

External Business Requirements Specification:

Country- by- Country and Financial Data Reporting

Core Business Area	Automatic Exchange of Information and Exchange of Information on Request
Operational Area	Taxpayer Strategy

Distribution to Taxpayers

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Referenced Documents

Document	Version	Description	Author/s
https://www.oecd.org/ctp/exchange-of-tax-information/country-by-country-reporting-xml-schema-user-guide-for-tax-administrations.pdf	Version 1.0.1(September 2017)	CbC XML Schema and User Guide describe the file layout in which the Reporting Entity shall use for referencing and submission of the CbC Financial Data Reporting.	OECD
https://www.oecd.org/tax/beps/country-by-country-reporting-xml-schema-user-guide-for-tax-administrations-june-2019.pdf	Version 2.0-June 2019	CbC XML Schema and User Guide describe the file layout in which the Reporting Entity shall use for referencing and submission of the Country- by- Country Financial Data Reporting.	OECD
https://www.oecd.org/ctp/guidance-on-the-implementation-of-country-by-country-reporting-beps-action-13.pdf	December 2019	Guideline to the documentation of the required files.	OECD
<u>SA Regulations for purposes of paragraph (b) of the definition of “international tax standard” in section 1 of the Tax Administration Act, 2011, specifying the changes to the Country-by-Country Reporting Standard for Multinational Enterprises</u>	Published 23 December 2016 and effective for Reporting Fiscal Year Fiscal Years of Multinational Entity Groups beginning on or after 1 January 2016.	SA Regulations specifying the CbC Reporting Standard for Multinational Enterprises.	<i>Government Gazette No. R.1598 of 23 December 2016</i>
<u>Public Notice issued in terms of section 29 of the Tax Administration Act, 2011, requiring specified persons to keep the records, books of account or documents as specified</u>	Published on 28 October 2016 and applies to years of assessment commencing on or after 1 October 2016.	The notice prescribes records to be kept specifically for transfer pricing purposes and CbC Reports (under the SA CbC regulations).	<i>Government Gazette No. 1334 of 28 October 2016</i>
<u>Public Notice 1117 published in terms of section 25, requiring the submission of Country-by-Country Report, Master file</u>	Published on 20 October 2017 and applies to years of assessment commencing on	The notice prescribes when Reporting Entities must file CbC Reports (under the CbC Regulations) and when other MNE Entities specified in par 2.3 of the notice	<i>Government Gazette No. 41186 of 20 October 2017</i>

Document	Version	Description	Author/s
<p>and Local file returns by persons as specified in the notice</p> <p>Read with: Public Notice 1380 published in terms of section 25(7), for extension of deadline to 28 February 2018, to file returns under Notice 1117 published in Government Gazette 41186 of 20 October 2017</p>	<p>or after 1 January 2016 (for Reporting Entities under the CbC Regulations) and 1 October 2016 (for MNE Entities specified in par 2.3. of the notice).</p>	<p>(whose aggregate of potentially affected transactions for the year of assessment exceeds or is reasonably expected to exceed R100 million) must file Master File and Local File returns, i.e. within 12 months from the date on which the Entity's financial year ends. Deadline to submit returns extended to 28 February 2018.</p>	<p>Government Gazette No. 41306 of 8 December 2017</p>
<p>OECD (2015), Transfer Pricing Documentation and Country-by-Country Reporting, Action 13 - 2015 Final Report</p>	<p>5 October 2015</p>	<p>This report contains revised standards for transfer pricing documentation and a template for a CbC Reporting (CbCR). It includes an implementation package for government-to-government exchange of CbCRs as well as:</p> <ul style="list-style-type: none"> • Model legislation requiring the Ultimate Parent Entity of a Multinational Entity Group to file the CbCR in its jurisdiction of residence has been developed. Jurisdictions will be able to adapt this model legislation to their own legal systems, where changes to current legislation are required; • Implementing arrangements for the automatic exchange of the CbCR under international agreements including multilateral competent authority agreements ("CAAs") based on existing international agreements (the Multilateral Convention on Mutual Administrative Assistance in Tax Matters, bilateral tax treaties and TIEAs). 	<p>OECD</p>

Document	Version	Description	Author/s
		This report is incorporated by reference in the SA CbC Regulations.	
Multilateral Competent Authority Agreement on the Exchange of Country-by-Country Reports	27 January 2016	Implementing arrangement for the automatic exchange of the CbC Reports between South Africa and the other signatories of the CbC MCAA	MCAA signed by South Africa on 27 January 2016
https://www.oecd.org/tax/beps/country-by-country-reporting-xml-schema-User-guide-for-tax-administrations-june-2019.pdf	17 September 2017	CbC XML Schema and User Guide describe the file layout in which the Reporting Entity shall use for referencing and submission of the CbC Financial Data Reporting.	OECD
Section II (Exchange of Country-by-Country Reports) of the Memorandum of Understanding on the Exchange of Country-By-Country Reports with the Government of the Hong Kong Special Administrative Region of the People's Public of China for the Fiscal Years 2016 and 2017	Based on: Agreement between the Government of the Hong Kong Special Administrative Region of the People's Republic of China and the Government of the Republic of South Africa for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income Date: 30 September 2014 & 16 October 2014	Implementing arrangement for the automatic exchange of the Country-by-Country Reports between South Africa and the Hong Kong Special Administrative Region of the People's Republic of China for the Fiscal Years 2016 and 2017	Signed by South Africa on 19 October 2017
Section II (Exchange of Country-by-Country Reports) of the Memorandum of Understanding on the Exchange of Country-By-Country Reports with the Government of the Hong Kong Special Administrative Region of the People's Public of	Based on: Agreement between the Government of the Hong Kong Special Administrative Region of the People's Republic of China and the Government of the Republic of	Implementing arrangement for the automatic exchange of the Country-by-Country Reports between South Africa and the Hong Kong Special Administrative Region of the People's Republic of China for the Fiscal Years 2017 and 2018	Signed by South Africa on 30 November 2018

Document	Version	Description	Author/s
China for the Fiscal Years 2017 and 2018	<i>South Africa for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income</i> Date: 30 September 2014 & 16 October 2014		

Acronyms and Definitions

Terms	Description
A3P	Automated 3 rd Party Data Processor – SARS system
Action 13 (2015) Final Report	The <i>OECD (2015), Transfer Pricing Documentation and Country-by-Country Reporting, Action 13 - 2015 Final Report</i>
AEOI	Automatic Exchange of Information –is one of the three methods of international information exchange used by South Africa (in addition to exchange of information on request (EOIR) and spontaneous exchange) under its international tax agreements or international standards. SA has committed to AEOI under the US FATCA IGA, OECD CRS and now the OECD/G20 BEPS Action Plan 13 (CbC)
BEPS	Base Erosion and Profit Shifting
Constituent Entity	Defined in the SA CbC Regulations as any separate business unit of an MNE Group that is included in the Consolidated Financial Statements of the MNE Group for financial reporting purposes, or would be so included if equity interests in such business unit of an MNE Group were traded on a public securities exchange
e-Filing	SARS electronic filing service on the SARS web site as defined and regulated in terms of the Public Notice issued under section 255 of the Tax Administration Act, 2011
EOIR	Exchange of information on request
ESB	ICC integration functionality team
CbC	Country-by-Country
CbCR	Country-by-Country Report
CbC MCAA	CbC Multilateral Competent Authority Agreement
CRS	The OECD Common Reporting Standard on and Due Diligence for Financial Account Information (as defined in Section VIII(E)(7) of the SA CRS Regulations)
FATCA IGA	Intergovernmental Agreement between SA and the US under the US Foreign Account Tax Compliance Act
Fiscal Year	Defined in the SA CbC Regulations as “an annual accounting period with respect to which the Ultimate Parent Entity of the MNE Group prepares its financial statements”

Entity	This term is generally used in OECD/G20 CbC guidelines and SA CbC Regulations and its definitions generally include the term “business unit”. As these terms certainly include companies but are not limited thereto, it is taken that they could include legal arrangements such as trusts and partnerships, as well as individuals operating as a “business unit”. The SA transfer pricing provisions under section 31 of the ITA apply to “any person”, which could include legal entities (e.g. companies); legal arrangement (e.g. trusts or partnerships) or individuals
Group	1. As defined in the SA CbC Regulations, i.e. a collection of enterprises related through ownership or control such that it is either required to prepare Consolidated Financial Statements for financial reporting purposes under applicable accounting principles or would be so required if equity interests in any of the enterprises were traded on a public securities exchange; and 2. In any other case, a collection of connected persons as defined in section 1 read with section 31 of the ITA
IFF	Illicit Financial Flows
ITA	Income Tax Act, 1962 (Act No. 58 of 1962)
International Agreement	Defined in the SA CbC Regulations as the Multilateral Convention for Mutual Administrative Assistance in Tax Matters, any bilateral or multilateral Tax Convention, or any Tax Information Exchange Agreement to which South Africa is a party, and that by its terms provides legal authority for the exchange of tax information between jurisdictions, including automatic exchange of such information
MCAA	Multilateral Competent Authority Agreement
MNE	A Multinational Enterprise, which for purposes of this BRS includes any Group of enterprises where any enterprise in such group is tax resident in another jurisdiction or is a tax resident of South Africa that has a permanent establishment in another jurisdiction
MNE Group	Defined in the SA CbC Regulations to mean any Group that includes two or more enterprises the tax residence for which is in different jurisdictions, or includes an enterprise that is resident for tax purposes in one jurisdiction and is subject to tax with respect to the business carried out through a permanent establishment in another jurisdiction; and is not an Excluded MNE Group. An Excluded MNE Group is defined to mean, with respect to any Fiscal Year of the Group (as defined in the SA CbC Regulations), a Group having total consolidated group revenue of less than R10 billion (or, if paragraph 2 of Article 2 applies, 750 million Euro) during the Fiscal Year immediately preceding the Reporting Fiscal Year as reflected in its Consolidated Financial Statements for such preceding Fiscal Year
OECD	Organisation for Economic Cooperation and Development
Reporting Entity	Defined in the SA CbC Regulations to mean the Constituent Entity that is required to file a CbC report conforming to the requirements in Article 4 in its Jurisdiction of tax residence on behalf of the MNE Group. The Reporting Entity may be the Ultimate Parent Entity, the Surrogate Parent Entity, or any Entity described in paragraph 2 of Article 2
Reporting Fiscal Year	Defined in the SA CbC Regulations to mean that Fiscal Year the financial and Operational results of which are reflected in the CbC Report defined in Article 4 of the regulations
SA CbC Regulations	Regulations issued under section 257 of the TAA specifying the changes to the CbC Reporting Standard for Multinational Enterprises required for South Africa’s circumstances which were published on 23 December 2016
SARS	South African Revenue Service
Surrogate Parent Entity	Defined in the SA CbC Regulations to mean one Constituent Entity of the MNE Group that has been appointed by such MNE Group, as a sole substitute for the Ultimate Parent Entity,

	to file the CbC Report in that Constituent Entity's jurisdiction of tax residence, on behalf of such MNE Group
TAA	Tax Administration Act, 2011 (Act No. 28 of 2011)
Ultimate Parent Entity	Defined in the SA CbC Regulations as a Constituent Entity of an MNE Group that owns directly or indirectly a sufficient interest in one or more other Constituent Entities of such MNE Group such that it is required to prepare Consolidated Financial Statements under accounting principles generally applied in its jurisdiction of tax residence, or would be so required if its equity interests were traded on a public securities exchange in its jurisdiction of tax residence
XML	Extensible Mark-up Language
.xml	.xml file format also in the context of the documents: FATCA XML User Guide, and Standard for Automatic Exchange of Financial Account Information in Tax Matters. These submissions are specific from SARS to a foreign jurisdiction under the FATCA or OECD and per agreement

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INTRODUCTION

Context and background

Corporates and connected persons such as groups of companies, trusts, partnerships or natural persons, especially MNEs comprising such connected persons, present a variety of complex compliance risks. One of the primary risks posed by such entities, in terms of tax evasion and/or avoidance, which was highlighted in SARS' 2013/14 – 2016/17 Strategic Plan and the related SARS Annual Performance Plans, is base erosion and profit shifting (“BEPS”) through unacceptable transfer pricing practices. Other risks relevant to South African (“SA”) MNEs include related party cross-border dealings, tax avoidance through offshore entities, hybrid entities, as well as customs misclassification and undervaluation.

In addition, external reports indicate the presence of illicit financial flows (“IFFs”) and trade mispricing. SARS's limited foray into this area through audit engagement has indicated that there is significant base erosion, which means that the opportunity exists for material assessments to be raised. SARS is responsive to this reality and also the need to protect the tax base, as well as enhance revenue and has thus made transfer pricing and BEPS a priority area for ensuring improved compliance.

Also, Parliamentary scrutiny, international organisations and the media have highlighted the fact that South Africa is losing billions through IFFs such as tax evasion in this context it is incumbent on SARS take prompt action.

Greater transparency and the automatic exchange of information between tax administrations are important steps forward in countering cross border tax evasion, aggressive tax avoidance and BEPS. Action 13 of the BEPS Action Plan, which was endorsed by G20 Leaders in September 2013, proposed the development of “rules regarding transfer pricing documentation to enhance transparency for tax administration, taking into consideration the compliance costs for business. The rules to be developed will include a requirement that MNEs provide all relevant governments with needed information on their global allocation of the income, economic activity and taxes paid among countries according to a common template.”

The Action 13 (2015) Final Report of the OECD/G20 BEPS Project was published on 5 October 2015. It formed part of the package of reports endorsed by G20 Finance Ministers in October 2015 and by G20 Leaders in November 2015. The Action 13 (2015) Final Report includes a common template for a CbC Report that will contain indicators of economic activity for each country the MNE does business in. The MNE's head office will file the CbC Report with the MNE's home tax administration and it will be exchanged with local tax administrations under treaty. Special rules for local filing of the CbC Report by subsidiaries exist if the MNE's home tax administration fails to meet its treaty obligations. CbC

Reports that are received through this process must be kept confidential, as any information obtained under treaty must be, and may only be used for risk, economic and statistical analysis.

The OECD has developed standards for the consistent implementation of CbC Reports, including a standard data format and transmission system. The competent authority of South Africa signed the Multilateral Competent Authority Agreement on the Exchange of CbC Reports (CbC MCAA) on 27 January 2016.

The Action 13 (2015) Final Report also provides guidance on transfer pricing documentation that, if implemented by a jurisdiction, requires certain MNEs to keep high-level information regarding, for example, their global business operations and transfer pricing policies in a “master file”. This master file may, in addition to the CbC Report by the MNE Group’s Reporting Entity (exchanged under AEOI in terms of the CbC MCAA), be required under domestic law to also be provided to local tax administrations and would be available for exchange with other tax administrations under EOIR in terms of an International Agreement, as defined in the SA CbC Regulations. It also requires that more transactional transfer pricing documentation be kept and provided to local administrations if required, in a “local file” in each country, identifying relevant related party transactions, the amounts involved in those transactions, and the Reporting Company’s analysis of the transfer pricing determinations they have made with regard to those transactions.

As far as domestic legislation is concerned, one of the building blocks that needs to be in place for a jurisdiction to implement CbC reporting is the enactment or amendment of primary or secondary legislation. In this regard, legislative amendments to the ITA were effected during 2015 in order to implement CbC reporting. Amongst other amendments, a new definition of an “international tax standard” was inserted in section 1 of the Act, which includes the CbC Reporting Standard for Multinational Enterprises specified by the Minister, subject to such changes as specified by the Minister of Finance in regulations issued under section 257 of the Act.

