/2013	0	Y	N/A	Y	i	Y	Y	Υ	Υ	N
Singapore	Y	N/A	0	Y	N/A	i	i	Y	Y	Υ	Υ	N
Slovenia	N	4/5/2016	0	Υ	N/A	Y	i	Υ	Y	Υ	Υ	N
South Sudan	N	2/1/2017	0	Y	N/A	Y	i	Y	Y	Υ	Υ	N
Spain	Υ	N/A	N	i	N/A	i	i	N	N*	Υ	Υ	N

			Article 25(1) of the OE	CD Model Tax Con	vention ("MTC")	Article 9(2) of the OECD MTC	Anti-abuse	Article 25(2) of the OECD MTC	Article 25(3) of the OECD MTC		Arbitration
			B.1	B.1		B.3	B.4	C.1	D.3	A.1 B.7		C.6
Column 1	Column 1 Column 2		Column 3	Column 4		Column 5	Column 6	Column 7	Column 8	Column 9	Column 10	Column 11
Treaty partner	DTC in force?		Inclusion Art. 25(1) first sentence?	Inclusion Art. 25(1) second sentence? (Note 1)		Inclusion Art. 9(2) (Note 2) If no, will your CA provide access to MAP in TP cases?	Inclusion provision that MAP Article will not be available in cases where your jurisdiction is of the assessment that there is an abuse of the DTC or of the domestic tax law?	Inclusion Art. 25(2) first sentence? (Note 3)	Inclusion Art. 25(2) second sentence? (Note 4)	Inclusion Art. 25(3) first sentence? (Note 5)	Inclusion Art. 25(3) second sentence? (Note 6)	Inclusion arbitration provision?
			If yes, submission to either competent authority? (new Art. 25(1), first sentence)	If no, please st	ate reasons		If no, will your CA accept a taxpayer's request for MAP in relation to such cases?		If no, alternative provision in Art. 7 & 9 OECD MTC? (Note 4)			
Switzerland	Υ	N/A	0	Y N/A		i	i	Y	N	Y	Y	N
Syrian Arab Republic	Y	N/A	0	Y N/A		Y	i	Y	Y	Y	Y	N
Tunisia	Υ	N/A	0	Y	N/A	i	i	Y	Y	Υ	Υ	N
Turkey	Υ	N/A	O*	Y	N/A	Y	i	Υ	N*	Υ	Υ	N
Ukraine	Υ	N/A	O*	Υ	N/A	Y	i	Υ	Y	Υ	Υ	N
United Arab Emirates	Y	N/A	O*	Υ	N/A	Y	i	Y	Y	Y	Y	N
United Kingdom	Υ	N/A	0*	i	N/A	i	i	Y	N*	Υ	N*	N
United States	Υ	N/A	0	i	N/A	i	i	N	Y	Y	N	N
Yemen	N	2/8/2006	0	Υ	N/A	Υ	i	N	Υ	Υ	Υ	N
Viet Nam	Υ	N/A	0	Υ	N/A	Υ	i	Y	Y	Υ	Υ	N
Zambia	N	10/11/2017	0	Y	N/A	Y	i	Υ	Y	Υ	Υ	N

Note: a. Footnote by Turkey: The information in this document with reference to "Cyprus" relates to the southern part of the Island. There is no single authority representing both Turkish and Greek Cypriot people on the Island. Turkey recognises the Turkish Republic of Northern Cyprus (TRNC). Until a lasting and equitable solution is found within the context of United Nations, Turkey shall preserve its position concerning the "Cyprus" issue.

Footnote by all the European Union Member States of the OECD and the European Union: The Republic of Cyprus is recognised by all members of the United Nations with the exception of Turkey. The information in this document relates to the area under the effective control of the Government of the Republic of Cyprus.

Legend

E**

E* The provision contained in this treaty was already in line with the requirements under this element of the Action 14 Minimum Standard, but has been modified by the Multilateral Instrument to allow the filing of a MAP request in either contracting state.

The provision contained in this treaty was not in line with the requirements under this element of the Action 14 Minimum Standard, but the treaty has been modified by the Multilateral Instrument and is now in line with this standard.

i**/iv**/N** The provision contained in this treaty is not in line with the requirements under this element of the Action 14 Minimum Standard, but the treaty will be superseded by the Multilateral Instrument upon entry into force for this specific treaty only to the extent that existing treaty provisions are incompatible with the relevant provision of the Multilateral Instrument.

