

GLOBAL FORUM ON
**TRANSPARENCY AND EXCHANGE OF
INFORMATION FOR TAX PURPOSES**

Peer Review Report on the Exchange of Information
on Request

MAURITANIA

2023 (Second Round, Phase 1)

Global Forum on Transparency and Exchange of Information for Tax Purposes: Mauritania 2023 (Second Round, Phase 1)

PEER REVIEW REPORT ON THE EXCHANGE
OF INFORMATION ON REQUEST

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Note by the Republic of Türkiye

The information in this document with reference to “Cyprus” relates to the southern part of the Island. There is no single authority representing both Turkish and Greek Cypriot people on the Island. Türkiye recognises the Turkish Republic of Northern Cyprus (TRNC). Until a lasting and equitable solution is found within the context of the United Nations, Türkiye shall preserve its position concerning the “Cyprus issue”.

Note by all the European Union Member States of the OECD and the European Union

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Reader's guide

The Global Forum on Transparency and Exchange of Information for Tax Purposes (the Global Forum) is the multilateral framework within which work in the area of tax transparency and exchange of information is carried out by over 160 jurisdictions that participate in the Global Forum on an equal footing. The Global Forum is charged with the in-depth monitoring and peer review of the implementation of the international standards of transparency and exchange of information for tax purposes (both on request and automatic).

Sources of the Exchange of Information on Request standards and Methodology for the peer reviews

The international standard of exchange of information on request (EOIR) is primarily reflected in the 2002 OECD Model Agreement on Exchange of Information on Tax Matters and its commentary, Article 26 of the OECD Model Tax Convention on Income and on Capital and its commentary and Article 26 of the United Nations Model Double Taxation Convention between Developed and Developing Countries and its commentary. The EOIR standard provides for exchange on request of information foreseeably relevant for carrying out the provisions of the applicable instrument or to the administration or enforcement of the domestic tax laws of a requesting jurisdiction. Fishing expeditions are not authorised but all foreseeably relevant information must be provided, including ownership, accounting and banking information.

All Global Forum members, as well as non-members that are relevant to the Global Forum's work, are assessed through a peer review process for their implementation of the EOIR standard as set out in the 2016 Terms of Reference (ToR), which break down the standard into 10 essential elements under three categories: (A) availability of ownership, accounting and banking information; (B) access to information by the competent authority; and (C) exchanging information.

The assessment results in recommendations for improvements where appropriate and an overall rating of the jurisdiction's compliance with the EOIR standard based on:

1. The implementation of the EOIR standard in the legal and regulatory framework, with each of the element of the standard determined to be either (i) in place, (ii) in place but certain aspects need improvement, or (iii) not in place.
2. The implementation of that framework in practice with each element being rated (i) compliant, (ii) largely compliant, (iii) partially compliant, or (iv) non-compliant.

The response of the assessed jurisdiction to the report is available in an annex. Reviewed jurisdictions are expected to address any recommendations made, and progress is monitored by the Global Forum.

A first round of reviews was conducted over 2010-16. The Global Forum started a second round of reviews in 2016 based on enhanced Terms of Reference, which notably include new principles agreed in the 2012 update to Article 26 of the OECD Model Tax Convention and its commentary, the availability of and access to beneficial ownership information, and completeness and quality of outgoing EOI requests. Clarifications were also made on a few other aspects of the pre-existing Terms of Reference (on foreign companies, record keeping periods, etc.).

Whereas the first round of reviews was generally conducted in two phases for assessing the legal and regulatory framework (Phase 1) and EOIR in practice (Phase 2), the second round of reviews combine both assessment phases into a single review. For the sake of brevity, on those topics where there has not been any material change in the assessed jurisdictions or in the requirements of the Terms of Reference since the first round, the second round review does not repeat the analysis already conducted. Instead, it summarises the conclusions and includes cross-references to the analysis in the previous report(s). Information on the Methodology used for this review is set out in Annex 3 to this report.

Consideration of the Financial Action Task Force Evaluations and Ratings

The Financial Action Task Force (FATF) evaluates jurisdictions for compliance with anti-money laundering and combating terrorist financing (AML/CFT) standards. Its reviews are based on a jurisdiction's compliance with 40 different technical recommendations and the effectiveness regarding 11 immediate outcomes, which cover a broad array of money-laundering issues.

The definition of beneficial owner included in the 2012 FATF standards has been incorporated into elements A.1, A.3 and B.1 of the 2016 ToR. The 2016 ToR also recognises that FATF materials can be relevant for carrying out EOIR assessments to the extent they deal with the definition of beneficial ownership, as the FATF definition is used in the 2016 ToR (see 2016 ToR, Annex 1, part I.D). It is also noted that the purpose for which the FATF materials have been produced (combating money-laundering and terrorist financing) is different from the purpose of the EOIR standard (ensuring effective exchange of information for tax purposes), and care should be taken to ensure that assessments under the ToR do not evaluate issues that are outside the scope of the Global Forum's mandate.

While on a case-by-case basis an EOIR assessment may take into account some of the findings made by the FATF, the Global Forum recognises that the evaluations of the FATF cover issues that are not relevant for the purposes of ensuring effective exchange of information on beneficial ownership for tax purposes. In addition, EOIR assessments may find that deficiencies identified by the FATF do not have an impact on the availability of beneficial ownership information for tax purposes; for example, because mechanisms other than those that are relevant for AML/CFT purposes exist within that jurisdiction to ensure that beneficial ownership information is available for tax purposes.

These differences in the scope of reviews and in the approach used may result in differing conclusions and ratings.

More information

All reports are published once adopted by the Global Forum. For more information on the work of the Global Forum on Transparency and Exchange of Information for Tax Purposes, and for copies of the published reports, please refer to www.oecd.org/tax/transparency and <http://dx.doi.org/10.1787/2219469x>.

Abbreviations and acronyms

| | |
|--------------------------------|--|
| 2016 Methodology | Methodology for Round 2 peer reviews and non-member reviews on the implementation of the standard of transparency and exchange of information on request, adopted by the Global Forum at its meeting on 29-30 October 2015, as amended in 2021 |
| 2016 Terms of Reference | Terms of Reference related to EOIR, as approved by the Global Forum on 29-30 October 2015 |
| CDD | Customer Due Diligence |
| CGI | General Tax Code |
| DTC | Double Taxation Convention |
| EOI | Exchange of Information |
| EOIR | Exchange of information on request |
| EUR | Euro |
| FATF | Financial Action Task Force |
| Global Forum | Global Forum on Transparency and Exchange of Information for Tax Purposes |
| LPF | Tax Procedures Code (<i>Livre des procédures fiscales</i>) |
| MRU | Mauritanian Ouguiya (Mauritania's national currency) |
| Multilateral Convention | Convention on Mutual Administrative Assistance in Tax Matters, as amended in 2010 |
| TIN | Unique Tax Identification Number |
| SA | Public limited company (<i>Société anonyme</i>) |
| SARL | Limited liability company (<i>Société à responsabilité limitée</i>) |

| | |
|-----------------------|---|
| SAS | Simplified joint stock company (<i>Société par actions simplifiée</i>) |
| SUARL | One-man limited liability company (Société unipersonnelle à responsabilité limitée) |
| SCA | Company Limited by Shares (<i>société en commandite par action</i>) |
| TIEA | Tax Information Exchange Agreement |
| UMA Convention | Convention for the Avoidance of Double Taxation and the Establishment of Rules for Mutual Assistance in Respect of Taxes on Income between the States of the Arab Maghreb Union |

Executive summary

1. This report analyses the implementation of the standard of transparency and exchange of information on request (the standard) in Mauritania on the second round of reviews conducted by the Global Forum. In 2016, the Global Forum carried out the combined assessment of Mauritania against the 2010 Terms of Reference, on both the legal and practical implementation of the standards.
2. Due to the limited practical experience of Mauritania in exchange of information on request (EOIR), this report only assesses the adequacy of Mauritania's legal and regulatory framework, as in force in July 2023, to the 2016 Terms of Reference (Phase 1), in accordance with the 2016 Methodology for the Second Round of Peer Review, as amended in 2021. The assessment of the practical implementation of this legal and regulatory framework (Phase 2 evaluation) will be organised at a later date and shall begin in December 2026 at the latest (see Annex 3).
3. The report concludes that Mauritania has a legal and regulatory framework that broadly ensures the availability of access to, and exchange of relevant information for tax purposes, but there continues to be deficiencies in several areas where the framework demands improvements.

Comparison of determinations and ratings for First Round Report and Second Round Report

| Element | First Round Report (2016) | | Second Round Report (2023) |
|--|---------------------------|---------------------|----------------------------|
| | Determinations | Ratings | Determinations |
| A.1 Availability of ownership and identity information | Needs improvement | Largely compliant | Needs improvement |
| A.2 Availability of accounting information | In place | Compliant | Needs improvement |
| A.3 Availability of banking information | In place | Compliant | Needs improvement |
| B.1 Access to information | In place | Compliant | In place |
| B.2 Rights and Safeguards | In place | Compliant | In place |
| C.1 EOIR Mechanisms | Needs improvement | Largely compliant | In place |
| C.2 Network of EOIR Mechanisms | In place | Compliant | In place |
| C.3 Confidentiality | In place | Compliant | In place |
| C.4 Rights and safeguards | In place | Compliant | In place |
| C.5 Quality and timeliness of responses | Not applicable | Partially compliant | Not applicable |
| OVERALL RATING | Largely compliant | | Not applicable |

Note: The three-scale determinations relating to the legal framework are: In place, In place but some aspects of the element needs improvement, and Not in place. (At the end of Phase 2, the four-scale ratings relating to the legal framework and its practice are: Compliant, Largely Compliant, Partially Compliant, and Not Compliant)

Progress made since previous review

4. Since the 2016 Report, the Convention on Mutual Administrative Assistance in Tax Matters has entered into force in Mauritania. Mauritania now has an extensive network of information exchange mechanisms, covering 149 jurisdictions.

5. Mauritanian commercial law now contains obligations that allow, in most cases, the availability of information on the identity and legal ownership of Mauritanian entities, thanks to the elements that must mandatorily be inserted in the articles of association of entities, the registration with the Register of Companies and the tax authorities, and the keeping of a register of shareholders or associates at entity level, as well as the availability of accounting information. The Mauritanian legal framework also guarantees the availability of this information for relevant foreign entities and legal arrangements.

6. Since the entry into force in September 2021 of a new decree on the Register of Companies, the entities and legal arrangements must keep information relating to their beneficial owners and must also send this information to the Commercial Registry, which will establish and manage a central

register of beneficial owners on this basis. Availability of information on beneficial owners is also ensured from persons subject to the provisions of anti-money laundering legislation, where one of these persons is engaged in a business relationship with the relevant entity or legal arrangement. However, certain gaps have been identified in the anti-money laundering provisions.

Key recommendations

7. In Mauritania, the Register of companies on beneficial owners is the primary source of beneficial ownership information on companies. The reporting requirement is change-driven but there is no effective mechanism in place to allow companies to become aware of changes in their beneficial ownership. There is no periodic update requirement which would incentivise companies to examine, update or validate their beneficial ownership nor any actions that may be taken against beneficial owners or intermediate entities in case of non-co-operation. The deficiencies in the Register are not mitigated by the anti-money laundering (AML) framework. There is no requirement to engage AML-obliged reporting persons in all cases. Moreover, the definition and methodology for identifying the beneficial owner for legal persons provided for in the AML law, do not comply with the standard. There is also no discrepancy reporting mechanism to enable verification of information held in the Register. As a result, the availability of accurate and up-to-date beneficial ownership information of companies and partnerships is not assured in all cases.

8. Tax legislation requires all companies that issue bearer shares to notify the tax authorities of the identity of their owners, giving their full names and addresses, within 30 days of date of issue. In the event of transfer of bearer shares, the transferors must also notify the tax authorities within 30 days, indicating the full name and address of the transferee, and the date from which the transfer becomes effective. However, Mauritanian legislation does not provide for any penalties in case of a failure to comply with these obligations.

9. The Mauritanian legal framework does not guarantee that accounting information is retained for at least five years after a company has ceased trading or has been liquidated.