Regulations specifying the changes to the CbC Reporting Standard for MNE Groups required for South Africa’s circumstances were published on 23 December 2016. The SA CbC Regulations were closely modelled on the model legislation related to CbC reporting published in the Action 13 (2015) Final Report.

The information to be included in the CbC Report will be filed with the tax administration of the country of residence of the Reporting Entity for the MNE Group. The CbC Report that will be filed will be in accordance with the XML Schema and will then be transmitted to other tax jurisdictions that are signatories to the CbC MCAA in the same format.

The SA CbC Regulations only apply to MNE Groups, as defined in the Regulations, where the Group has a total consolidated group revenue of more than R10 billion / €750 million during the Fiscal Year

immediately preceding the Reporting Fiscal Year. Under the SA CbC Regulations, the CbC Report must be filed no later than 12 months after the last day of each Reporting Fiscal Year of the MNE Group beginning on or after 1 January 2016.

Current regulation stipulates that the filing of the CbC Report is compulsory for MNE Groups meeting the threshold. However, the Action 13 (2015) Final Report provides that any MNE must prepare the master file and the local file and make this available if so obliged under the domestic law of the relevant jurisdiction. Under SA law, the SARS Commissioner may require the filing of the master file and the local file from any MNE by way of public notices under section 25 of the TAA.

It is important to note that in the context of transfer pricing, there is a difference between the meaning of the term “MNE Group” under the CbC Regulations and the term “group of companies” as defined in section 1 read with section 31 of the ITA (the latter section regulating transfer pricing). The CbC Regulations only apply to MNE Groups, as defined in the regulations, where the Group essentially has total consolidated group revenue of more than R10 billion / €750 million during the fiscal year immediately preceding the Reporting Fiscal Year. An MNE “group of companies”, which includes controlling or controlled companies not resident for tax purposes in SA as referred to in section 31 of the ITA, with a consolidated group revenue below these thresholds, may be generally referred to as an MNE but is not defined as such in the ITA and does not constitute an “MNE Group” as defined in the CbC Regulations. For purposes of this BRS the term MNE will be used collectively unless otherwise indicated.

Accordingly, SARS must administer and facilitate the filing of the CbC Report (by MNE Groups), master file or local file (by all MNEs, including MNEs that are required to do so by public notice under section 25 of the TAA) and implement the Reporting Entity financial data reporting system that will enable SARS to receive, validate and automatically or on request exchange the financial data with other tax jurisdictions under an International Agreement.

It is important to note that the threshold for CbC Reporting is considerably higher than that for the master file and local file. A larger number of MNEs have to submit a master file and local file, compared to MNE Groups, whose Reporting Entities will have to file CbC Reports to be automatically exchanged under the CbC MCAA. The threshold for master file and local file is met when: “the aggregate of the person’s potentially affected transactions for the year of assessment, without offsetting any potentially affected transactions against one another, exceeds or is reasonably expected to exceed R100 million”. This is in alignment with paragraph 2(b) of the [Public Notice](#) to keep the records, books of account or documents in terms of section 29 of the TAA. This would imply that all SA Reporting Entities of MNE Groups that must file a CbC Report, would also have to file a master file and local file with SARS. However, there would be MNEs that would have to file a master file and local file, but not a CbC report, as the threshold for CbC reporting is higher.

In December 2017 the South African Revenue Services introduces and implemented a process that enabled Multinational Entities in South Africa to file the CbC Report and/or master file and local file through eFiling. The process continues to enable Multinational Entities to submit their CbC Report and has proven to be relevant and effective in identifying these unacceptable practices as the data is being transmitted in other tax jurisdiction on a monthly basis and where applicable exchanged the master files and local files on request to other tax jurisdictions.

However, the process implemented required the Reporting Entity of the MNE to manually capture a form (CbC01) and populate all the required information in accordance with the OECD XML specification. The capturing of such form has been noted to be cumbersome to the Reporting Entities as the data was huge, time consuming and was subject to errors being captured which would then result in repetitive corrections being submitted.

Therefore, SARS has looked at other mechanism that are being considered to ensure that the Reporting Entity is able to upload an electronic file in a prescribed and standard form acceptable to SARS.

The purpose of the BRS is to ensure that a seamless process is followed to facilitate the electronic submission of the CbC Report from the Reporting Entity of the MNE group and to further maintain and enhance the existing process (manual capturing of CbC01) that is currently followed to declare the CbC Report. The file to be uploaded by the Reporting Entity should be in an XML format/structure and the CbC Report will be validated against the **OECD CbC XML schema version 1.0.1 published in September 2017** **OECD CbC XML Schema version 2.0 published in June 2019** as it has been revised for the consistent implementation of CbC Reports across tax jurisdictions.

In addition, the purpose of the BRS is mainly to communicate the applicable requirements relating to the updated OECD Country by Country XML Schema version 2.0 that was published on the 30 June 2019 by the OECD and to be effective as from the 1st February 2021. This will include the intentions by SARS on the methodology that will be followed to update and upload the current CbC XML schema to the new schema version 2.0 that will be effective as of 1 February 2021 as pronounced by the OECD.

Reporting

In line with paragraph 25 of the Action 13 (2015) Final Report, the primary objective of filing and exchanging CbC Reports is to assess high level transfer pricing risks and other base erosion and profit sharing risks in South Africa and its CbC exchange partner jurisdictions.

The Action 13 (2015) Final report describes a three tiered standardised approach to transfer pricing documentation which consists of the following:

- A master file, generally compiled by a parent or headquarters Entity but available to all MNE Group Entities, containing standardised information relevant for all Entities.
- A local file, compiled by all Entities of an MNE Group, referring specifically to material transactions of the local MNE Group Entity.
- A CbC Report compiled by the Reporting Entity of an MNE Group containing certain information regarding global allocation of the MNE Group's income and taxes paid together with certain indicators of the location of economic activities within the MNE Group

The Companies are required to file CbC Reports as prescribed by SARS, on the template/format provided so that the reported data is standardised for all specified MNE Groups and the reported data can be transmitted to other jurisdictions. A common or compatible technical solution and system for reporting and automatically exchanging information is being developed by SARS for this purpose.

PROBLEM STATEMENT

The integration of national economies and markets into a global market has increased substantially in recent years, putting a strain on the international tax rules, which were designed more than a century ago. Weaknesses in the current rules create opportunities, such as transfer mispricing for BEPS, requiring bold moves by policy makers to restore confidence in the system and ensure that profits are taxed where economic activities take place and value is created.

Greater transparency and the automatic exchange of information between tax administrations are important steps forward in countering cross border tax evasion, aggressive tax avoidance and BEPS through, for example, transfer pricing arrangements. As a result, AEOI mechanisms, such as FATCA, CRS and CbC, have set new international standard, in addition to exchange of information on request. Transfer pricing audits by SARS are understandably complex and difficult, and SARS needs quality and complete CbC Report information to perform risk assessments given the fact that SARS finds it particularly challenging to obtain information on the global operations of an MNE headquartered elsewhere. South Africa has entered into international agreements that provide for mutual administrative assistance and automatic exchange of information with a substantial number of countries.

Failure to implement or defaulting on SA's international commitments, such as the CbC Reporting OECD/G20 international tax standard, will result in a public non-compliant rating of SA, which will result in other countries not being willing to exchange information with SA. Such an outcome may have an adverse impact on other international ratings. It is imperative that South Africa maintains its positive standing with its global peers by obtaining positive ratings. Failure to obtain positive ratings, would undoubtedly place South Africa in a precarious position as a jurisdiction which has poor mechanisms to combat transfer mispricing and IFFs and may result in it being placed on a list of countries who are perceived as high risk by the global community. This would significantly reduce its prospects of being seen as a global partner to conduct business in or with, and place further risk towards business offerings by South Africa's multinational entities who conduct business in international jurisdictions.

SARS has taken cognisance of the feedback received from MNEs on the manual capturing of the CbC01 form. The feedback received was that they were recapturing information that was already available in their systems and they were recapturing manually for each constituent entity leading to massive time delays and errors and this was not the most efficient way to receive CbC information. SARS has responded to this feedback by providing MNEs a mechanism to upload the CbC data that must be in accordance with the OECD schema, electronically.

STRATEGIC CONSIDERATIONS

Based on research and audit experience, SARS's strategic and annual performance plans have since 2013 highlighted complex schemes that are used by MNEs to take advantage of cross-border structuring and transfer pricing manipulations to evade or impermissibly avoid tax. This is often done through domestic and international loopholes.

Tax avoidance by MNEs that creatively use loopholes has long been part of the international tax system. The challenge is that countries acting alone cannot close the gaps and address the mismatches that arise in the interaction between the tax systems of multiple countries.

The OECD /G20 BEPS project provided the ambit for the development of the CbC reporting plan. Action 13 provided tax administrations with information relating to transfer pricing and other BEPS risks with an intention to tackle BEPS amidst changes in the global economic climate that placed increasing pressure on governments to increase tax revenues.

CbC reporting requires MNE Groups to report on their operations in every country that they operate in enabling governments to investigate irregular activities, monitor and eradicate corrupt practices and ensure that MNEs satisfy their tax obligations and pay taxes that are legally owed by them in the countries that they operate in. The CbC Reports includes, *inter alia*, global allocation of income, profits, taxes paid, business activities engaged in, structure of the operations and the number of employees that are employed by the company in each country that they operate in.

In response to the above, South Africa has introduced a domestic legal framework that will enable SARS to receive and where relevant exchange pertinent transfer pricing information provided in the CbC Reports, master files and/or local files with other jurisdictions.

DOMESTIC LEGAL REQUIREMENTS

The Tax Administration Act

- Under section 3 of the TAA, SARS is responsible for the administration of all tax Acts under the control or direction of the Commissioner and may use its information gathering powers under the TAA for this purpose. Administration of a tax Act, such as the ITA, includes the matters listed in section 3(2) of the TAA.
- In terms of section 3(3)(a) of the TAA, if SARS, in accordance with an international tax agreement is obliged to exchange or wishes to automatically exchange information, SARS may disclose or obtain the information requested for transmission to the competent authority of the other country as if it were relevant material required for purposes of a tax Act and must treat the information obtained as taxpayer information.

CbC Regulations under TAA

Under section 1 of the TAA, regulations for purposes of paragraph (b) of the definition of “international tax standard” in section 1 were promulgated under section 257 of the TAA, specifying the changes to the CbC Reporting Standard for Multinational Enterprises (the SA CbC Regulations).

In addition, the Competent Authority of South Africa signed the MCAA on the Exchange of CbC Reports on 27 January 2016, which is the implementing arrangement for the automatic exchange of the CbC Reports between South Africa and the other signatories of the CbC MCAA.

REQUIRED OUTCOME

The required outcome from this phase of the project is to ensure that the Reporting Entity of the MNE Group submit their CbC Report in the form of uploading an electronic file (XML format) or CBC01 form which would both be in accordance with the OECD CbC XML Schema version 2.0.

Enable the MNEs to initiate a correction of the files that were previously filed in the old schema. Previously submitted files will be automatically converted by SARS to align to the updated OECD CbC XML Schema version 2.0.

The electronic form be validated automatically by SARS, a declaration will also be completed by the Reporting Entity and the file will be submitted to the Financial Data Reporting System. The file will then later be transmitted and exchanged electronically with other tax jurisdictions as per current process.

SARS will continue to use the CbC Reports for the purposes of assessing high level transfer pricing risks and other risks and the master files and local files will support this function but generally inform case selection and audit.

The information will be used by SARS for the purposes of assessing high level transfer pricing risks and other BEPS risks.

PROJECT SCOPE

The scope for this BRS is the submission of the electronic CbC Reports, master file and/or local file to SARS by the relevant MNE. This will include both the MNE Groups defined in the published SA CbC Regulations and all other MNEs required to do so.

The requirements of the CbC Report, master file and local file are summarised below:

CbC Report

This report requires a listing of all the Constituent Entities for which financial information is reported, including the tax jurisdiction of incorporation, where it is different from the tax jurisdiction of residence, as well as the nature of the main business activities carried out by that Constituent Entity. The CbC Report will be helpful for high-level transfer pricing risk assessment purposes as per requirement set out in the Action13 (2015) Final Report.

SARS will enable the Reporting Entity to upload an electronic CbC Report using eFiling. The format of the electronic file will be limited to a XML File Structure, which will be validated by SARS upon submission. The User must refer to the Addendum 1 for the XML Mapping Document.

In addition, SARS will update the current form to align to an updated OECD CbC Schema version 2.0 which becomes effective from the 1st February 2021 for exchange purposes. This will require that MNEs' that opts to file through the electronic format, must also ensure that their CbC Reports/files are reported in the latest OECD CbC XML schema version 2.0

<https://www.oecd.org/tax/beps/country-by-country-reporting-xml-schema-user-guide-for-tax-administrations-june-2019.pdf>

Master file

The master file should provide an overview of the MNE's business, including the nature of its global business operations, its overall transfer pricing policies, and its global allocation of income and economic activity, in order to assist tax administrations to evaluate any significant transfer pricing risk. The master file is generally compiled by a parent or headquartered Entity but is available to and may be obtained from all Entities of an MNE. In general, the master file is intended to provide a high-level overview, in order to place the MNE's transfer pricing practices in their global economic, legal, financial and tax context.

Local file

This file must be compiled and kept by all Entities of an MNE and will provide more detailed information relating to specific intercompany transactions. The information required in the local file supplements the master file and helps to meet the objective of assuring that an Entity of the MNE has complied with the arm's length principle in its material transfer pricing positions affecting a specific jurisdiction. The local file focuses on information relevant to the transfer pricing analysis related to transactions taking place between a local country affiliate and associated enterprises in different countries and which is material in the context of the local country's tax system.

Switch off the submission functionality of eFiling to prepare for the upload of the new schema validation

The request as, made by MNEs, for a CBC Report submission on eFiling will be disabled for the stipulated period in preparation of the new schema implementation on eFiling This is required because the new schema is only effective from 01 February 2021 and if the MNE is allowed to submit their files before 01 February 2021, their files will fail the schema validations.

Efiling File Status

In instances where a CbC Report (CbC01 Form/XML File) fails file validations in terms of the OECD CbC XML Schema and/ or the SARS business rules either on eFiling or the SARS back-end system, eFiling must display to the taxpayer that the CbC Report was "Rejected" instead of the current "Filed" status.

Request for Correction for previous year's submitted CbC Report

It has been noted that tax jurisdictions exchanging CbC Reports often require revisions and corrections from other tax jurisdictions and on the CbC Report received. In this instance, the requesting tax jurisdiction will liaise with the sending tax jurisdiction (South Africa in this example) and request a correction of the CbC Report from the submitting MNE. The MNE will be notified to submit the corrected file to ensure that it is then transmitted to the requesting tax jurisdictions for use.

