

Peru

A. Progress in the implementation of the minimum standard

Peru has nine tax agreements in force, as reported in its response to the Peer Review questionnaire, including the Decision 578 of the Andean Community Commission (Decision 578) for the members of the Andean Community (the Andean Community Agreement).¹²² One of those agreements, the agreement with Japan, complies with the minimum standard.

Peru signed the MLI in 2018 and listed its non-compliant bilateral agreements. The agreements modified by the MLI come into compliance with the minimum standard once the provisions of the MLI take effect.

Peru indicated in its response to the Peer Review questionnaire that it is currently renegotiating the Andean Community Agreement to implement the minimum standard. Peru further indicated that steps had been taken (other than under the MLI) to implement the minimum standard in its agreements with Brazil and Switzerland.

Peru is implementing the minimum standard through the inclusion of the preamble statement and the PPT.¹²³

B. Conclusion

Recommendation

It is recommended that Peru completes the steps to have the MLI take effect with respect to its agreements listed under the MLI as those agreements will only be modified by the MLI (and come into compliance with the minimum standard) once the provisions of the MLI take effect.

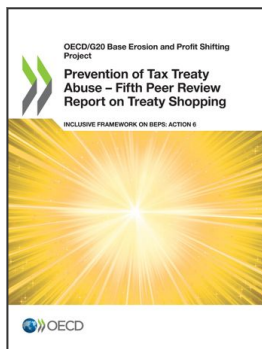
Summary of the jurisdiction response – Peru

	1. Treaty partners	2. Compliance with the standard	3. Signature of a complying instrument	4. Minimum standard provision used
1	Brazil	No	No	
2	Canada	No	Yes MLI	PPT
3	Chile	No	Yes MLI	PPT
4	Andean Community Agreement treaty partners (Bolivia*, Colombia, Ecuador*)	No	No	PPT
5	Japan	Yes other		PPT

¹²² The Decision of the Commission of the Andean Community 578 on the regime for the avoidance of double taxation and the prevention of fiscal evasion, adopted on 4 May 2004. The current members of the Andean Community are Bolivia*, Colombia, Ecuador* and Peru.

¹²³ For its agreements listed under the MLI, Peru is implementing the preamble statement (Article 6 of the MLI) and the PPT (Article 7 of the MLI). Peru expressed a statement, in accordance with Article 7(17)(a) of the MLI, that while it accepts the application of the PPT under the MLI, it intends where possible to adopt an LOB provision through bilateral negotiation.

6	Korea	No	Yes MLI	PPT
7	Mexico	No	Yes MLI	PPT
8	Portugal	No	Yes MLI	PPT
9	Switzerland	No	No	



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