10. Although the anti-money laundering legislation provides for identification of the beneficial owners for bank accounts held in Mauritania, the methodology for identifying the beneficial owners of legal entities and legal arrangements has several shortcomings, and does not ensure the identification of beneficial owners of bank accounts in accordance with the standard. Information on the beneficial owners of certain bank accounts may therefore not be available.

11. Mauritania is therefore recommended to correct these shortcomings.

Exchange of information in practice

12. Mauritania has an extensive EOI network through a range of bilateral, regional and multilateral instruments. To date, 140 of the 149 exchange relationships are in force.

13. Mauritania does participate in the exchange of information in practice, although it has limited experience in this area. Mauritania received 5 requests for information from its partners during the period 1 July 2019 to 30 June 2022. In preparation of this evaluation, Mauritania indicated that these incoming requests were particularly straightforward to process. One of Mauritania's exchange partners indicated that it was generally satisfied with the co-operation from Mauritania. The evaluation of exchange of information in practice is not covered by this report and will be the subject of a forthcoming Phase 2 review.

Overall rating

14. This report assesses Mauritania's legal and regulatory framework for transparency and exchange of information for tax purposes (Phase 1 review). Mauritania receives an "in place" determination for Elements B.1, B.2, C.1, C.2, C.3 and C.4, and "in place but needs improvement" for Elements A.1, A.2 and A.3. The rating for each element and the overall rating will be assigned at the completion of the Phase 2 review.

15. This report was approved by the Peer Review Group of the Global Forum on 4 October 2023 and adopted by the Global Forum on 3 November 2023. A follow-up report on the measures taken by Mauritania to address the recommendations made in this report should be provided to the Peer Review Group in accordance with the procedure set out under the 2016 Methodology as amended in 2021.

Summary of determinations, ratings and recommendations

| Determinations | Factors underlying Recommendations | Recommendations |
|--|--|---|
| Jurisdictions should ensure that ownership and identity information, including information on legal and beneficial owners, of all relevant entities and arrangements is available to their competent authorities (Element A.1) | | |
| <p>The legal and regulatory and regulatory framework is in place, but needs improvement</p> | <p>The Register of companies on beneficial owners is the primary source of beneficial ownership information on companies, legal arrangements and partnerships. The reporting requirement is change-driven but there is no effective mechanism in place to allow companies to become aware of changes in their beneficial ownership. There is no periodic update requirement which would incentivise companies to examine, update or validate their beneficial ownership nor any actions that may be taken against beneficial owners or intermediate entities in case of non-co-operation. The deficiencies in the Register are not mitigated by the anti-money laundering (AML) framework. There is no requirement to engage AML-obliged reporting persons in all cases. Moreover, the definition and methodology for identifying the beneficial owner for legal persons provided for in the AML law, do not comply with the standard.</p> | <p>Mauritania is recommended to ensure that accurate and up-to-date information on beneficial owners of companies, legal arrangements and partnerships is available at all times in accordance with the standard.</p> |

| Determinations | Factors underlying Recommendations | Recommendations |
|--|---|--|
| | <p>Tax legislation requires all companies that issue bearer shares to declare to the tax authorities the identity of their owners, giving their full names and addresses, within 30 days of the date of issue. In the event of a transfer of bearer shares, the transferor must also notify the tax authorities within 30 days of the transfer, stating the full name and address of the transferee and the date from which the transfer becomes effective. However, Mauritanian legislation does not provide for any penalties in the event of failure to comply with these obligations.</p> | <p>Mauritania is recommended to ensure that appropriate sanctions are applied in the event of failure by a company and its directors to meet their obligations relating to the declaration of the owners of bearer shares, to ensure their identification.</p> |
| <p>Jurisdictions should ensure that reliable accounting records are kept for all relevant legal entities and arrangements (Element A.2).</p> | | |
| <p>The legal and regulatory framework is in place, but needs improvement</p> | <p>The document retention requirements are not explicit in the case of entities that are liquidated, in particular with regard to the person responsible for keeping the books and documentation of the liquidated entities.</p> | <p>Mauritania is recommended to ensure that record-keeping requirements are applied so that accounting records (including supporting documents) are kept for at least five years for entities that are liquidated or cease to exist.</p> |
| <p>Banking information and beneficial ownership information should be available for all account-holders (Element A.3)</p> | | |
| <p>The legal and regulatory framework is in place, but needs improvement</p> | <p>Although anti-money laundering legislation provides for the identification of the beneficial owners of bank accounts in Mauritania, the methodology for determining the beneficial owners of legal persons and legal arrangements have several shortcomings, and does not ensure the identification of beneficial owners of bank accounts in accordance with the standard. Additionally, the legislation does not indicate that the CDD should be updated in case of doubts or knowledge of change.</p> | <p>Mauritania is recommended to ensure the availability of information relating to the beneficial owners of bank accounts, in accordance with the requirements of the standard.</p> |

| Determinations | Factors underlying Recommendations | Recommendations |
|--|------------------------------------|-----------------|
| Competent authorities should have the power to obtain and provide information that is the subject of a request under an exchange of information arrangement from any person within their territorial jurisdiction who is in possession or control of such information (irrespective of any legal obligation on such person to maintain the secrecy of the information) (Element B.1) | | |
| The legal and regulatory framework is in place. | | |
| The rights and safeguards (e.g. notification, appeal rights) that apply to persons in the requested jurisdiction should be compatible with effective exchange of information (Element B.2) | | |
| The legal and regulatory framework is in place. | | |
| Exchange of information mechanisms should provide for effective exchange of information (Element C.1) | | |
| The legal and regulatory framework is in place | | |
| The jurisdictions' network of information exchange mechanisms should cover all relevant partners (ToR Element C.2) | | |
| The legal and regulatory framework is in place | | |
| The jurisdictions' mechanisms for exchange of information should have adequate provisions to ensure the confidentiality of information received (Element C.3) | | |
| The legal and regulatory framework is in place | | |
| The exchange of information mechanisms should respect the rights and safeguards of taxpayers and third parties (Element C.4) | | |
| The legal and regulatory framework is in place | | |

| Determinations | Factors underlying Recommendations | Recommendations |
|--|--|------------------------|
| The jurisdiction should request and provide information under its network of agreements in an effective manner (Element C.5) | | |
| Legal and regulatory framework: | This element involves issues of practice. Accordingly, no determination on the legal and regulatory framework has been made. | |

Overview of Mauritania

16. This overview about Mauritania serves as context for understanding the analysis in the main body of the report.

17. Mauritania's economy is largely dominated by industries such as fishing, agriculture and the exploitation of natural resources primarily with extracts of iron and hydrocarbons. The legal tender of Mauritania is Ouguiya, abbreviated "MRU" (1 EUR is worth around 37 MRU).

Legal system

18. Mauritania's legal system is a single national statute based on positive written law and inspired by the civil law. The legal system is republican and is based on the principle of the separation of powers divided into three branches i.e. Legislative, Executive and the Judiciary. Legislative power is exercised by a parliament consisting of a single representative chamber called the National Assembly. The President of the Republic is the head of the Executive branch.

19. Mauritania's legal system is based on the Constitution adopted on 12 July 1991 and came into force on 20 July 1991. It has been revised three times in 2006, 2012 and 2017. In addition, the Constitution distinguishes between legislative matters that must be the subject of laws and regulatory matters that fall within the gamut of the executive (decrees and orders).

20. The judicial system is based on a two-level judicial system, organised around the courts of first instance: the Moughataa (district) courts and Wilaya (regional) courts which are the administrative territorial divisions of Mauritania, and the courts of second instance: six appeal courts and the supreme court. The specialised courts including the Commercial Court are part of the courts of first instance.

21. International commitments that are contrary to the Constitution of Mauritania require its amendment before they can be ratified. Ratified international treaties take precedence over laws in accordance with Article 80 of the Constitution.

Tax system

22. Mauritania's tax system is based on the principle of legality, enshrined in article 20 of the Constitution, which stipulates that no tax may be imposed except by a virtue of law. The Constitution also guarantees the equality of citizens before the tax and participation in public burdens according to contributive capacity. Tax rules apply to all taxpayers on the basis of general legal provisions. Any natural or legal person carrying on an industrial, commercial, craft or agricultural activity in Mauritania, or any person carrying on a non-commercial profession, is considered a taxpayer, as are employees.

23. Taxes are set out in the General Tax Code (CGI), but certain tax provisions may be set out in other legislation such as the Investment Code, the Mining and Hydrocarbons Code and Act no. 2013-001 of 2 January 2013 creating the Nouadhibou free zone. The provisions of the CGI are regularly updated by the initial or amending Finance Acts.

24. Mauritania's tax authority, the Direction Générale des Impôts, is responsible for the assessment, collection, audit and litigation concerning taxes and duties.

25. Mauritania's tax system distinguishes between direct and indirect taxes. The main direct taxes are income tax: corporation tax, which corresponds to 25% of taxable profits or 2% of total taxable income, whichever is higher; tax on the business profits of individuals, which corresponds to 30% of taxable profits or 2.5% of total taxable income, whichever is higher; tax on property income at a rate of 10%; tax on salaries, wages, pensions and life annuities at a progressive rate (maximum 40%); and tax on income from transferable capital at a rate of 10%. Indirect taxes include value added tax (16%), and consumption taxes (on petroleum products, alcoholic beverages, tobacco, consumption taxes on various foodstuffs, circulation taxes on meat, and taxes on cinema screenings).

26. Personal income tax is payable by all individuals, Mauritanian or foreign, whose tax domicile is in Mauritania, on all their income, whether from Mauritanian or foreign sources, subject to the application of international double taxation conventions (DTCs). It is also payable by individuals who do not have their tax domicile in Mauritania, on their Mauritanian-source income or if they have their centre of vital interests in Mauritania (article 111, CGI). Article 111 of the CGI states that persons considered to be domiciled for tax purposes in Mauritania are those who own or enjoy a permanent home there or who have their centre of vital interests in Mauritania, even if they do not have a permanent residence there. All individuals employed in Mauritania are subject to income tax on their salaries, wages and related allowances, whether or not the employer or beneficiary is domiciled there. Companies are taxable in Mauritania on the basis of their activities, taking

into account profits made from businesses operated in Mauritania and profits taxed in Mauritania under an international double taxation treaty.

27. Mauritania has a network of nine bilateral treaties and one regional treaty aimed at eliminating double taxation, together with the multilateral Convention on Mutual Administrative Assistance in Tax Matters (Multilateral Convention). The competent authority for the exchange of information for tax purposes in Mauritania is the Minister of Finance. The function of competent authority is delegated to the Director General of Taxes. The latter is empowered to receive, process and respond to all requests for the exchange of information for tax purposes issued by Mauritania's exchange partners and to issue requests for information to Mauritania's exchange partners, to receive responses and to use the content thereof within the limits of the terms of the conventions or agreements in force. Mauritania does not participate in the automatic exchange of information.

Financial services sector

28. Mauritania's financial sector comprises the Central Bank of Mauritania, 18 commercial banks (including 7 Islamic banks, 7 Mauritanian owned banks and 4 banks with predominantly foreign capital), one financial institution specialised in financing small companies, 17 insurance companies and 2 social welfare schemes. In addition to traditional commercial banks, Mauritania has 32 microfinance institutions, mainly based in Nouakchott and Nouadhibou, the country's two main cities.

29. The other financial professions are dominated by 7 money transfer companies and 19 foreign exchange companies. Mauritania does not have a stock exchange and there are no regulations on this subject.

30. The Central Bank of Mauritania regulates banking activities and supervises financial institutions. It ensures the protection of customers, the smooth operation of financial instrument markets and the proper application of anti-money laundering regulations.

31. The Global Financial Centre Index 2022 does not identify any international or regional financial centre in Mauritania.

