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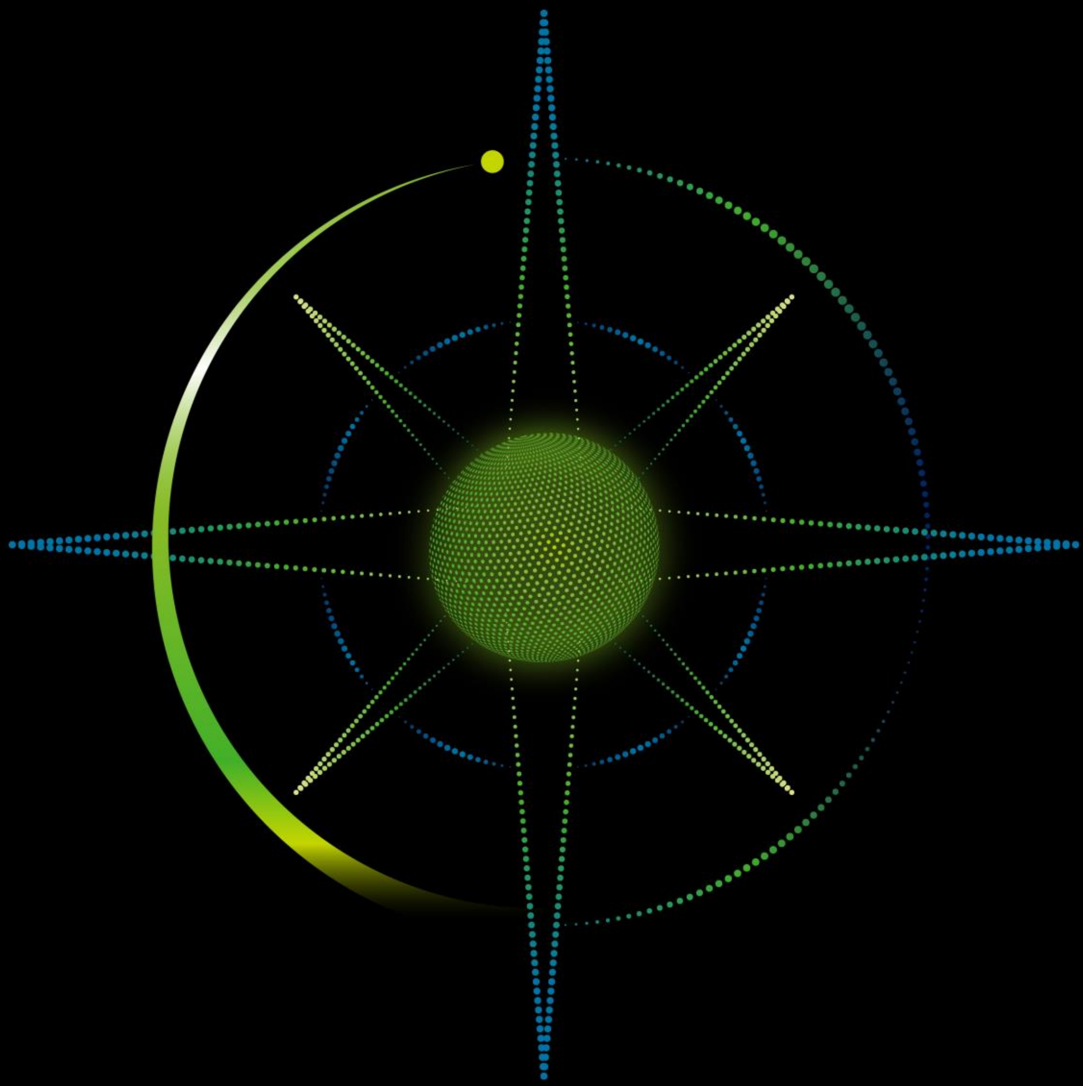

OECD Multilateral Instrument status tracker

MAKING AN IMPACT THAT MATTERS since 1845

March 2023

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Introduction

Scope

This document is a status tracker for the implementation of the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting, generally referred to as the Multilateral Instrument or MLI. This MLI status tracker is intended to consolidate general information on the application of the treaty. The tracker reflects the OECD update of 6 March 2023.

The following definitions are used throughout this document:

- **Base Erosion and Profit Shifting (BEPS)** – Refers to tax planning strategies that may be used to exploit gaps and mismatches in the tax rules of different countries to artificially shift profits to low or no-tax locations where there is little or no economic activity.
- **BEPS Action Plan** – The plan, published by the OECD, includes 15 actions to address BEPS in a comprehensive manner. See appendices.
- **OECD BEPS Project** – The BEPS project supported by the G20 and now includes over 130 countries. Countries are able to take part in the ongoing work if they commit to implementation of the agreed minimum standards.
- **OECD Model Tax Convention** – The OECD Model Tax Convention on Income and on Capital is the model traditionally used by developed economies when negotiating double tax conventions.
- **Tax treaty** – A tax convention between two jurisdictions for the avoidance of double taxation with respect to taxes on income and on capital.

