

6 Conclusion and next steps

79. In line with peer reviews in previous years, the 2023 peer review shows that in general, most jurisdictions that are members of the Inclusive Framework are respecting their commitment to implement the minimum standard. The 2023 peer review also highlights that the BEPS MLI, which has been the main tool used to implement the minimum standard, has continued to have a significant and increased effect and is strengthening the bilateral tax treaty network of jurisdictions that ratified it.

80. That said, as in previous years, this year's peer review shows that the Action 6 minimum standard is still being implemented unevenly and, in particular, important differences persist in the progress made on its implementation between jurisdictions that have ratified the BEPS MLI and other jurisdictions.

81. Indeed, the peer review shows that jurisdictions that have not signed or ratified the BEPS MLI have still generally made slower progress in implementing the minimum standard. The 2023 peer review thus highlights that ratification of the BEPS MLI is an effective tool for the implementation of the minimum standard.

82. That said, additional insight is gained regarding steps taken other than under the BEPS MLI to implement the minimum standard. Currently, such steps have been taken in respect of around 200 agreements (including around 120 agreements for which the treaty partner has taken concurrent steps under the BEPS MLI). An additional 53 agreements covering 55 bilateral relationships between members of the Inclusive Framework are the object of a general statement on one party's intention to use the detailed LOB as part of its commitment to implement the minimum standard. By comparison, steps to implement the minimum standard under the BEPS MLI have been taken in respect of over 430 agreements (including the 120 agreements, mentioned above, in respect of which the treaty partner has taken concurrent steps other than under the BEPS MLI).

83. This year, around 1,360 agreements concluded by members of the Inclusive Framework complied with the minimum standard. This represents an increase of around 30% as compared to 2022. In total, over 2,400 agreements concluded between members of the Inclusive Framework are compliant, subject to a complying instrument, subject to steps taken by at least one treaty partner to implement the minimum standard, or are the object of a general statement by one treaty partner that it intends to use the detailed LOB to implement the minimum standard in all its bilateral agreements.

84. Moreover, this year's peer review shows continued progress by jurisdictions to develop and give effect to plans to implement the minimum standard where one was called for (see Chapter 3 above). The majority of these plans involve the application of the BEPS MLI to the concerned agreements. Once all plans to implement the minimum standard are in effect, the minimum standard will be implemented, or on course to being implemented, in nearly all of the agreements concluded between members of the Inclusive Framework.

Next steps for certain members of the Inclusive Framework

85. Pursuant to the revised peer review methodology applicable since 2021, this year's peer review contains, in Chapter 8, recommendations to jurisdictions that have not yet completed the steps to have the BEPS MLI take effect, and to jurisdictions that have not made a plan (or provided an update on the plan)

to implement the minimum standard where needed, to ensure those jurisdictions can be provided with appropriate support in the implementation of the minimum standard. The immediate next steps for jurisdictions are to take note of these recommendations and follow them in their progress towards the implementation of the minimum standard.

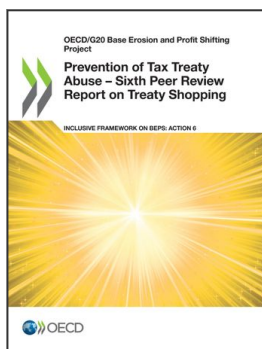
86. When no recommendations are made, no other implementation issues are identified with respect to a jurisdiction and no other jurisdiction has raised any concerns regarding their agreements with that jurisdiction, no immediate next steps are indicated for that jurisdiction.¹

Next steps for the Inclusive Framework

87. The implementation of the minimum standard – in particular the actions taken to follow the recommendations made, and the progress made to give effect to the implementation plans that have been developed – will continue to be monitored and reported in the context of the new peer review exercise.

Note

¹ The jurisdictional section of each such jurisdiction includes the mention that “No jurisdiction has raised any concerns about their agreements with the jurisdiction.”



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