

# Mauritania

## Overview of CbC reporting requirements

First reporting fiscal year: TBC

Consolidated group revenue threshold: MRO 22 billion

Filing deadline: 12 months following the end of the reporting fiscal year

Local filing required: Yes

Surrogate parent entity filing permitted: Yes

First review of the domestic legal framework: 2022/2023

## Summary of recommendations

Area of implementation	Recommendations for improvement
Domestic legal and administrative framework	<p>It is recommended that Mauritania amend the filing threshold or otherwise clarify that it is in line with the standard.</p> <p>It is recommended that Mauritania clarify or amend the legislation to include an effective date for the CbC filing requirement.</p> <p>It is recommended that Mauritania introduce or complete the definitions of a “Group”, “MNE Group”, “Ultimate Parent Entity”, “Constituent Entity”, “Consolidated Financial Statements”, “Fiscal Year”, “Reporting Fiscal Year”, “Reporting Entity”, and “Systemic Failure” in a manner that is consistent with the terms of reference.</p> <p>It is recommended that Mauritania publish the full content and format requirements of the CbC Report.</p> <p>It is recommended that Mauritania take steps to ensure that local filing only occurs in the circumstances permitted under the minimum standard.</p> <p>It is recommended that Mauritania clarify that the annual consolidated group revenue threshold calculation rule applies in line with the OECD guidance on currency fluctuations in respect of an MNE Group whose Ultimate Parent Entity is located in a jurisdiction other than Mauritania.</p> <p>It is recommended that Mauritania take steps to ensure that enforcement provisions and monitoring relating to the enforcement of CbCR filing obligations are implemented.</p>
Exchange of information framework	<p>It is recommended that Mauritania take steps to have qualifying competent authority agreements in effect with jurisdictions of the Inclusive Framework that meet the confidentiality, consistency and appropriate use conditions and with which Thailand has an international exchange of information agreement in effect that allows for the automatic exchange of tax information.</p> <p>It is recommended that Mauritania take steps to implement the necessary processes or written procedures to ensure that the exchange of information is conducted in a manner consistent with the terms of reference relating to the exchange of information framework.</p>
Appropriate use	<p>It is recommended that Mauritania take steps to ensure that the appropriate use condition is met ahead of the first exchanges of information.</p>

## The domestic legal and administrative framework

Mauritania has introduced a CbC reporting filing requirement which applies to all Ultimate Parent Entities of MNE Groups above a certain threshold.<sup>1</sup>

As Mauritania's legislation does not include an effective date, a legislative filing requirement is therefore not in effect in Mauritania. Mauritania should introduce an effective date in the legislation in order to give effect to the filing requirement.

There are several areas where there are recommendations to improve the legislation.

### ***Filing Threshold***

Mauritania's legislation specifies a filing threshold of MRO 22 billion. The minimum standard requires a filing threshold of EUR 750 million or a near equivalent amount in domestic currency as of January 2015. The filing threshold specified in Mauritania's legislation is not consistent with this. It is recommended that Mauritania amend the filing threshold or otherwise clarify that it is in line with the standard.

### ***Effective date***

Mauritania's legislation does not include an effective date from which CbC reporting is required. It is recommended that Mauritania clarify or amend the legislation to include an effective date for the CbC filing requirement.

### ***The definition of Group***

Mauritania's legislation does not include a definition of "Group". It is recommended that Mauritania amend its legislation to include a definition of "Group" that is in line with the standard.

### ***The definition of MNE Group***

Mauritania's legislation does not include a definition of "MNE Group". It is recommended that Mauritania amend its legislation to include a definition of "MNE Group" that is in line with the standard.

### ***The definition of Ultimate Parent Entity***

The definition of "Ultimate Parent Entity" in Mauritania's legislation refers to a legal person that prepares consolidated financial statements under accounting principles, but does not refer to a requirement to prepare such consolidated financial statements, meaning it could apply to an MNE group that chooses to prepare consolidated financial statements even if they are not required to do so, which is wider than intended under the Minimum Standard. The definition also does not include an entity that would be required to prepare consolidated financial statements if its equity interests were traded on a public securities exchange in Mauritania ("deemed listing provision"), as required under the Minimum Standard. It is also unclear whether the legislation would apply to entities which do not have legal personality.