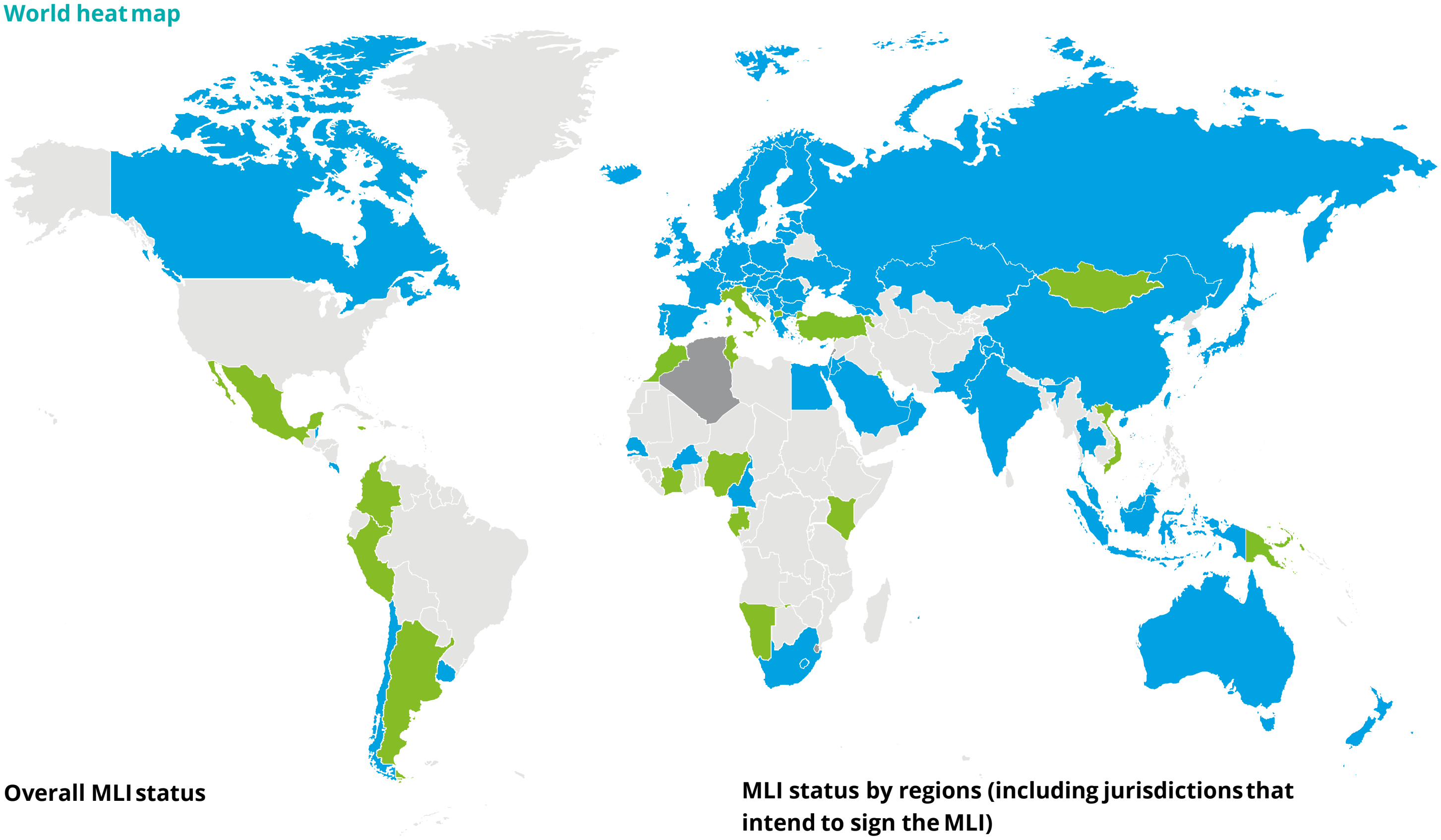
Any reference to MLI articles being "effective" in a separate jurisdiction means the date the MLI enters into effect with respect to withholding taxes (WHT) in that particular jurisdiction in relation to a relevant tax treaty with the jurisdiction and does not cover other taxes, unless stated. Different effective dates may apply for various MLI articles (WHT, other taxes, dispute resolution). The application of the MLI articles to a specific tax treaty covered by the MLI (Covered Tax Agreement or CTA) should be considered on a case-by-case basis.

The MLI status tracker is intended to be a quick reference guide and is not an exhaustive overview of all information relating to the MLI. It should not be relied upon for making business decisions, and experienced tax professionals should be consulted before taking any action. For more information regarding the application of the MLI in specific countries, and about Deloitte's tax practice in those jurisdictions, please contact your usual Deloitte tax adviser.

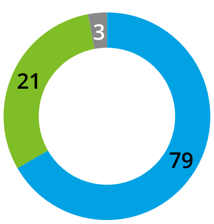
The MLI status tracker will be updated when additional information becomes available; please check the Deloitte.com website for updates.

Status of the MLI at 6 March 2023

World heat map

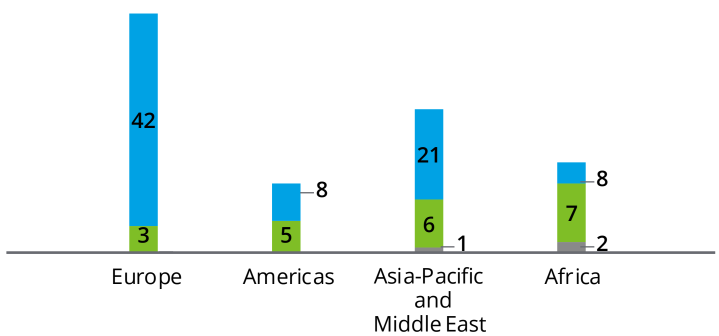


Overall MLI status



- **100** jurisdictions have signed the MLI (MLI jurisdiction)
- **3** jurisdictions have expressed an intention to sign the MLI

MLI status by regions (including jurisdictions that intend to sign the MLI)