As the updated CbC XML Schema will be coming into effect from the 1 February 2021, SARS needs to enable MNEs to file corrections that were requested prior the effective date of the update CbC XML Schema version 2.0 when the CbC report was compiled using the XML schema version 1.0. SARS will apply the following changes:

- SARS will archive the CbC Reports (CbC01 Form and electronic file) that were filed prior the implementation of the updated schema in their original format. The archived files will still be accessible on eFiling by the MNEs.
- In additions, SARS will automatically convert the previously filed CbC Reports (CbC01 Form) to align with the updated OECD CbC XML Schema version 2.0 to enable MNEs initiate corrections of such files where applicable or required. This will be done to ensure that when a correction of the previous file is required the MNEs are not subjected to capture the new form from the start in order to rectify and correct the file, but they are able to still correct the existing form.

Extended due date for December submission

The Dec 2020 submissions received by 31 December 2020 will be required to be exchanged by 31 March 2021. The Dec 2020 files would all be based on the old schema values and the challenge for SARS would then be on how to exchange the files after 01 Feb 2021 in accordance of the new schemas requirements.

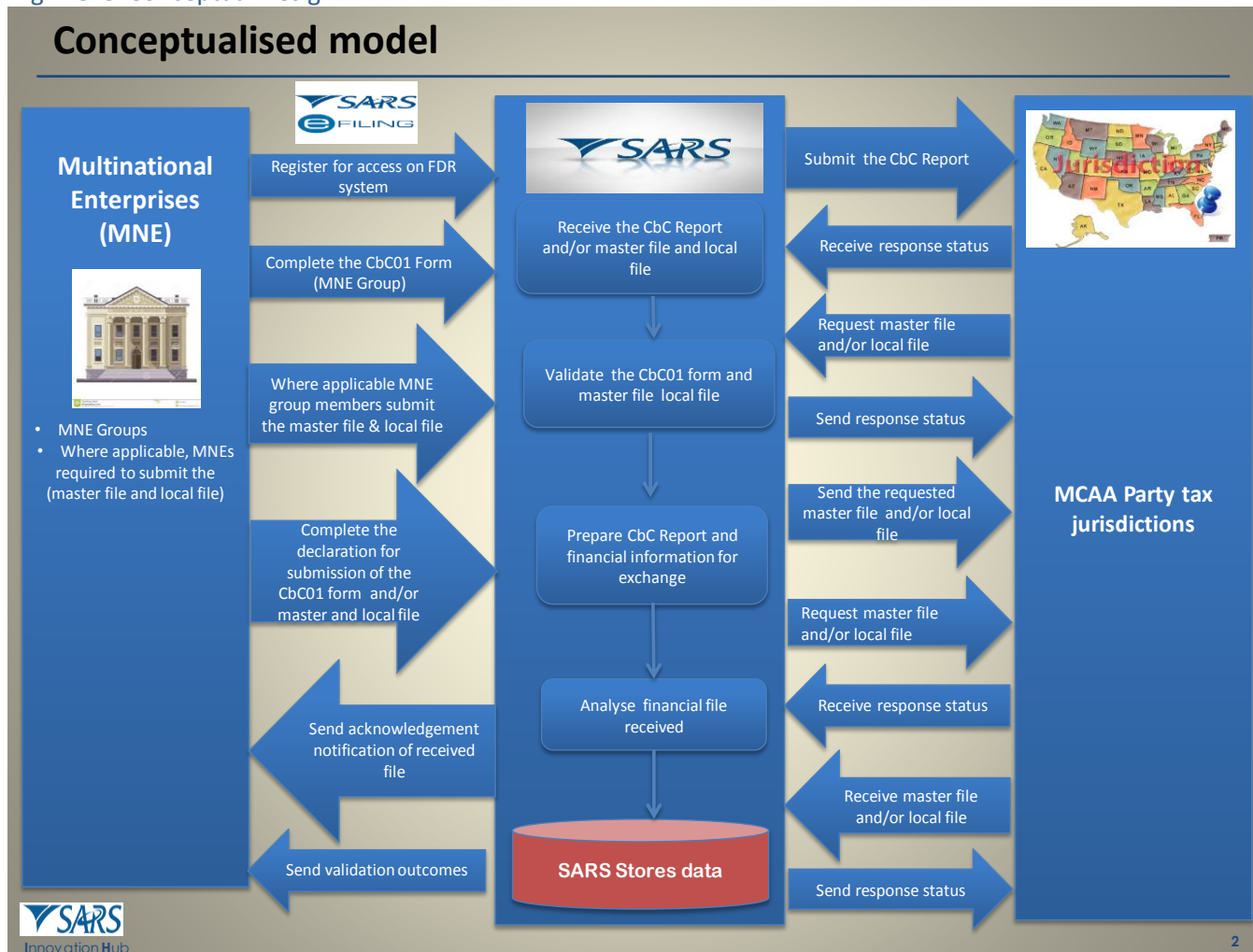


FIGURE 1: CONCEPTUAL MODEL

The conceptual design (Figure 1) above illustrates that the Reporting Entity of the MNE Group filing and/or uploading the CbC Report (electronic file/manually captured) and/or the master file and the local file will have to be a registered SARS eFiling User to enable it to access the Financial Data Reporting (FDR) system. Once the registered Reporting Entity has logged onto eFiling, the User will navigate through to the CbC Reporting system link and access the CbC Reporting work page. For the CbC Report, the Reporting Entity is required to complete the CbC01 Form and/or electronically upload a CbC data file and before the User can complete the submission process, the User will be required to formally declare that the information captured on the CbC01 form /uploaded is true and correct. The format of the form will be a HTML5 form developed by SARS whilst the electronic file must be the XML format. The form will contain all the fields defined in the OECD CbC XML Schema. The electronic file upload must be in XML format and must comply with the OECD XML Schema. All amounts provided in the Country-by-Country. Report should be reported in one and the same currency, being the currency of the Reporting MNE. If statutory financial statements are used as the basis for reporting, all amounts should be translated to the stated functional currency of the Reporting MNE at the average exchange rate for the year stated.

An Entity of an MNE which is not an Entity of a MNE Group required to file a CbCR but is required to file a master file and local file will also have to register on the SARS Third Party Data platform to be able to submit these files. If the User is uploading financial data relating to the master file and the local file (policies, diagrams and transactions), these components may be uploaded individually in terms of both the requirements for the master file and the local file. This will enable SARS to ensure that the relevant User specifically submits components required for the master and/or local files. Once the User has completed uploading the master file and/or the local file, a pop-up declaration message will necessitate the User to declare the documents loaded to be true and correct.

An immediate response from SARS acknowledging receipt of data submitted will be sent to the relevant User through the correspondence dashboard. Validations of the CbCR submitted will be done via the FDR system against the validation rules. Based on the outcomes of the validation (successful/unsuccessful) a response message will be generated and sent to the relevant User.

Once the CbCR have been received from the CbC Reporting Entities, SARS will validate, consolidate the reports and prepare a single report that will be automatically transmitted with tax jurisdictions in accordance with existing treaties, under the CbC MCAA or bilateral competent authority agreements.

It must be noted that there will be no manual branch submission capability available for this project. Only submission through the eFiling system will be available.

SARS will validate the compatibility of the financial data uploaded by the relevant User of an MNE Group and Entities of other MNEs required to file the master and local file. The financial information will be validated against the requirements stated in the OECD/G20 Base Erosion and Profit Shifting Project Guidance on Transfer Pricing Documentation and CbC Reporting for transmission purposes. SARS will prepare the file for exchange with other jurisdictions and receive files from other jurisdictions.

CbC Reporting

The CbC Report will be presented in a CbC01 Form designed by SARS and to extend the method of submission, SARS will also enable the Reporting Entity to also file their CbC Report through electronic submission by uploading a data file that should be in an XML structure. It is required that the Reporting Entities of the MNE Group will access the form and provide crisp information about the functions performed, assets owned, personnel employed, revenue generated, profits earned, taxes paid, capital structure, retained earnings, etc., with respect to each Constituent Entity of the MNE Group located in different countries, as highlighted in the Action 13 (2015) Final Report. Thus the CbC Report is the platform to access the veracity of the blue print provided in the master file.

The CbC Report would assist in interpreting the transfer pricing policies of the MNE Group, namely how the different profit level indicators align with the transfer pricing policy stated in the master file and local file also how they vary between jurisdictions.

In order to facilitate the swift and uniform implementation of CbC Reports and with a view to accommodate the electronic preparation, filing and exchange of CbC Reports, the updated CbC XML Schema and the related OECD

User Guide are available and designed by the OECD to be used for the automatic exchange of CbC Reports by Reporting Entities to their domestic tax authorities. In addition, it is important that when filing a CbC report, the guidance provided in the OECD's Guidance on the Implementation of Country- by- Country Reporting should be referred to by the Reporting MNE. <https://www.oecd.org/tax/beps/guidance-on-country-by-country-reporting-beps-action-13.htm>

Since the inception of the CbC Reporting process in 2017, the MNEs were provided with a standard XML schema to follow when reporting their CbC Reportable data. The schema was officiated and published by the OECD for the tax jurisdictions to implement for the reporting of the CbC Data. It must be noted that the 2017 OECD schema will be applicable to MNEs that file until December 2020. Therefore, the new OECD CbC Reporting XML Schema version 2.0 will apply to MNEs that file after 31 January 2021. The reason that the schema was updated by the OECD is as a result of ever-increasing revenue challenges across the globe year-on-year as determined by the OECD, which informs the need for review on regulations and multilateral agreements, inputs and support received from different tax jurisdictions and other related organisations in different forums.

Therefore, SARS would stipulate the process in which the newly update CbC XML schema will be implemented taking into account the systems and forms that will be impacted by these OECD changes. The changes required for the implementation of the OECD CbC Reporting XML Schema version 2.0 are outlined below.

Maintenance of the submission functionality

In the event that the MNE submits their file during the January period, the file will be required to align with the current CbC Requirement. However, the new schema will come into effect from the 1 February during which the expectation is that the MNEs must prepare their submissions to align with the updated CbC Schema requirements version 2.0. If the MNEs file during the freeze period, upon the transmission of the reports with other jurisdictions for the January period, the files will fail the validation due to misalignment of the CbC XML Schema requirements.

It is therefore required that SARS disable the submission functionality of the CbC Report request on eFiling for the MNE. The exact dates will be communicated through the SARS website, but the provisional switch off dates are from the 04 Dec 2020 to 31 Jan in preparation for the implementation of the new schema on eFiling and the SARS back-end systems. This is required because the new schema is only effective from 1st of February 2021 and if the MNE is allowed to submit their files before 31 January 2021, their files will fail schema validations. In the period that the functionality is disabled, eFiling will display the warning message on eFiling for MNEs that attempt to submit. The following will be applied:

- Disable the CbC Report submission functionality on eFiling from 04 Dec 2020 to 31 Jan 2021 (provisional dates).
- Display the following message to the MNEs attempting to file during the freeze period.

- “Please note that SARS is updating the CBC XML Schema validation to OECD CBC XML schema version 2.0 requirements. The CBC submission and Request for Correction functions will not be available from 04 December 2020 to 31 January 2021. Only filing of Master and Local files will be allowed during this period. Please visit our SARS website on www.SARS.gov.za for more information.”
- MNEs will be allowed to submit Master and Local files only during the switch-off period as stipulated above.

Extended due date for December submission

The Dec 2020 submissions received by 31 December 2020 will be required to be exchanged by 31 March 2021. The Dec 2020 files would all be based on the old schema values and the challenge for SARS would then be on how to exchange the files after 01 Feb 2021 in accordance of the new schemas requirements. The following will apply:

- SARS will defer/extend the December submission due date to a date after the new schema (CbC XML Schema version 2.0 has become effective).
- SARS request the MNEs that are due to submit in the December period to form part of the trade testing population for purposes of testing the end to end process with SARS whilst SARS assist them with the preparation of their CbC Reports due for submission. The MNEs that would like to form part of the trade testing will liaise with the LB Relationship Managers for the arrangement.
- The submission of the CbC Reports that are due end of December 2020 will be deferred to 28 Feb 2021 so as to also allow SARS to exchange information by 31 March 2021. This would mean that MNEs that could not submit during the December period as a result of the switch-off period, would have until 28 February to file their CbC Reports.

Conversion of the already submitted CbC Reports from the previous years to the XML Schema version 2.0

As the updated CbC XML Schema will be coming into effect from the 1 February 2021, SARS needs to enable MNEs to file corrections that were requested prior the effective date when the CbC report was compiled using the XML schema version 1.0.1 it must be noted that the OECD has provide a directive which states that, as from the 1st February 2021, the CbC Reporting XML Schema version 1.0.1, will no longer be applicable/in use and therefore, all corrections of the previously submitted files must be submitted/transmitted in accordance with the newly updated schema. On that note, SARS will apply a seamless automated conversion process on all files that were previously submitted by the MNE prior to the implementation of the updated schema. Please note that the following will apply:

- In preparation of the updated CbC XML Schema version 2.0, SARS will convert the existing files (CbC01 Forms) that were submitted successfully by the MNEs to SARS for the previous years to conform to the updated CbC XML Schema version 2.0.
- The conversion will be limited to the CbC01 Forms submitted and will exclude CbC Reports that were submitted in the XML file format.
- The submitted files will be archived and accessible on eFiling in their original submitted schema version.
- All files that were previously submitted locally to SARS by MNEs will be replaced with the updated file but the old file will be archived and accessible on eFiling.
- The newly converted files will be accessible and viewable as read-only files in the eFiling. The form will be rendered to the taxpayer converted to the updated version 2.0 but all the new fields from the updated schema will be automatically hidden.
- In the event that the User select to view the form from the work page, eFiling will render/display the converted file to the User and not the old file.
- The MNE that previously filed the CbC Report in the XML File format will be able to download the submitted file in the old XML schema version 1.0.1.
- All CbC01 forms on the saved or issued status will be discarded prior to the implementation date as the conversion of the schema will be applied on all the successfully submitted files.

Refer to Appendix 1 for the additional field description on the CbC Report

Completion and Conditions of the CbC Report submission

The following process will apply to the Reporting Entity of MNE Group for submitting the CbC Report.

1. Register as an eFiling User if not yet a SARS eFiling User.
2. On the eFiling work page, click on the Country by Country tab to navigate to the work page and register as the User submitting on behalf of the Reporting Entity
3. After registration, login to the eFiling system as the User submitting on behalf of the Reporting Entity. Only the User can upload the documents on the eFiling system. The User login onto eFiling on behalf of the Reporting Entity:
 - Must have Income tax reference number or PAYE reference number applicable to the Reporting Entity
 - Must have eFiling profile
 - Must select product type (CbC in this case)
 - Must be responsible for submitting declarations
 - Must be able to view dashboards on eFiling in order to track status of submitted files
4. Access the eFiling

5. Click on the CbC Report tab and the User will need to select the preferred method of submission. The User may complete the CbC01 Form (CbC Report) that loads on the screen or select upload file on the work page to upload the electronic file upon selection of the method.

6. Submission of the Electronic CbC Report

- The Reporting Entity will select to “upload CbC file” link from the pop-up message.
- A window will then display and the Reporting Entity will browse from their local machine and select the applicable file to upload.
- The administrator is also required to make a declaration once they have selected the file to upload via SARS eFiling
- Once the file is uploaded, it will automatically be submitted for validations, and the file will be verified against the required XML schema and the requirements of the file structure.
- Once the file has been uploaded, the administrator will be able to view the file name displayed on the work page.

7. Submission of the CbC Report

- If the User submitting the CbC Report selects to capture the form that is presented, the User must capture and complete all the information as per the OECD XML Schema and appendix 1 below.
- The Reporting Entity may open and capture the CbC01 form and/or save the captured details on the CbC01 form.
- The form captured must follow the principle guidelines below. Refer to appendix 1.
- The User must complete the mandatory declaration and submit the form.