Anti-money laundering framework

32. In 2019, Mauritania enacted a number of laws and regulations relating to the fight against money laundering and terrorist financing, including:

- the Act no. 2019-017 of 20 February 2019 on the fight against money laundering and the financing of terrorism (anti-money laundering law)

- Decree No. 197-2019 of 23 October 2019 implementing Act No. 2019-017 of 20 February 2019 on the fight against money laundering and terrorist financing.
- Decree 198-2019 of 23 October 2019 on the composition, organisational and operational rules of the National Committee for Combating Money Laundering and the Financing of Terrorism and the Financial Investigations Unit.

33. Article 3 of Decree no. 197-2019 of 23 October 2019 requires financial institutions and designated non-financial businesses and professions to apply customer due diligence measures on an ongoing basis, including the identification of customers and their beneficial owners, and the keeping of related information. The professions and non-financial businesses subject to customer due diligence include bailiffs, lawyers, chartered accountants and auditors, notaries, tax advisers and estate agents.

Anti-money laundering assessment

34. Mauritania was assessed in 2018 by the Middle East and North Africa Financial Action Task Force. The first country assessment report was adopted in May 2018. Following this assessment, Mauritania promulgated Law No. 2019-017 of 20 February 2019 and its implementing decrees.

35. The first follow-up report was then adopted in April 2019, second report in November 2020 and the third report in November 2021.¹

36. Mauritania has achieved substantial technical compliance with the FATF Recommendations after the 2021 follow-up reports. Mauritania has received a rating of “compliant” for Recommendation 10 on customer due diligence, “partially compliant” for Recommendation 24 on transparency and beneficial ownership of legal persons and “largely compliant” for Recommendation 25 on transparency and beneficial ownership of legal arrangements.

Recent developments

37. In 2019, Mauritania amended its tax legislation to comply with the standard and, in particular, to ensure the availability of information on the beneficial owners of legal entities and arrangements. These new legal provisions are set out in this report. Mauritania is currently working on revising the Commercial Code to amend the provisions relating to bearer shares.

1. The 2018 report is available at [Mauritania Mutual Evaluation Report | MENAFATF Official Websites](#) and the follow-up reports at [Follow-up Reports - 2nd Round | MENAFATF Official Websites](#).

Part A: Availability of information

38. Sections A.1, A.2 and A.3 assess the availability of ownership and identity information for relevant legal entities and arrangements, accounting information and banking information.

A.1. Legal and beneficial ownership and identity information

Jurisdictions should ensure that ownership and identity information, including information on the legal owners and beneficial owners of all relevant legal entities and arrangements, is available to their competent authorities.

39. Mauritania has a well-developed legal framework to meet the obligations for keeping the information relating to the identity of members of partnerships and holders of registered shares in limited companies available.

40. All companies are required to register with the Register of Companies (the local court registry) within three months of their creation or incorporation, by filing a copy of their articles of association. Information on the identity of partners in partnerships and members of limited liability companies (SARLs) is available and updated at the Register of Companies. In the case of SAs, SASs and SCAs, only information on the identity of shareholders at the time of formation of the company and that of partners involved in the management of the company (directors) is published in the Register of Companies. In any case, up-to-date information on the identity of all shareholders is available from two sources. Firstly, within the company, through the registers of shareholders that they must keep at their registered office. Secondly, from the tax authorities, through the annual income tax returns, which must be accompanied by a form containing a list of shareholders clearly indicating the number and details of shares they hold.

41. With regard to information on beneficial owners, anti-money laundering legislation provides for obligations to identify the beneficial owners of legal entities but contains certain loopholes which do not ensure the identification of beneficial owners in all cases in accordance with the standard of transparency. Nevertheless, the Commercial Code includes obligations

to identify beneficial owners and to declare the relevant information to the Register of Companies, as well as updates.

42. Mauritania still allows bearer shares to be issued. Tax legislation requires companies issuing bearer shares to identify their owners and inform the tax authorities. The sellers of bearer shares are also required to inform the tax authorities. However, the legal framework does not provide for penalties in the event of non-compliance with these obligations, and so enforcement is not guaranteed. Mauritania must therefore take corrective measures to resolve this issue.

43. The tables below present the conclusions on this element.

Legal framework: in place, but certain aspects of the legal implementation of the element need improvement

| Deficiencies identified/Underlying factor | Recommendations |
|---|--|
| <p>The Register of companies on beneficial owners is the primary source of beneficial ownership information on companies and partnerships. The reporting requirement is change-driven but there is no effective mechanism in place to allow companies to become aware of changes in their beneficial ownership. There is no periodic update requirement which would incentivise companies to examine, update or validate their beneficial ownership nor any actions that may be taken against beneficial owners or intermediate entities in case of non-co-operation.</p> <p>The deficiencies in the Register are not mitigated by the anti-money laundering (AML) framework. There is no requirement to engage AML-obliged reporting persons in all cases. Moreover, the definition and methodology for identifying the beneficial owner for legal persons provided for in the AML law, do not comply with the standard.</p> | <p>Mauritania is recommended to ensure that accurate and up-to-date information on beneficial owners of companies, legal arrangements and partnerships is available at all times in accordance with the standard.</p> |
| <p>Tax law requires all companies that issue bearer shares to declare to the tax authorities the identity of their owners, giving their full names and addresses, within 30 days of the date of issue.</p> <p>In the event of a transfer of bearer shares, the transferor must also notify the tax authorities within 30 days of the transfer, stating the full name and address of the transferee and the date from which the transfer becomes effective. However, Mauritanian legislation does not provide for any penalties in the event of failure to comply with these obligations.</p> | <p>Mauritania is recommended to ensure that appropriate sanctions are applied in the event of failure by a company and its directors to meet their obligations relating to the declaration of the owners of bearer shares, to ensure their identification.</p> |

Practical Implementation of the Standard: no rating is assigned on this element, as it involves issues of practice that are dealt with in the Phase 2 review.

The Phase 2 recommendations made in the 2016 Report are reproduced below for your information

| Deficiencies identified/Underlying factor | Recommendations |
|--|--|
| <p>During the assessment period, the registration formality was the only mechanism for ensuring that the owner of a bearer share could always be identified in the event of a transfer. However, this formality was not effectively implemented. Recently, a new tax provision was adopted requiring companies that have issued or are issuing bearer shares and the transferors of such shares to declare the identity of their holders to the tax authorities. However, its implementation has not been tested in practice.</p> | <p>The Mauritanian authorities must ensure that the registration formality is effectively applied to transfers of shares, whatever their form. The Mauritanian authorities must also monitor the effective implementation of the new obligation for holders of bearer shares to report to the tax authorities.</p> |
| <p>Mauritania recently adopted a tax provision requiring joint stock companies (SA, SAS, SCA) to maintain a register of registered shares at their registered office, on pain of a fine. However, the implementation of this provision has not been tested in practice.</p> | <p>The Mauritanian authorities must monitor the effective implementation of the tax requirement for joint stock companies (SA, SAS, SCA) to maintain a register of registered shares at their registered office and the associated penalty for failure to do so.</p> |

A.1.1. Availability of legal and beneficial ownership information for companies

44. Mauritanian legislation (Commercial Code, (*Code du Commerce*)) recognises companies and partnerships, all of which are considered to be commercial entities. Companies with share capital include limited liability companies (SARLs) and joint stock companies. The different types of partnerships are discussed in sub-section A.1.3 of this section.

45. The Limited Liability Company (*Société à Responsabilité Limitée*, SARL) (articles 339 and subsequent articles of the Commercial Code) is formed by one or more persons (the partners) who are liable for the company's debts and losses only up to the amount of their contributions. The share capital is freely determined by the Articles of Association and is equally divided and distributed among the partners in proportion to their contributions. The nominal value of each share may not be less than MRU 5 000 (EUR 135).

The number of partners in an SARL may not exceed 50 members. If the company has more than 50 members, it must be converted into a public limited company within two years. Failing this, the company is dissolved. If the company has only one shareholder, it is known as a one-man limited liability company (*société unipersonnelle à responsabilité limitée*, SUARL)". Banking, financing, investment, insurance, capitalisation and savings companies, as well as pharmacies, are not allowed to adopt the SARL form. As at 31 December 2022, Mauritania had 6 861 SARLs.

46. The joint stock companies are governed by articles 393 et seq. of the Commercial Code. Their share capital must be at least MRU 20 million (EUR 540 540) if the company makes a public issue and at least MRU 5 million (EUR 135 000) otherwise. Mauritanian law provides for three types of joint-stock company:

- The public limited company (*société anonyme*, SA) (Articles 400 and subsequent articles of the Commercial Code) is a company formed by at least five shareholders, who are liable for the company's debts only up to the amount of their contributions. The capital of a SA is divided into negotiable shares, representing contributions in cash or in kind, excluding any contribution in skills. Shares issued by SAs may be bearer shares or registered shares. Public limited companies may not divide their capital into shares or share denominations of less than MRU 5 000 (EUR 135). As at 31 December 2022, Mauritania had 547 SAs.
- The simplified joint-stock company (*société anonyme simplifiée*, SAS) is formed by two or more companies for the purpose of managing a common subsidiary or creating a company that will become their common parent (articles 575 and subsequent articles of the Commercial Code). Only companies with capital of at least MRU 20 million (EUR 540 540) or the equivalent in foreign currency may be members of a simplified joint stock company. As at 31 December 2022, Mauritania had four SASs.
- A company limited by shares (*société en commandite par action*, SCA) (articles 591 et seq. and subsequent articles of the Commercial Code) is a company whose capital is divided into shares and which is formed by one or more general members, who have the status of business persons and are jointly and severally liable for the company's debts, and the limited members, who have the status of shareholders and are liable for losses only up to the amount of their contributions. The number of limited members may not be less than three in these entities. As at 31 December 2022, Mauritania had five SCAs.

Legal ownership and identity information requirements

47. Obligations on identity and legal ownership of companies are provided for mainly by commercial law and tax law.

48. The following table summarises the legal obligations to retain ownership information.

Companies covered by legislation governing ownership information²

| Type | Company law | Tax legislation | Anti-money laundering legislation |
|---|-------------|-----------------|-----------------------------------|
| SA | All | All | None |
| SCA | All | All | None |
| SARL/SUARL | All | All | None |
| SAS | All | All | None |
| Foreign companies resident in Mauritania for tax purposes | All | All | None |

Company law requirements

49. Pursuant to articles 29 and 39 of the Commercial Code, all natural and legal persons, whether Mauritanian or foreign, carrying on a commercial activity in Mauritanian territory are required to register with the Register of Companies. This obligation applies, inter alia, to branches or agencies of companies, commercial representations of foreign public establishments, Mauritanian public establishments of an industrial or commercial nature, subject by law to registration in the Register of Companies and generally, to any legal entity under private law carrying on an economic activity.

50. The Register of Companies is made up of local registers and a central register. The local register is kept at the clerk’s office of the local commercial court. The Register of Companies is maintained at national level by the Ministry of Trade and Industry, and centralises the information held in all the local Register of Companies. Entries in the Register of Companies include registrations, amendments and deletions.

2. The table presents each type of entity and indicates whether the various applicable rules require the availability of information for “all”, “some”, or “none” of these entities. “All” means that the legislation, whether it meets the standard or not, contains requirements for the availability of ownership information for every entity of that type. “Some” means that an entity will be covered by these requirements if certain conditions are met.

51. Legal entities must be registered with the Register of Companies within three months of their incorporation. It is required to be done by the members of the administrative, management or executive bodies and by the director in the case of a public establishment, branch, agency or commercial representation. According to article 47 of the Commercial Code, commercial entities must state in their registration a declaration containing:

- the surnames and forenames of the members, other than the shareholders and limited members, the date and place of birth, the nationality and the number of the national identity card or, in the case of non-resident foreigners, the number of the passport or any other identity document in lieu thereof
- the company's name and the date of the negative certificate issued by the Register of Companies attesting to the availability of a trade name
- the purpose of the company and the business being conducted
- the registered office and where applicable, the places the company has branches in Mauritania or abroad, as well as the registration number on the business tax roll;³ the registered office must be precisely locatable in the place where it is situated, otherwise it is deemed not to exist
- the names of the shareholders or third parties authorised to administer, manage and sign on behalf of the company, the date and place of their birth, their nationality and the number of their national identity card, residence permit or passport (or any other identity document in lieu thereof)
- the legal form of the company
- the amount of share capital
- the date on which the company started and the date on which it is due to finish
- the date and number of the filing of the articles of association with the registry.