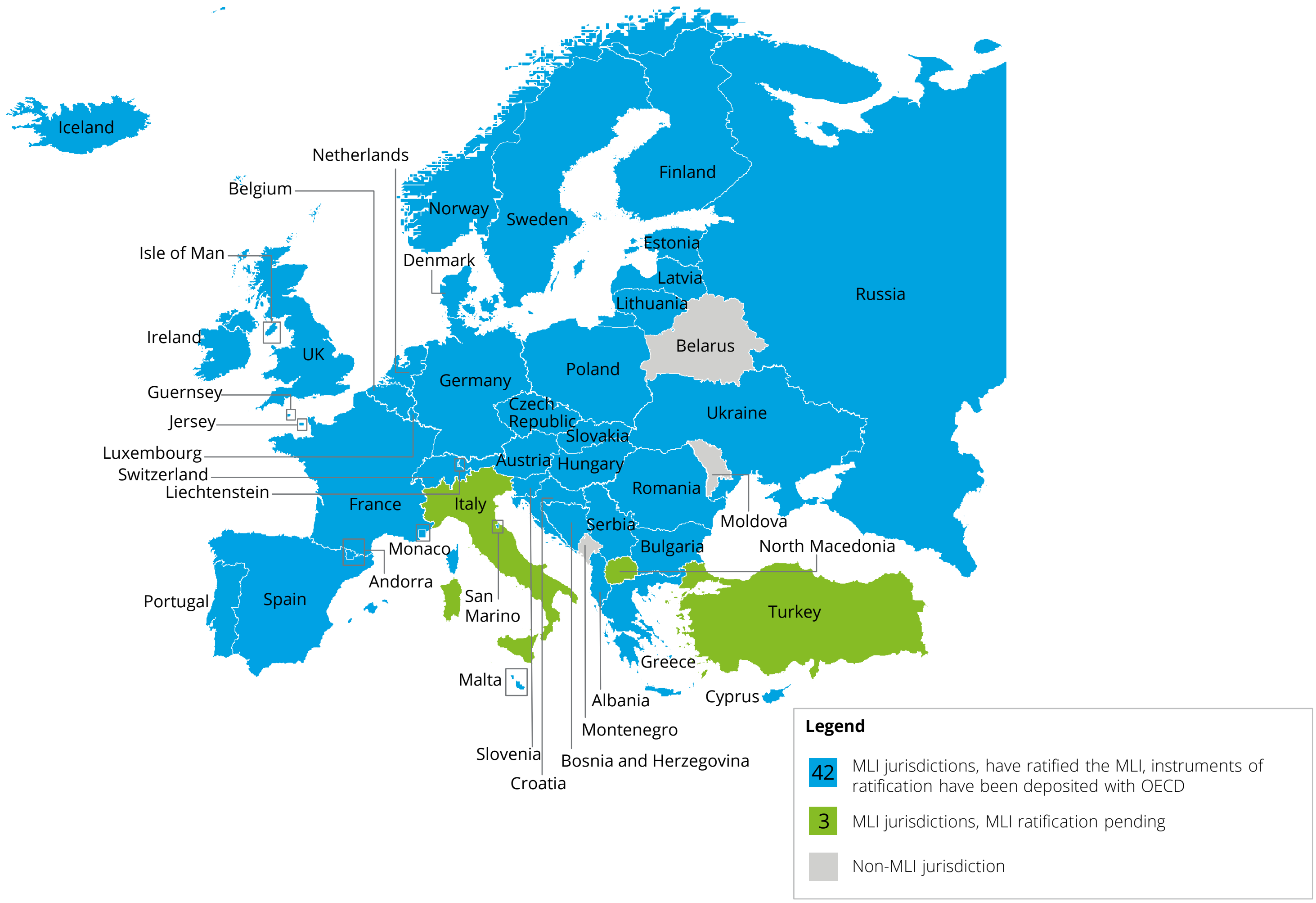


Legend

- MLI jurisdiction, has ratified the MLI, instrument of ratification has been deposited with the OECD
- MLI jurisdiction, MLI ratification pending
- Non-MLI jurisdiction, expressed intention to sign MLI
- Non-MLI jurisdiction

- Consider whether choices made by each treaty partner in relation to MLI articles gives rise to a "match"
- Consider entry into effect dates for specific articles
- Asymmetrical entry into effect between treaty partners is possible

Europe heat map



- All EU member states have signed the MLI, as have 18 other countries in Europe.
- 42 jurisdictions have ratified the MLI and deposited their instruments of ratification with the OECD (depicted in blue). These jurisdictions have made their final choices with respect to adoption of the MLI articles.
- As of 2019, MLI articles are effective in Austria, France, Jersey, Isle of Man, Lithuania, Poland, Serbia, Slovakia, Slovenia and the UK.
- As of 2020, MLI articles are effective in Belgium, Denmark, Finland, Guernsey, Iceland, Ireland, Luxembourg, Malta, Monaco, the Netherlands, Norway and Ukraine.
- As of 2021, MLI articles are effective in Albania, Bosnia and Herzegovina, Cyprus, Czech Republic, Latvia, Liechtenstein, Portugal, Russia[1], San Marino and Switzerland[1].
- As of 2022, MLI articles are effective in Andorra, Croatia, Estonia[2], Greece and Hungary.
- As of 2023, MLI articles are also effective in Bulgaria and Spain[2].
- Although Romania also ratified the MLI, it must still complete its internal procedures before the MLI will be effective. For the first 55 countries, the internal procedures have been completed in March 2023. This means that for these countries, the MLI will be effective as of 2024.
- Although Germany and Sweden also ratified the MLI, they must still complete their internal procedures before the MLI will be effective in their jurisdictions.
- For more information on impact of the MLI in the above jurisdictions, see pages 8-14.

[1] Although Russia and Switzerland ratified the MLI and deposited their instruments of ratification with the OECD in 2019, these countries need to complete their internal procedures for the MLI articles to be effective in those countries. Depending on the completion of these internal procedures, the entry into effect differs per specific tax treaty. The entry into effect of the MLI articles is from 1 January of the year next following the expiration of a period of 30 days after the completion of the internal procedures. This effectively means that the entry into effect of the MLI with respect to some Russian and Swiss treaties is 2021, for other treaties it is 2022 or 2023, or is not yet known (i.e. if the internal procedures have not yet been completed, which means entry into effect as of 2024 at the earliest).

[2] Although Estonia and Spain ratified the MLI and deposited their instruments of ratification with the OECD in 2021, these countries must complete internal procedures for the MLI articles to enter into effect. Depending on the completion of these internal procedures, the entry into effect differs per specific tax treaty. This effectively means that the entry into effect of the MLI with respect to some Estonian treaties is 2022, for other treaties it is 2023, or not yet known. With respect to some Spanish treaties the entry into effect of the MLI is 2023. For the remaining Estonian and Spanish tax treaties the internal procedures still must be completed, which effectively means the MLI will enter into effect with respect to these treaties as of 2024 at the earliest.

Americas heat map

Legend

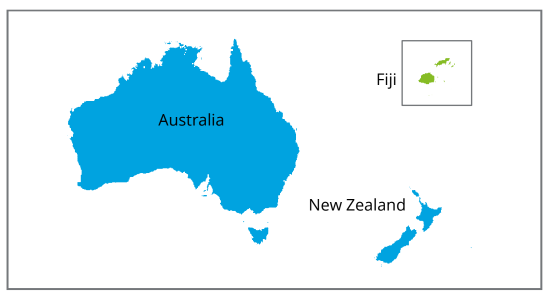
- 8 — MLI jurisdictions, have ratified the MLI, instruments of ratification have been deposited with OECD
- 5 — MLI jurisdictions, MLI ratification pending
- 0 — Non-MLI jurisdiction, expressed its intention to sign MLI
- Non-MLI jurisdiction

- 13 jurisdictions in the Americas region have signed the MLI.
- 8 jurisdictions have ratified the MLI and deposited their instruments of ratification with the OECD. These jurisdictions have made their final choices with respect to adoption of the MLI articles.
- Other jurisdictions can change their initial MLI positions before ratifying the MLI.
- The MLI was not effective in the Americas region in 2019 because none of the jurisdictions had ratified and deposited their instruments of ratification with the OECD at that time.
- As of 2020, the MLI articles are effective in Canada and Curaçao.
- As of 2021, MLI articles are effective in Costa Rica and Uruguay.
- As of 2022, MLI articles are effective in Barbados, Chile and Panama.
- As of 2023, MLI articles are also effective in Belize.
- For more information on impact of the MLI in the above jurisdictions, see pages 8-14.

