

Senegal

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

Summary of key findings

3. Senegal's implementation of the Action 13 minimum standard meets all applicable terms of reference (OECD, 2017^[3]), except for the following:

- It is recommended that Senegal define the concepts of an "Ultimate Parent Entity", "MNE Group", "Group" and "Constituent Entity" in a manner consistent with the terms of reference,
- It is recommended that Senegal publish the content and format of a CbC report,
- It is recommended that Senegal amend or otherwise clarify the annual consolidated revenue threshold calculation rule in respect of MNE Groups whose Ultimate Parent Entity is located in a jurisdiction other than Senegal which may deviate from the guidance issued by the OECD.
- It is recommended that Senegal amend the conditions for local filing or otherwise take steps to ensure that local filing can only be required in the circumstances contained in the terms of reference,
- It is recommended that Senegal have enforcement measures in case of an incomplete or erroneous filing of a CbC report.

These recommendations remain in place since the 2018/2019 peer review.

4. It is recommended that Senegal take steps to have QCAAs in effect with jurisdictions of the Inclusive Framework that meet the confidentiality, consistency and appropriate use prerequisites and with which Senegal has an international exchange of information agreement in effect that allows for the automatic exchange of tax information. This recommendation remains unchanged since the 2017/2018 peer review.
5. It is recommended that Senegal have in place 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.
6. It is recommended that Senegal take steps to ensure that the appropriate use condition is met ahead of the first exchanges of information. This recommendation remains unchanged since the 2017/2018 peer review.

Part A: The domestic legal and administrative framework

7. Senegal has introduced primary legislation in 2018 to implement the BEPS Action 13 minimum standard. Secondary law and / or guidance have not been published.

(a) Parent entity filing obligation

8. It is recommended that Senegal complete the definition of an “Ultimate Parent Entity” in a manner consistent with the terms of reference. This recommendation remains unchanged since the 2018/2019 peer review.

9. It is recommended that Senegal introduce definitions of “MNE Group”, “Group” and “Constituent Entity” in its domestic legal and administrative framework. This recommendation remain in place since the 2018/2019 peer review.

(b) Scope and timing of parent entity filing

10. It is recommended that Senegal prescribe the contents of a CbC report. This recommendation remains unchanged since the 2018/2019 peer review.

11. It is recommended that Senegal amend or otherwise clarify that its threshold rule would apply in a manner consistent with the OECD guidance on currency fluctuations in respect of an MNE Group whose Ultimate Parent Entity is located in a jurisdiction other than Senegal. This recommendation remains in place from the 2018/2019 peer review.

(c) Limitation on local filing obligation

12. It is recommended that Senegal amend its primary law or otherwise ensure that local filing only occurs in the circumstances permitted under the minimum standard and set out in the terms of reference, in particular to prevent local filing in the absence of an international agreement. This recommendation remain in place since the 2018/2019 peer review.

13. It is recommended that Senegal amend its primary legislation or otherwise clarify that local filing will only apply if there is a “Systemic Failure”. This recommendation remains unchanged since the 2018/2019 peer review.

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

14. No changes were identified.¹

(e) Effective implementation

15. It is recommended that Senegal implement enforcement measures in case of incomplete or erroneous filing of a CbC report. This recommendation remains in place from the 2018/2019 peer review.²

Conclusion

16. It is recommended that Senegal:

- introduce or complete the definitions of an “Ultimate Parent Entity”, “MNE Group”, “Group” and “Constituent Entity” in a manner that is consistent with the terms of reference;
- publish the content and format of a CbC report;
- amend or otherwise clarify the annual consolidated revenue threshold calculation rule in respect of MNE Groups whose Ultimate Parent Entity is located in a jurisdiction other than Senegal which may deviate from the guidance issued by the OECD;
- amend the conditions for local filing or otherwise take steps to ensure that local filing can only be required in the circumstances contained in the terms of reference; and
- have enforcement measures in place in case of incomplete or erroneous filing.

Part B: The exchange of information framework

(a) Exchange of information framework

17. As of 31 March 2020, Senegal has no bilateral relationships in place for the exchange of CbC reports. It is recommended that Senegal 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 Senegal has an international exchange of information agreement in effect that allows for the automatic exchange of tax information. This recommendation remains unchanged since the 2017/2018 peer review.

(b) Content of information exchanged

18. No changes were identified.

(c) Completeness of exchanges

19. No changes were identified.

(d) Timeliness of exchanges

20. No changes were identified.

(e) Temporary suspension of exchange or termination of QCAA

21. No changes were identified.

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

22. No changes were identified.

(g) Format for information exchange

23. No changes were identified.

(h) Method for transmission

24. No changes were identified.

Conclusion

25. It is recommended that Senegal take steps to have QCAs in effect with jurisdictions of the Inclusive Framework which meet the confidentiality, consistency and appropriate use prerequisites and with which it has an international exchange of information agreement in effect that allows for the automatic exchange of tax information. This recommendation remains in place since the 2017/2018 peer review

26. It is recommended that Senegal has 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 in place ahead of its first exchanges of information. This recommendation remains in place from the 2017/2018 peer review.

Part C: Appropriate use

Appropriate use

27. No changes were identified.

Conclusion

28. It is recommended that Senegal take steps to ensure that the appropriate use condition is met ahead of its first exchanges of information. This recommendation remains in place since the 2017/2018 peer review.

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

Aspect of the implementation that should be improved		Recommendation for improvement
Part A	Domestic legal and administrative framework	It is recommended that Senegal finalise its domestic legal and administrative framework as soon as possible. Specifically, it is recommended that Senegal: <ul style="list-style-type: none"> - introduce or complete the definitions of an "Ultimate Parent Entity", "MNE Group", "Group" and "Constituent Entity" in a manner that is consistent with the terms of reference; - publish the content and format of a CbC report; - amend or otherwise clarify the annual consolidated revenue threshold calculation rule in respect of MNE Groups whose Ultimate Parent Entity is located in a jurisdiction other than Senegal which may deviate from the guidance issued by the OECD; - amend the conditions for local filing or otherwise take steps to ensure that local filing can only be required in the circumstances contained in the terms of reference; - have enforcement measures in place in case of incomplete or erroneous filing.
Part B	Exchange of information framework	It is recommended that Senegal take steps to have QCAAs in effect with jurisdictions of the Inclusive Framework which meet the confidentiality, consistency and appropriate use prerequisites and with which Senegal has an international exchange of information agreement in effect that allows for the automatic exchange of tax information.
Part B	Exchange of information framework	It is recommended that Senegal have in place 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.
Part C	Appropriate use	It is recommended that Senegal take steps to ensure that the appropriate use condition is met ahead of the first exchanges of information.

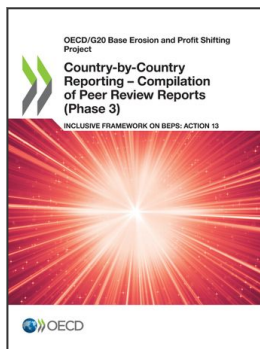
References

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

Notes

¹ Senegal'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 Senegal, which have concluded an agreement with Senegal 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. A monitoring point on this remains in place since the 2018/2019 peer review.

² There are no specific processes in place that would allow Senegal 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, this aspect is being monitored. This monitoring point remains in place from the 2018/2019 peer review.



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