

Egypt

Overview of CbC reporting requirements

First reporting fiscal year: Ending on or after 31 December 2018

Consolidated group revenue threshold: EGP 3 billion

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

Local filing required: Yes

Surrogate parent entity filing permitted: No

First review of the domestic legal framework: 2017/2018

Summary of recommendations

Area of implementation	Recommendations for improvement
Domestic legal and administrative framework	<p>It is recommended that Egypt take steps to ensure that local filing only occurs in the circumstances permitted under the minimum standard.</p> <p>It is recommended that Egypt 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 Egypt.</p>
Exchange of information framework	<p>It is recommended that Egypt take steps to have qualifying competent authority agreements in effect with jurisdictions of the Inclusive Framework which meet the confidentiality, consistency and appropriate use conditions and with which Egypt has an international exchange of information agreement in effect that allows for the automatic exchange of tax information.</p> <p>It is recommended that Egypt take steps to implement 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 ahead of its first exchanges of information.</p>
Appropriate use	<p>It is recommended that Egypt 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

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

Where an MNE Group draws up, or would draw up, its Consolidated Financial Statements in a currency other than that specified by Egypt, the reference to Egypt'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 Egypt, 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 an Egypt 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 Egypt 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 Egypt.

The exchange of information framework

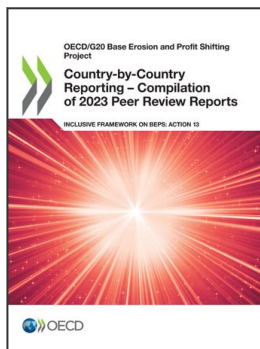
Egypt has no bilateral relationships in place for the exchange of CbC reports nor processes to ensure that the exchange of information is conducted in a manner consistent with the terms of reference relating to the exchange of information framework.

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

It is recommended that Egypt take steps to implement 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 ahead of its first exchanges of information. This recommendation remains in place since the 2018/2019 peer review.

Appropriate use of CbC reports

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



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