Asia-Pacific and the Middle East heatmap

Legend

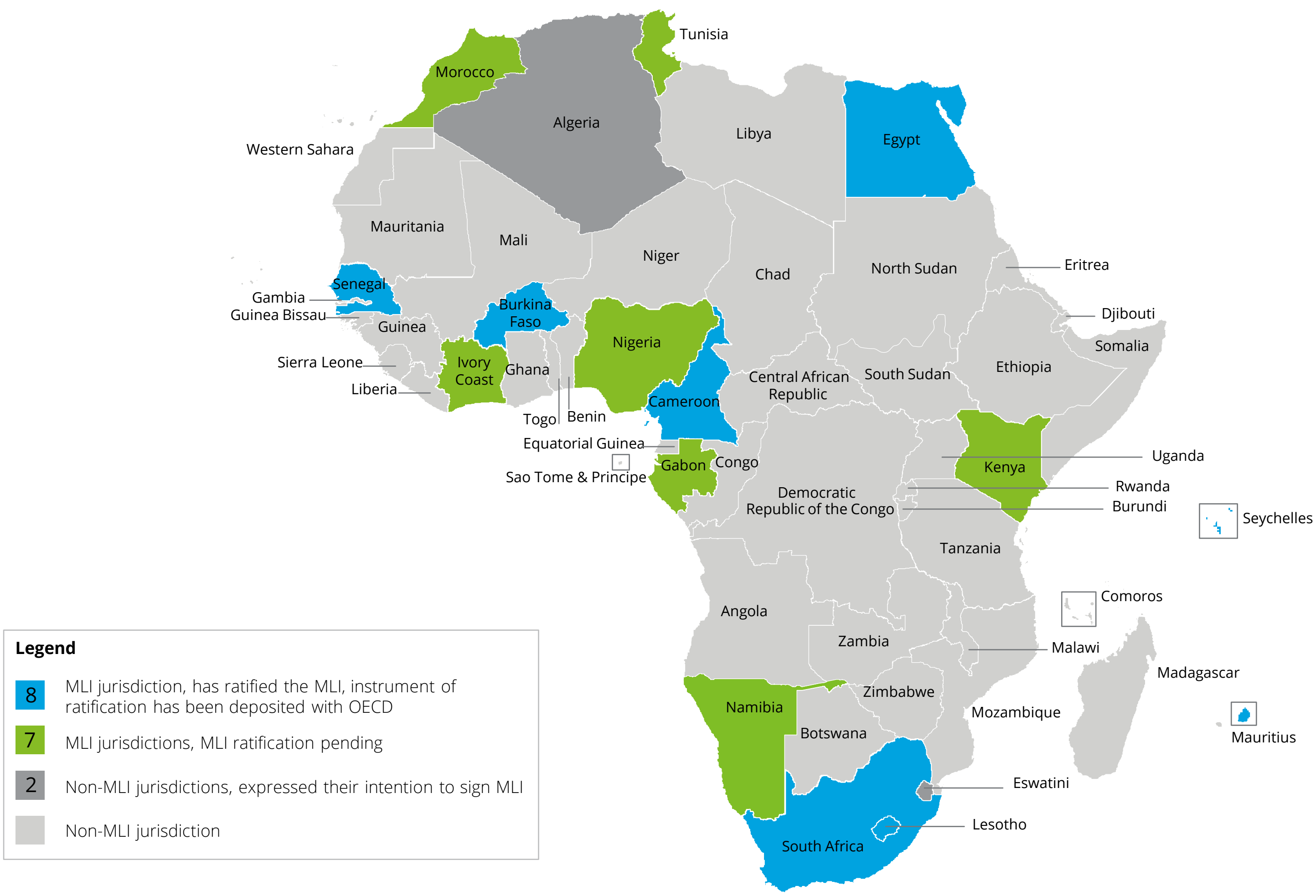
- 21 MLI jurisdictions, have ratified the MLI, instruments of ratification have been deposited with OECD
- 6 MLI jurisdictions, MLI ratification pending
- 1 Non-MLI jurisdictions, expressed their intention to sign MLI
- Non-MLI jurisdiction



- 26 jurisdictions in the Asia-Pacific (AP) and Middle East (ME) regions have signed the MLI.
- 21 jurisdictions have ratified the MLI and deposited their instruments of ratification with the OECD (depicted in blue). These jurisdictions have made their final choices with respect to adoption of the MLI articles.
- As of 2019, MLI articles are effective in Australia, Israel, Japan and New Zealand.
- As of 2020, MLI articles are effective in Georgia, India, Singapore and the UAE.
- As of 2021, MLI articles are effective in Indonesia[1], Jordan, Kazakhstan, Oman, Qatar, Saudi Arabia and South Korea.
- As of 2022, MLI articles are effective in Malaysia and Pakistan.
- As of 2023, MLI articles are also effective in Bahrain, China, and Thailand.
- Although Hong Kong (China) also ratified the MLI, it must still complete its internal procedures before the MLI will be effective. For the first 31 countries, the internal procedures have been completed in February 2023. This means that for these countries, the MLI will be effective as of 2024.
- For more information on impact of the MLI in the above jurisdictions, see pages 8-14.

[1] Although Indonesia ratified the MLI and deposited its instrument of ratification with the OECD in 2020, Indonesia must complete internal procedures for the MLI articles to enter into effect. The entry into effect differs per specific tax treaty when these internal procedures are completed. The entry into effect of the MLI articles is from 1 January of the year next following the expiration of a period of 30 days after the completion of the internal procedures. This effectively means that the entry into effect of the MLI with respect to some Indonesian treaties is 2021, for other treaties it is 2022, or is not yet known (i.e. if the internal procedures have not yet been completed, which means entry into effect as of 2024 at the earliest).

Africa heat map



- 15 jurisdictions in the Africa region have signed the MLI.
- 8 jurisdictions have ratified the MLI and deposited their instruments of ratification with the OECD. These jurisdictions have made their final choices with respect to adoption of the MLI articles.
- The MLI was not effective in the Africa region in 2019 because none of the jurisdictions had ratified and deposited their instruments of ratification with the OECD at that time.
- The MLI articles are effective in Mauritius as from 1 July 2020, which is the first day of the taxable period in this country, due to a specific reservation made by Mauritius.
- As of 2021, MLI articles are effective in Egypt.
- As of 2022, MLI articles are effective in Burkina Faso.
- As of 2023, MLI articles are also effective in Cameroon, Lesotho, Senegal, the Seychelles and South Africa.
- For more information on impact of the MLI in the above jurisdictions see pages 8-14.

Jurisdictions impacted by the MLI

MLI impact at 6 March 2023

- At 6 March 2023, 79 jurisdictions ratified the MLI and deposited their instruments of ratification with the OECD (see table on the right).
- Out of these jurisdictions, the MLI articles are generally effective in 75 jurisdictions in 2023 (shown in bold).
- Germany, Hong Kong, Romania and Sweden must still complete their internal procedures before the MLI will be effective in those jurisdictions.
- The following pages provide more information on the application of some of the most essential MLI articles and show MLI choices of the 79 jurisdictions that have ratified the MLI and deposited their instruments of ratification with the OECD.