Notes:

- The CbC form and the electronic CbC file must conform to the OECD CbC XML Schema on CbC Reporting
 - Both the form and the XML file will be validated against the OECD XML Schema and the SARS CbC Mapping document due to the additional fields added to the requirement.
 - The User must be able to switch between the submission methods when they are still within the form.
 - Once the Reporting Entity has selected to upload the file as the preferred method of filing for CbC, then the issued CbC01 Form must not be available on the work page.
 - Once the Reporting Entity completes capturing the form and has captured the mandatory declaration, the entity will select the upload button on the work page so that the CbC Form is validated.
8. The User capturing or uploading the file on behalf of the Reporting Entity will be able to save, cancel, view or declare on the files:
 - **Save:** The User will be able to save the document and finalise the process later. The User can later access the saved document with the saved information pre-populated. No information will be submitted to SARS.

- **Cancel:** If the User clicks the cancel button, the document will be cleared and the system will close. No information will be submitted to SARS.
- **Upload:** The administrator will then upload the file whereby the file will be validated against the structure requirements and the CbC XML Schema requirements. Refer to **General Rules for CbC Report and File Structure**.
- **Download File:** The administrator will be able to download and view the file uploaded. Once the file has passed the verification then the file will be stored on eFiling for later review and will be retrievable in the event the administrator requests a correction of the file. If the file failed validation, the file will not be stored on eFiling and the User will be required to start the process again.
- **Submit:** In the event that the taxpayer select the “submit button, they will then be prompted to complete the declaration process. The file will be submitted to SARS.
- **Declare:** If the User clicks the submit button, a declaration pop-up message will appear, prompting the User to declare the information captured as true and correct. Then the file will then be submitted to SARS. If the User opts to make the declaration process later, the file will remain in the saved status on eFiling. If the User does not declare, then the file will not be submitted to SARS but it will remain in the saved status.

Note:

- In the event that the User has uploaded the file and the file has passed all validations, but the User does not submit the file immediately, the file will remain as “Saved”. However if the User attempts to upload a new version of the file, then the saved version will be replaced with the newer version.
 - Once the User has opted to capture the CBC01 form and it passes validation and is submit to SARS, but a Request for Correction is made, the correction can be done through the form or file upload. However if the User initially opted to upload the file, they can only do a correction by uploading another version of the file.
 - If the form captured initially failed validations and the form was not submitted, the User may opt to upload the file instead of capturing the form as a preferable method.
9. Once the administrator of the Reporting Entity has selected "Upload", the following outcomes may be applicable - Refer to **General Rules for CbC Report and File Structure**:
- **Accepted** – file passed all validations; in the event that the file has successfully passed the validations the Reporting Entity may continue to complete the declaration and submit the file. SARS will accept the file to finalise validation. Once the file passes validation the User will be able to view the file and proceed with the declaration. The file will be saved on eFiling once it is accepted.
 - **Rejected** – file failed some critical validations listed, in the event that the file does not pass the validations as per the General rules section, the Administrator is required to make corrections to the file and upload the file again.

Note: The administrator submitting on behalf of the MNE will receive a response report that will underline the failed validation, if the file has failed the validation, reasons for rejection (failed file) will be provided to the administrator. User must be able to view and save in their local machine.

Note:

- SARS will send an immediate response to the User submitting on behalf of the Reporting Entity regarding the validation outcomes of the CbC Report.
- Once the file is accepted and it had passed the validation, the User will be prompted to complete the declaration requirements. Once the declarations are completed the file will be submitted to SARS for purposes of transmission with other tax jurisdictions.
- SARS reserves the rights to further validate the form to ensure that all demographic information and other information (i.e. currency) has been declared correctly. This may then result in further communication with the User.

10. SARS will send an acknowledgement of receipt for the data received.

General Rules for CbC Report and File Structure

1. Each file submitted to SARS must only contain information for the reporting entities, the MNE group and for one submission period. The requirement field for each data element and its attribute indicates whether the element is validation or optional in the CbC XML Schema.
 - a. **“Validation”** elements MUST be present for ALL data records in a file so that an automated validation check can be undertaken. The sender should do a technical check of the data file content using XML tools to make sure all validation elements are present. If they are not, a correction to the file should be made. SARS may check the presence of all validation elements and may reject the file in case such elements are missing
 - b. Some elements are shown as **“(Optional) Mandatory”**, indicating they are in principle required for CbC reporting, but only in certain instances
 - c. Consequently, **“(Optional) Mandatory”** elements may be present in most (but not all) circumstances, which means there cannot be a simple IT validation process to check these. For example, the Reporting Entity and CbC Reports elements are labelled as **“Optional (Mandatory)”**, indicating that both elements are in principle mandatory, unless one of the elements is left blank in the context of a correction of the other element (see the Corrections section below for further detail)
 - d. Other **“Optional”** elements are, while recommended, not required to be provided and may in certain instances represent a choice between one type or another, where one of them must be used (e.g. choice between address fix or address free)
2. Data fields must not start with a space
3. **Currency**-All amounts provided in the Country-by-Country Report should be reported in one and the same currency, being the currency of the Reporting MNE. If statutory financial statements are used as

the basis for reporting, all amounts should be translated to the stated functional currency of the Reporting MNE at the average exchange rate for the year stated in the Additional Info element.

4. All files must conform to the LATIN-1 character encoding.
5. Different types of validations as well as the sequence of validations to be performed on files are as follows:

a) SARS will reject an entire file if the following are found:

- The file is corrupt, i.e. the file could not be read
- The file fails structure validations, i.e. error(s) summary or line item level taxpayer data header, body or trailer, or specific field errors were found in the submission file header, summary or line item level taxpayer data header or trailer. Field validations on the file body are addressed in point 2 below
- Invalid file name.

b) SARS will accept an entire file under the following conditions:

- Zero fields were rejected
- One or more records were found to be duplicates.

6. The fields in the file body are subjected to all of the following types of validations and in the sequence as described below:

- a) Required: validates whether the field is required to be completed. Can be mandatory, conditional or optional. If the field is conditional, a condition rule is supplied.
- b) Length min: max- specifies the minimum length and the maximum length a field can have. If the field has a fixed length type, the minimum and maximum lengths are the same. Based on whether the condition rule is met, different minimum and maximum lengths are defined.
- c) Data validations: validates whether the field complies with the format rules or belongs to a pre-defined set of values. Further specifies numeric or alpha numeric.

Note: When records are being validated by SARS, the validations will be done in the sequence as described above. Once a field has failed any one of these validations no further validations will be done on that field. For example, if a field passes the required and data type validations (numbers 6(a) and 1 above) and then fails on length type (number 6(c)), the length and data validations will not be performed and the error on the length type will be recorded in the response file.

7. The structure of the file upload must be submitted in an **XML format** or the Reporting Entity if preferable may capture the CbC01 form.
8. **File Validations-** These will be done in the sequence provided in the table below. If the file fails structure validations (File Response Code = 005), then a File Response Reason will be provided in the response file header.

No	Validation	File Response Reason
001	XML Schema Validation	One or more body items contain the incorrect number of fields, or the records were submitted in the incorrect sequence

002	XML Schema Elements Validation i.e. invalid data type	One or more elements in the schema contains incorrect or missing data according to the XML Schema
003	The length and data validations/rules fails (i.e alphanumeric) maximum length and Numeric vs alphanumeric	One or more data elements do not comply with the format rules
004	File format i.e. Word document uploaded instead of XML file	Invalid file type uploaded

Validations on the Document Reference ID

In order to ensure that a message and a record can be identified and corrected, the MessageRefID and DocRefID must be unique in space and time (i.e. there must be no other message or record in existence that has the same reference identifier). The MessageRefID identifier can contain whatever information the sender uses to allow identification of the particular record but should start with the country code of the sending jurisdiction, followed by the year to which the data relates and then a dash before a unique identifier. *[In case the CbC XML Schema is used for domestic reporting, the sending Reporting Entity should ensure that a unique identifier is created in line with the above explanations, which could be complemented by a Reporting Entity identification number, provided by the Competent Authority of the Tax Jurisdiction of the Reporting Entity.]*

SARS required that the Reporting Entity should continue to follow the guidelines provided on the OECD CbC XML Schema when generating the DocRefID. In addition to that the following logic must be adhered to by the MNEs in sequence:

Sequence	Description	Example	Validation	Business Rule
Character 1 to 2	Country code	ZA	Yes	Same as Reporting Entity Country Code
Characters 3 to 6	Reporting year	2020	Yes	<ul style="list-style-type: none"> They are only digits/numbers – Validation remains They must be the same as the reporting period year – validation remains
Character 7	Hyphen	-	Yes	It must be a hyphen -
Character 8 to 17	Tax Identification Number (Tax reference	12345679 0	Yes	It must be 10 characters

	number) of the Reporting Entity			
Character 18	Hyphen	-	yes	It must be a hyphen -
Character 19 to 54	Unique identifier which can be generated by the Reporting Entity. It has been recommended that the number must be GUID generated number. The GUID portion is a standard 36 characters. The total length of the field is 54 characters.	E7D34B6C -7337- 4669- B216- 0087680C 999E	No	GUID

The unique identifier in the DocRefID is used by the sending Competent Authority [or the Reporting Entity] to identify a unique record and is composed of the country code of the sending jurisdiction, followed by the year to which the data relates and then a dash before a unique identifier. e.g. LU2019 286abc123xyz

This DocRefID indicates that Luxembourg is the sending country, the data relates to the fiscal year 2019 [of the Reporting Entity] and the unique identifier is "286abc123xyz".

Form changes:

Expand the CbC01 form and the XML schema to build an additional field onto the demographic details container. The additional field would require the Reporting Entity to report on their Total Consolidated Group Revenue. This field will be used to ensure that even though the MNE group has filed the CbC Report, only MNEs with a total consolidated group revenue of more than R10 billion (where the Ultimate Parent Entity (UPE) files the CbCR and is not tax resident in SA) or €750 million (where a SA resident Constituent Entity must file the CbCR if the non-SA tax resident UPE does not), during the Fiscal Year immediately preceding the Reporting Fiscal Year, is transmitted with other tax jurisdictions. Secondly, the form needs to cater for an additional identification number field as per OECD CbC XML schema for better variation of identification numbers.

The CbC01 Form will be updated in accordance with the OECD CbC XML Schema version 2.0 that was published in June 2019 and which will be effective from the 1 February 2021. To view the changes that will be made on the form please refer to the link below and the additional sample schema requirements in Appendix 2:

<https://www.oecd.org/tax/beps/country-by-country-reporting-xml-schema-user-guide-for-tax-administrations-june-2019.pdf>

Master file

A master file provides tax administrations with high-level information regarding the MNEs global business operations and transfer pricing policies. The master file is expected to provide an overview or blue print of an MNE global business model, specifically covering the following aspects:

- Organisational structure

- Description of the various businesses
- Intangibles used in the businesses
- Intercompany financial transactions and
- Financial and tax positions.

The master file will provide a high level overview in order to place the MNE's transfer pricing practices in their global economic, legal, financial and tax context. It is not required to list exhaustive minutiae (e.g. a listing of every patent owned by Entities of the MNE) as this would be unnecessarily burdensome and inconsistent with the objectives of the master file.

In producing the master file, including lists of important agreements, intangibles and transactions, Entities of an MNE should use prudent business judgment in determining the appropriate level of detail for the information to be supplied, keeping in mind the objective of the master file. When the requirements of the master file can be fully satisfied by specific cross-references to other existing documents, such cross references, together with copies of the relevant documents, should be deemed to satisfy the relevant requirement. For purposes of producing the master file, information is considered important if its omission would affect the reliability of the transfer pricing outcomes.

There are no set formats for the master file provided in Action Plan 13 (2015): Final Report with respect to the manner of presentation or the list of details to be mandatorily incorporated since that would have restricted the flexibility of taxpayers to prepare the master file in a manner appropriate for their respective businesses. However, the information in Appendix 2 represents the minimal requirement to be contained in the master file. This is especially relevant as the business model of each MNE may be quite unique.

Given the flexibility provided, each Entity of an MNE is encouraged to prepare the master file as a real-life summary, depicting the overall TP policy and supply chain model for each of the businesses run by it, in a manner that any person reading the document may understand the intercompany pricing policies adopted by the MNE.

Local File

In contrast to the master file, which provides a high-level overview, the local file provides more detailed information relating to specific intercompany transactions. The information required in the local file supplements the master file and helps to meet the objective of assuring that the Entity of the MNE has complied with the arm's length principle in its material transfer pricing positions affecting a specific jurisdiction. Under the "**arm's-length principle**" of **transfer pricing** the amount charged by one related party to another for a given product must be the same as if the parties were not related. An **arm's-length price** for a transaction is therefore what the **price** of that transaction would be on the open market.

The local file focuses on information relevant to the transfer pricing taking place between a local country affiliate and associated enterprises in different countries and which is material in the context of the local country's tax system. Such information would include relevant financial information regarding specific transactions, a

comparability analysis, and the selection and application of the most appropriate transfer pricing method. Where a requirement of the local file can be fully satisfied by a specific cross-reference to information contained in the master file, such a cross-reference should suffice.

Conditions for the Submission of the master file and the local file

The following steps are applicable to the Entities of MNEs submitting the financial information relating to the master file and the local file:

1. Register as an eFiling User if not yet a SARS eFiling User.
2. On the eFiling work page, click on the Country by Country tab.
3. After registration, the User submitting on behalf of the Reporting Entity. Only the User can load the documents on the eFiling system. The User login onto eFiling on behalf of the Reporting Entity:
 - Must have Income tax reference number or PAYE reference number applicable to the Reporting Entity
 - Must have eFiling profile
 - Must select product type (CbC in this case)
 - Must be responsible for submitting declarations
 - Must be able to view dashboards on eFiling in order to track status of submitted files
4. Access the eFiling
5. Click on the Master file tab or local file tab to access the applicable screen
6. Attach the required documents as prescribed for either the master file or the local file
7. The User submitting on behalf of the Reporting Entity will save, cancel or submit the files:
 - a. **Save:** The User will be able to save the document and finalise the process later. The User can access the saved document with the saved information pre-populated. No information will be submitted to SARS.
 - b. **Cancel:** If the User clicks the cancel button, the document will be cleared and the system will close. No information will be submitted to SARS.
 - c. **Submit:** If the User clicks the submit button, a declaration pop-up message will appear, prompting the User to make a declaration regarding the information to be submitted.
8. Complete the declaration requirements message.
9. SARS will send an acknowledgement of receipt message for the data received.
10. SARS will continue to manually validate the information loaded on the system.
11. SARS will send immediate response to the technical User regarding validation outcomes.
12. The following outcomes may be applicable:
 - d. Accepted – file passed all validations;
 - e. Rejected – file failed some critical validations;
13. If the report does not pass the validation, the User submitting on behalf of the Reporting Entity will be notified and be requested to re-submit the documents or submit more information.
14. If the uploaded documents have successfully passed the validations, then they will be saved on the SARS system for exchange with other tax jurisdictions.

