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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, ratification instrument has been deposited with the OECD
- MLI jurisdiction, ratification pending
- Non-MLI jurisdiction, ML ratification pending
- 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
OECD Multilateral Instrument status tracker | Status of the MLI at 6 March 2023

• 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, Russia1, San Marino and Switzerland1.

• As of 2022, MLI articles are effective in Andorra, Croatia, Estonia2, Greece and Hungary.

• As of 2023, MLI articles are also effective in Bulgaria and Spain2

• 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.
• 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.
OECD Multilateral Instrument status tracker

| Status of the MLI at 6 March 2023 |

Australia
New Zealand
Fiji
China
Japan
North Korea
Mongolia
Kazakhstan
Uzbekistan
Tajikistan
Kyrgyzstan
Georgia
Azerbaijan
Syria
Iraq
Saudi Arabia
Yemen
Kuwait
Jordan
Israel
Lebanon
Oman
Qatar
UAE
Iran
Pakistan
India
Bangladesh
Bhutan
Laos
Nepal
Myanmar
Thailand
Hong Kong SAR
Philippines
Indonesia
Papua New Guinea
Sri Lanka
Afghanistan
Turkmenistan
South Korea
Armenia
Cambodia
Malaysia
Brunei Darussalam
Bahrain

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

• 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, 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).
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.

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<tr>
<th>Albania</th>
<th>Andorra</th>
<th>Australia</th>
<th>Austria</th>
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<td>Barbados</td>
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<td>Ireland</td>
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<td>Japan</td>
<td>Jersey</td>
<td>Jordan</td>
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<td>Latvia</td>
<td>Lesotho</td>
<td>Liechtenstein</td>
<td>Lithuania</td>
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<td>Luxembourg</td>
<td>Malaysia</td>
<td>Malta</td>
<td>Mauritius</td>
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<td>Netherlands</td>
<td>New Zealand</td>
<td>Norway</td>
<td>Oman</td>
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<td>Panama</td>
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<td>Portugal</td>
<td>Qatar</td>
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<td>San Marino</td>
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<td>Serbia</td>
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<td>Seychelles</td>
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<td>South Korea</td>
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<td>Switzerland</td>
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<td>UAE</td>
<td>UK</td>
<td>Ukraine</td>
<td>Uruguay</td>
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- 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:**

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<tr>
<th>1. Australia</th>
<th>15. New Zealand</th>
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<tr>
<td>2. Canada</td>
<td>16. Norway (**)</td>
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<tr>
<td>3. China</td>
<td>17. Oman (**)</td>
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<tr>
<td>4. Costa Rica</td>
<td>18. Pakistan</td>
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<tr>
<td>5. Denmark</td>
<td>19. Poland</td>
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<tr>
<td>6. Egypt</td>
<td>20. Romania (**)</td>
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<td>7. India</td>
<td>21. Russia (**)</td>
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<td>8. Indonesia (*)</td>
<td>22. Senegal</td>
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<td>9. Ireland (**)</td>
<td>23. Serbia</td>
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<td>10. Israel</td>
<td>24. Slovakia</td>
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<td>11. Japan</td>
<td>25. Slovenia</td>
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<td>13. Lesotho</td>
<td>27. UK</td>
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**Countries that opted out for Article 4:**

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<tr>
<th>1. Albania</th>
<th>18. Finland</th>
<th>35. Malta</th>
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<tr>
<td>3. Austria</td>
<td>20. Georgia</td>
<td>37. Monaco</td>
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<tr>
<td>7. Belize</td>
<td>24. Hong Kong</td>
<td>41. San Marino</td>
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<tr>
<td>8. Bosnia and Herzegovina</td>
<td>25. Hungary</td>
<td>42. Saudi Arabia</td>
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<td>10. Burkina Faso</td>
<td>27. Isle of Man</td>
<td>44. Singapore</td>
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<tr>
<td>11. Cameroon</td>
<td>28. Jersey</td>
<td>45. South Korea</td>
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<tr>
<td>12. Chile</td>
<td>29. Jordan</td>
<td>46. Spain</td>
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<tr>
<td>13. Croatia</td>
<td>30. Latvia</td>
<td>47. Sweden</td>
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<tr>
<td>15. Cyprus</td>
<td>32. Lithuania</td>
<td>49. Thailand</td>
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<tr>
<td>16. Czech Republic</td>
<td>33. Luxembourg</td>
<td>50. UAE</td>
</tr>
<tr>
<td>17. Estonia</td>
<td>34. Malaysia</td>
<td>51. Ukraine</td>
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</tbody>
</table>

* 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).
## OECD Multilateral Instrument status tracker