Albania	**Andorra**	**Australia**	**Austria**	**Bahrain**
Barbados	**Belgium**	**Belize**	**Bosnia and Herzegovina**	**Bulgaria**
Burkina Faso	**Cameroon**	**Canada**	**Chile**	**China**
Costa Rica	**Croatia**	**Curaçao**	**Cyprus**	**Czech Republic**
Denmark	**Egypt**	**Estonia**	**Finland**	**France**
Georgia	Germany	**Greece**	**Guernsey**	Hong Kong
Hungary	**Iceland**	**India**	**Indonesia**	**Ireland**
Isle of Man	**Israel**	**Japan**	**Jersey**	**Jordan**
Kazakhstan	**Latvia**	**Lesotho**	**Liechtenstein**	**Lithuania**
Luxembourg	**Malaysia**	**Malta**	**Mauritius**	**Monaco**
Netherlands	**New Zealand**	**Norway**	**Oman**	**Pakistan**
Panama	**Poland**	**Portugal**	**Qatar**	Romania
Russia	**San Marino**	**Saudi Arabia**	**Senegal**	**Serbia**
Seychelles	**Singapore**	**Slovakia**	**Slovenia**	**South Africa**
South Korea	**Spain**	Sweden	**Switzerland**	**Thailand**
UAE	**UK**	**Ukraine**	**Uruguay**	

- The application of the MLI articles to a specific Covered Tax Agreement should be considered on a case-by-case basis
- The exact entry into effect date will depend on the taxable period in each jurisdiction. The tax year follows the calendar year for most countries but there are exceptions

Articles adopted

Dual Resident Entities (application of Article 4 of the MLI)

General: A tiebreaker test allows to determine the treaty residence of a dual-resident person other than an individual pursuant to a mutual agreement of the competent authorities of the governments of both Contracting Jurisdictions. Such test takes into account a person's place of effective management, the place where it is incorporated or otherwise constituted and any other relevant factors. In the absence of such a mutual agreement of the competent authorities the tax treaty benefits may be denied.

Status:

- As Article 4 is not part of the BEPS minimum standard, most jurisdictions that had ratified the MLI and deposited their instruments of ratifications had opted out of the tiebreaker provisions.

Other considerations:

- Most of the existing bilateral tax treaties use an entity's place of effective management as the key tiebreaker test to determine a dual resident's jurisdiction for tax treaty purposes.
- Some existing tax treaties already may include provisions calling for determination by mutual agreement. However, such provisions typically do not explicitly deny benefits in the absence of such a mutual agreement.

Countries that opted for Article 4:

1. Australia	15. New Zealand
2. Canada	16. Norway (**)
3. China	17. Oman (**)
4. Costa Rica	18. Pakistan
5. Denmark	19. Poland
6. Egypt	20. Romania (**)
7. India	21. Russia (**)
8. Indonesia (*)	22. Senegal
9. Ireland (**)	23. Serbia
10. Israel	24. Slovakia
11. Japan	25. Slovenia
12. Kazakhstan	26. South Africa
13. Lesotho	27. UK
14. Netherlands	28. Uruguay

Countries that opted out for Article 4:

1. Albania	18. Finland	35. Malta
2. Andorra	19. France	36. Mauritius
3. Austria	20. Georgia	37. Monaco
4. Bahrain	21. Germany	38. Panama
5. Barbados	22. Greece	39. Portugal
6. Belgium	23. Guernsey	40. Qatar
7. Belize	24. Hong Kong	41. San Marino
8. Bosnia and Herzegovina	25. Hungary	42. Saudi Arabia
9. Bulgaria	26. Iceland	43. Seychelles
10. Burkina Faso	27. Isle of Man	44. Singapore
11. Cameroon	28. Jersey	45. South Korea
12. Chile	29. Jordan	46. Spain
13. Croatia	30. Latvia	47. Sweden
14. Curaçao	31. Liechtenstein	48. Switzerland
15. Cyprus	32. Lithuania	49. Thailand
16. Czech Republic	33. Luxembourg	50. UAE
17. Estonia	34. Malaysia	51. Ukraine

* Jurisdiction opted for applying the entirety of Article 4 only to Covered Tax Agreements that do not deny treaty benefits in case of dual residence.

** Jurisdiction opted for applying the entirety of Article 4 only to Covered Tax Agreements that do not contain provisions with (a form of) mutual agreement procedure regarding dual residence.

Prevention of treaty abuse (application of Article 7 of the MLI)

General: CTAs must include an anti-abuse rule to prevent treaty benefits from being granted in unintended circumstances. The anti-abuse rule may take one of two forms: (i) a principal purpose test (PPT) or (ii) a simplified limitation of benefits (LOB) rule, supplemented by a PPT. The PPT will have the effect of denying treaty benefits (e.g., denying a reduction in WHT on dividends, interest and royalties) where it is reasonable to conclude, having regard to all relevant facts and circumstances, that obtaining a treaty benefit is one of the principal purposes of the party seeking to rely on the relevant treaty.

Status:

- For Article 7 of the MLI to take effect from 1 January, countries generally would have had to ratify and deposit their instruments of ratification before 1 October in the prior year.
- As Article 7 covers one of the BEPS minimum standards, jurisdictions that sign the MLI must incorporate this article into their CTAs.
- All jurisdictions that had ratified the MLI and deposited their instruments of ratifications had agreed to incorporate the PPT in their tax treaties, as minimum. A smaller number of these jurisdictions have opted for a simplified LOB test in addition to the PPT. Furthermore, several jurisdictions have agreed to symmetrical or asymmetrical application of the simplified LOB if a treaty partner has chosen to apply the simplified LOB.

Other considerations:

- Many existing bilateral tax treaties already include anti-abuse provisions, but the scope may be narrower than the PPT.
- Some jurisdictions have domestic-anti-abuse provisions that target artificial structures or those that lack substance; these provisions may prevent access to tax treaties even before consideration can be given to the application of a PPT.
- In addition, jurisdictions may have tightened or otherwise have revised their domestic anti-abuse rules. EU jurisdictions may have a domestic implementation of the general anti-abuse rule following from the EU Anti-Tax Avoidance Directive. Countries may have amended their domestic rules on the basis of the recommendations of the OECD Report on Preventing the Granting of Treaty Benefits in Inappropriate Circumstances (BEPS Action 6).