15. The system will allow the specified User (technical User) to upload multiple types of information (MNE Structures, policies and financials) via e-Filing and the size of the files to be uploaded will be limited to 100 megabytes per individual file/data loaded (e.g. if the technical User is uploading a structure of the MNE Entities, then the document size will be limited to a 100 megabytes)

File Layouts

During the data submission process to SARS, messages will be sent back in real-time between the SARS systems and eFiling, depending on the data requested by SARS. The maximum number of messages is 3.

The table below indicates the file number and name to be used to convey that message for each message. It also indicates the sender and recipient for each message. For each of the files, a detail file layout is provided in the sub paragraphs.

Message Number	Message Description	File Number	File Name	Sender	Recipient
1	Country by Country data submission is required as determined by the Commissioner	1	CbC submission	Submitting Entity	SARS systems
2	This response will be the acknowledgement of receiving data submission before any validations have been performed	2	Response	SARS systems	Submitting Entity
3	This response is the notification of whether the file was accepted or rejected. If rejected the response includes a rejection reason	2	Response	SARS systems	Submitting Entity

Status update and referral responses

Action	Frequency	Status	File Format	
CbC01 Form uploaded	Original	File validated not yet submitted	CbC01	Version 1

CbC XML File uploaded	Original	File validated not yet submitted	CbC XML File	Version 1
CbC01 Form Submitted	Original	File submitted	CbC01	Version 1
Cbc XML File Submitted	Original	File submitted	CbC XML File	Version 1
CbC01 Form Saved	Original	Saved	CbC01	Version 1
CbC01 Request for Correction uploaded	Request for Correction	File validated not yet submitted	CbC01	Version 2
CbC XML File Request for Correction uploaded	Request for Correction	File validated not yet submitted	CbC XML File	Version 2
CbC01 Request for Correction Submitted	Request for Correction	File submitted	CbC01	Version 2
CbC XML File Request for Correction Submitted	Request for Correction	File submitted	CbC XML File	Version 2

Corrections

In case the Reporting Entity becomes aware of inaccurate information, be it in relation to the Reporting Entity's identification information, or be it in relation to the information provided on the Constituent Entities and their business activities or the summary of the activities of the MNE Group in a Tax Jurisdiction, a correction will need to be made. If the error is discovered prior to the submission of the CbC Report by the Reporting Entity to SARS, the Reporting Entity may upload a corrected file or amend the saved CbC01 form which will then override the saved file on eFiling for the applicable fiscal year.

In the event that the Reporting Entity attempts to correct a file that is already submitted to SARS, then the Reporting Entity may request a correction on the eFiling work page and upload the correct file or amend the submitted file. All versions of the submitted files will be saved and available on eFiling.

However, in case an error is discovered after the filing of the CbC Report, adjustments to part of the CbC report will need to be made, in accordance with the guidance set out in this section.

Request for Correction

The reporting Entity may need to correct the CbC Report (CbC01 Form or uploaded file) that have been uploaded on the system.

Request for Correction on the CbC Report to SARS (CbC01 Form).

- In the event that the User corrects a CbC01 form that had failed the validation, the original form must be retained to eliminate the possibility of the User having to re-capture the whole form.
- Only the declared and submitted form will then be saved as the first version of the CbC report on eFiling.
- The User must be able to correct the CbC01 that was submitted by capturing additional information or amending any previously declared information.

Pre-submission of the CbC Report to SARS (CbC Report file).

- Once the User has uploaded the file, the file will be validated automatically. In the event that the file has been validated successfully but not declared, the User may initiate another upload of a new file, which will replace and override the saved file.
- In the event that a file was successfully submitted to SARS and the User had completed the declaration, the User may submit another file if there is additional information or amendments required to the existing file that was submitted to SARS.

Request for Correction for previous year's submitted CbC Report

As the updated CbC XML Schema will be coming into effect from the 1 February 2021, SARS needs to enable MNEs to file corrections that were requested prior the effective date of the updated CbC Reporting XML Schema version 2.0 when the CbC report was compiled using the XML schema version 1.0. where the MNE initiate a correction of the CbC Report that was filed prior (before 1 February 2021) after the updated CbC Reporting XML schema is effective, the following will apply:

Request for Correction: XML file was used for the CbC Report

- In instances that the MNE accessed their CbC Report work page on eFiling in an attempt to file a "Request for Correction" File and the User clicks the Request for Correction button, the system will display the following pop-up message:
- "Please note that to update and correct your CbC Report, please click on the download button to obtain a copy of your saved report. Once you have updated and corrected the report, ensure that it is aligned to the new schema requirements CbC XML Schema version 2.0. Please visit our SARS website on www.sars.gov.za for more information."
- The User will be able to click "cancel" to abandon the request
- The User will be able to click the "continue" button to continue with the request.
- The User will be able to download the available copy (in the CbC XML Schema version 1.0.1).

The above requirements will apply to the MNEs which filed the CbC Report using the electronic submission method (uploading an XML File) and they intend to initiate the correction of the file.

Request for Correction: CbC01 form

- Once the MNE clicks on the "Request for correction" button on the CbC work Page, the system will render and open the saved copy of the file which was automatically converted to the CbC XML Schema version 2.0.
- The form opened will conform to the new schema requirements and in the updated look and feel design.
- The new fields from the updated schema will be catered for on the form and the applicable business rules would be applied in terms of the updated CbC Reporting XML Schema version 2.0

Error Handling on eFiling

eFiling File Status

Once the XML File or the CbC01 form has been submitted through to eFiling, the CbC Report is validated against the CbC XML Schema requirements and the report will either pass or fail the validations. If the CbC Report passes the validation, then it will be stored for further transmission with other tax jurisdiction and the file status on eFiling will be "Filed". However, if the file does not pass the file validations, file status is intended to change to "Rejected". This will not be a case and the issue will be rectified by SARS timeously. The User submitting on behalf of the Reporting Entity is required to refer to the file/report line activity on the eFiling work page and not the submission status on the work page. Please refer to the extract below:

In addition to the above, it has been noted from CbC reports that were initially received and had failed validations because of either the business rules or the OECD CbC Schema Validation rules, eFiling currently displays the eFiling status as "Filed" although the CbC Report would have failed the necessary validations and in fact has not filed successfully with SARS. The problem with this status is that it creates a wrong impression to the MNE as if the CbC Report has been submitted successfully to SARS whilst that is not the case. This does not provide the reporting entity with the accurate status of their submission and that they need to correct errors identified by SARS. With the upcoming release the eFiling status section of the work page will be enhanced to display the following:

- In instances where a CbC Report (CbC01 Form/XML File) fails file validations in terms of the OECD CbC XML Schema and/ or the SARS business rules either on eFiling or the Financial Data Reporting System (FDR), eFiling must display to the taxpayer that the CbC Report was "Rejected" instead of the current "Filed" status.
- When the file fails the validations, eFiling will continue to provide the validation outcomes to the taxpayer.
- The status (Rejected/Filed) will be stored and displayed for each file submitted in accordance with the validation outcomes.
- While the validations are being conducted, the status that will be displayed on the eFiling work page must be "in-progress", to cater for any unintended system delays that could prevent the response in real-time.

- The new statuses will be applied on all the original submission from the date of implementation and any revisions done through the Request for Correction process.
- If the File Status is displayed as “in-progress”- The reporting entity will not be allowed to make any changes to the submitted file until the status is changed to either “Filed/Rejected”.
- If the File Status is displayed as “Rejected”- The reporting entity will be allowed to resubmit a rectified file or amend the saved CbC01 form.

File Error validation

SARS requires that the User reporting on behalf of the Reporting Entity ensure adherence to the OECD CbC XML schema requirements. Therefore, it is required that the Reporting Entity filing their CbC Report through the submission of the CbC XML file must use schema validation tool to validate the XML prior to uploading the file on eFiling.

The recommended various schema validation tools are available on the below link:
https://www.w3.org/wiki/XML_Schema_software

Appendices

Appendix 1: Field description for the CbC Report

File Layout: [OrganisationParty_Type \(Reporting Entity\)](#)

This section of the form will be used to identify each Constituent Entity, including the Reporting Entity on which information is to be provided as part of the CbC Report.

Reporting Entity: The Reporting Entity element contains the identifying information for the entity of the MNE Group that ensures the preparation and filing of the CbC Report.				
Element	File Name Structure Requirements	Required	Length (Min:Max) Characters	Data Validation
Reporting Period	This data element identifies the last day of the reporting period (i.e. the fiscal year of the MNE Group) to which the message relates in YYYYMMDD format. The Reporting Period element indicates the Start and the End Date of the Fiscal Year of the MNE Group for which the CbC Report is filed. The year of submission will be determined by your year-end date and you will have to align the year in the DocRefID, MessageRefID and CorrDocRefID fields in the XML to the year-end date	Validation	1 to 10 Characters	
StartDate	This element contains the Start Date of the Fiscal Year of the MNE Group for which the CbC Report is filed.	Validations	1 to 10 Characters	
EndDate.	This element contains the End Date of the Fiscal Year of the MNE Group for which the CbC Report is filed.	Validations	1 to 10 Characters	
Registered Name	This element should contain the full legal name of the Constituent Entity, including the domestic designation for the legal form, as indicated in its articles of incorporation or any similar document. In case the Constituent Entity is a permanent establishment, the name of the Constituent Entity should be followed by "(P.E.)".	Validation	1 to 200 characters	
Trading Name	This element should contain the full legal name of the Constituent Entity, including the domestic designation for the legal form, as indicated in its articles of incorporation or any similar document. In	Validation	1 to 200 characters	

	case the Constituent Entity is a permanent establishment, the name of the Constituent Entity should be followed by "(P.E.)".			
ReportingEntity_Type –				
NameMNEGroup –	This element allows specifying the name of the MNE Group by which the group is commonly known, in case this name differs from the name of the Reporting Entity.	Optional (Mandatory)	1 to 200 characters	
Company Reg No.	This data element provides the tax identification number (TIN) used by the tax administration of the tax jurisdiction of the Constituent Entity. In case the relevant Constituent Entity has a TIN that is used by the tax administration in its Tax Jurisdiction, such TIN is to be mandatorily provided, as to ensure the quality of the data, as well as the correct use thereof. In case a Constituent Entity does not have a TIN, the value "NO TIN" should be entered.	Validation	15 characters	
Issued by Country	This attribute describes the jurisdiction that issued the TIN.	Optional (Mandatory)	2-characters	Refer to the code table. Default to "ZA" or the country that issued the company registration number
PAYE Ref No.	This data element can be provided (and repeated) if there are other INs available, such as a company registration/*+n number or a Global Entity Identification Number (EIN).			
IN (Identification Number)	This data element can be provided (and repeated to the maximum of 15 Tax Ref Numbers) if there are other INs available, such as a company registration number or a Global Entity Identification Number (EIN) or VAT and/or PAYE.	Optional (Mandatory)	1 to 15 characters	
Issued by Country	This attribute describes the jurisdiction that issued the TIN. Repeated to the maximum of 15 Tax Ref Numbers)	Optional (Mandatory)	2-characters	Refer to the code table. Default to "ZA" or the

				country that issued the tax registration number
INType – Identification Number Type	This attribute defines the type of IN being sent (e.g. EIN, VAT, PAYE, CIT).	Optional (Mandatory)	1 to 200 characters	Refer to the Tax Type enumeration table (appendix 7)
Res Country Code	This data element should contain the country code(s) of the tax jurisdiction of the Constituent Entity (or, in case of a permanent establishment that is a Constituent Entity, the jurisdiction in which such permanent establishment is subject to tax).	Validation	2-character	Refer to code table
TIN	This data element provides the tax identification number (TIN) used by the tax administration of the tax jurisdiction of the Constituent Entity. In case the relevant Constituent Entity has a TIN that is used by the tax administration in its Tax Jurisdiction, such TIN is to be mandatorily provided, as to ensure the quality of the data, as well as the correct use thereof. In case a Constituent Entity does not have a TIN, the value “NO TIN” should be entered.	Validation	1 to 200	Default to Company Income Tax Reference number
TIN issued by Country	This attribute describes the jurisdiction that issued the TIN.	Optional (Mandatory)	2-characters	Refer to the code table. Default to "ZA" or the country that issued the company registration number
GIN	This data element can be provided (and repeated) if there are other Ins available, such as a company registration number or a Global Entity Identification Number (EIN).	Optional	1 to 200 characters	Default to Company Registration Number (CK No)
IN	If the jurisdiction is not known then this element may be left blank.	Optional	1 to 15 characters	Refer to the code table. Default to "ZA" or the country that issued the company registration number
IN	This attribute defines the type of IN being sent (e.g. EIN).	Optional	1 to 200 characters	Default to PAYE number

Name	This element should contain the full legal name of the Constituent Entity, including the domestic designation for the legal form, as indicated in its articles of incorporation or any similar document. In case the Constituent Entity is a permanent establishment, the name of the Constituent Entity should be followed by "(P.E.)".	Validation	1 to 200 characters	
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Contact Details: The below elements will contain the details of the person/administrator completing and submitting to the tax jurisdiction on behalf of the Reporting Entity. *The contact person details that pre populate should be the details of the e filing User logged on.*

First Names	Mandatory	1 to 120 characters	
Surname	Mandatory	1 to 120 characters	
BusinessTell 1	Mandatory	1 to 15 characters	
BusinessTell 2	Mandatory	1 to 15 characters	
CellPhone	Mandatory	1 to 15 characters	
Email address	Mandatory	1 to 80 characters	

Address:			
Country Code	This data element provides the country code associated with the Constituent Entity		
Address Free	In this case, the city, sub Entity, and postal code information should be entered in the appropriate fixed elements.		
Street	The above data elements comprise the Address Fix type.		

BuildingIdentifier	The above data elements comprise the Address Fix type.		
SuiteIdentifier			
FloorIdentifier			
District Name			
POB			
Postcode			
City			
Country SubEntity			

The following must be noted with regards to the Address type:

1. There are two alternative options for Address type in the CbC XML schema – Address Fix and Address Free. In principle, Address Fix should be completed in all cases, unless the Reporting Entity is not in a position to define the various parts of a Constituent Entity’s address, in which case the Address Free type may be used.
2. While the CbC reporting template does not require that the address of each Constituent Entity be reported, it is strongly recommended that this information is provided, as to ensure that the data in the CbC XML Schema is of a high quality, is accurately matched and appropriately used by the receiving jurisdiction(s).

This data element is the permanent residence address of a Constituent Entity.

File Layout: Total Consolidated MNE Group Revenue

Total Consolidated MNE Group Revenue: MNE Group total consolidated group revenue of less than R10 billion (or, if paragraph 2 of Article 2 applies, 750 million Euro) during the Fiscal Year immediately preceding the Reporting Fiscal Year as reflected in its Consolidated Financial Statements for such preceding Fiscal Year				
Total Consolidated MNE Group Revenue	The total consolidate MNE Group Revenue reported in the currency of the Reporting Entity during the Fiscal Year immediately preceding the Reporting Fiscal Year	Validations	1 to 15 characters	numeric

No of Tax Jurisdiction	The total number of Tax Jurisdiction as to be declared by the reporting Entity. These are Number of Tax Jurisdiction in which the MNE Group is reported to be present.	Validations	1 to 3 characters (Maximum number of Jurisdictions is 249)	Numeric
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File Layout: CbC Body

The CbC Body contains the information on the Constituent Entities, including the Reporting Entity, of the MNE Group for which a CbC Report is filed, as well as the key indicators of the MNE Group as a whole and the individual Constituent Entities, as foreseen in the CbC reporting template.