Under the terms of reference, an entity cannot be the Ultimate Parent Entity of an MNE Group if it is held by another Constituent Entity of that MNE Group that owns directly or indirectly sufficient interest in that entity. This is not reflected in Mauritania's primary law, which instead contains the following conditions in the primary filing obligation provisions: the Ultimate Parent Entity is "*not held by one or more legal entities located in Mauritania which are subject to the filing of this declaration, or established outside Mauritania and required to file a similar declaration under foreign regulations*". These provisions may result in a Mauritanian entity being incorrectly considered to be the UPE of the Constituent Entities which sit below it. This is not consistent with the Minimum Standard.

In light of the above, it is recommended that Mauritania amend the definition of UPE or otherwise clarify the definition to be in line with the standard.

### ***The definition of Constituent Entity***

Mauritania's legislation does not include a definition of "Constituent Entity". It is recommended that Mauritania amend its legislation to include a definition of "Constituent Entity" that is in line with the standard.

### ***The definition of Consolidated Financial Statements***

Mauritania's legislation does not include a definition of "Consolidated Financial Statements". It is recommended that Mauritania amend its legislation to include a definition of "Consolidated Financial Statements" that is in line with the standard.

### ***The definition of Fiscal Year***

Mauritania's legislation does not include a definition of "Fiscal Year". It is recommended that Mauritania amend its legislation to include a definition of "Fiscal Year" that is in line with the standard.

### ***The definition of Reporting Fiscal Year***

Mauritania's legislation does not include a definition of "Reporting Fiscal Year". It is recommended that Mauritania amend its legislation to include a definition of "Reporting Fiscal Year" that is in line with the standard.

### ***The definition of Reporting Entity***

Mauritania's legislation does not include a definition of "Reporting Entity". It is recommended that Mauritania amend its legislation to include a definition of "Reporting Entity" that is in line with the standard.

### ***The definition of Systemic Failure***

Mauritania's legislation does not include a definition of "Systemic Failure". It is recommended that Mauritania amend its legislation to include a definition of "Systemic Failure" that is in line with the standard.

### ***Contents of the Country-by-Country report***

The information included in Mauritania's legislation does not include the template of the Country-by-Country report and does not include any details of what should be included under each heading in the report. It is recommended that Mauritania publish the full content and format requirements of the CbC Report.

### ***The local filing provision***

The local filing provision in Mauritania applies where an MNE Group has a Constituent Entity established in Mauritania which is not the Ultimate Parent Entity of the group, and the jurisdiction of residence of the Ultimate Parent Entity of the MNE Group does not have an international agreement with Mauritania allowing the automatic exchange of CbC reports. This is broader than the condition under the standard, where a jurisdiction may require local filing if "the jurisdiction in which the Ultimate Parent Entity is resident for tax purposes has a current International Agreement to which the given jurisdiction is a party but does not have a Qualifying Competent Authority Agreement in effect to which this jurisdiction is a party by the time for filing the Country-by-Country Report". Under Mauritania's legislation, local filing may be required in circumstances where there is no current international agreement between Mauritania and the residence jurisdiction of the Ultimate Parent Entity. It is recommended that Mauritania amend its primary law or

otherwise ensure that local filing only occurs in the circumstances permitted under the minimum standard, in particular to prevent local filing in the absence of an international agreement.

With respect to the conditions under which local filing may be required, under Mauritania's legislation, local filing applies where an MNE group has a Constituent Entity established in Mauritania which is not the Ultimate Parent Entity of the Group, and the jurisdiction of the Ultimate Parent Entity has concluded an agreement with Mauritania for the automatic exchange of CbC reports but does not comply with the obligations arising from such agreement. Whether these provisions fully reflect the standard which limit local filing to the instances of "Systemic Failure" (i.e. suspension for reasons other than those that are in accordance with the terms of that agreement or persistent failure to automatically provide the CbC report) should be clarified. It is recommended that Mauritania amend its primary legislation or otherwise clarify that local filing will only apply if there is a "Systemic Failure".