Countries that opted only for the PPT:

1. Albania	18. Cyprus	35. Jordan	52. Romania
2. Andorra	19. Czech Republic	36. Latvia	53. San Marino
3. Australia	20. Egypt	37. Lesotho	54. Saudi Arabia
4. Austria	21. Estonia	38. Liechtenstein	55. Serbia
5. Bahrain	22. Finland	39. Lithuania	56. Seychelles
6. Barbados	23. France	40. Luxembourg	57. Singapore
7. Belgium	24. Georgia	41. Malaysia	58. Slovenia
8. Belize	25. Germany	42. Malta	59. South Africa
9. Bosnia and Herzegovina	26. Guernsey	43. Mauritius	60. South Korea
10. Bulgaria	27. Hong Kong	44. Monaco	61. Spain
11.. Burkina Faso	28. Hungary	45. Netherlands	62. Sweden
12. Cameroon	29. Indonesia	46. New Zealand	63. Switzerland
13. Canada	30. Ireland	47. Oman	64. Thailand
14. China	31. Isle of Man	48. Panama	65. UAE
15. Costa Rica	32. Israel	49. Poland	66. UK
16. Croatia	33. Japan	50. Portugal	67. Ukraine
17. Curaçao	34. Jersey	51. Qatar	

Countries that opted for the PPT and Simplified LOB:

1. Chile
2. India
3. Kazakhstan
4. Pakistan
5. Russia
6. Senegal
7. Slovakia
8. Uruguay

Countries that opted for the PPT and symmetrical or asymmetrical application of the Simplified LOB:

1. Denmark
2. Greece
3. Iceland
4. Norway

Artificial avoidance of permanent establishment status through commissionnaire arrangements and similar strategies (application of Article 12 of the MLI)

General: A permanent establishment will arise not only where a dependent agent concludes contracts in the name of the enterprise, but also contracts for the transfer of, or for the granting of the right to use, property owned by that enterprise, or for the provision of services by that enterprise, where the agent habitually concludes contracts, or *habitually plays the principal role* leading to the conclusion of contracts that are routinely concluded without material modification by the enterprise.

Status:

- For Article 12 of the MLI to take effect as from 1 January, countries generally would have to ratify the MLI and deposit their instruments of ratification before 1 April a year earlier where their tax period aligns with the calendar year. However, some countries have taxable periods that are not based on a calendar year and the date Article 12 of the MLI takes effect will vary depending on the country involved.

Other considerations:

- Due to differences in taxable periods, there maybe asymmetrical entry into effect dates in respect of Article 12 between jurisdictions.
- The definition of a permanent establishment is set out in Article 5 of the OECD Model Tax Convention (2017 version), and the text included in Article 12 of the MLI is consistent with the language used there. As a result of the update to the OECD model, some newer tax treaties already may contain the revised language. In addition, some jurisdictions may choose to align their domestic law on permanent establishment with this definition, irrespective of whether they have signed the MLI or opted to apply Article 12.

Countries that opted for Article 12:

1. Albania	18. Kazakhstan
2. Belgium	19. Lesotho
3. Bosnia and Herzegovina	20. Lithuania
4. Bulgaria	21. Malaysia
5. Burkina Faso	22. New Zealand
6. Cameroon	23. Norway
7. Chile	24. Pakistan
8. Costa Rica	25. Russia
9. Croatia	26. Saudi Arabia
10. Denmark	27. Senegal
11. Egypt	28. Serbia
12. France	29. Slovakia
13. India	30. Slovenia
14. Indonesia	31. Spain
15. Israel	32. Thailand
16. Japan	33. Ukraine
17. Jordan	34. Uruguay

Countries that opted out of Article 12:

1. Andorra	16. Greece	31. Oman
2. Australia	17. Guernsey	32. Panama
3. Austria	18. Hong Kong	33. Poland
4. Bahrain	19. Hungary	34. Portugal
5. Barbados	20. Iceland	35. Qatar
6. Belize	21. Ireland	36. Romania
7. Canada	22. Isle of Man	37. San Marino
8. China	23. Jersey	38. Seychelles
9. Curaçao	24. Latvia	39. Singapore
10. Cyprus	25. Liechtenstein	40. South Africa
11. Czech Republic	26. Luxembourg	41. South Korea
12. Estonia	27. Malta	42. Sweden
13. Finland	28. Mauritius	43. Switzerland
14. Georgia	29. Monaco	44. UAE
15. Germany	30. Netherlands	45. UK

Artificial avoidance of permanent establishment status through the specific activity exemptions (application of Article 13(4) of the MLI)

General: Concerns prevention of the fragmentation of a cohesive operating business into several small operations in order to fall within the "preparatory or auxiliary" exemption of the permanent establishment definition.

Status:

- For Article 13(4) to take effect as from 1 January, countries generally would have had to ratify the MLI and deposit their instruments of ratification before 1 April a year earlier where the tax period aligns with the calendar year. However, as noted above,some countries have taxable periods that are not based on a calendar year and the date Article 13(4) of the MLI takes effect will vary depending on the country involved.

Other considerations:

- Due to differences in taxable periods, there may be asymmetrical entry into effect dates in respect of Article 13(4) between jurisdictions.
- The anti-fragmentation rule is also set out in Article 5 of the 2017 version of the OECD Model Tax Convention, and the text included in Article 13(4) of the MLI is in line with that rule. Due to the revision to the OECD model, some newer tax treaties already may contain anti-fragmentation language. In addition, some jurisdictions may align their domestic law with this change to the definition of permanent establishment, irrespective of whether they have signed the MLI or opted to apply Article 13(4) of the MLI.

Countries that opted for Article 13(4):

1. Australia	14. Ireland	27. Russia
2. Belgium	15. Israel	28. San Marino
3. Burkina Faso	16. Japan	29. Saudi Arabia
4. Cameroon	17. Jordan	30. Senegal
5. Chile	18. Kazakhstan	31. Serbia
6. Costa Rica	19. Lesotho	32. Slovakia
7. Croatia	20. Lithuania	33. Slovenia
8. Curaçao	21. Malaysia	34. South Africa
9. Denmark	22. Netherlands	35. Spain
10. Egypt	23. New Zealand	36. Thailand
11. France	24. Norway	37. UK
12. India	25. Pakistan	38. Ukraine
13. Indonesia	26. Portugal	39. Uruguay

Countries that opted out of Article 13(4):

1. Albania	15. Georgia	29. Monaco
2. Andorra	16. Germany	30. Oman
3. Austria	17. Greece	31. Panama
4. Bahrain	18. Guernsey	32. Poland
5. Barbados	19. Hong Kong	33. Qatar
6. Belize	20. Hungary	34. Romania
7. Bosnia and Herzegovina	21. Iceland	35. Seychelles
8. Bulgaria	22. Isle of Man	36. Singapore
9. Canada	23. Jersey	37. South Korea
10. China	24. Latvia	38. Sweden
11. Cyprus	25. Liechtenstein	39. Switzerland
12. Czech Republic	26. Luxembourg	40. UAE
13. Estonia	27. Malta	
14. Finland	28. Mauritius	

Mutual agreement procedure (application of Article 16 of the MLI)

General: The mutual agreement procedure (MAP) allows the competent authorities of the governments of both jurisdictions to attempt to resolve cross-border tax disputes. Such disputes may involve cases of double taxation (juridical and economic), as well as inconsistencies in the interpretation and application of a tax treaty.