Element	File Name Structure Requirements	Required	Length (Min:Max) Characters	Data Validation
Reporting Entity	The Reporting Entity element contains the identifying information for the entity of the MNE Group that prepares and files the CbC Report.	Validations		
CbC Reports	The CbC Reports element contains, for each tax jurisdiction in which the MNE Group operates, a summary of key indicators, as well as a list of all Constituent Entities and their business activities.	Validations		
Additional Info	The Additional Info element allows entering any additional information on the CbC Report that the Reporting Entity wishes to make available to the receiving Competent Authorities in a free text format.	Validations		
Reporting Entity	This data element identifies the Reporting Entity and its role in the context of CbC reporting. It may be left blank in case a correction or deletion is carried out or new data is provided in the CbC Reports element (see further guidance in the Corrections section below).	Validations		
Entity	This element contains the identifying information for the Reporting Entity. The Entity element uses the OrganisationParty_Type to provide the identifying information	Validations		
Reporting Role	The Reporting Role element specifies the role of the Reporting Entity with respect to the filing of the CbC Report. Possible values are: <ul style="list-style-type: none"> CBC 701 – Ultimate Parent Entity 	Validations		

	<ul style="list-style-type: none"> • CBC 702 – Surrogate Parent Entity • [CBC 703 – Local Filing] – the Local Filing value is only to be used in case the tax jurisdiction of the Reporting Entity has mandated the use of the CbC XML Schema for local filing of CbC Reports and if such local filing is required on the basis of the domestic legislation of the jurisdiction of the Reporting Entity. 			
Revenues	Additional detail on the information to be provided in the Revenues element and its sub elements are available further below.	Validations		
Profit Or Loss	In the Profit or Loss element, the sum of the profit or loss before income tax for all Constituent Entities resident for tax purposes in the relevant tax jurisdiction should be entered. The profit or loss before income tax should include all extraordinary income and expense items.	Validations		
Profit Or Loss	All amounts must be accompanied by the appropriate 3 character currency code based on the ISO 4217 Alpha 3 Standard. Refer to Appendix 5	Validations		
Tax Paid	In the tax paid element, the total amount of income tax actually paid during the relevant Fiscal Year by all Constituent Entities resident for tax purposes in the relevant tax jurisdiction should be provided. Taxes paid should include cash taxes paid by a Constituent Entity to the residence tax jurisdiction and to all other tax jurisdictions. Taxes paid should include withholding taxes paid by other Entities (associated enterprises and independent enterprises) with respect to payments to the Constituent Entity. Thus, if company A resident in tax jurisdiction A earns interest in tax jurisdiction B, the tax withheld in tax jurisdiction B should be reported by company A.	Validations		
Tax Paid	All amounts must be accompanied by the appropriate 3 character currency code based on the ISO 4217 Alpha 3 Standard.	Validations		
Tax Accrued	In the Tax Accrued element, the sum of the accrued current tax expense recorded on taxable profits or losses of the year of reporting of all Constituent Entities resident for tax purposes in the relevant tax jurisdiction should be provided. The current tax expense	Validations		

	should reflect only operations in the current year and should not include deferred taxes or provisions for uncertain tax liabilities.			
Tax Accrued	All amounts must be accompanied by the appropriate 3 character currency code based on the ISO 4217 Alpha 3 Standard.	Validations		
Capital	In the Capital element, the sum of the stated capital of all Constituent Entities resident for tax purposes in the relevant tax jurisdiction should be provided. With regard to permanent establishments, the stated capital should be reported by the legal Entity of which it is a permanent establishment, unless there is a defined capital requirement in the permanent establishment tax jurisdiction for regulatory purposes. In such case, the capital attributed to a permanent establishment may be further specified in the Additional Info element.	Validations		
Capital	All amounts must be accompanied by the appropriate 3 character currency code based on the ISO 4217 Alpha 3 Standard.	Validations		
Earnings	In the Earnings element, the sum of the total accumulated earnings of all Constituent Entities resident for tax purposes in the relevant tax jurisdiction as of the end of the year should be provided. With regard to permanent establishments, accumulated earnings should be reported by the legal Entity of which it is a permanent establishment.	Validations		
Earnings	All amounts must be accompanied by the appropriate 3 character currency code based on the ISO 4217 Alpha 3 Standard.	Validations		
No Employees	In the Nb Employees element, the total number of employees on a fulltime equivalent (FTE) basis of all Constituent Entities resident for tax purposes in the relevant tax jurisdiction should be provided. The number of employees may be reported as of the year-end, on the basis of average employment levels for the year or on any other basis consistently applied across tax jurisdictions and from year to year. For this purpose, Independent contractors participating in the ordinary operating activities of the Constituent Entity may be reported as employees. Reasonable rounding or approximation of the number of employees is permissible, providing that such	Validations		

	rounding or approximation does not materially distort the relative distribution of employees across the various tax jurisdictions. Consistent approaches should be applied from year to year and across Entities.			
Assets	In the Assets elements, the sum of the net book values of tangible assets of all Constituent Entities resident for tax purposes in the relevant tax jurisdiction should be provided. With regard to permanent establishments, assets should be reported by reference to the tax jurisdiction in which the permanent establishment is situated. Tangible assets for this purpose do not include cash or cash equivalents, intangibles, or financial assets.	Validations		
Assets	All amounts must be accompanied by the appropriate 3 character currency code based on the ISO 4217 Alpha 3 Standard.	Validations		
Revenue (In the Revenues element, the following information should be entered)				
Element	File Name Structure Requirements	Required	Length (Min:Max) Characters	Data Validation
Unrelated	In the Unrelated element the sum of revenues of all the Constituent Entities of the MNE Group in the relevant tax jurisdiction generated from transactions with independent parties should be indicated. Revenues should include revenues from sales of inventory and properties, services, royalties, interest, premiums and any other amounts. Revenues should exclude payments received from other Constituent Entities that are treated as dividends in the payer's tax jurisdiction.	Validations		
Unrelated	All amounts must be accompanied by the appropriate 3 character Currency code based on the ISO 4217 Alpha 3 Standard.	Validations	3 characters	
Related	In the Related element the sum of revenues of all the Constituent Entities of the MNE Group in the relevant tax jurisdiction generated	Validation		

	from transactions with associated enterprises is indicated. Revenues should include revenues from sales of inventory and properties, services, royalties, interest, premiums and any other amounts. Revenues should exclude payments received from other Constituent Entities that are treated as dividends in the payer's Tax Jurisdiction			
Related	All amounts must be accompanied by the appropriate 3 character currency code based on the ISO 4217 Alpha 3 Standard.	Validations	3 characters	
Total	In the Total element the sum of the Unrelated and Related elements should be entered.	validation		AutoCalc
Total	All amounts must be accompanied by the appropriate 3 character currency code based on the ISO 4217 Alpha 3 Standard.	Validations		autoCalc

CbC Report- Constituent Entities: The ConstEntities element is to be repeated for each Constituent Entity (including the Reporting Entity, if applicable) that is resident for tax purposes or subject to tax as a permanent establishment in the relevant tax jurisdiction and is composed of:

Element	File Name Structure Requirements	Required	Length (Min:Max) Characters	Data Validation
Registered Name	This element should contain the full legal name of the Constituent Entity, including the domestic designation for the legal form, as indicated in its articles of incorporation or any similar document. In case the Constituent Entity is a permanent establishment, the name of the Constituent Entity should be followed by "(P.E.)".	Validation	1 to 200 characters	
Trading Name	This element should contain the full legal name of the Constituent Entity, including the domestic designation for the legal form, as indicated in its articles of incorporation or any similar document. In case the Constituent Entity is a permanent establishment, the name of the Constituent Entity should be followed by "(P.E.)".	Validation	1 to 200 characters	
Company Reg No.	This data element can be provided (and repeated) if there are other INs available, such as a company registration number or a Global Entity Identification Number (EIN).	Validation	15 characters	
ConstEntity	In the ConstEntity element the identifying information for a Constituent Entity should be entered, using the OrganisationParty_Type.	Validation		
Resident Country code	For each Additional Info element, it is possible to indicate that the information provided specifically relates to one or more jurisdictions. In that case the relevant country codes should be entered in the ResCountryCode element.	Optional		CountryCode
Constituent Entity Role	This element indicates the role of the Reporting Entity with respect to the MNE Group. It also allows the designation of the Ultimate Parent Entity of the MNE Group among the listed Constituent Entities. Possible values are: <ul style="list-style-type: none"> CBC801 – Ultimate Parent Entity 	Optional		

	<ul style="list-style-type: none"> CBC802 – Reporting Entity CBC803 – Both (Ultimate Parent Entity and Reporting Entity) 			
IN (Identification Number)	This data element can be provided (and repeated to the maximum of 15 Tax Ref Numbers) if there are other INs available, such as a company registration number or a Global Entity Identification Number (EIN) or VAT and/or PAYE.	Optional (Mandatory)	1 to 15 characters	
Issued by Country	This attribute describes the jurisdiction that issued the TIN. Repeated to the maximum of 15 Tax Ref Numbers)	Optional (Mandatory)		Refer to the code table. Default to "ZA" or the country that issued the tax registration number
INType (Identification Number Type)	This attribute defines the type of IN being sent (e.g. EIN, VAT, PAYE, CIT).	Optional (Mandatory)	1 to 200 characters	
IncorpCountryCode	In the IncorpCountryCode element, the tax jurisdiction under whose laws a Constituent Entity of the MNE Group is organised or incorporated should be indicated, if such tax jurisdiction is different from the tax jurisdiction of residence of the Constituent Entity.	Optional (Mandatory)	2 characters	
BizActivities	In the BizActivities element, the nature of the main business activity (ies) carried out by a Constituent Entity in the relevant Tax Jurisdiction should be specified. Refer to Appendix6	Validation		
Other Entity Info	In the Other Entity Info element any further relevant information relating to a specific Constituent Entity may be entered in a free text format. In case additional information does not solely relate to a specific Constituent Entity, but also has relevance for the MNE Group as a whole, such information should instead be provided in the Additional Info element.	Optional	1 to 4000 characters	

Additional Info- The Additional Info element allows any further brief information or explanation to be entered that is deemed necessary or that would facilitate the understanding of the compulsory information provided in the other elements of the CbC XML Schema in a free text format, provided such information does not solely relate to a specific Constituent Entity, in which case the information should be entered in the Other Entity Info element of the concerned Constituent Entity. However, information entered in the Additional Info element may be “tagged” as set out below, with a view to facilitating the association of the information provided to particular jurisdictions and/or specific elements of the Summary element of the CbC Report.

Element	File Name Structure Requirements	Required	Length (Min:Max) Characters	Data Validation
OtherInfo	The Additional Info element allows any further brief information or explanation to be entered that is deemed necessary or that would facilitate the understanding of the compulsory information provided in the other elements of the CbC XML Schema in a free text format, provided such information does not solely relate to a specific Constituent Entity, in which case the information should be entered in the Other Entity Info element of the concerned Constituent Entity.	Validation	4000	AlphaNum
SummaryRef	In addition, it is possible to indicate, for each Additional Info element, that the information provided specifically relates to one or more particular elements of the Summary element by selecting one or more of the corresponding values below. By doing so, the information contained in the relevant Additional Info element will be “tagged”, therewith facilitating the review of the CbC Report by the receiving jurisdiction(s).	Optional		Drop Down
ResCountryCode	For each Additional Info element, it is possible to indicate that the information provided specifically relates to one or more jurisdictions. In that case the relevant country codes should be entered in the ResCountryCode element.	Optional		CountryCode

Appendix 1.2: Field description for the CbC Report File

The User preparing the CbC XML file is required to refer to the OECD XML Schema document when preparing the file. The User is required to develop the file as per document referred to below.

<https://www.oecd.org/ctp/exchange-of-tax-information/country-by-country-reporting-xml-schema-user-guide-for-tax-administrations.pdf>

<https://www.oecd.org/ctp/guidance-on-the-implementation-of-country-by-country-reporting-beps-action-13.pdf>

In addition, SARS has extended to request additional information and below is a mapping extract on how the additional information should be incorporated onto the electronic file.

Source Type:		SCHEMA					
Source URI (including filename):		SARSCountryByCountryFileDeclarationV1.1.xsd					
Source Details							
Field	Start Position	Type	MinOccurs	MaxOccurs	Restrictions (Including Length)	Notes	
CountryByCountryFileDeclaration	CountryByCountryDeclarationStructure	Structure	1	1			
CountryByCountryFileDeclaration.CBC_OECD		Structure	1	1		Refer to OECD spec for details	
CountryByCountryFileDeclaration.CBC_SARS	CBC_SARS_Structure	Structure	1	1			
CountryByCountryFileDeclaration.CBC_SARS.NoOfTaxJurisdictions		Int16	1	1	[MinInclusive]: 0 [MaxInclusive]: 249		
CountryByCountryFileDeclaration.CBC_SARS.TaxJurisdictions		Structure	1	1			
CountryByCountryFileDeclaration.CBC_SARS.TaxJurisdictions.TaxJurisdiction		Structure	1	249			
CountryByCountryFileDeclaration.CBC_SARS.TaxJurisdictions.TaxJurisdiction.NoOfConstituentEntities		Int16	1	1	[MinInclusive]: 0		
CountryByCountryFileDeclaration.CBC_SARS.DeclarationDate	date	DateTime	0	1	None		
CountryByCountryFileDeclaration.CBC_SARS.ContactDetails		Structure	0	1			
CountryByCountryFileDeclaration.CBC_SARS.ContactDetails.Surname	SurnameType	String	1	1	[MaxLength]: 120 [MinLength]: 1		

CountryByCountryFileDeclaration.CBC_SARS.ContactDetails.FirstNames	SurnameType	String	1	1	[MaxLength]: 120 [MinLength]: 1
CountryByCountryFileDeclaration.CBC_SARS.ContactDetails.BusTelNo1	TelFaxCellNoType	String	1	1	[Pattern]: \d{1,15}
CountryByCountryFileDeclaration.CBC_SARS.ContactDetails.BusTelNo2	TelFaxCellNoType	String	0	1	[Pattern]: \d{1,15}
CountryByCountryFileDeclaration.CBC_SARS.ContactDetails.CellNo	TelFaxCellNoType	String	0	1	[Pattern]: \d{1,15}
CountryByCountryFileDeclaration.CBC_SARS.ContactDetails.EmailAddress	EmailType	String	1	1	[MaxLength]: 80 [MinLength]: 1
CountryByCountryFileDeclaration.CBC_SARS.TotalConsolidatedMNEGroupRevenue	FinancialAmtWithCurrencyStructure	Structure	1	1	
CountryByCountryFileDeclaration.CBC_SARS.TotalConsolidatedMNEGroupRevenue.Amount	FinancialAmtType	Int64	1	1	[Pattern]: [\-+]?[0-9]{1,15}
CountryByCountryFileDeclaration.CBC_SARS.TotalConsolidatedMNEGroupRevenue.CurrencyCode	CurrencyTypeType	String	1	1	[Pattern]: \w{1,3}

Appendix 2 - Requirements of the master file

Organisational structure

- Chart illustrating the MNE's legal and ownership structure and geographical location of operating Entities.

