

Romania

1. Romania 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 Romania commences in respect of fiscal years commencing on or after 1 January 2016.

Summary of key findings

3. Romania's implementation of the Action 13 minimum standard meets all the applicable terms of reference (OECD, 2017^[3]) relating to the domestic legal and administrative framework, with the exception that :
 - It is recommended that Romania take steps to align its local filing implementation with that required by the Action 13 minimum standard.
4. It is recommended that Romania 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. This recommendation remains unchanged since the 2018/2019 peer review.
5. It is recommended that Romania 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

6. Romania has legislation in place to implement the BEPS Action 13 minimum standard.
 - (a) **Parent entity filing obligation**
 7. No changes were identified.
 - (b) **Scope and timing of parent entity filing**
 8. No changes were identified
 - (c) **Limitation on local filing obligation**
 9. It is recommended that Romania take steps to align its local filing implementation with that required by the Action 13 minimum standard.
 - (d) **Limitation on local filing in case of surrogate filing**
 10. No changes were identified.
 - (e) **Effective implementation**
 11. No changes were identified.

Conclusion

12. It is recommended that Romania take steps to align its local filing implementation with that required by the Action 13 minimum standard.

Part B: The exchange of information framework

(a) Exchange of information framework

13. As at 31 March 2020 Romania has 62 bilateral relationships activated under the MCAA and the EU Directive on exchange of Information (EU Directive 2016/881/EU). Within the context of its international exchange of information agreements that allow automatic exchange of tax information, Romania has taken steps to have qualifying competent authority agreements in effect with jurisdictions of the Inclusive Framework that currently meet the confidentiality, consistency and appropriate use conditions. Regarding Romania's exchange of information framework, no inconsistencies with the terms of reference were identified.¹

(b) Content of information exchanged

14. No changes were identified.

(c) Completeness of exchanges

15. No changes were identified.

(d) Timeliness of exchanges

16. No changes were identified.

(e) Temporary suspension of exchange or termination of QCAA

17. No changes were identified.

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

18. No changes were identified.

(g) Format for information exchange

19. No changes were identified.

(h) Method for transmission

20. No changes were identified.

Conclusion

21. It is recommended that Romania 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 as soon as possible. This recommendation remains unchanged since the 2018/2019 peer review.

Part C: Appropriate use

Appropriate use

22. No changes were identified.

Conclusion

23. Romania has notified under the CbC MCAA as a non-reciprocal jurisdiction and, as such, will not receive CbC reports submitted to tax authorities in other jurisdictions but does have a legislative requirement for local filing. It is therefore recommended that Romania take steps to ensure that the appropriate use condition is met as soon as possible.

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 Romania take steps to align its local filing implementation with that required by the Action 13 minimum standard.
Part B	Exchange of information framework	It is recommended that Romania take steps to implement 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 Romania take steps to ensure that the appropriate use condition is met as soon as possible.

References

- OECD (2019), *Country-by-Country Reporting – Compilation of Peer Review Reports (Phase 2): Inclusive Framework on BEPS: Action 13*, OECD/G20 Base Erosion and Profit Shifting Project, OECD Publishing, Paris, <https://dx.doi.org/10.1787/f9bf1157-en>. [1]
- 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]

Note

¹ No inconsistency with the terms of reference will be identified where a QCAA is not in effect with one or more jurisdictions of the Inclusive Framework that meet the confidentiality, consistency and appropriate use conditions, but this is due to circumstances that are not under the control of the reviewed jurisdiction. This may include, for example, where the other jurisdiction intends to exchange CbC reports using the MCAA but it does not have the Convention in effect for the relevant fiscal period, or where the other jurisdiction has declined to have a QCAA in effect with the reviewed jurisdiction.



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