Status:

- The MLI generally enters into effect for dispute resolution immediately after the MLI enters into force for both countries.
- As Article 16 covers one of the BEPS minimum standards, jurisdictions that sign the MLI must incorporate this article into their CTAs.
- At the same time, Article 16 allows jurisdictions to make certain reservations and provides for variations to apply MAP provisions. Thus, the application of Article 16 to a specific CTA should be carefully verified considering reservations and notifications made by each of the jurisdictions concerned.
- It should be noted that there may be complexity as to whether disputes from earlier years can benefit from an extended MAP period introduced by Article 16 because the entry into effect provisions in Article 35 specifically exclude cases that "were not eligible to be presented" before a CTA was modified.

Other considerations:

- Mandatory binding arbitration may apply after a case has spent two years in a MAP. However, most jurisdictions of those that ratified the MLI and deposited their instruments of ratification with the OECD have opted out of the arbitration provisions (Articles 18-26 of the MLI) as these are not part of the BEPS minimum standard.

Countries that adopted Article 16 without reservations:

1. Andorra (*)	18. Georgia	35. Netherlands (*)
2. Australia (*)	19. Greece (*)	36. New Zealand (*)
3. Bahrain	20. Guernsey	37. Norway
4. Barbados (*)	21. Hong Kong	38. Oman
5. Belgium (*)	22. Iceland	39. Pakistan
6. Belize	23. Ireland (*)	40. Panama
7. Bulgaria	24. Isle of Man	41. Qatar
8. Burkina Faso	25. Japan (*)	42. Romania
9. Cameroon	26. Jersey	43. Russia
10. Costa Rica	27. Jordan	44. Saudi Arabia
11. Cyprus	28. Kazakhstan	45. Seychelles
12. Czech Republic	29. Liechtenstein (*)	46. South Korea
13. Denmark (*)	30. Lithuania	47. Sweden (*)
14. Egypt	31. Luxembourg (*)	48. UAE
15. Estonia	32. Malaysia	49. UK (*)
16. Finland (*)	33. Malta (*)	50. Ukraine
17. France (*)	34. Mauritius (*)	51. Uruguay

Countries that made reservations under Article 16:

1. Albania	11. India	21. Serbia
2. Austria (*)	12. Indonesia	22. Singapore (*)
3. Bosnia and Herzegovina	13. Israel	23. Slovakia
4. Canada (*)	14. Latvia	24. Slovenia (*)
5. Chile	15. Lesotho (*)	25. South Africa
6. China	16. Monaco	26. Spain (*)
7. Croatia	17. Poland	27. Switzerland (*)
8. Curaçao (*)	18. Portugal (*)	28. Thailand
9. Germany (*)	19. San Marino	
10. Hungary (*)	20. Senegal	

* Jurisdiction opted for arbitration provisions (Articles 18-26 of the MLI).

Appendices

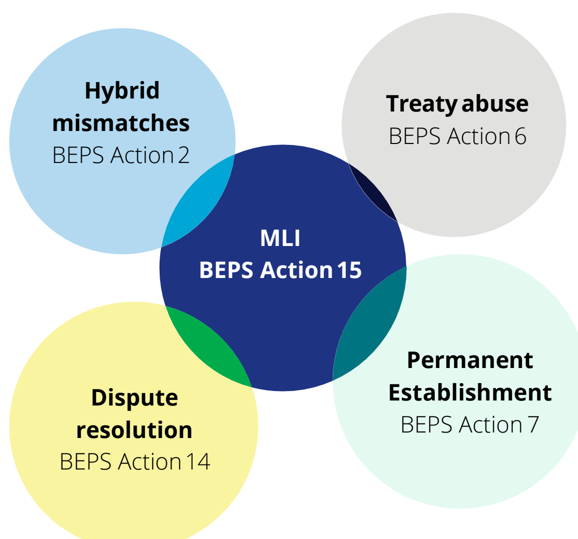
Appendix 1: BEPS Action Plan

- Over 130 countries are participating in the OECD BEPS project, which is intended to ensure that international tax rules are appropriate for an increasingly globalized business world and that profits are taxed where the economic activities generating the profits are performed and where value is created.
- The BEPS action plan includes 15 actions, and reports have been agreed and published on many of the actions but work on some is ongoing. Certain elements of these actions represent minimum standards. These are: preventing harmful tax practices and exchanging information on tax rulings in Action 5, preventing treaty shopping in Action 6, country-by-country reporting in Action 13 and improvement of the MAP in Action 14.

Action 1 Digital economy	**Action 7** Permanent establishments
Action 2 Hybrid mismatches	**Actions 8-10** Transfer pricing
Action 3 Controlled foreign companies rules	**Action 11** Data analysis
Action 4 Interest restrictions	**Action 12** Disclosure rules
Action 5 Harmful tax practices	**Action 13** Transfer pricing documentation
Action 6 Treaty abuse	**Action 14** Dispute resolution
Action 15 Multilateral Instrument	

Appendix 2: Scope of the MLI

- Recognizing the need to consider innovative ways to implement the tax treaty-related measures of the OECD BEPS project, the OECD proposed the development of the MLI (BEPS Action 15).
- The MLI enables quick and consistent implementation of the tax treaty recommendations that follow from the BEPS project. The following BEPS actions are covered by the MLI:
  - Hybrid mismatches (BEPS Action 2);
  - Treaty abuse (BEPS Action 6);
  - Permanent establishments (BEPS Action 7); and
  - Dispute resolution (BEPS Action 14).
- While the MLI is designed to apply to as many tax treaties as possible, participating jurisdictions may prefer not to amend a specific treaty via the MLI, for example, if that treaty was recently renegotiated to implement the outcomes of the OECD BEPS project or is currently under renegotiation and will implement those outcomes.
- The MLI will not replace existing tax treaties or change underlying treaty text, nor will it function in the same way as an amending protocol to a treaty.
- The MLI will apply alongside a tax treaty and modify its application by allowing participating jurisdictions to adopt the BEPS recommendations without having to renegotiate each relevant treaty.