52. Under article 48 of the Commercial Code, commercial entities must also declare the full names, dates and places of birth of the managing directors and members of the administrative, management or executive bodies

3. The business tax is payable each year by all natural or legal persons who carry on a self-employed professional activity or who have a permanent establishment there. The contribution is due even if the taxpayer benefits from an exemption from tax on profits. (Article 184 of the CGI).

appointed during the life of the company, their nationality and the number of their national identity card (or residence permit or passport or any other identity document in lieu thereof) in order to be registered in the Register of Companies.

53. Pursuant to article 52 of the Commercial Code, any change or modification relating to the above facts will be subjected to an application for an amending entry in the Register of Companies.

54. In accordance with article 47 of the Commercial Code, the declaration of registration with the Register of Companies must state “the full names of the members, other than shareholders and limited members”. The term “members” is used to refer to the owners of SARLs and partnerships. The registration declaration must therefore contain the identity information of the members of an SARL. In addition, the company’s articles of association filed with the Register of Companies must include the first name, family name and domicile of each of the members for individuals, and the name, form and seat for entities. If there is a change in the ownership of the company, the management must make an amending declaration to the Register of Companies. SARL shares are freely transferable by inheritance and freely transferable between spouses, parents and relatives up to the second degree (article 353). However, they may only be transferred to third parties outside the company with the consent of the majority of members (article 355) and after prior notification of the company. This ensures that the company is aware of any change of members, so that it can file an amending declaration with the Register of Companies. As a result, information on the identity of the owners of limited liability companies (SARLs) is available at the Register of Companies, both when the company is formed and in the event of a subsequent change of members. SARLs themselves also have up-to-date information on their shareholders and are required to keep share registers at the company’s registered office.

55. The owners of public limited companies are called “shareholders”. Under the terms of article 47 of the Commercial Code, public limited companies are not required to include the first and last names of their shareholders in the registration declaration, except for those who hold position as board of director in the company. However, the company’s articles of association filed with Register of Companies must include the identity of all shareholders who have subscribed to the company’s capital. However, subsequent changes in the ownership of the company are not transferred to the Register of Companies as long as they do not affect the company’s Articles of Association. This means that not all transfers of shares are recorded in the Register of Companies, which therefore does not contain complete information on the ownership of public limited companies up to date with changes in the shareholding which occurred after the company’s incorporation. However, public limited companies are required to keep a shares register at

the company's registered office (article 505 of the Commercial Code). Under these conditions, information on the ownership of SAs will be available in part from the Register of Companies (on incorporation) and in full, from the share register held by the company itself (on incorporation and in the event of subsequent changes). The situation for SASs is identical to that for SAs.

56. SCAs have two types of shareholders: general shareholders, who are indefinitely, jointly and severally liable for the company's debts, and limited shareholders, who are only liable for the company's debts up to the amount of their contributions. Pursuant to article 47 of the Commercial Code, the identity of the general members must be stated in the declaration of registration, which must be kept up to date in the Register of Companies. Conversely, the identity of limited members is not disclosed in the Register of Companies. It must however be mentioned in the share register kept by the company.

57. Article 606 of the Commercial Code requires all joint stock companies (SA, SAS and SCA) to keep a register of transfers at their registered office, in which subscriptions and transfers of each class of registered security are recorded in a chronological order. This register is listed and signed by the president of the court. The right of the holder of registered securities arises solely from the entry in the register of transfers. This entry also applies to third parties. Any holder of a registered security issued by the company is entitled to obtain a copy thereof certified as true by the Chairman of the Board of Directors or the Manager.

58. The share register ensures that legal ownership information is available at all times for shareholders of public limited companies, simplified public limited companies and companies limited by shares.

59. In Mauritania, the Code of Obligations and Contracts and the Commercial Code provide the regulatory framework for companies which cease to exist. The dissolution of the company is published by notice in the official gazette or in a newspaper authorised to publish legal notices in the place of the registered office, by filing at the registry of the deeds or minutes deciding on or recording the dissolution and by amending the commercial register. The company is then in liquidation process once the formalities for its dissolution have been completed. Mauritanian companies wishing to cease trading must formalise this cessation by striking off from the register of companies and then their tax identification numbers. If they do so, they will automatically be deprived of their rights to bid for public contracts, to contract, sell or buy from another company and to engage in import or export operations. If the directors of a company that has ceased trading carry out any commercial activity on its behalf, they will be personally punished in accordance with the provisions of article 376 of the Criminal Code.

60. In view of the above, the Commercial Code ensures that up-to-date ownership information of companies is available. Legal ownership information on limited liability companies (SARLs) is available from the Register of Companies indefinitely or from the company itself, and legal ownership information on joint stock companies (SAs, SASs and SCAs) is available from the companies themselves. Companies are required under the Commercial law to maintain registers and any underlying documents for a period of 10 years.

Tax law requirements

61. Information on the identity of the legal owners of companies can be obtained from the tax authorities either at the time the company is set up or when the first annual income tax return is filed. Pursuant to the provisions of Articles L.4 and L.5 of the Tax Procedures Code (*Livre des procédures fiscales*, LPF), any individual or legal entity subject to corporation tax, personal income tax, value added tax or responsible for withholding tax at source, regardless of the tax regime to which it is subject under the provisions of the CGI, and regardless of its place of residence, is required to file a declaration of existence with the tax authorities. This declaration for both legal entities and individuals must be made available within 20 days of the definitive incorporation or commencement of the activities in Mauritania, using a statutory form stating for legal entities, they must also state their legal form, duration and the location of their principal place of business, as well as the full names and addresses of the directors or managers and, in the case of companies whose capital is not divided into shares (i.e. limited liability companies), the full names and addresses of each of the shareholders.⁴ This formality may be carried out by a duly authorised representative of the taxpayer. Article 78 of the Commercial Code states that “no request for the registration of a trader or commercial entity on the Register of Companies shall be accepted by the Registrar unless a certificate of registration with the tax authorities has been produced”. Information on the ownership of limited liability companies is therefore available from the tax authorities from the time of their creation.

62. Legal entities must also indicate:

- the legal form, duration and location of their principal place of business
- the date of incorporation (a copy of the certificate of incorporation is required to be attached with the declaration)
- the full name and addresses of the directors or managers and, for companies whose capital is not divided into shares, the last names, first names and addresses of each member

4. For individual businesspersons, the form requires full names, profession or activity, address of the registered office.

- the nature and value of the movable and immovable assets making up the contributions
- number, form and amount of:
 1. transferable securities issued, distinguishing between equity and debt securities and specifying, in the case of the former, the amount for which each security is paid up and, in the case of debt securities, the term and interest rate
 2. shares not represented by transferable securities
 3. other rights of any kind attributed to shareholders in the sharing of profits or company assets, whether or not these rights are evidenced by securities
- a map showing the location of their business
- for legal persons whose registered office is abroad, the detailed nature of their activities and operations in Mauritania, the location of their principal place of business and the full name and address of their representative(s) in Mauritania, who undertakes to complete the formalities incumbent on the taxpayer, and to pay the taxes and duties on taxpayer's behalf.

63. On receipt of the declaration of existence, and after verification and certification of the taxpayer's actual location, the tax authorities assign a unique tax identification number (TIN) to the taxpayer.

64. At the time of registration, the tax authorities receive information on the identity of the shareholders of SARLs in the declaration of existence. It also receives the company's articles of association, which list the identity of shareholders ("members" for SARLs and SCAs, and founding "shareholders" for SAs and SASs). Thus, the tax authorities have information about shareholders of SAs and SASs and members at the moment a company is set up, regardless of its type.

65. Article L.6 of the LPF requires the legal entities concerned to send to Direction Générale des Impôts the information about changes relating to the ownership information of the company or the composition of its capital. This concerns also the company name, legal form, object, duration, registered office of the legal entity or the location of its principal place of business; the increase, reduction or redemption of capital; the full or partial paid-up shares; the issue, redemption or repayment of borrowings represented by negotiable securities; the replacement of one or more directors or managers, or for legal entities whose capital is not divided into shares (SARLs and partnerships), one or more members. The companies concerned must make the declaration within one month and at the same time file a duly certified copy of the amending deed.

66. In addition to the above returns, companies are required to submit an annual income tax return by 1 April each year (article 127 CGI). This return must be accompanied by a balance sheet and annexes. Article L.4 specifies that the annual income tax return must be drawn up using a statutory form provided by the tax authorities. This form includes a section on the breakdown of share capital, in which information must be provided on the identity of each shareholder and the shares held both at the beginning and at the end of the financial year.

67. In addition, in accordance with article 127 of the CGI, dividend-paying companies, banks and financial establishments and any natural or legal person who usually receives securities on deposit are required to send the Director General of Taxes, before 1 April each year, a statement showing for each recipient of income subject to tax on transferable capital his/her surname, forenames, or company name, profession or activity, address or registered office and tax identification number (TIN), as well as the nature and amount of the products or income received the previous year.

68. These provisions enable the tax authorities to hold adequate, accurate and up-to-date information on members and shareholders, whatever the type of company, even if no dividends are paid. Information on SCA shareholders will thus be obtained by the tax authorities.

69. In conclusion, under both the Commercial Code and tax law, legal ownership information of companies (SA, SAS, SCA, SARL) is available from the Register of Companies, the tax authorities and the companies themselves. This information is updated whenever there is a change at the Register of Companies in the case of SARLs, and with the tax authorities and by companies themselves in the case of all companies. The information remains available indefinitely with the Register of Companies and the tax authorities. Companies are required under both the Commercial Law and the Tax Law to keep registers and underlying documents for a period of ten years. In the event the company ceases to exist the information would be available with the Register of Companies and the tax authorities.

Nouadhibou free zone

70. Law no. 2013-001, 2 January 2013 created the Nouadhibou free zone. It comprises the entire Nouadhibou urban area, and part of the peninsula and the bay of same name, as well as the territorial waters. The Free Zone is a priority economic development zone with development areas specially allocated to *inter alia* activities of an industrial, commercial and port and airport service.

71. The governing body is the Free Zone Authority which is a legal entity under public law, governed by Law no. 2013-001 creating the freeport and its implementing regulations.

72. The Free Zone Authority is responsible for setting up and managing a one-stop shop. This represents the various government departments responsible for carrying out the domain of administrative and procedural formalities required by investors, co-operators and approved companies. With the exception of customs formalities, which remain under the control of customs authorities, the One-Stop Shop deals with all declarations and its related formalities, in particular tax, commercial and social formalities which must be completed by investors, operators and companies, on behalf of the relevant authorities (article 43 of Law no. 2013-001). The legislation of the Nouadhibou Free Zone does not derogate from the obligations to register companies under the provisions of the Commercial Code and the General Tax Code. It has simply transferred the powers of the registration departments to the Nouadhibou Free Zone.

73. The practical implementation of free zone companies' legal obligations for availability of information on beneficial owners and beneficiaries shall be assessed in more detail during the Phase 2 evaluation (see Annex 1).

Foreign companies

74. Articles 39 and 43 of the Commercial Code make foreign companies subject to verbatim registration requirements as Mauritanian companies, provided they have a permanent establishment (PE) in Mauritania. A permanent establishment in Mauritania includes any branch or agency of commercial entities, or traders whose registered office or principal place of business is located abroad must be registered with the Register of Companies where the business is operated in Mauritania. The same documents and information as set out in Article 47 of the Commercial Code referred above must be produced during the procedure. The same obligations will be applied to foreign companies as for local companies. Similarly, the same tax obligations as described in paragraphs 61 to 67 of this report apply to foreign companies.

75. Article 200 of the Commercial Code states that companies with a registered office located in Mauritanian territory are subjected to Mauritanian law and are therefore required to be registered with the Register of Companies. The same provision states that the address of the registered office may not refer to a post-office box but must be clearly identifiable by a precise address. Thus, a foreign company that has its place of effective management in Mauritania is deemed to have its registered office there and is required to register with the Register of companies. It must also keep up-to-date ownership details in the register of registered shares.

