

3 Plans for the implementation of the minimum standard and support provided to jurisdictions

Framework for the development of plans to implement the minimum standard

53. A number of jurisdictions reported agreements, concluded with other members of the Inclusive Framework, that are not compliant, not subject to a complying instrument or to a general statement on the detailed LOB, and in respect of which no steps have been taken to implement the minimum standard. These agreements are included in the table titled ‘Other agreements’ in the jurisdictional sections.

54. Where a jurisdiction did not provide reasons why, for that jurisdiction, such agreements do not give rise to material treaty-shopping concerns, it was invited to develop a plan to implement the minimum standard in those agreements concluded with another member of the Inclusive Framework.¹

55. The information included in an implementation plan concerns the way in which the minimum standard will be implemented – for example, that the jurisdictions will:

- include the agreements in their list of covered tax agreements under the MLI;
- enter into bilateral negotiations for the implementation of the minimum standard; or
- sign and ratify the MLI and list the agreements as a covered tax agreements.

56. Jurisdictions will be invited to provide an annual update on their implementation plan if changes occur. The jurisdiction that is facing any difficulty in implementing the plan will also be able to report such difficulty to the Secretariat.

57. In cases where a jurisdiction did not make a plan (or provide an update on the plan) to implement the minimum standard where a plan was called for, a recommendation to provide one has been made. These recommendations are discussed in Section 6 below.

Status of plans to implement the minimum standard

58. As mentioned above, implementation plans can take a variety of forms. While some jurisdictions have developed the same implementation plan for all concerned agreements, others have developed tailored plans for each agreement. Five jurisdictions have also stated that their plan, which was discussed with the OECD Secretariat, at this stage, remains under internal deliberation and therefore detail has not been included in this report.

59. In total, 28 jurisdictions have developed a plan for the implementation of the minimum standard, covering around 350 non-compliant agreements. The table below broadly sets out the different categories of implementation plans developed by the concerned jurisdictions:

Table 3.1. Plans to implement the minimum standard

Jurisdiction	MLI		Other	Under internal deliberation
	Plan to join the MLI	Plan to expand list of covered tax agreements		
Albania		x		
Antigua and Barbuda	x			
Austria		x	x	
Belize		x		
Benin				x
Botswana	x			
Bulgaria			x	
Cabo Verde			x	
Czech Republic		x	x	
Democratic Republic of the Congo	x			
Eswatini				x
Gabon		x		
Georgia		x	x	
Germany			x	
Indonesia		x		
Italy		x		
Kenya		x		
Maldives				x
Mongolia	x			
Montenegro	x			
Norway			x	
Paraguay				x
Saint Kitts and Nevis				x
South Africa				x
Sri Lanka			x	
Thailand	x			
Viet Nam	x			
Zambia				x

Note: Detail on each jurisdiction's plan to implement the minimum standard is included in that jurisdiction's jurisdictional section.

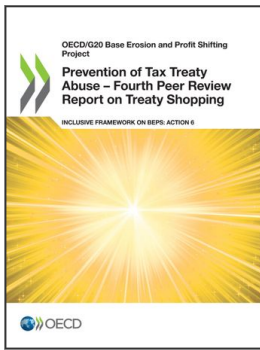
60. Most of the plans that have been developed to implement the minimum standard involve the application of the provisions of the MLI. Indeed, 15 out of the 21 jurisdictions that have confirmed their plan intend to implement the minimum standard in the relevant agreements by way of an extension of their existing lists of covered tax agreements, or in the context of a plan to join the MLI. In the light of the experience gathered by many members of the Inclusive Framework in signing, ratifying and implementing the MLI, the MLI evidently continues to be a key recourse for the implementation of the minimum standard. Many jurisdictions note that a majority of their agreements are, or would become, matched agreements under the MLI and seek out the efficiency, in terms of time and resources, offered by the MLI.

61. Jurisdictions choosing to implement the minimum standard by other means, such as bilateral discussions, do so for several reasons. Sometimes, this plan forms part of a wider effort to renegotiate different aspects of an agreement, beyond the implementation of the minimum standard. It may also be that their treaty partner has indicated that it does not intend to use the MLI to implement the minimum standard in that agreement. Jurisdictions with small treaty networks are also more likely to consider bilateral negotiations to implement the minimum standard.

62. An update will be provided in the 2022 Action 6 peer review report on the status of each of each implementation plan.

Note

¹ The Secretariat contacted the jurisdictions that have agreements for which a plan for the implementation of the minimum standard had to be developed to offer its support in developing and giving effect to such a plan. Where a jurisdiction wants to implement the minimum standard through the PPT and some or all of its treaty partners are already signatories to the MLI, the Secretariat has encouraged the jurisdiction to sign and ratify the MLI. Where a jurisdiction has already joined the MLI, the Secretariat similarly encouraged the jurisdiction to expand its list of agreements to be covered under the MLI in order to include the concerned agreements. For tax treaties that would not become covered tax agreements under the MLI, the Secretariat encouraged the treaty partners to develop a plan, and where possible a joint plan, for the implementation of the minimum standard.



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