Description of MNE's Business (es)

- Important drivers of business profit
- A description of the supply chain for the MNE's five largest products and/ or service offerings by turnover plus any other products and/or services amounting to more than 5 percent of group turnover. The required description could take the form of a chart or a diagram
- A list and brief description of important service arrangements between Entities of the MNE , other than research and development (R&D) services, including a description of the capabilities of the principal locations providing important services and transfer pricing policies for allocating service costs and determining prices to be paid for intra-group services
- A description of the main geographic markets for the group's products and services that are referred to in the second bullet point above
- A brief written functional analysis describing the principal contributions to value creation by individual Entities within the group, i.e. key functions performed, important risks assumed, and important assets used; and
- A description of important business restructuring transactions, acquisitions and divestitures occurring during the Fiscal Year.

MNE intangibles (as defined in Chapter VI of these Guidelines)

- A general description of the MNE's overall strategy for the development, ownership and exploitation of intangibles, including location of principal R&D facilities and location of R&D management.
- A list of intangibles or groups of intangibles of the MNE that are important for transfer pricing purposes and which Entities legally own them.
- A list of important agreements among identified associated enterprises related to intangibles, including cost contribution arrangements, principal research service agreements and licence agreements.
- A general description of the group's transfer pricing policies related to R&D and intangibles; and
- A general description of any important transfers of interests in intangibles among associated enterprises during the Fiscal Year concerned, including the Entities, countries, and compensation involved.

MNE intercompany financial activities

- A general description of how the group is financed, including important financing arrangements with unrelated lenders
- The identification of any Entity of the MNE that provide a central financing function for the MNE, including the country under whose laws the Entity is organised and the place of effective management of such Entities and

- A general description of the MNE's general transfer pricing policies related to financing arrangements between associated enterprises.

MNE financial and tax positions

- The MNE's annual consolidated financial statement for the Fiscal Year concerned if otherwise prepared for financial reporting, regulatory, internal management, tax or other purposes and
- A list and brief description of the MNE's existing unilateral advance pricing agreements (APAs) and other tax rulings relating to the allocation of income among countries.

Appendix 3 -Requirements for the Local File

Annex II to Chapter V of these Guidelines sets out the information to be included in the local file.

Local Entity

- A description of the management structure of the local Entity, a local organisation chart, and a description of the individuals to whom local management reports and the country(ies) in which such individuals maintain their principal offices.
- A detailed description of the business and business strategy pursued by the local Entity, including an indication whether the local Entity has been involved in or affected by business restructurings or intangibles transfers in the present or immediate past year and an explanation of those aspects of such transactions affecting the local Entity; and
- Key competitors.

Controlled transactions

For each material category of controlled transactions in which the Entity is involved, provide the following information:

- A description of the material controlled transactions (e.g. procurement of manufacturing services, purchase of goods, provision of services, loans, financial and performance guarantees, licences of intangibles, etc.) and the context in which such transactions take place.

- The amount of intra-group payments and receipts for each category of controlled transactions involving the local Entity (i.e. payments and receipts for products, services, royalties, interest, etc.) broken selected transfer pricing method.
- An identification of associated enterprises involved in each category of controlled transactions, and the relationship amongst them.
- Copies of all material intercompany agreements concluded by the local entity.
- A detailed comparability and functional analysis of the taxpayer and relevant associated enterprises with respect to each documented category of controlled transactions, including any changes compared to prior years¹.
- An indication of the most appropriate transfer pricing method with regard to the category of transaction and the reasons for selecting that method.
- An indication of which associated enterprise is selected as the tested party, if applicable, and an explanation of the reasons for this selection.
- A summary of the important assumptions made in applying the transfer pricing methodology
- If relevant, an explanation of the reasons for performing a multi-year analysis.
- A list and description of selected comparable uncontrolled transactions (internal or external), if any, and information on relevant financial indicators for independent enterprises relied on in the transfer pricing analysis, including a description of the comparable search methodology and the source of such information.
- A description of any comparability adjustments performed, and an indication of whether adjustments have been made to the results of the tested party, the comparable uncontrolled transactions, or both.
- A description of the reasons for concluding that relevant transactions were priced on an arm's length basis based on the application of the selected transfer pricing method.
- A summary of financial information used in applying the transfer pricing methodology; and
- A copy of existing unilateral and bilateral/multilateral APAs and other tax rulings to which the local tax jurisdiction is not a party and which are related to controlled transactions described above.

Financial information

- Annual local Entity financial accounts for the Fiscal Year concerned. If audited statements exist they should be supplied and if not, existing unaudited statements should be supplied.
- Information and allocation schedules showing how the financial data used in applying the transfer pricing method may be tied to the annual financial statements; and
- Summary schedules of relevant financial data, for comparable use in the analysis and the sources from which that data was obtained.

¹ To the extent this functional analysis duplicates information in the master file, a cross-reference to the master file is sufficient.

Appendix 4: Country Codes are aligned with the ISO3166 standard.

Cod e	Description	Cod e	Description	Cod e	Description
AF	AFGHANISTAN	GH	GHANA	OM	OMAN
AX	ÅLAND ISLANDS	GI	GIBRALTAR	PK	PAKISTAN
AL	ALBANIA	GR	GREECE	PW	PALAU
DZ	ALGERIA	GL	GREENLAND	PS	PALESTINE, STATE OF
AS	AMERICAN SAMOA	GD	GRENADA	PA	PANAMA
AD	ANDORRA	GP	GUADELOUPE	PG	PAPUA NEW GUINEA
AO	ANGOLA	GU	GUAM	PY	PARAGUAY
AI	ANGUILLA	GT	GUATEMALA	PE	PERU
AQ	ANTARCTICA	GG	GUERNSEY	PH	PHILIPPINES
AG	ANTIGUA AND BARBUDA	GN	GUINEA	PN	PITCAIRN
AR	ARGENTINA	GW	GUINEA-BISSAU	PL	POLAND
AM	ARMENIA	GY	GUYANA	PT	PORTUGAL
AW	ARUBA	HT	HAITI	PR	PUERTO RICO
AU	AUSTRALIA	HM	HEARD ISLAND AND MCDONALD ISLANDS	QA	QATAR
AT	AUSTRIA	VA	HOLY SEE (VATICAN CITY STATE)	RE	RÉUNION
AZ	AZERBAIJAN	HN	HONDURAS	RO	ROMANIA
BS	BAHAMAS	HK	HONG KONG	RU	RUSSIAN FEDERATION
BH	BAHRAIN	HU	HUNGARY	RW	RWANDA
BD	BANGLADESH	IS	ICELAND	BL	SAINT BARTHÉLEMY
BB	BARBADOS	IN	INDIA	SH	SAINT HELENA, ASCENSION AND TRISTAN DA CUNHA
BY	BELARUS	ID	INDONESIA	KN	SAINT KITTS AND NEVIS

Cod e	Description	Cod e	Description	Cod e	Description
BE	BELGIUM	IR	IRAN, ISLAMIC REPUBLIC OF	LC	SAINT LUCIA
BZ	BELIZE	IQ	IRAQ	MF	SAINT MARTIN (FRENCH PART)
BJ	BENIN	IE	IRELAND	PM	SAINT PIERRE AND MIQUELON
BM	BERMUDA	IM	ISLE OF MAN	VC	SAINT VINCENT AND THE GRENADINES
BT	BHUTAN	IL	ISRAEL	WS	SAMOA
BO	BOLIVIA, PLURINATIONAL STATE OF	IT	ITALY	SM	SAN MARINO
BQ	BONAIRE, SINT EUSTATIUS AND SABA	JM	JAMAICA	ST	SAO TOME AND PRINCIPE
BA	BOSNIA AND HERZEGOVINA	JP	JAPAN	SA	SAUDI ARABIA
BW	BOTSWANA	JE	JERSEY	SN	SENEGAL
BV	BOUVET ISLAND	JO	JORDAN	RS	SERBIA
BR	BRAZIL	KZ	KAZAKHSTAN	SC	SEYCHELLES
IO	BRITISH INDIAN OCEAN TERRITORY	KE	KENYA	SL	SIERRA LEONE
BN	BRUNEI DARUSSALAM	KI	KIRIBATI	SG	SINGAPORE
BG	BULGARIA	KP	KOREA, DEMOCRATIC PEOPLE'S REPUBLIC OF	SX	SINT MAARTEN (DUTCH PART)
BF	BURKINA FASO	KR	KOREA, REPUBLIC OF	SK	SLOVAKIA
BI	BURUNDI	KW	KUWAIT	SI	SLOVENIA
KH	CAMBODIA	KG	KYRGYZSTAN	SB	SOLOMON ISLANDS

Cod e	Description	Cod e	Description	Cod e	Description
CM	CAMEROON	LA	LAO PEOPLE'S DEMOCRATIC REPUBLIC	SO	SOMALIA
CA	CANADA	LV	LATVIA	ZA	SOUTH AFRICA
CV	CAPE VERDE	LB	LEBANON	GS	SOUTH GEORGIA AND THE SOUTH SANDWICH ISLANDS
KY	CAYMAN ISLANDS	LS	LESOTHO	SS	SOUTH SUDAN
CF	CENTRAL AFRICAN REPUBLIC	LR	LIBERIA	ES	SPAIN
TD	CHAD	LY	LIBYA	LK	SRI LANKA
CL	CHILE	LI	LIECHTENSTEIN	SD	SUDAN
CN	CHINA	LT	LITHUANIA	SR	SURINAME
CX	CHRISTMAS ISLAND	LU	LUXEMBOURG	SJ	SVALBARD AND JAN MAYEN
CC	COCOS (KEELING) ISLANDS	MO	MACAO	SZ	SWAZILAND
CO	COLOMBIA	MK	MACEDONIA, THE FORMER YUGOSLAV REPUBLIC OF	SE	SWEDEN
KM	COMOROS	MG	MADAGASCAR	CH	SWITZERLAND
CG	CONGO	MW	MALAWI	SY	SYRIAN ARAB REPUBLIC
CD	CONGO, THE DEMOCRATIC REPUBLIC OF THE	MY	MALAYSIA	TW	TAIWAN, PROVINCE OF CHINA
CK	COOK ISLANDS	MV	MALDIVES	TJ	TAJIKISTAN
CR	COSTA RICA	ML	MALI	TZ	TANZANIA, UNITED REPUBLIC OF
CI	CÔTE D'IVOIRE	MT	MALTA	TH	THAILAND

Cod e	Description	Cod e	Description	Cod e	Description
HR	CROATIA	MH	MARSHALL ISLANDS	TL	TIMOR-LESTE
CU	CUBA	MQ	MARTINIQUE	TG	TOGO
CW	CURAÇAO	MR	MAURITANIA	TK	TOKELAU
CY	CYPRUS	MU	MAURITIUS	TO	TONGA
CZ	CZECH REPUBLIC	YT	MAYOTTE	TT	TRINIDAD AND TOBAGO
DK	DENMARK	MX	MEXICO	TN	TUNISIA
DJ	DJIBOUTI	FM	MICRONESIA, FEDERATED STATES OF	TR	TURKEY
DM	DOMINICA	MD	MOLDOVA, REPUBLIC OF	TM	TURKMENISTAN
DO	DOMINICAN REPUBLIC	MC	MONACO	TC	TURKS AND CAICOS ISLANDS
EC	ECUADOR	MN	MONGOLIA	TV	TUVALU
EG	EGYPT	ME	MONTENEGRO	UG	UGANDA
SV	EL SALVADOR	MS	MONTSERRAT	UA	UKRAINE
GQ	EQUATORIAL GUINEA	MA	MOROCCO	AE	UNITED ARAB EMIRATES
ER	ERITREA	MZ	MOZAMBIQUE	GB	UNITED KINGDOM
EE	ESTONIA	M M	MYANMAR	US	UNITED STATES
ET	ETHIOPIA	NA	NAMIBIA	UM	UNITED STATES MINOR OUTLYING ISLANDS
FK	FALKLAND ISLANDS (MALVINAS)	NR	NAURU	UY	URUGUAY
FO	FAROE ISLANDS	NP	NEPAL	UZ	UZBEKISTAN
FJ	FIJI	NL	NETHERLANDS	VU	VANUATU

Cod e	Description	Cod e	Description	Cod e	Description
FI	FINLAND	NC	NEW CALEDONIA	VE	VENEZUELA, BOLIVARIAN REPUBLIC OF
FR	FRANCE	NZ	NEW ZEALAND	VN	VIET NAM
GF	FRENCH GUIANA	NI	NICARAGUA	VG	VIRGIN ISLANDS, BRITISH
PF	FRENCH POLYNESIA	NE	NIGER	VI	VIRGIN ISLANDS, U.S.
TF	FRENCH SOUTHERN TERRITORIES	NG	NIGERIA	WF	WALLIS AND FUTUNA
GA	GABON	NU	NIUE	EH	WESTERN SAHARA
GM	GAMBIA	NF	NORFOLK ISLAND	YE	YEMEN
GE	GEORGIA	MP	NORTHERN MARIANA ISLANDS	ZM	ZAMBIA
DE	GERMANY	NO	NORWAY	ZW	ZIMBABWE

Appendix 5: Currency Code Based On the ISO 4217 Alpha 3 Standard

All amounts provided in the CbC Report should be reported in one and the same currency, being the currency of the Reporting MNE. If statutory financial statements are used as the basis for reporting, all amounts should be translated to the stated functional currency of the Reporting MNE at the average exchange rate for the year stated in the Additional Info element.