76. As on 31 December 2022, Mauritania has 155 foreign companies registered.

Nominees

77. Mauritanian law does not recognise the concept of “nominees”. As far as agents are concerned, the Commercial Code and anti-money laundering legislation contain obligations so that information on the identity of the agents is available.

78. Registered securities issued by companies are held by their beneficial owners, whose identity is known by the company. In the absence of a stock exchange in Mauritania, transfers of shares of public limited companies (SAs) are recorded in the register of shares kept by the company. As a result, the involvement of intermediaries is very limited, particularly during the formation of the company. Article 206 of the Commercial Code states that the articles of association must bear the signature of all the shareholders or their agents, failing which they are null and void. Article 345 stipulates that all the members of a SARL must be party to the instrument of incorporation, either in person or through a proxy holding special power of attorney. Similarly, article 406 provides that when SAs are incorporated, the articles of association must be signed by the shareholders either in person or by a proxy holder with special authorisation.

79. According to the Mauritanian authorities, special power of attorney is to be understood in relation to the general power of representation which the members of certain professions, such as lawyers have in relation to their clients. Accordingly, a special power of attorney is one that allows the agent to perform only the act for which he/she has been authorised, in this case the signing of the articles of association, to the exclusion of any other act. The power of attorney will therefore include the identity of the principal and that of the agent, in addition to the special power of attorney. As the identity of the members or shareholders must be indicated in the Articles of Association, the agent will necessarily have to enter the name of the person on whose behalf he/she signs them.

80. Not only does the Commercial Code not recognise the notion of “nominee”, it does not authorise it either, since the name of the principal shareholder is always associated with that of the agent.

81. Anti-money laundering legislation requires reporting entities to be vigilant with regard to persons who present themselves as the representative or agent of a customer⁵ or who may present themselves as a customer but

5. Article 3-2-a of decree no. 197-2019 stipulates that, depending on the risk represented by a particular customer, it must be verified that the person acting on behalf

are acting on behalf of another person. It also requires reporting entities to be aware of their customers' shareholding structure and to search for their beneficial owners (see below). These measures may make it possible to detect breaches of the obligations of the Commercial Code mentioned above.

Legal ownership information in practice and oversight

82. Articles 66 bis and 66 ter of the Commercial Code states that any person who fails to complete the registration and updating procedures within the stipulated timeline shall be punished with imprisonment of either description of term not less than one month but may extend to one year and a fine not less than MRU 10 000 which may extend to MRU 50 000 (EUR 270 and EUR 1 350). In cases of default, the Court orders the defaulting party to complete the operation, subject to a fine. When same offence is committed for the second or subsequent occasions, then, twice the amount of fine for such offence will be levied for legal persons and legal arrangements.

83. The authority responsible for ensuring compliance with the obligations to register and, where applicable, update ownership information with the Register of Companies or an equivalent body, is the Court represented by the President or the judge appointed specially for this purpose.

84. Supervision is governed by articles 59 bis, 64 and 65 of the Commercial Code and by decree no. 2021-033, Register of Companies.

85. At tax authority level, article L.7 of the Tax Procedures Code states that any failure to comply with the reporting obligations set out in Articles L.4 and L.6 is punishable by a fine of between MRU 50 000 and MRU 500 000 (EUR 13 500).

86. In addition, article L.131, paragraph 3 of the LPF states that failure to file an annual return or mandatory document is punishable by a fine of 1% of turnover including all taxes, assessed, if necessary, by the tax authorities, the amount of which may not be less than:

- MRU 35 000 (EUR 945) for taxpayers covered by the intermediate actual profit scheme⁶
- MRU 50 000 (EUR 1 350) for taxpayers subject to the normal actual profit scheme⁷

of the customer is the person authorised to do so, identify him or her and ensure his or her identity.

6. The intermediate actual profit scheme applies to companies with an annual turnover excluding tax of less than or equal to MRU 5 000 000 (EUR 135 000).
7. The normal actual profit scheme applies to companies whose annual turnover excluding tax exceeds MRU 5 000 000 (EUR 135 000).

- MRU 75 000 (EUR 2 027) for taxable companies or those benefiting from a temporary exemption scheme under the intermediate actual profit scheme
- MRU 150 000 (EUR 4 050) for taxable companies or those benefiting from a temporary exemption scheme under the normal actual profit scheme.

87. The practical implementation of the enforcement measures and supervisory powers of the legal obligations relating to the availability of legal ownership information will be assessed in detail during Phase 2 evaluation.

Availability of legal ownership information in EOI practice

88. Mauritania has indicated that it has already processed a request to collect ownership information. The implementation of the legal and regulatory framework and the availability of legal ownership information of companies in practice will be assessed during the Phase 2 review.

Availability of beneficial ownership information

89. The standard requires that information on the beneficial owners of companies be available in addition to information on the legal owners. In Mauritania, this aspect of the standard is provided for by the Commercial Code, which was amended to this end in 2021, and by anti-money laundering legislation, which was further strengthened in 2019. Each of these legal regimes are analysed below.

Companies covered by legislation governing information on beneficial owners

| Type | Company law | Tax legislation | Anti-money laundering legislation |
|---|-------------|-----------------|-----------------------------------|
| SA | All | None | Some |
| SCA | All | None | Some |
| SARL/SUARL | All | None | Some |
| SAS | All | None | Some |
| Foreign companies resident in Mauritania for tax purposes | All | None | All ⁸ |

8. Where a foreign company has a sufficient nexus to the jurisdiction being assessed, then the availability of beneficial owner information is required to the extent that the company has a relationship, with a relevant anti-money laundering service provider for the purposes of the DRA. (Term of reference A.1.1, footnote 9).

Company law requirements

90. In 2021, Mauritania adopted Law no. 2021-005, amending, supplementing and repealing certain provisions of the Commercial Code to introduce a register of beneficial owners of companies within the Register of Companies. This law was supplemented by Decree no. 2021-033 on the Register of Companies.

91. Nouadhibou Free Zone companies must also register with the Register of Companies and have similar obligations to all other companies in Mauritania. The analysis below therefore applies similarly to Nouadhibou Free Zone companies.

92. Article 37 ter of the Commercial Code states that the “register of beneficial owners is established for the purpose of receiving the list of beneficial owners of legal entities and arrangements, using a form drawn up for this purpose”. Pursuant to article 61 of the decree, the declaration relating to beneficial owners is dated and signed by the legal representative of the company, or the legal entity filing the declaration or by the trustee of the legal arrangement.

93. Article 61 of the decree specifies that the form must include the following information:

- the identity of the registered or declared entity
- the full names, nationality(ies), country(ies) of residence, national identification number(s), date of birth, home address and residence of the beneficial owners
- information on the control exercised by the beneficial owner
- the date of acquisition of the status of beneficial owner.

94. Order 1487, 13 December 2021 of the Ministry of Justice defines the form for the declaration of the beneficial owner, as well as the list of acts and supporting documents that must accompany the form. Pursuant to article 7 of this order, any declaration of beneficial ownership of a legal entity or legal arrangement must be submitted in triplicate, together with the following documents:

- a copy of the identity card of the beneficial owner, or of the residence card for resident foreigners, or of the passport (or any other identity document in lieu thereof) for non-resident foreigners
- a certified copy of the deed of incorporation of the legal entity or legal arrangement

- any other document containing information required by current legislation or regulations.⁹

95. In the event of a change in information relating to beneficial owners, an amending, rectifying or supplementary declaration must be filed with the Register of companies within one month of the occurrence of such change or on any act making it necessary to rectify, amend or supplement the information contained in the declaration relating to beneficial owners (article 63 of decree no. 2021-033). Order no. 1487 of 13 December 2021 provides the forms regarding applications for entry in the local Register of Companies and the declaration of beneficial owner. It also provides the forms regarding applications for entries and searches in the Register of Transferable Securities and the list of deeds and supporting documents that must accompany these forms. In addition to this, it also provides for the amendment forms that must be submitted to the Register of Companies in the event of a change. The information remains available indefinitely with the Register of Companies, including after a company ceases to exist. Companies are required under the Commercial Law to keep registers and underlying documents for a period of ten years.

96. The Register of companies is the primary source of beneficial ownership information on companies. The reporting requirement is change-driven but there is no effective mechanism in place to allow companies to become aware of changes in their beneficial ownership. There is no periodic update requirement which would incentivise companies to examine, update or validate their beneficial ownership nor any actions that may be taken against beneficial owners or intermediate entities in case of non-co-operation. The deficiencies in the Register are not mitigated by the anti-money laundering (AML) framework. There is no requirement to engage AML-obliged reporting persons in all cases. Moreover, the definition and methodology for identifying the beneficial owner for legal persons provided for in the AML law, do not comply with the standard. (see paragraphs 109 to 111 and 122 below). There is also no discrepancy reporting mechanism to enable verification of information held in the Register. As a result, the availability of accurate and up-to-date beneficial ownership information of companies is not assured in all cases.

9. To date, no additional text has been published, but the Mauritanian authorities are not ruling it out.

Definition and identification of beneficial owners under company law

97. Article 37 ter of the Commercial Code provides that “the procedures and criteria for identifying the beneficial owner shall be laid down by regulation”. Article 60 of Decree 2021-033 defines the concept of “beneficial owner” and the procedures for determining beneficial owners.

Beneficial owner: “any natural person who ultimately and definitively owns or controls, directly or indirectly, a customer and/or the natural person on whose behalf a transaction is carried out; it also means the person who ultimately exercises effective control over a legal person or legal structure”.

98. The definition is consistent with the standard. However, it differs from the definition provided by anti-money laundering legislation in the ownership threshold (see paragraph 112). This may therefore give rise to problems of interpretation.

99. The identification methodology set out in Article 60 of Decree 2021-033 specifies that the notion of beneficial owner includes, for legal entities:

The natural person(s) who ultimately own(s) or control(s) a legal entity by virtue of directly or indirectly owning or controlling 20% of the shares or voting rights in that legal entity, including through bearer shares;

The natural person or persons who otherwise exercise control over the management of a legal entity;

Where no natural person can be identified in accordance with the above criteria, the beneficial owner would be the legal representative.

100. The decree repeats the three-step process, but with a simultaneous approach rather than a cascade approach (steps 1 and 2 are carried out at the same time in order to identify any natural person exercising control through a shareholding or otherwise). Step 3 is the last resort and is exceptional in nature. This approach complies with the standard.

101. However, the decree does not provide details for application of the step 3. The standard requires that this step is used in cases where none of the natural persons controlling the entity meets the definition of beneficial owners, and not in cases and not in cases of failure to identify the beneficial owners. The question that arises therefore relates to the application of this step by Mauritania in practice and will be the subject of an in-depth assessment during the Phase 2 evaluation (see Annex 1).

102. However, the threshold for holding a controlling interest provided for in Article 60 of Decree 2021-033 (20%) is different from that provided for in

Article 3-2-a-b of Decree 197-2019 on the fight against money laundering (10%). This difference in thresholds could lead to situations where the beneficial owners of the same legal entity are not exactly the same depending on whether they are registered with the Register of Companies or with an anti-money laundering entity such as a bank. This could affect the reliability of information on beneficial owners in Mauritania, as it would be difficult to confirm the information by cross-checking of the sources. The practical implementation of these obligations will be assessed during Phase 2 to ensure that the persons concerned are informed and understand the differences between company law and the decree on the fight against money laundering in order to avoid possible confusion due to differences in pieces of various legislation (see Annex 1).

103. Consequently, under the Commercial Code, information on the beneficial owners of companies should be available from the Register of Companies at the time the company is incorporated but not when there are changes in beneficial ownership. **Mauritania is therefore recommended to ensure that accurate and up-to-date information on beneficial ownership of companies and legal arrangements is available at all times in accordance with the Standard.**

Implementation of the obligations of the Register of beneficial owners and oversight

104. Existing companies had six months from the entry into force of Decree 2021-033, Article 109, to declare their beneficial owners. Therefore, as of 11 September 2021, all companies in Mauritania were deemed to have declared this information to the Register of Companies.