The provision contained in this treaty is not in line with the requirements under this element of the Action 14 Minimum Standard, but the treaty will be superseded by the Multilateral Instrument only to the extent that existing treaty provisions are incompatible with the relevant provision of the Multilateral Instrument.

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Annex B

MAP statistics reporting for pre-2019 cases

2019 MAP Statistics													
	No. of pre-2019 cases in MAP inventory on 1 January 2019												
Category of cases		Denied MAP access		Withdrawn by taxpayer	Unilateral relief granted	Resolved via domestic remedy	Agreement fully eliminating double taxation/fully resolving taxation not in accordance with tax treaty	Agreement partially eliminating double taxation/partially resolving taxation not in accordance with tax treaty	Agreement that there is no taxation not in accordance with tax treaty	No agreement, including agreement to disagree	Any other outcome	No. of pre-2016 cases remaining in on MAP inventory on 31 August 2019	Average time taken (in months) for closing pre-2019 cases during the reporting period
Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10	Column 11	Column 12	Column 13	Column 14
Attribution/ Allocation	1	0	0	0	0	0	0	0	0	0	0	1	n.a.
Others	24	0	0	0	0	0	0	0	0	0	0	24	n.a.
Total	25	0	0	0	0	0	0	0	0	0	0	25	n.a.

Annex C

MAP statistics reporting for post-2018 cases

2019 MAP Statistics														
	No. of post-2018 cases in MAP inventory on 1 January 2019	No. of post-2018 cases started during the reporting period												
Category of cases			Denied MAP access	Objection is not justified	Withdrawn by taxpayer	Unilateral relief granted	Resolved via domestic remedy	Agreement fully eliminating double taxation/fully resolving taxation not in accordance with tax treaty	Agreement partially eliminating double taxation/partially resolving taxation not in accordance with tax treaty	Agreement that there is no taxation not in accordance with tax treaty	No agreement, including agreement to disagree	Any other outcome	No. of post-2015 cases remaining in on MAP inventory on 31 August 2019	Average time taken (in months) for closing post-2018 cases during the reporting period
Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10	Column 11	Column 12	Column 13	Column 14	Column 15
Attribution/ Allocation	0	0	0	0	0	0	0	0	0	0	0	0	0	n.a.
Others	0	0	0	0	0	0	0	0	0	0	0	0	0	n.a.
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	n.a.

Glossary

Action 14 Minimum Standard The Minimum Standard as agreed upon in the Final Report on

Action 14: Making Dispute Resolution Mechanisms More Effective

MAP Statistics Reporting Framework Rules for reporting of MAP statistics as agreed by the FTA MAP

Forum

Multilateral Instrument Multilateral Convention to Implement Tax Treaty Related Measures

to Prevent Base Erosion and Profit Shifting

OECD Model Tax ConventionModel Tax Convention on Income and on Capital as it read on

21 November 2017

OECD Transfer Pricing Guidelines OECD Transfer Pricing Guidelines for Multinational Enterprises

and Tax Administrations

Pre-2019 casesMAP cases in a competent authority's inventory that were pending

resolution on 31 December 2018

Post-2018 cases MAP cases that are received by a competent authority from a tax-

payer on or after 1 January 2019

Review Period Period for the peer review process that started on 1 January 2019

and ended on 31 August 2019

Statistics Reporting Period Period for reporting MAP statistics that started on 1 January 2019

and ended on 31 December 2019

Terms of ReferenceTerms of Reference to Monitor and Review the Implementing of the

BEPS Action 14 Minimum Standard to Make Dispute Resolution

Mechanisms More Effective

OECD/G20 Base Erosion and Profit Shifting Project

Making Dispute Resolution More Effective - MAP Peer Review Report, Morocco (Stage 1)

INCLUSIVE FRAMEWORK ON BEPS: ACTION 14

Under Action 14, countries have committed to implement a minimum standard to strengthen the effectiveness and efficiency of the mutual agreement procedure (MAP). The MAP is included in Article 25 of the OECD Model Tax Convention and commits countries to endeavour to resolve disputes related to the interpretation and application of tax treaties. The Action 14 Minimum Standard has been translated into specific terms of reference and a methodology for the peer review and monitoring process.

The peer review process is conducted in two stages. Stage 1 assesses countries against the terms of reference of the minimum standard according to an agreed schedule of review. Stage 2 focuses on monitoring the follow-up of any recommendations resulting from jurisdictions' Stage 1 peer review report. This report reflects the outcome of the Stage 1 peer review of the implementation of the Action 14 Minimum Standard by Morocco.



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