Jurisdiction	Currency	Alphabetic code
AFGHANISTAN	Afghani	AFN
ÅLAND ISLANDS	Euro	EUR
ALBANIA	Lek	ALL
ALGERIA	Algerian Dinar	DZD
AMERICAN SAMOA	US Dollar	USD
ANDORRA	Euro	EUR
ANGOLA	Kwanza	AOA
ANGUILLA	East Caribbean Dollar	XCD
ANTARCTICA	No universal currency	
ANTIGUA AND BARBUDA	East Caribbean Dollar	XCD
ARGENTINA	Argentine Peso	ARS
ARMENIA	Armenian Dram	AMD
ARUBA	Aruban Florin	AWG

AUSTRALIA	Australian Dollar	AUD
AUSTRIA	Euro	EUR
AZERBAIJAN	Azerbaijani Manat	AZN
BAHAMAS (THE)	Bahamian Dollar	BSD
BAHRAIN	Bahraini Dinar	BHD
BANGLADESH	Taka	BDT
BARBADOS	Barbados Dollar	BBD
BELARUS	Belarussian Ruble	BYR
BELGIUM	Euro	EUR
BELIZE	Belize Dollar	BZD
BENIN	CFA Franc BCEAO	XOF
BERMUDA	Bermudian Dollar	BMD
BHUTAN	Ngultrum	BTN
BHUTAN	Indian Rupee	INR
BOLIVIA (PLURINATIONAL STATE OF)	Boliviano	BOB
BOLIVIA (PLURINATIONAL STATE OF)	Mvdol	BOV
BONAIRE, SINT EUSTATIUS AND SABA	US Dollar	USD
BOSNIA AND HERZEGOVINA	Convertible Mark	BAM
BOTSWANA	Pula	BWP
BOUVET ISLAND	Norwegian Krone	NOK
BRAZIL	Brazilian Real	BRL
BRITISH INDIAN OCEAN TERRITORY (THE)	US Dollar	USD
BRUNEI DARUSSALAM	Brunei Dollar	BND
BULGARIA	Bulgarian Lev	BGN
BURKINA FASO	CFA Franc BCEAO	XOF
BURUNDI	Burundi Franc	BIF
CABO VERDE	Cabo Verde Escudo	CVE
CAMBODIA	Riel	KHR
CAMEROON	CFA Franc BEAC	XAF
CANADA	Canadian Dollar	CAD
CAYMAN ISLANDS (THE)	Cayman Islands Dollar	KYD
CENTRAL AFRICAN REPUBLIC (THE)	CFA Franc BEAC	XAF
CHAD	CFA Franc BEAC	XAF
CHILE	Unidad de Fomento	CLF
CHILE	Chilean Peso	CLP
CHINA	Yuan Renminbi	CNY
CHRISTMAS ISLAND	Australian Dollar	AUD
COCOS (KEELING) ISLANDS (THE)	Australian Dollar	AUD
COLOMBIA	Colombian Peso	COP
COLOMBIA	Unidad de Valor Real	COU
COMOROS (THE)	Comoro Franc	KMF
CONGO (THE DEMOCRATIC REPUBLIC OF THE)	Congolese Franc	CDF
CONGO (THE)	CFA Franc BEAC	XAF
COOK ISLANDS (THE)	New Zealand Dollar	NZD
COSTA RICA	Costa Rican Colon	CRC
CÔTE D'IVOIRE	CFA Franc BCEAO	XOF
CROATIA	Kuna	HRK
CUBA	Peso Convertible	CUC

CUBA	Cuban Peso	CUP
CURAÇAO	Netherlands Antillean Guilder	ANG
CYPRUS	Euro	EUR
CZECH REPUBLIC (THE)	Czech Koruna	CZK
DENMARK	Danish Krone	DKK
DJIBOUTI	Djibouti Franc	DJF
DOMINICA	East Caribbean Dollar	XCD
DOMINICAN REPUBLIC (THE)	Dominican Peso	DOP
ECUADOR	US Dollar	USD
EGYPT	Egyptian Pound	EGP
EL SALVADOR	El Salvador Colon	SVC
EL SALVADOR	US Dollar	USD
EQUATORIAL GUINEA	CFA Franc BEAC	XAF
ERITREA	Nakfa	ERN
ESTONIA	Euro	EUR
ETHIOPIA	Ethiopian Birr	ETB
EUROPEAN UNION	Euro	EUR
FALKLAND ISLANDS (THE) [MALVINAS]	Falkland Islands Pound	FKP
FAROE ISLANDS (THE)	Danish Krone	DKK
FIJI	Fiji Dollar	FJD
FINLAND	Euro	EUR
FRANCE	Euro	EUR
FRENCH GUIANA	Euro	EUR
FRENCH POLYNESIA	CFP Franc	XPF
FRENCH SOUTHERN TERRITORIES (THE)	Euro	EUR
GABON	CFA Franc BEAC	XAF
GAMBIA (THE)	Dalasi	GMD
GEORGIA	Lari	GEL
GERMANY	Euro	EUR
GHANA	Ghana Cedi	GHS
GIBRALTAR	Gibraltar Pound	GIP
GREECE	Euro	EUR
GREENLAND	Danish Krone	DKK
GRENADA	East Caribbean Dollar	XCD
GUADELOUPE	Euro	EUR
GUAM	US Dollar	USD
GUATEMALA	Quetzal	GTQ
GUERNSEY	Pound Sterling	GBP
GUINEA	Guinea Franc	GNF
GUINEA-BISSAU	CFA Franc BCEAO	XOF
GUYANA	Guyana Dollar	GYD
HAITI	Gourde	HTG
HAITI	US Dollar	USD
HEARD ISLAND AND McDONALD ISLANDS	Australian Dollar	AUD
HOLY SEE (THE)	Euro	EUR
HONDURAS	Lempira	HNL

HONG KONG	Hong Kong Dollar	HKD
HUNGARY	Forint	HUF
ICELAND	Iceland Krona	ISK
INDIA	Indian Rupee	INR
INDONESIA	Rupiah	IDR
INTERNATIONAL MONETARY FUND (IMF)	SDR (Special Drawing Right)	XDR
IRAN (ISLAMIC REPUBLIC OF)	Iranian Rial	IRR
IRAQ	Iraqi Dinar	IQD
IRELAND	Euro	EUR
ISLE OF MAN	Pound Sterling	GBP
ISRAEL	New Israeli Sheqel	ILS
ITALY	Euro	EUR
JAMAICA	Jamaican Dollar	JMD
JAPAN	Yen	JPY
JERSEY	Pound Sterling	GBP
JORDAN	Jordanian Dinar	JOD
KAZAKHSTAN	Tenge	KZT
KENYA	Kenyan Shilling	KES
KIRIBATI	Australian Dollar	AUD
KOREA (THE DEMOCRATIC PEOPLE'S REPUBLIC OF)	North Korean Won	KPW
KOREA (THE REPUBLIC OF)	Won	KRW
KUWAIT	Kuwaiti Dinar	KWD
KYRGYZSTAN	Som	KGS
LAO PEOPLE'S DEMOCRATIC REPUBLIC (THE)	Kip	LAK
LATVIA	Euro	EUR
LEBANON	Lebanese Pound	LBP
LESOTHO	Loti	LSL
LESOTHO	Rand	ZAR
LIBERIA	Liberian Dollar	LRD
LIBYA	Libyan Dinar	LYD
LIECHTENSTEIN	Swiss Franc	CHF
LITHUANIA	Euro	EUR
LUXEMBOURG	Euro	EUR
MACAO	Pataca	MOP
MACEDONIA (THE FORMER YUGOSLAV REPUBLIC OF)	Denar	MKD
MADAGASCAR	Malagasy Ariary	MGA
MALAWI	Kwacha	MWK
MALAYSIA	Malaysian Ringgit	MYR
MALDIVES	Rufiyaa	MVR
MALI	CFA Franc BCEAO	XOF
MALTA	Euro	EUR
MARSHALL ISLANDS (THE)	US Dollar	USD
MARTINIQUE	Euro	EUR
MAURITANIA	Ouguiya	MRO
MAURITIUS	Mauritius Rupee	MUR
MAYOTTE	Euro	EUR
MEMBER COUNTRIES OF THE AFRICAN DEVELOPMENT BANK GROUP	ADB Unit of Account	XUA
MEXICO	Mexican Peso	MXN

MEXICO	Mexican Unidad de Inversion (UDI)	MXV
MICRONESIA (FEDERATED STATES OF)	US Dollar	USD
MOLDOVA (THE REPUBLIC OF)	Moldovan Leu	MDL
MONACO	Euro	EUR
MONGOLIA	Tugrik	MNT
MONTENEGRO	Euro	EUR
MONTSERRAT	East Caribbean Dollar	XCD
MOROCCO	Moroccan Dirham	MAD
MOZAMBIQUE	Mozambique Metical	MZN
MYANMAR	Kyat	MMK
NAMIBIA	Namibia Dollar	NAD
NAMIBIA	Rand	ZAR
NAURU	Australian Dollar	AUD
NEPAL	Nepalese Rupee	NPR
NETHERLANDS (THE)	Euro	EUR
NEW CALEDONIA	CFP Franc	XPF
NEW ZEALAND	New Zealand Dollar	NZD
NICARAGUA	Cordoba Oro	NIO
NIGER (THE)	CFA Franc BCEAO	XOF
NIGERIA	Naira	NGN
NIUE	New Zealand Dollar	NZD
NORFOLK ISLAND	Australian Dollar	AUD
NORTHERN MARIANA ISLANDS (THE)	US Dollar	USD
NORWAY	Norwegian Krone	NOK
OMAN	Rial Omani	OMR
PAKISTAN	Pakistan Rupee	PKR
PALAU	US Dollar	USD
PALESTINE, STATE OF	No universal currency	
PANAMA	Balboa	PAB
PANAMA	US Dollar	USD
PAPUA NEW GUINEA	Kina	PGK
PARAGUAY	Guarani	PYG
PERU	Nuevo Sol	PEN
PHILIPPINES (THE)	Philippine Peso	PHP
PITCAIRN	New Zealand Dollar	NZD
POLAND	Złoty	PLN
PORTUGAL	Euro	EUR
PUERTO RICO	US Dollar	USD
QATAR	Qatari Rial	QAR
RÉUNION	Euro	EUR
ROMANIA	Romanian Leu	RON
RUSSIAN FEDERATION (THE)	Russian Ruble	RUB
RWANDA	Rwanda Franc	RWF
SAINT BARTHÉLEMY	Euro	EUR
SAINT HELENA, ASCENSION AND TRISTAN DA CUNHA	Saint Helena Pound	SHP
SAINT KITTS AND NEVIS	East Caribbean Dollar	XCD

SAINT LUCIA	East Caribbean Dollar	XCD
SAINT MARTIN (FRENCH PART)	Euro	EUR
SAINT PIERRE AND MIQUELON	Euro	EUR
SAINT VINCENT AND THE GRENADINES	East Caribbean Dollar	XCD
SAMOA	Tala	WST
SAN MARINO	Euro	EUR
SAO TOME AND PRINCIPE	Dobra	STD
SAUDI ARABIA	Saudi Riyal	SAR
SENEGAL	CFA Franc BCEAO	XOF
SERBIA	Serbian Dinar	RSD
SEYCHELLES	Seychelles Rupee	SCR
SIERRA LEONE	Leone	SLL
SINGAPORE	Singapore Dollar	SGD
SINT MAARTEN (DUTCH PART)	Netherlands Antillean Guilder	ANG
SISTEMA UNITARIO DE COMPENSACION REGIONAL DE PAGOS "SUCRE"	Sucre	XSU
SLOVAKIA	Euro	EUR
SLOVENIA	Euro	EUR
SOLOMON ISLANDS	Solomon Islands Dollar	SBD
SOMALIA	Somali Shilling	SOS
SOUTH AFRICA	Rand	ZAR
SOUTH GEORGIA AND THE SOUTH SANDWICH ISLANDS	No universal currency	
SOUTH SUDAN	South Sudanese Pound	SSP
SPAIN	Euro	EUR
SRI LANKA	Sri Lanka Rupee	LKR
SUDAN (THE)	Sudanese Pound	SDG
SURINAME	Surinam Dollar	SRD
SVALBARD AND JAN MAYEN	Norwegian Krone	NOK
SWAZILAND	Lilangeni	SZL
SWEDEN	Swedish Krona	SEK
SWITZERLAND	WIR Euro	CHE
SWITZERLAND	Swiss Franc	CHF
SWITZERLAND	WIR Franc	CHW
SYRIAN ARAB REPUBLIC	Syrian Pound	SYP
TAIWAN (PROVINCE OF CHINA)	New Taiwan Dollar	TWD
TAJKISTAN	Somoni	TJS
TANZANIA, UNITED REPUBLIC OF	Tanzanian Shilling	TZS
THAILAND	Baht	THB
TIMOR-LESTE	US Dollar	USD
TOGO	CFA Franc BCEAO	XOF
TOKELAU	New Zealand Dollar	NZD
TONGA	Pa'anga	TOP
TRINIDAD AND TOBAGO	Trinidad and Tobago Dollar	TTD
TUNISIA	Tunisian Dinar	TND

TURKEY	Turkish Lira	TRY
TURKMENISTAN	Turkmenistan New Manat	TMT
TURKS AND CAICOS ISLANDS (THE)	US Dollar	USD
TUVALU	Australian Dollar	AUD
UGANDA	Uganda Shilling	UGX
UKRAINE	Hryvnia	UAH
UNITED ARAB EMIRATES (THE)	UAE Dirham	AED
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND (THE)	Pound Sterling	GBP
UNITED STATES MINOR OUTLYING ISLANDS (THE)	US Dollar	USD
UNITED STATES OF AMERICA (THE)	US Dollar	USD
UNITED STATES OF AMERICA (THE)	US Dollar (Next day)	USN
URUGUAY	Uruguay Peso en Unidades Indexadas (URUIURUI)	UYI
URUGUAY	Peso Uruguayo	UYU
UZBEKISTAN	Uzbekistan Sum	UZS
VANUATU	Vatu	VUV
VENEZUELA (BOLIVARIAN REPUBLIC OF)	Bolivar	VEF
VIET NAM	Dong	VND
VIRGIN ISLANDS (BRITISH)	US Dollar	USD
VIRGIN ISLANDS (U.S.)	US Dollar	USD
WALLIS AND FUTUNA	CFP Franc	XPF
WESTERN SAHARA	Moroccan Dirham	MAD
YEMEN	Yemeni Rial	YER
ZAMBIA	Zambian Kwacha	ZMW
ZIMBABWE	Zimbabwe Dollar	ZWL
ZZ01_Bond Markets Unit European_EURCO	Bond Markets Unit European Composite Unit (EURCO)	XBA
ZZ02_Bond Markets Unit European_EMU-6	Bond Markets Unit European Monetary Unit (E.M.U.-6)	XBB
ZZ03_Bond Markets Unit European_EUA-9	Bond Markets Unit European Unit of Account 9 (E.U.A.-9)	XBC
ZZ04_Bond Markets Unit European_EUA-17	Bond Markets Unit European Unit of Account 17 (E.U.A.-17)	XBD
ZZ06_Testing_Code	Codes specifically reserved for testing purposes	XTS
ZZ07_No_Currency	The codes assigned for transactions where no currency is involved	XXX
ZZ08_Gold	Gold	XAU
ZZ09_Palladium	Palladium	XPD
ZZ10_Platinum	Platinum	XPT
ZZ11_Silver	Silver	XAG

Appendix 6: Business activity Codes

Codes	Description
CBC501	Research and Development
CBC502	Holding or managing intellectual property
CBC503	Purchasing or Procurement
CBC504	Manufacturing or Production
CBC505	Sales, Marketing or Distribution
CBC506	Administrative, Management or Support Services
CBC507	Provision of services to unrelated parties
CBC508	Internal group finance
CBC509	Regulated Financial Services
CBC510	Insurance
CBC511	Holding shares or other equity instruments
CBC512	Dormant
CBC513	Other3

CBC 513 – Other should only be selected, in case the business activities of the Constituent Entity cannot be accurately reflected through the selection of one or more of the other codes. In case the CBC513 –Other code is selected, further information as to the business activities of the Constituent Entity is to be provided in the Other Entity Info element. Care should be given that, in instances where the BizActivities element is corrected, an according correction is also carried out in the Other Entity Info element, in case related information has been provided in that element.

Appendix 7: Tax type Enumeration table

The value column below should be used to complete the Identification Number Type as per OECD CbC Schema requirement for the Identification Number (tax reference number) provided.

Multiple occurrences of INType may be provided to cater for multiple types of identification numbers.

Identification Number Type (INType) value	Description
APT	Air Passenger Tax
COMPANY_REG_NO	Company Registration number, i.e. number registered with the CIPC
CUSTOMS	Customs Number
DIESEL	Diesel Tax
DIVIDENDS_TAX	Dividends Withholding Tax
ETI	Employment Tax Incentive
EXCISE	Excise Number

FOREIGN_INTEREST_TAX	Foreign Interest Tax
INCOME_TAX	Income Tax. If this value is specified, either COMPANY_REG_NO or TRUST_NO should also be specified.
MPRR	Mineral and Resource Royalties
PAYE	Pay-As-You-Earn
SDL	Skills Development Levy
STC	Secondary Tax on Companies
TRANSFER_DUTY	Transfer Duty
TRUST_NO	Trust registration number as registered at the Master of the High Court
UIF	Unemployment Insurance Fund Number
VAT	Value Added Tax