

Morocco

Morocco has met all aspects of the terms of reference (OECD, 2021^[3]) (ToR) for the calendar year 2020 (year in review), and no recommendations are made.

In the prior year report, Morocco had received one recommendation. As this recommendation regarding the development of a process to ensure that the exchanges of information on rulings occur in accordance with the form and timelines under the transparency framework has been addressed, it has been removed.

Morocco can legally issue one type of rulings within the scope of the transparency framework.

In practice, Morocco issued rulings within the scope of the transparency framework as follows:

Type of ruling	Number of rulings
Future rulings in the calendar year 2019	0
Future rulings in the year of review	4

No peer input was received in respect of the exchanges of information on rulings received from Morocco.

A. The information gathering process (ToR I.A)

813. Morocco can legally issue the following type of ruling within the scope of the transparency framework: cross-border unilateral APAs and any other cross-border unilateral tax rulings (such as an advance tax ruling) covering transfer pricing or the application of transfer pricing principles.

814. For Morocco, past rulings are any tax rulings issued prior to 1 September 2019. However, there is no obligation for Morocco to conduct spontaneous exchange information on past rulings. Future rulings are any tax rulings within scope that are issued on or after 1 September 2019.

815. In the prior year's peer review report, it was determined that Morocco's undertakings to identify past and future rulings and all potential exchange jurisdictions were sufficient to meet the minimum standard. In addition, it was determined that Morocco's review and supervision mechanism was sufficient to meet the minimum standard. For the year 2019, the ToR for the information gathering process was met in the absence of rulings being issued.

816. As rulings were issued during the year in review, Morocco's implementation of its information gathering process was due to be formalised. Morocco notes that it put in place a centralised administrative process for APAs, as well as other requirements of the transparency framework. As such, the unit in charge of issuing APAs identifies and lists all relevant APAs, and summarises these APAs in accordance with the template contained in Annex C of the Action 5 Report (OECD, 2015^[1]). This information is shared with the "Service des échanges de renseignements à l'international" that is responsible for exchanging this information with the relevant jurisdictions.

817. Therefore, Morocco has met all of the ToR for the information gathering process and no recommendations are made.

B. The exchange of information (ToR II.B)

Legal basis for spontaneous exchange of information (ToR II.B.1, II.B.2)

818. Morocco has the necessary domestic legal basis to exchange information spontaneously. Morocco notes that there are no legal or practical impediments that prevent the spontaneous exchange of information on rulings as contemplated in the Action 5 minimum standard.

819. Morocco has international agreements permitting spontaneous exchange of information, including being a party to the (i) *Multilateral Convention on Mutual Administrative Assistance in Tax Matters: Amended by the 2010 Protocol* (OECD/Council of Europe, 2011^[4]) ("the Convention") and (ii) bilateral agreements in force with 56 jurisdictions.¹

Completion and exchange of templates (ToR II.B.3, II.B.4, II.B.5, II.B.6, II.B.7)

820. In the prior year's peer review report, it was determined that Morocco did not have a process to complete the templates on relevant rulings, to make them available to the Competent Authority for exchange of information, and to exchange them with relevant jurisdictions (ToR II.B). Therefore, Morocco was recommended to develop a process to complete the templates on relevant rulings and to ensure that the exchanges of information on rulings occur in accordance with the form and timelines under the transparency framework.

821. During the year in review, Morocco noted that a process has been developed to ensure that information on APAs is transmitted to the Competent Authority responsible for exchange of information by means of the template contained in Annex C of the Action 5 Report (OECD, 2015^[1]). Morocco confirms that summaries are drafted in accordance with the internal FHTP guidelines and include all required

information. Furthermore, all the activities by the unit responsible for issuing APAs and by the International Exchange of Information Department to exchange information are centralised at the level of the Legislation, Studies and International Cooperation directorate. This should ensure that all rulings in scope of the transparency framework will be correctly and immediately identified and all information needed for the exchanges is adequately captured. Therefore, the recommendation from the prior year is now removed.

822. Regarding the rulings issued during the year in review, Morocco notes that these were issued in October 2020 and all exchanges related to these rulings have been transmitted by the competent authority to relevant exchange jurisdictions by March 2021. Data on the timeliness of these exchanges will be assessed in next year's peer review.

823. As no exchanges took place during the year in review, no data on the timeliness of exchanges is reported.

Conclusion on section B

824. Morocco has the necessary legal basis for spontaneous exchange of information. Morocco has met all of the ToR for the exchange of information process.

C. Statistics (ToR IV)

825. As there was no information on rulings exchanged by Morocco for the year in review, no statistics can be reported.

D. Matters related to intellectual property regimes (ToR I.A.1.3)

826. Morocco does not offer an intellectual property regime for which transparency requirements under the Action 5 Report (OECD, 2015^[1]) were imposed.

Summary of recommendations on implementation of the transparency framework

Aspect of implementation of the transparency framework that should be improved	Recommendation for improvement
	No recommendations are made.

References

- OECD (2021), *BEPS Action 5 on Harmful Tax Practices - Terms of Reference and Methodology for the Conduct of the Peer Reviews of the Action 5 Transparency Framework*, OECD Publishing, Paris, <http://www.oecd.org/tax/beps/beps-action-5-harmful-tax-practices-peer-review-transparency-framework.pdf>. [3]
- OECD (2015), *Countering Harmful Tax Practices More Effectively, Taking into Account Transparency and Substance, Action 5 - 2015 Final Report*, OECD/G20 Base Erosion and Profit Shifting Project, OECD Publishing, Paris, <https://dx.doi.org/10.1787/9789264241190-en>. [1]

OECD (ed.) (2017b), *Harmful Tax Practices - 2017 Progress Report on Preferential Regimes*, OECD Publishing, Paris, <http://dx.doi.org/10.1787/9789264283954-en>. [2]

OECD/Council of Europe (2011), *The Multilateral Convention on Mutual Administrative Assistance in Tax Matters: Amended by the 2010 Protocol*, OECD Publishing, Paris, <https://dx.doi.org/10.1787/9789264115606-en>. [4]

Notes

¹ Parties to the Convention are available here: www.oecd.org/tax/exchange-of-tax-information/convention-on-mutual-administrative-assistance-in-tax-matters.htm. Morocco also has bilateral agreements with Arab Maghreb Union jurisdictions and Austria, Bahrain, Belgium, Bulgaria, Canada, China (People's Republic of), Côte d'Ivoire, Croatia, Czech Republic, Denmark, Egypt, Ethiopia, Finland, France, Gabon, Germany, Greece, Guinea, Hungary, India, Indonesia, Ireland, Italy, Jordan, Korea, Kuwait, Latvia, Lebanon, Luxembourg, Malaysia, Mali, Malta, Netherlands, North Macedonia, Norway, Oman, Pakistan, Poland, Portugal, Qatar, Romania, Russia, Senegal, Singapore, Spain, Syrian Arab Republic, Turkey, Ukraine, United Arab Emirates, United Kingdom, United States, Viet Nam.



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