105. Article 59 of Decree no. 2021-033 states that “the registrar responsible for keeping the register shall send to the Register of Companies during the first week of each month a copy of the declarations relating to beneficial owners, and of the deeds and documents filed therein during the previous month. Where the register is computerised, the registrar shall also forward, at the same intervals, the storage device on which the last backup was recorded”. The Mauritanian authorities are unable to say how many companies have already complied with this obligation, which raises questions about the effectiveness of the new register of beneficial owners.

106. With regard to monitoring and supervision, the failure to declare or an incomplete declaration of the beneficial owners is punishable by imprisonment of between one month and one year and a fine of between MRU 10 000 and MRU 50 000 (EUR 270 and EUR 1 350) in accordance with article 66 and 66 bis of the Commercial Code. The Commercial Code does not specify the person or persons liable to the penalty. According to the Mauritanian authorities, the penalty applies to the company itself and

its directors. Article 66 ter of the Commercial Code states that any person who deliberately makes a false or misleading declaration about the beneficial owners of a company is liable to five years imprisonment and a fine of MRU 50 000 (EUR 13 500) regardless of whether they are partners, shareholders, beneficial owners or members of the management structures of an association.

107. Article 64 of Decree no. 2021-033 provides that the Registrar in charge of the Register of Companies shall ensure, on his/her own responsibility, that the declaration of beneficial owners submitted to him/her is compliant. If the Registrar finds any inaccuracies or if he/she encounters any difficulties in carrying out his/her duties, he/she may obtain from the applicant or the declarant any explanations and additional documents required. If the applicant persists in filing a declaration whose content appears to the registrar to be manifestly inaccurate or not in compliance with the regulations, the Registrar will inform the president of the court or the judge assigned to the case, and the public prosecutor, for the latter to determine. If the Registrar does not receive any response from the president of the court or the judge within a period of 10 days, the Registrar will complete the procedures based on the information declared by the applicant.

108. The effectiveness of the declarations and maintenance of the register of beneficial owners and the implementation of the penalty provisions will be assessed during the Phase 2 evaluation (see Annex 1).

Anti-money laundering legislation requirements

109. As mentioned in paragraphs 32 and 33, in 2019, Mauritania enacted several laws relating to its fight against money laundering and to require the identification of the beneficial owners of companies, to a certain extent. They are: Act No. 2019-017 of 20 February 2019 on the fight against money laundering and the financing of terrorism (Anti-Money Laundering Act); Decree No. 197-2019 of 23 October 2019 implementing Act No. 2019-017 and Decree No. 198-2019 of 23 October 2019 on the composition and rules of organisation and operation of the National Committee for the Fight against Money Laundering and the Financing of Terrorism and the financial Investigations Unit.

110. The scope of application of the anti-money laundering legislation includes financial institutions and designated non-financial businesses and professions. The latter are defined in Articles 1 of Law 2019-017 and of Decree No. 197-2019, and include estate agents, notaries, chartered accountants, lawyers and company and trust service providers. However, there is no obligation for all relevant entities and legal arrangements to use the services of a reporting person.

111. In accordance with Article 3 of the Decree, customers must be identified and their identity checked against underlying documents, data or information from a reliable source. They must also, for a natural person, obtain the person's full name, national identification number for Mauritanian citizens or passport number for persons holding foreign citizenship, address of residence, date and place of birth. In the case of legal persons or a legal structure, the name and legal form of the person, proof of incorporation, a registered official address and the tax identification number shall be obtained.

Definition and identification of beneficial owners under anti-money laundering legislation

112. Anti-money laundering legislation contains two differently worded definitions of the notion of beneficial owner or "real" beneficiary and are defined in Article 1 of Act 2019-017 on the fight against money laundering and in Article 1 of Decree 197-2019.

Law: "any natural person who ultimately owns or permanently controls, directly or indirectly, a customer and/or the natural person on whose behalf a transaction is carried out; this also includes the person who ultimately exercises effective control over a legal person or legal structure".

Decree: "any natural person who has or who ultimately has effective control, directly or indirectly, over the customer or over the person on whose behalf the transaction is carried out, as well as any natural person who ultimately has effective control over a legal person or legal arrangement".

113. The definition is substantially in line with the standard. However, the use of different terms in the wording of the law and that of the implementing decree may give rise to difficulties in its application and interpretation. Mauritania should ensure that the terms defined in article 1 of Law No. 2019-017 are used consistently in the other provisions of this law and in its implementing decree No. 197-2019 (see Annex 1).

114. For legal entities, the identification process set out in Article 3-2-a-b of Decree 197-2019 does not comply with the standard. This provision provides for a two-stage methodology for identifying beneficial owners:

1. Verify the identity of the natural person who holds or controls more than 10% of the shares of the legal entity and take reasonable steps to ascertain that person's identity.
2. In cases where there is neither ownership nor control of 10% or more of the shares of the legal person, or where the shareholder

who holds the controlling share is suspected of not being the beneficial owner, the natural person who exercises control over the legal person must be identified by other appropriate means.

115. In the first point, the holding or control threshold is a direct holding threshold since the provision refers to the “shareholder” who holds the controlling share. If a beneficial owner is identified at this stage, step 2 is not initiated. However, it is quite possible that a shareholder, who is a natural person, may hold 10% of the shares, but that a shareholder, which is a legal entity, (as in the case of SARLs) may hold more than 10% of the shares, and in the absence of step 2, the beneficial owners behind this legal entity will not be identified.

116. Furthermore, step 1 covers the holding of capital but does not provide for the control via holding of the voting rights. Furthermore, by using the singular terms, the methodology does not seem to allow for more than one beneficial owner and hence, does not seem to cover “joint” ownership contrary to the transparency standard.

117. Stage 2 of the cascade, as set out in the decree, raises a number of difficulties with regard to the requirements of the transparency standard.

118. Firstly, the decree refers to the situation where “the shareholder who holds the controlling share is suspected of not being the beneficial owner”. By referring to “the shareholder”, which may be another legal entity, and “the controlling share”, this provision does not ensure that the beneficial owner is identified in accordance with the standard. It also creates contradictions with the first stage in so far as the concepts used are different (“controlling share” and “holds or controls more than 10% of shares”; “shareholder” and “natural person”). Under these conditions, it is not certain that in the case of a chain of shareholders who are legal entities, the Mauritanian legal framework requires the identification of the natural person or persons who ultimately control the company.

119. Secondly, another situation provided by the standard is where no natural person exercises control through a participating interest. The wording used in the decree complies with the standard for this second situation. However, the Decree states that “the natural person who exercises control over the legal person must be identified by other appropriate means”. It thus appears that rather than requiring the identification as beneficial owners of the persons who control the legal person by other means, as required by the standard, Mauritania’s legal framework instead requires the identification “by other means” of the persons who control the company, which creates confusion. Indeed, the notion of “other means” should be used to define control and not apply to the manner used to identify the natural person or persons who are the beneficial owners. The decree does not contain any details or clarifications on the concept of “control by other means”.

120. Finally, the third step of the cascade method is also missing, concerning the situation in which no individual is identified by implementing the first two steps. In this exceptional case, where no individual meets the definition of beneficial owner, the individual who holds the position of principal manager must be identified as the beneficial owner using a last resort approach.

121. As regards the period for keeping information on beneficial owners, Article 17 of Decree 197-2019 provides that the competent authorities, legal persons, managers, liquidators or other persons involved in the dissolution of legal persons must keep information on beneficial owners for at least ten years from the date of the dissolution. This also applies to financial institutions. In case the person is an individual, which in the case of Mauritania would typically be a lawyer or a notary, who passes away, the successor would have the obligation to keep the information and ensure that it is available for at least ten years from the date of the dissolution.

122. In conclusion, the definition and methodology for identifying the beneficial owner, for legal persons provided for in the anti-money laundering legislation, do not comply with the standard. Anti-money laundering legislation therefore does not allow information on the identity and ownership of companies to be available in all cases, and this information will not necessarily be accurate and up to date. **Mauritania is therefore recommended to ensure that accurate and up-to-date information on beneficial ownership of companies and legal arrangements is available at all times in accordance with the Standard.**

Implementation of anti-money laundering – Enforcement measures and oversight

123. The supervisory authorities responsible for monitoring and supervising anti-money laundering legislation are listed in Article 1 of Decree 197-2019. They include:

- the Central Bank of Mauritania, for financial institutions
- the Bar Association, for lawyers
- the Ministry of Justice, for notaries
- the Ministry of Finance, for chartered accountants
- the Mauritanian Financial Investigation Unit, for taxpayers who are not subject to a specific supervisory authority.

124. Article 44 of the Anti-Money Laundering Act provides for the following sanctions in the event of a failure to comply with the anti-money laundering requirements of the Act or its regulations:

- a written warning to comply with the legal provisions within a specified period
- payment of fines, determined by the supervisory authority, of not less than MRU 100 000 (EUR 2 700) and not more than MRU 500 000 (EUR 13 500), depending on the nature and seriousness of the infringement
- temporary suspension of certain operations
- prohibition on carrying out certain operations and other restrictions on doing business
- prohibition on payment of dividend
- provisional suspension of one or more directors or owners responsible for the commission of the offence, if proven
- the appointment of a temporary administrator
- partial or permanent withdrawal of approval.

125. The practical implementation and application of the binding and supervisory powers relating to the availability of beneficial owner information will be assessed in the Phase 2 evaluation.

Availability of beneficial ownership information in EOI practice

126. The implementation of the legal framework and the availability of information on beneficial owners of companies in EOI in practice will be examined during the Phase 2 evaluation.

A.1.2. Bearer shares

Company law

127. Mauritanian law authorises the issue of bearer shares in SA, SAS and SCAs. Article 606 of the Commercial Code provides that shares and bonds may be in bearer or registered form. Any holder of security may opt for either bearer or registered form, unless otherwise provided by law.

128. Several provisions of the Commercial Code offer ways of identifying the owners of bearer shares, but do not make their information available within the context of the transparency standards.

129. Under Article 410 of the Commercial Code, it is possible to obtain information on the identity of persons who have subscribed the share capital (including the holders of bearer shares). The identity of persons who have subscribed the share capital could be obtained from the notarial declaration of subscription and payment held by notaries on the creation of SAs or on a capital increase or from the statutory auditor's report (for contributions in kind). The list of subscribers is kept by the notary. The subscribers may consult and they may obtain a copy at the notary's office.

130. However, subscription forms or declarations only concern shares subscribed when the SA, SCA or SAS is incorporated or when the share capital is changed. They do not identify the holders of bearer shares in the event of any subsequent transfer.

131. Secondly, Article 509 of the Commercial Code requires an attendance sheet to be kept at each General Meeting, showing the first name, surname and domicile of the shareholders present. However, this requirement does not make it possible to identify the owners of all bearer shares, since shareholders are not obliged to attend general meetings.

Tax law

132. There are also a number of tax provisions that may affect holders of bearer shares.

133. Firstly, Article L.11 of the LPF requires that a statement showing the surname(s), first name(s) and address(es) of shareholders needs to be provided at the same time as the annual income tax return. This article does not distinguish between holders of registered shares and holders of bearer shares, and therefore covers them all. Any infringement gives rise to a fine of MRU 1 000 (EUR 27) per type of information not provided or if provided inaccurately.

134. Secondly, Article L.12 of the LPF requires all companies that issue bearer shares to declare to the tax authorities the identity of their owners, giving their full names and addresses, within 30 days of the date of issue. In the event of a transfer of bearer shares, the transferors must also notify the tax authorities within 30 days of the transfer, indicating the full name and address of the transferee and the date from which the transfer becomes effective.

135. Lastly, in accordance with Article L.12 (3), companies that had already issued bearer shares before 1 January 2020 were required to identify their holders and declare their identity to the tax authorities by 30 June 2020.

136. However, Mauritanian legislation does not provide for penalties in the event of failure to comply with the obligations mentioned in the two preceding paragraphs.

