

# 1 The peer review of the BEPS Action 13 minimum standard on Country-by-Country Reporting

## Background

1. The Country-by-Country (CbC) reporting requirements contained in the 2015 Action 13 Report form one of the four BEPS minimum standards. Each of the four BEPS minimum standards is subject to peer review in order to ensure timely and accurate implementation and thus safeguard the level playing field. All members of the Inclusive Framework on BEPS commit to implementing the Action 13 minimum standard and to participating in the peer review, on an equal footing.
2. The purpose of a peer review is to ensure the effective and consistent implementation of an agreed standard and to recognise progress made by jurisdictions in this regard.
3. The peer review is a review of the legal and administrative framework put in place by a jurisdiction to implement the CbC reporting standard. This peer review is a separate exercise to the ongoing review of the Action 13 minimum standard to evaluate whether modifications to the CbC reporting standard should be made (the 2020 review).

## Outline of the key aspects assessed in the annual report

4. This peer review report contains the findings of the third annual peer review process (“phase three”), undertaken by an Ad Hoc Joint Working Party 6 / Working Party 10 sub-group referred to as the “CbC Reporting Group”. This focuses on each jurisdiction’s domestic legal and administrative framework, its exchange of information network, and its measures to ensure the confidentiality and appropriate use of CbC reports.
5. The structure of each section relating to a specific reviewed jurisdiction is as follows:
  - summary of key findings
  - domestic legal and administrative framework
  - exchange of information
  - confidentiality and appropriate use
  - a table summarising any recommendations issued.
6. Jurisdictions which joined the Inclusive Framework after 1 December 2019 have not been reviewed as part of this third annual peer review process. These jurisdictions will be included in the next peer review process.
7. This peer review evaluates an Inclusive Framework member’s implementation of the Action 13 minimum standard against an agreed set of criteria.<sup>1</sup> These criteria are set out in terms of reference, which include each of the elements that a jurisdiction needs to demonstrate it has fulfilled in order to show proper implementation of the standard. These terms of reference are supplemented by additional questions

concerning measures implemented by a jurisdiction to ensure the appropriate use of CbC reporting information. The Action 13 Report recommended that the first CbC reports be required to be filed for fiscal years beginning on or after 1 January 2016. It was however acknowledged that some jurisdictions may need time to follow their particular domestic legislative process in order to make necessary adjustments to the law. In this respect, the peer review takes account of the specific timeline followed by certain jurisdictions, and the review will focus on the efforts taken by these jurisdictions in order to meet their commitment to implement the minimum standard.

8. The manner in which the peer review is undertaken is set out in an agreed methodology. The methodology sets out the procedural mechanisms by which jurisdictions will complete the peer review, including the process for collecting the relevant data, the preparation and approval of reports, the outputs of the review and the follow up process.

9. The methodology recognised that the three key aspects of CbC reporting would be implemented and become operational over a number of years, starting with the domestic legal and administrative framework being put in place generally from 2016, followed by the international exchanges of CbC reports to occur for the first time by mid-2018, and the work to ensure that CbC reports are kept confidential and used appropriately in any subsequent tax compliance actions.

10. Given the fact not all of these three key aspects were being implemented at the same time, these three key aspects have been reviewed according to a staged approach. A staged review enabled the review of aspects of CbC reporting to occur as they were implemented, starting in 2017 and allowing for the early detection of inconsistencies in implementing the minimum standard as well as providing an opportunity for early remedial action to be taken by jurisdictions, if necessary.

11. There have been three phases for the peer review structured into annual reviews, starting respectively in 2017, 2018 and 2019. Each phase has focused on different key aspects of jurisdictions' implementation so as to mirror the staged introduction of the different elements that make up the CbC reporting and exchange of information framework.

12. An annual review process allows the CbC Reporting Group to report each year to the Inclusive Framework, taking into account any updates since the previous review, as well as any follow-up actions by reviewed jurisdictions to address any recommendations made by the Inclusive Framework.

13. The Global Forum has conducted preliminary expert assessments of confidentiality and data safeguards with respect to the standard on automatic exchange of information. Given its expertise in this area, the CbC Reporting Group has relied on the work and conclusions of the Global Forum. As it contains non-public information on jurisdictions' internal systems and procedures, the outcomes of that work are not published and no further details of the review of confidentiality are provided in this compilation of peer review reports.

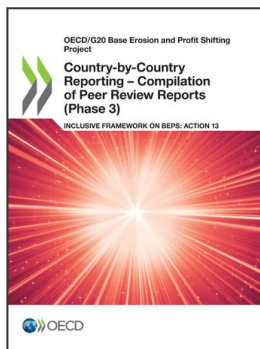
14. The terms of reference and methodology do not alter the Action 13 minimum standard. Any terms used in the terms of reference or methodology take their meaning from the language and context of the 2015 Action 13 Report and the references therein. Capitalised terms in this report take their meaning from the language and context of the 2015 Action 13 Report and the references therein.

15. The jurisdictions' individual sections in this report generally reflect the status of implementation as of 31 March 2020, with the exception of information on the exchange of CbC reports which reflects the position as of 31 December 2019.

## Note

<sup>1</sup> [www.oecd.org/tax/beps/beps-action-13-on-country-by-country-reporting-peer-review-documents.pdf](http://www.oecd.org/tax/beps/beps-action-13-on-country-by-country-reporting-peer-review-documents.pdf)  
(approved by the Inclusive Framework on 20 January 2017).

## 2 Peer review reports



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