### Articles adopted

#### Countries that opted only for the PPT:

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<td>10. Bulgaria</td>
<td>27. Hong Kong</td>
<td>44. Monaco</td>
<td>61. Spain</td>
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<tr>
<td>12. Cameroon</td>
<td>29. Indonesia</td>
<td>46. New Zealand</td>
<td>63. Switzerland</td>
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<td>13. Canada</td>
<td>30. Ireland</td>
<td>47. Oman</td>
<td>64. Thailand</td>
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<tr>
<td>15. Costa Rica</td>
<td>32. Israel</td>
<td>49. Poland</td>
<td>66. UK</td>
</tr>
<tr>
<td>17. Curaçao</td>
<td>34. Jersey</td>
<td>51. Qatar</td>
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#### Countries that opted for the PPT and Simplified LOB:

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<td>1. Chile</td>
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<tr>
<td>2. India</td>
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<tr>
<td>3. Kazakhstan</td>
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<tr>
<td>4. Pakistan</td>
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<tr>
<td>5. Russia</td>
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<tr>
<td>6. Senegal</td>
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<tr>
<td>7. Slovakia</td>
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<td>8. Uruguay</td>
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#### Countries that opted for the PPT and symmetrical or asymmetrical application of the Simplified LOB:

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<tr>
<td>1. Denmark</td>
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<td>2. Greece</td>
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<tr>
<td>3. Iceland</td>
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<tr>
<td>4. Norway</td>
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</table>
Artificial avoidance of permanent establishment status through commissionaire 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 may be 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
5. Burkina Faso 22. New Zealand
6. Cameroon 23. Norway
7. Chile 24. Pakistan
8. Costa Rica 25. Russia
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:**
2. Australia 17. Guernsey 32. Panama
3. Austria 18. Hong Kong 33. Poland
5. Barbados 20. Iceland 35. Qatar
7. Canada 22. Isle of Man 37. San Marino
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
7. Croatia 20. Lithuania 33. Slovenia
9. Denmark 22. Netherlands 35. Spain
12. India 25. Pakistan 38. Ukraine

**Countries that opted out of Article 13(4):**

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

### Countries that made reservations under Article 16:

1. Albania
2. Austria (*)
3. Bosnia and Herzegovina
4. Canada (*)
5. Chile
6. China
7. Croatia
8. Curaçao (*)
9. Germany (*)
10. Hungary (*)
11. India
12. Indonesia
13. Israel
14. Latvia
15. Lesotho (*)
16. Monaco
17. Poland
18. Portugal (*)
19. San Marino
20. Senegal
21. Serbia
22. Singapore (*)
23. Slovakia
24. Slovenia (*)
25. South Africa
26. Spain (*)
27. Switzerland (*)
28. Thailand
29. Liechtenstein (*)
30. Lithuania
31. Luxembourg (*)
32. Malaysia
33. Malta (*)
34. Mauritius (*)
35. Netherlands (*)
36. New Zealand (*)
37. Norway
38. Oman
39. Pakistan
40. Panama
41. Qatar
42. Romania
43. Russia
44. Saudi Arabia
45. Seychelles
46. South Korea
47. Sweden (*)
48. UAE
49. UK (*)
50. Ukraine
51. Uruguay

* 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.

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.
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

**24 Nov 2016**
Publication of MLI

**7 Jun 2017**
Deposit of fifth instrument of ratification by Slovenia*

**22 Mar 2018**
17 jurisdictions deposited their instrument of ratification

**1 Jul 2018**
MLI enters into force for first five jurisdictions

**1 Jan 2019**
39 jurisdictions deposited their instrument of ratification

**1 Jan 2020**
60 jurisdictions deposited their instrument of ratification

**1 Jan 2021**
68 jurisdictions deposited their instrument of ratification

**1 Jan 2022**
79 jurisdictions deposited their instrument of ratification

**1 Jan 2023**
MLI first enters into effect for certain jurisdictions

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

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

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<th>Country</th>
<th>Date of Deposit</th>
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</tbody>
</table>
Contacts

Zubin Patel
Deloitte Global International Tax Leader
zpatel@deloitte.co.uk

Aart Nolten
Deloitte Global BEPS Leader
anolten@deloitte.nl

Alison Lobb
Transfer Pricing, Deloitte UK
Deloitte Representative to the OECD
alobb@deloitte.co.uk

Kate Ramm
OECD, Deloitte UK
karamm@deloitte.co.uk

Delia Ndlovu
Managing Director, Deloitte Africa Tax & Legal
delindlovu@deloitte.co.za

Claudio Cimetta
BEPS Leader, Asia Pacific
ccimetta@deloitte.com.au

Eduardo Barron
BEPS Leader, Latin America
edbarron@deloittemx.com

Tom Driscoll
BEPS Leader, North America
thosdriscoll@deloitte.com