Mauritania has a legislative requirement for local filing which is in effect despite Mauritania not yet meeting all of the consistency, confidentiality and appropriate use conditions. It is therefore recommended that Mauritania take steps to ensure that local filing only occurs in the circumstances permitted under the minimum standard.

### ***Limitation on local filing in case of surrogate filing***

Mauritania's local filing requirements will not apply if there is surrogate filing in another jurisdiction which is listed in a list of states or territories which have adopted regulations imposing the filing of a CbC report similar to that required in Mauritania, which have concluded an agreement with Mauritania for the automatic exchange of CbC reports and which comply with the obligations arising from such agreement. It is unclear whether local filing would be "deactivated" in respect of jurisdictions which allow voluntary parent surrogate filing, being noted that the list mentioned above has not yet been published at this point in time. This will be monitored.

### ***Currency fluctuations***

Where an MNE Group draws up, or would draw up, its Consolidated Financial Statements in a currency other than that specified by Mauritania, the reference to Mauritania's threshold has the effect as if it were a reference to the equivalent in that currency at the average exchange rate for the accounting period. While this provision would not create an issue for MNE Groups whose Ultimate Parent Entity is a tax resident in Mauritania, it may be incompatible with the guidance on currency fluctuations for MNE Groups whose Ultimate Parent Entity is located in another jurisdiction, if local filing requirements were applied in respect of a Constituent Entity (which is a Mauritania tax resident) of an MNE Group which does not reach the threshold as determined in the jurisdiction of the Ultimate Parent Entity of such a Group. It is recommended that Mauritania clarify that the annual consolidated group revenue threshold calculation rule applies in line with the OECD guidance on currency fluctuations in respect of an MNE Group whose Ultimate Parent Entity is located in a jurisdiction other than Mauritania.

### ***Effective implementation***

Mauritania does not have a legal mechanism in place to enforce compliance with the minimum standard. It is recommended that Mauritania take steps to ensure that enforcement provisions and monitoring relating to the enforcement of CbCR filing obligations are implemented.

Mauritania does not have a process to take appropriate measures in case it is notified by another jurisdiction that such other jurisdiction has reason to believe that an error may have led to incorrect or incomplete information reporting by a Reporting Entity or that there is non-compliance of a Reporting Entity with respect to its obligation to file a CbC report. As no exchange of CbC reports has yet occurred no recommendation is made but this aspect will be further monitored.

## The exchange of information framework

Mauritania has no bilateral relationships in place for the exchange of CbC reports nor processes to ensure that the exchange of information is conducted in a manner consistent with the terms of reference relating to the exchange of information framework.

It is recommended that Mauritania take steps to have qualifying competent authority agreements in effect with jurisdictions of the Inclusive Framework that meet the confidentiality, consistency and appropriate use conditions and with which Mauritania has an international exchange of information agreement in effect that allows for the automatic exchange of tax information.

It is recommended that Mauritania take steps to implement the necessary processes or written procedures to ensure that the exchange of information is conducted in a manner consistent with the terms of reference relating to the exchange of information framework.

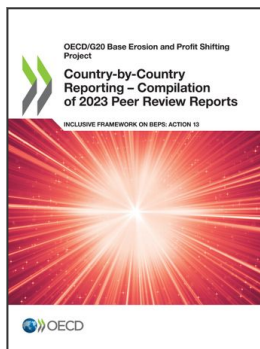
## Appropriate use of CbC reports

Mauritania does not yet have controls in place to ensure the appropriate use of CbC reports.

It is recommended that Mauritania take steps to ensure that the appropriate use condition is met ahead of the first exchanges of information.

## Note

<sup>1</sup> [finances.gov.mr/sites/default/files/2023-03/CGI-Fr-2023.pdf](https://finances.gov.mr/sites/default/files/2023-03/CGI-Fr-2023.pdf).



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