137. According to the Mauritanian authorities, no company has issued bearer shares in Mauritania.

138. In conclusion, Mauritanian legislation does not fully ensure the identification of owners of bearer shares. **Mauritania is recommended to ensure that appropriate sanctions are applied in the event of failure by a company and its directors to meet their obligations relating to the declaration of the owners of bearer shares, to ensure their identification.**

A.1.3. Partnerships

Types of partnerships

139. Articles 303 et seq. of the Commercial Code provides for three categories of partnerships: limited partnerships (*sociétés en commandite simple*, SCS), general partnerships (*sociétés en nom collectif*) and joint ventures (*sociétés en participation*). The first two are legal entities that belong to the broader category of commercial entities, along with companies.

- **A limited partnership** (articles 319 and subsequent articles of the Commercial Code) is an entity in which one or more partners with unlimited joint and several liability for the company's debts, referred to as "general partners", co-exist with one or more partners liable for the partnership's debts up to the limit of their contributions, referred to as "limited partners" or "sleeping partners", and whose capital is divided into shares. A limited partnership is managed by all the general partners, unless otherwise stipulated in the Articles of Association, under the same conditions and with the same powers as a general partnership.
- **A general partnership** is one in which all the partners are traders and are jointly and severally liable for the partnership's debts (articles 304 et seq. of the Commercial Code). The share capital is divided into shares of the equal nominal value. All partners are managers, unless otherwise stipulated in the Articles of Association, which may appoint one or more managers, whether partners or not, or provide for their appointment by a subsequent deed. In dealings with third parties, the managing partner binds the company by acts falling within the corporate purpose. If a legal entity is a managing partner, its directors are subject to the same conditions and obligations and incur the civil and criminal liability similarly as if they were

the managing partners in their own name, without prejudice to the joint and several liability of the legal entity that they manage.

- **A partnership is said to be a “joint venture”** when the partners agree to not register the partnership (article 333 of the Commercial Code). It is not a legal entity. It can be proven by any means. The partners freely agree on the purpose, operation and conditions of the joint venture, provided that they do not derogate from the legal provisions. Unless a different organisation has been provided for, relations between partners are governed by the provisions applicable to general partnerships. They are governed only by the general principles of law applicable to contracts and obligations.

140. The use of general partnership and limited partnership is very limited, with only two of each in existence as at 31 December 2022. Also, the number of joint ventures is not known because they are not registered.

Identity information

141. The registration of limited partnerships and general partnerships is governed by the Commercial Code, in particular articles 29 to 80, which set out common rules applying to all companies formed under Mauritanian law. The registration formalities for partnerships (other than joint ventures) are identical to those described above in subsection A.1.1.

142. Article 39 of the Commercial Code requires them to be registered with the Register of Companies within three months of incorporation, and article 41 states that the application for registration must be filed with the clerk of the competent court in whose jurisdiction the registered office is located. For commercial entities, the said application must contain the full names of the partners, other than the limited partners, the date and place of birth, the nationality of each of them, as well as the number of the national identity card or, for non-resident foreigners, the number of the passport or any other identity document in lieu thereof (article 47). Any change or modification relating to this information must be intimated by an application for amending entry in the Register of Companies (article 52).

143. The formalities for registering with the tax authorities are also identical to those described above for companies. Partnerships, including joint ventures, must register with the Direction Générale des Impôts in order to obtain a single unique Tax Identification Number (TIN). More specifically, pursuant to articles L.4 and L.5 of the LPF, partnerships subject to corporation tax must submit a declaration of their existence to the tax authorities within 20 days of their definitive incorporation or the commencement of operations in Mauritania. This declaration must contain the information referred to in paragraph 62 including the full name and address of each partner.

144. Partnerships are required, under the same conditions as companies, to notify the tax authorities of any changes affecting the information provided when they were set up. This applies in particular to changes in partners. Such changes must be made within one month.

145. Consequently, in accordance with commercial law and tax legislation, information on the partners of partnerships must be available from the Register of Companies and the tax authorities as well.

Beneficial ownership information

146. Partnerships set up in Mauritania are covered by the same obligations as companies in terms of anti-money laundering legislation (law and decree) and the company law (Commercial Code).

147. As far as anti-money laundering legislation is concerned, the definition of beneficial owner included in the law is applicable to both companies and partnerships. In the same way, the procedures for determining beneficial owners discussed above for companies apply to partnerships. Consequently, the shortcomings noted for the determination of the beneficial owners of companies also apply to partnerships (see paragraphs 112 to 122).

148. In addition, the standard requires that the determination of the beneficial owners of legal persons should take account of their different forms and particular structures.¹⁰ The way in which partners exercise control differs between partnerships and companies. In Mauritania, partners in partnerships are held indefinitely and are jointly and severally liable for the company's debts, regardless of the amount or percentage of their shares (except in the case of limited partners).

149. Mauritanian anti-money laundering legislation makes no distinction between companies and partnerships as regards the determination of threshold of the controlling interest, in particular. Under these conditions, a shareholder holding less than 10% of the shares would not be considered as a beneficial owner, notwithstanding the fact that he/she is the manager and is jointly and severally liable for the company's debts in the same way as a shareholder above this threshold. This does not comply with the standard.

150. On the other hand, Article 60 of Decree no. 2021-033 on the Register of Companies provides for the methodology of identification of beneficial owners of legal entities, which include Mauritanian partnerships. This is based on the three-step approach as explained in paragraph 100. However, steps 1 and 2 apply simultaneously which means that any natural person

10. See paragraphs 16 and 17 of the FATF Interpretative Note on Recommendation 24.

controlling the partnership through means other than ownership interest will be determined as beneficial owner. This is the case for partners who are jointly and severally liable for the partnership's debts and therefore control the partnership regardless of the amount or percentage of their shares. Thus, the method of identification of beneficial owners of partnerships as available under the Decree no. 2021-033 on the Register of Companies is aligned with the form and structure of partnerships in Mauritania and fulfils the requirements of the standard.

151. With regard to the Commercial Code, same requirements apply to both limited liability companies and partnerships. Partnerships are therefore also required to declare to the Register of Companies the identity of their beneficial owners and to file the same information and supporting documents as companies, as mentioned in paragraphs 92 to 96 of this report. However, the same gaps identified in these sections would apply to partnerships. Consequently, the availability of accurate and up-to-date beneficial ownership information of partnerships is not assured in all cases.

152. The same gaps identified on the issue of updating the information with the Register of Companies and the AML obligations highlighted in section A.1.1 on companies also applies to partnerships. **Mauritania is therefore recommended to ensure that accurate and up-to-date beneficial ownership information is available in respect of partnerships in all cases.**

Oversight and enforcement

153. The legal mechanisms for making partnership ownership and identity information available are the same as those discussed in section A.1.1.

154. The practical implementation and enforcement of the binding and supervisory powers of the legal obligations regarding the availability of information on the identity and beneficial ownership on partnerships will be assessed during the Phase 2 evaluation (see Annex 1).

Availability of partnership information in exchange of information practice

155. The availability of information on partnerships in EOI in practice will be examined during the Phase 2 evaluation.

A.1.4. Trusts

156. Mauritanian law does not have any provision for the creation of trusts. It is therefore impossible to create a trust or similar structure under Mauritanian law. However, there is no legal provision preventing a trust created in a foreign country from being administered in Mauritania or property located in Mauritania from forming part of a foreign trust.

Requirements to maintain identity and beneficial ownership information in relation to trusts and implementation in practice

157. If a trust governed by the law of a foreign country is administered in Mauritania, there is no specific obligation to register it with the public authorities. However, the obligation for all natural and legal persons to declare their existence (article 29 of the Commercial Code), whether Mauritanian or foreign, carrying on a commercial activity on Mauritanian territory, is applicable to foreign trusts. Thus, as soon as a person acting as a *trustee* in Mauritania carries on a commercial activity on behalf of the trust, as defined in article 6 of the Commercial Code, he/she is obliged to register with the Register of Companies, whether or not the person is a professional trustee. In this case, the information similar to that of a company when it is registered will be required to be sent to the Register of Companies, including the identity of the *settlor*, the beneficiary, the protector, as well as the trust assets and the same obligations as for companies would apply for trusts under the Commercial Code.

158. The identification process provided for by commercial legislation in Article 60 of Decree no. 2021-033 stipulates that the beneficial owner is:

- the constituent
- the trustee(s)
- the beneficiaries or where the persons who will be the beneficiaries of the legal arrangement have not yet been designated, the category of persons for whose primary interest the legal structure has been set up or is operating
- any other natural person exercising ultimate control over the trust through direct or indirect ownership or by other means.

159. Commercial legislation through the register of beneficial owners covers legal entities established in Mauritania and information on beneficial owners is available in the Register of Companies. Trustees are in a position to identify beneficial owners of the trusts they manage and any change in beneficial ownership is known in most cases by the trustee. However, in the situation where the persons having control over the trust are not natural persons, the same gaps identified in section A.1.1 of this report as regards the updating of

beneficial ownership information would also apply to trust. Accurate and up-to-date information may therefore not be available in all cases.

160. In the anti-money laundering regime, legal arrangements are defined in Article 1 of Act 2019-017 (“express trusts or similar legal arrangements”) and Decree 197-2019 (“direct trust funds or other similar legal arrangement”). These two texts set out the obligations relating to identification of the beneficial owners of legal arrangements.

161. In addition, Article 3-2-a-b of Decree 197-2019 also provides for the identification of the initiator, the beneficiaries and any other natural person exercising effective and ultimate control over the legal arrangement as beneficial owners of a legal arrangement. Mauritanian legislation therefore does not expressly cover all the categories of persons generally involved in a legal arrangement, such as the categories of beneficiaries where the beneficiaries are not designated by a name.

162. Article 18 of Decree no. 197-2019 requires trustees to keep and update:

- information on the real beneficiary, including the name of the guardian, agent or holder of similar functions, the beneficiaries and any other natural person exercising effective definitive control over the legal constructions and obtain sufficient information on the real beneficiary to identify him/her at the time of payment or when he/she intends to exercise his/her legally acquired rights
- basic information on supervised brokers and service providers, including investment advisers, managers, accountants and tax advisers.

163. The same analysis made in paragraphs 113 to 123 therefore applies to legal arrangements as regards the anti-money laundering legislation. The definition and methodology for identifying the beneficial owner for legal entities in the anti-money laundering legislation do not therefore comply with the transparency standards and allow for the information on the identity of beneficial owners to be made available in all cases.

164. Mauritania is therefore recommended to ensure that accurate and up-to-date information on beneficial owners of companies is available at all times in accordance with the standard.

Oversight and enforcement

165. The legal mechanisms for the availability of beneficial ownership information in relation to legal arrangements are broadly the same as those discussed in section A.1.1. Accordingly, the binding and sanctioning powers applicable under the legal obligations for the availability of identity and beneficial owner information also apply where those obligations relate to legal arrangements.

Availability of information on trusts in exchange of information practice

166. The implementation of the legal framework and the availability of identity and beneficial ownership information on trusts and other legal arrangements for EOI in practice will be examined during the Phase 2 evaluation.

A.1.5. Foundations and associations

167. In Mauritania, a foundation or association is a private institution created on the initiative of at least one natural or legal person through the irrevocable devolution of a fund or property or rights, intended to promote a specifically defined non-profit work or activities of public interest (Law 2021-004 on Associations, Foundations and Networks). Consequently, they are not relevant for the exchange of information for tax purposes.

Other relevant entities and arrangements

Public waqfs

168. The Mauritanian Constitution recognises the concept of “waqf property” without giving further details. It is an institution of Islamic law originally based on charity. Waqf is a donation made in perpetuity by a private individual, to a public, pious or charitable organisation (a foundation or association). The property given in usufruct becomes inalienable by the donor but remains the donor’s property. The waqf is managed by an administrator who uses the profits in accordance with the donor’s wishes. In Mauritania, Waqf property is donated by individuals or legal entities for charitable purposes. These donations may be made in cash or in kind (house, mosque, etc.); donations in kind may be made on a temporary or permanent basis. In all cases, the donations are intended for specific people or groups of people in need.

169. The waqfs are managed by a public body called “Établissement National des Awaqfs” created by decree no. 97-057 of 8 January 1997. The Establishment is responsible for collecting, administering and ensuring the proper use of waqfs under the supervision of the Ministry of Culture and Islamic Guidance. Mauritanian Law does not allow the creation of private and family waqfs. These waqfs are not relevant to the exchange of information upon request.