The MLI consists of 39 articles (**MLI Articles**):

- Articles 1-2 set out the scope of the MLI and the interpretation of terms
- Articles 3-17 cover the various BEPS measures included in the MLI
- Articles 18-26 cover the provisions on arbitration including provisions relating to mandatory binding arbitration
- Articles 27-39 cover provisions relevant to adoption and implementation of the MLI including ratification, entry into force and entry into effect dates, withdrawal, etc.

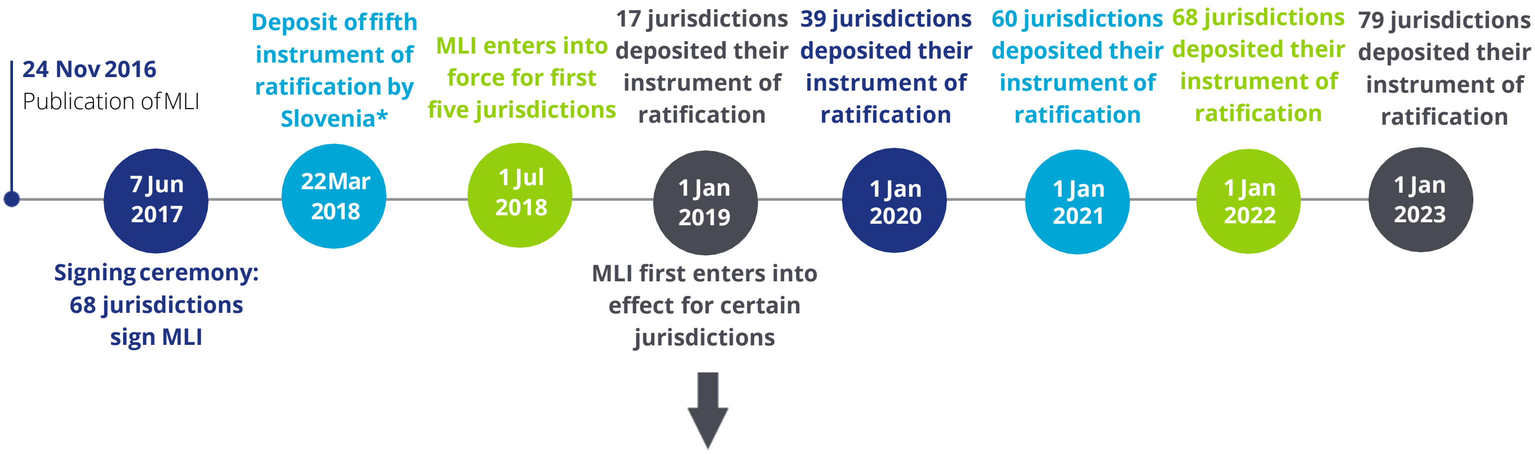
Appendix 3: Structure of the MLI

- Jurisdictions that sign the MLI have limited flexibility with respect to the adoption of the **MLI provisions that form part of the agreed minimum standard:**
  - Articles 6 and 7 reflect the minimum standard for the prevention of treaty abuse under BEPS Action 6; and
  - Articles 16 and 17 reflect the minimum standard for the improvement of dispute resolution under BEPS Action 14.
- Opting out of these provisions is possible only in limited circumstances.
- For **other MLI provisions**, there generally is flexibility to opt out of all or part of the provision.
- The optional changes to tax treaties in the MLI include changes to deal with transparent entities (Article 3), tiebreaker rules for dual resident entities (Article 4), different options for eliminating double tax relief (Article 5), minimum shareholding periods to benefit from the provision relating to dividends (Article 8), changes to the definition of a permanent establishment (Article 12), etc.

The Explanatory Statement to the MLI clarifies and explains the meaning of the MLI Articles.

The OECD website includes a list of signatories of the MLI and information on the articles of the MLI that signatories of the MLI have chosen to adopt (MLI Position), as well as an MLI Matching Database.

Appendix 4: MLI milestones and entry into effect



**The MLI must be ratified by at least five jurisdictions before it first enters into force.*

Different effectives dates are applicable for various MLI articles:

- WHT
- Other taxes
- Dispute resolution

The date of entry into effect for a specific CTA will depend on a number of factors, such as the date the MLI was ratified by both treaty partners, the relevant options/ articles chosen, and the taxable period applicable for each treaty partner.

The actual entry into effect dates should be checked for each CTA.

Appendix 5: Ratifications deposited at 6 March 2023

At 6 March 2023, the instrument of ratification was deposited by:

Austria	22 September 2017
Isle of Man	25 October 2017
Jersey	15 December 2017
Poland	23 January 2018
Slovenia	22 March 2018
Serbia	5 June 2018
Sweden	22 June 2018
New Zealand	27 June 2018
UK	29 June 2018
Lithuania	11 September 2018
Israel	13 September 2018
Slovakia	20 September 2018
Australia	26 September 2018
France	26 September 2018
Japan	26 September 2018
Malta	18 December 2018
Singapore	21 December 2018
Monaco	10 January 2019
Ireland	29 January 2019
Guernsey	12 February 2019
Finland	25 February 2019
Curaçao	29 March 2019
Georgia	29 March 2019
Netherlands	29 March 2019
Luxembourg	9 April 2019
UAE	29 May 2019
Russia	18 June 2019
India	25 June 2019
Belgium	26 June 2019
Norway	17 July 2019
Ukraine	8 August 2019
Canada	29 August 2019
Switzerland	29 August 2019
Iceland	26 September 2019
Denmark	30 September 2019
Mauritius	18 October 2019
Latvia	29 October 2019
Liechtenstein	19 December 2019
Qatar	23 December 2019
Cyprus	23 January 2020

Saudi Arabia	23 January 2020
Uruguay	6 February 2020
Portugal	28 February 2020
San Marino	11 March 2020
Indonesia	28 April 2020
Czech Republic	13 May 2020
South Korea	13 May 2020
Kazakhstan	24 June 2020
Oman	7 July 2020
Bosnia and Herzegovina	16 September 2020
Albania	22 September 2020
Costa Rica	22 September 2020
Jordan	29 September 2020
Egypt	30 September 2020
Burkina Faso	30 October 2020
Panama	5 November 2020
Chile	26 November 2020
Pakistan	18 December 2020
Germany	18 December 2020
Barbados	21 December 2020
Estonia	15 January 2021
Croatia	18 February 2021
Malaysia	18 February 2021
Hungary	25 March 2021
Greece	30 March 2021
Spain	28 September 2021
Andorra	29 September 2021
Seychelles	14 December 2021
Bahrain	23 February 2022
Romania	28 February 2022
Thailand	31 March 2022
Belize	7 April 2022
Cameroon	21 April 2022
Senegal	10 May 2022
China	25 May 2022
Hong Kong	25 May 2022
Lesotho	28 July 2022
Bulgaria	16 September 2022
South Africa	30 September 2022

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