

Burkina Faso

Overview of CbC reporting requirements

First reporting fiscal year: Commencing on or after 1 January 2023

Consolidated group revenue threshold: Francs CFA 491 billion

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

Local filing required: Yes

Surrogate parent entity filing permitted: Yes

First review of the domestic legal framework: 2022/2023

Summary of recommendations

Area of implementation	Recommendations for improvement
Domestic legal and administrative framework	<p>It is recommended that Burkina Faso introduce or complete the definitions of a “Group”, “MNE Group”, “Constituent Entity”, “Consolidated Financial Statements”, “Fiscal Year”, “Reporting Fiscal Year”, “Reporting Entity”, and “Systemic Failure” in a manner that is consistent with the terms of reference.</p> <p>It is recommended that Burkina Faso publish the full content and format requirements of the CbC Report.</p> <p>It is recommended that Burkina Faso take steps to ensure that local filing only occurs in the circumstances permitted under the minimum standard.</p> <p>It is recommended that Burkina Faso 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 Burkina Faso.</p> <p>It is recommended that Burkina Faso amend its legislation or otherwise take steps to ensure that enforcement provisions and monitoring relating to CbC reporting’s effective implementation are provided for as contained in the terms of reference as from the first reporting period.</p>
Exchange of information framework	<p>It is recommended that Burkina Faso take steps to have qualifying competent authority agreements in effect with jurisdictions of the Inclusive Framework that meet the confidentiality, consistency and appropriate use conditions and with which Burkina Faso has an international exchange of information agreement in effect that allows for the automatic exchange of tax information.</p> <p>It is recommended that Burkina Faso 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.</p>
Appropriate use	<p>It is recommended that Burkina Faso 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

Burkina Faso has introduced a CbC reporting filing requirement which applies to all Ultimate Parent Entities of MNE Groups above a certain threshold and which requires inclusion of all constituent entities.¹

A CbC reporting filing obligation applies in Burkina Faso for fiscal years commencing on or after 1 January 2023 and filing is required 12 months after the reporting year end.

There are several areas where there are recommendations to improve the legislation.

The definition of Group

Burkina Faso's legislation does not include a definition of "Group". It is recommended that Burkina Faso amend its legislation to include a definition of "Group" that is in line with the standard.

The definition of MNE Group

Burkina Faso's legislation does not include a definition of "MNE Group". It is recommended that Burkina Faso amend its legislation to include a definition of "MNE Group" that is in line with the standard.

The definition of Constituent Entity

Burkina Faso's legislation does not include a definition of "Constituent Entity". It is recommended that Burkina Faso amend its legislation to include a definition of "Constituent Entity" that is in line with the standard.

The definition of Consolidated Financial Statements

Burkina Faso's legislation does not include a definition of "Consolidated Financial Statements". It is recommended that Burkina Faso amend its legislation to include a definition of "Consolidated Financial Statements" that is in line with the standard.

The definition of Fiscal Year

Burkina Faso's legislation does not include a definition of "Fiscal Year". It is recommended that Burkina Faso amend its legislation to include a definition of "Fiscal Year" that is in line with the standard.

The definition of Reporting Fiscal Year

Burkina Faso's legislation does not include a definition of "Reporting Fiscal Year". It is recommended that Burkina Faso amend its legislation to include a definition of "Reporting Fiscal Year" that is in line with the standard.

The definition of Reporting Entity

Burkina Faso's legislation does not include a definition of "Reporting Entity". It is recommended that Burkina Faso amend its legislation to include a definition of "Reporting Entity" that is in line with the standard.

The definition of Systemic Failure

Burkina Faso's legislation does not include a definition of "Systemic Failure". It is recommended that Burkina Faso amend its legislation to include a definition of "Systemic Failure" that is in line with the standard.

Contents of the Country-by-Country report

The information included in Burkina Faso's legislation does not include the template of the Country-by-Country report and does not include any details of what should be included under each heading in the

report. It is recommended that Burkina Faso publish the full content and format requirements of the CbC Report.

The local filing provision

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

Currency fluctuations

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

Effective implementation

Burkina Faso does not have a legal mechanism in place to enforce compliance with the minimum standard. It is recommended that Burkina Faso take steps to ensure that enforcement provisions and monitoring relating to the enforcement of CbCR filing obligations are implemented.

Burkina Faso does not have a process to take appropriate measures in case it is notified by another jurisdiction that such other jurisdiction has reason to believe that an error may have led to incorrect or incomplete information reporting by a Reporting Entity or that there is non-compliance of a Reporting Entity with respect to its obligation to file a CbC report. As no exchange of CbC reports has yet occurred no recommendation is made but this aspect will be further monitored.

The exchange of information framework

Burkina Faso 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 Burkina Faso take steps to have qualifying competent authority agreements in effect with jurisdictions of the Inclusive Framework that meet the confidentiality, consistency and appropriate use conditions and with which Burkina Faso has an international exchange of information agreement in effect that allows for the automatic exchange of tax information.

It is recommended that Burkina Faso 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.

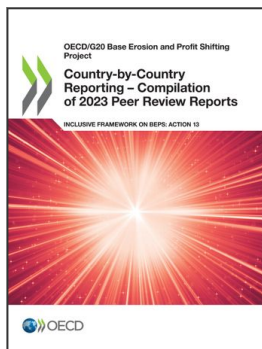
Appropriate use of CbC reports

Burkina Faso does not yet have controls in place to ensure the appropriate use of CbC reports.

It is recommended that Burkina Faso take steps to ensure that the appropriate use condition is met ahead of the first exchanges of information.

Note

¹ https://www.finances.gov.bf/fileadmin/user_upload/Partie_Loi_de_finances_pour_l_execution_du_budget_de_l_Etat_Exercice_2023_compressed_compressed_1_1_.pdf.



From:
**Country-by-Country Reporting – Compilation of
2023 Peer Review Reports**
Inclusive Framework on BEPS: Action 13

Access the complete publication at:
<https://doi.org/10.1787/21bd1938-en>

Please cite this chapter as:

OECD (2023), “Burkina Faso”, in *Country-by-Country Reporting – Compilation of 2023 Peer Review Reports: Inclusive Framework on BEPS: Action 13*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/01b9e196-en>

This document, as well as any data and map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area. Extracts from publications may be subject to additional disclaimers, which are set out in the complete version of the publication, available at the link provided.

The use of this work, whether digital or print, is governed by the Terms and Conditions to be found at <http://www.oecd.org/termsandconditions>.