Economic Interest Grouping

170. Under article 761 of the Commercial Code, the economic interest grouping is an entity formed by two or more natural or legal persons for a fixed term, with a view of implementing all appropriate means to facilitate

or develop the economic activity of its members and to improve or increase the results of that activity.

171. The group's activity is essentially related to the economic activity of its members and can only be additional to it. It does not in itself give rise to the making or sharing of profits, especially as the grouping may be formed with or without capital.

172. Under article 50 of the Commercial Code, economic interest groups are required to apply for registration with the registrar of the competent court within whose jurisdiction their registered office is located. They must state in their registration declaration:

- the name, registered office address, the purpose and duration of the grouping
- for each natural person who is a member of the consortium, the information required for the registration of traders who are natural persons and, where applicable, the registration numbers in the Register of Companies
- for each legal entity that is a member of the consortium, the trading name or corporate name, the legal form, the address of the registered office, the object and, where applicable, the registration numbers in the Register of Companies
- the full names and addresses of the members of the administrative, management or supervisory bodies and of the persons responsible for auditing the management and financial statements
- the date on which the agreement creating the grouping is filed at the registry and the filing number.

173. Amending entries must also be made in the event of any changes or amendments relating to the information above.

174. The registration of economic interest groupings in the Register of Companies provides information on the members, whose identity is kept in the same register in the same way as other companies as described in paragraphs 90 to 96 above.

175. Economic interest groups carrying out commercial activities must also register with the tax authorities in the same way as any other company, in accordance with the provisions of the General Tax Code analysed under sub-section A.1.1.

176. In practice, the commercial and tax registration procedure for economic interest groups is the same as for all other legal entities. The same gaps identified in section A.1.1 of the report would apply.

Civil society

177. Civil companies are non-commercial companies carrying on professional activities. These companies are governed by Order no. 2007-013 of 21 February 2007 on civil and professional companies. They may be formed by individuals practising the same profession subject to a legislative or regulatory statute and thus, have legal personality. Civil partnerships also enable several people to carry on jointly a regulated civil professional activity, such as that of lawyer, accountant or a doctor.

178. All the partners are managers of the company. The conditions for appointing and dismissing the managers along with description of their powers and the term of their office are determined by the Articles of Association. The partners have unlimited joint and several liability for the company's debts to third parties. It is therefore subject to the same registration and record-keeping obligations as general partnerships, as described in section A.1.3.

A.2. Accounting records

Jurisdictions should ensure that reliable accounting records are kept for all relevant entities and arrangements.

179. Both the Commercial Code (articles 22 to 25) and the General Tax Code (article 14) require entities and arrangements established in Mauritania to keep accounting records along with the underlying documentation. Article 23 of the Commercial Code require companies to keep all documents and evidence of transactions recorded in their books of account for a period of 10 years.

180. There is no provision in Mauritanian Law requiring the retention of documents or underlying documentation after the dissolution or liquidation of an entity.

181. The table below presents the conclusions on this element:

Legal and Regulatory Framework: in place, but certain aspects of the legal implementation of the element need improvement

| Deficiencies identified/Underlying factor | Recommendations |
|---|---|
| The document retention requirements are not explicit in the case of entities that are liquidated, in particular with regard to the person responsible for keeping the books and documentation of the liquidated entities. | Mauritania is recommended to ensure that record-keeping requirements are applied so that accounting records (including supporting documents) are kept for at least five years for entities that are liquidated or cease to exist. |

Practical Implementation of the Standard: no rating is assigned on this element, as it involves issues of practice that are dealt with in the Phase 2 review.

A.2.1. General requirements

182. The general obligations relating to the standard of transparency are set out mainly in the Commercial Code and the General Tax Code. These legal regimes are analysed below.

Company law

183. Pursuant to article 22 of the Commercial Code, all individuals or legal entities who are traders are required to keep accounts in accordance with the practices of their profession. They must keep a chronological record of all transactions affecting their company's assets or liabilities and draw up annual accounts at the end of the financial year on the basis of the accounting records and the inventory details.

184. Article 9 of the Commercial Code defines what constitutes a trader:

“Traders are those who personally and independently carry out commercial activities, in particular one of the activities listed in Article 6, and who make this, their regular occupation.

Any person practising a commercial profession despite a prohibition, incompatibility or disqualification is deemed to be a trader”.

185. Within the meaning of Article 6, commercial activities include any industrial or commercial activity; the purchase of goods, whether movable or immovable, with a view of its resale either in the same condition or after processing; any production, processing or representation business; and any supply or service business. These different categories cover all companies and partnerships in Mauritania.

186. Article 23 of the Commercial Code states that traders must:

- record all their transactions on a day-by-day basis in a daybook, or only the totals of these transactions on a monthly basis; when these totals are obtained by keeping auxiliary ledgers, the latter are subject to the same record-keeping requirements as the daybook itself
- draw up an inventory of their assets and liabilities at least once a year. Details of this inventory are recorded in an inventory book
- retain, for a period of 10 years, all documents supporting the transactions recorded in the books of accounts.

187. The annual accounts must be up-to-date, reliable and accurate, and shall give a true and fair view of the company's assets and liabilities, financial position and results, and contains:

- the balance sheet which provides snapshot of assets and liabilities, and for companies, shareholders' equity separately
- the profit and loss account or income statement, which summarises the income and expenditure over a specific period, generally a year, irrespective of when they were received or paid and presents profit and loss after deducting depreciation, amortisation and provisional expenses, classified by category, presented either in a tabular form or in a form of a list
- the notes to the accounts which supplement and comment on the information given in the balance sheet and the income statement.

188. One exception applies. As specified in paragraph 12 of article 22 of the Commercial Code (natural persons or legal entities with the status of traders are exempt from keeping accounts in accordance with the practices of the profession when their annual turnover is less than MRU 2 000 000 (EUR 54 054).¹¹ This therefore concerns small taxpayers. They are nevertheless required by the same decree to keep simplified accounts, as well as under tax law. Simplified accounts would include recording information on transactions chronologically and globally, on a daily basis, as well as information on debts and the relevant underlying documents.

Trusts

189. Article 12 of Law 2019-07 requires professionals involved in the management of a foreign trust in Mauritania to keep all files of accounts, operations, correspondence, registers, documents and data for all transactions, whether financial, commercial, cash or other, local or international, as well as all related data and the results of any analysis carried out for at least ten years from the date of termination of the business relationship or occasional operation.

190. Non-professional trustees of foreign trusts are not covered by article 12 of the above anti-money laundering legislation. However, the acts of management that they perform are likely to fall into the category of commercial acts listed in article 6 of the Commercial Code. As a result, they would have the status of traders and would be subject to the accounting

11. Joint Order no. 607 of 23 June 2016 on the annual turnover of traders who are natural persons, and exempt them from keeping accounting books. The threshold is set periodically by amendment in the joint order of the Ministers of Finance and Trade.

obligations set out in article 22 of the Commercial Code as explained in paragraphs 183 to 187.

Tax law

191. The CGI sets out requirements for keeping of books of accounts and its corresponding records. Article L.15 states that any business operating in Mauritania must keep its own accounts. It also states that any business operated in Mauritania by a non-resident must keep separate accounts for the activities carried out in Mauritania. The records must be kept in Mauritania.

192. Tax legislation also stipulates that these businesses must file a copy of their financial statements. Article L.15 also stipulates that taxpayers must have any documents or declarations required by a provision of the CGI, if written in another language, translated into Arabic by a sworn translator.

193. In addition, Article L.16 of the CGI stipulates that the accounts must comply with the Mauritanian general accounting plan. It also states that computerised accounts must be kept using media and software approved by the tax authorities and that they must meet the legal requirements in terms of guarantee, integrity and conservation defined in terms of evidence. Imports must be recorded in a special book showing, for each transaction, the value and the number of the declaration of release for domestic consumption.

194. Article L.17 stipulates that the accounts of taxpayers who are subject to the normal actual profit regime must be certified by a member of the National Order of Chartered Accountants of Mauritania. Failure to do so is punishable by a fine of MRU 500 000 (EUR 13 500).

195. In accordance with Article L.18 and by way of exemption from Article L.16, taxpayers covered by the intermediate actual profit scheme may keep simplified accounts which however must include:

- “an expense account” showing purchases, overheads, salaries and social security charges
- “an income statement” showing sales and services rendered
- “a cash book” kept on a daily basis, recording all income and expenditure
- “an inventory book” for stocks, fixed assets, receivables and payables.

Companies that have ceased to exist and retention period

196. Mauritanian law provides for obligations when a company or partnership ceases to exist. The Commercial Code sets out procedures to be followed following the dissolution or liquidation of the company or the partnership in articles 279 et seq. of the Commercial Code. Article 280 states that the dissolution of a company is effective vis-à-vis third parties only from the date of its publication in the Register of Companies. The dissolution of the company is published by notice in the Official Journal or in a newspaper authorised to publish legal notices in the place where the registered office is located, by filing at the registry the deeds or minutes deciding on or recording the dissolution, and thereby amending the Register of Companies. With regard to economic interest groupings, articles 794 et seq. of the Commercial Code set out the procedures to be followed following the liquidation of the grouping. Article 791 provides that the group may also be dissolved on expiry of the term set for its duration or on completion of its purpose. The dissolution of the grouping, which entails its liquidation, must be recorded in writing and filed with the Register of Companies.

197. However, the requirements for retaining accounting records are not explicit once the entities have been wound up. In particular, it is not clear who will be responsible for keeping the accounting records and documentation of these entities. **It is recommended that Mauritania ensure that record-keeping requirements are applied so that accounting records (including supporting documents) are kept for at least five years for entities that are liquidated or cease to exist.**

A.2.2. Underlying documentation

198. The Mauritanian General Accounting Plan states that the origin, content and allocation of each accounting item must be supported by a written document i.e. with underlying documentation. Supporting documents must be filed in such a way to make full use of research and guarantee all the possibilities of possible control. Article L.19 of the General Tax Code cites examples of supporting documents – “currency transfer authorisations, customs declarations, purchase and sales invoices, receipts and expenditure vouchers”.

Oversight and enforcement of requirements to maintain accounting records

199. Under Article L.54 of the General Tax Code, failure to keep accounting records and underlying documents gives rise to a tax fine of MRU 12 000 (EUR 325) per document. Failure to submit accounting documents within the legal time limits also gives rise to a fine of MRU 2 000 (EUR 54) per document omitted.

200. Omissions or inaccuracies found, either in the documents required to be kept or in the written information provided in support of the return, gives rise to a fine of MRU 1 000 (EUR 27) per omission or inaccuracy.

201. The tax authorities regularly check that companies comply with their accounting obligations through tax audits. A fine of MRU 40 000 (EUR 1 080) is imposed for partial opposition to the audit, in particular, by failing to produce certain documents required for the audit to be carried out properly. Total opposition to the verification, in particular, by systematically failing to produce the documents required for the verification to be carried out properly or by simply refusing to be verified, is punishable by a fine of MRU 100 000 (EUR 2 700).

202. Articles 66 bis and 66 ter of the Commercial Code stipulate that any person who fails to file documents, including financial statements after the legal deadline, is liable for an imprisonment of between one month and one year, and a fine of between MRU 10 000 and MRU 50 000 (EUR 270 and EUR 1 350). In all cases, the Court will order the defaulting party to carry out the operation in concern, subject to a fine.

203. The practical implementation and enforcement of the binding and supervisory powers of the legal obligations regarding the availability of accounting information will be assessed during the Phase 2 evaluation.

Availability of accounting information in EOIR practice

204. The availability of accounting information in EOI in practice will be examined during the Phase 2 review.

A.3. Banking information

Banking information and beneficial ownership information should be available for all account holders.

205. Accounting legislation and anti-money laundering legislation require the availability of information relating to the holders of bank accounts in Mauritania and for the transactions carried out on these accounts. Information on the beneficial owners of bank accounts must also be collected and verified by banks as part of their anti-money laundering obligations. However, the problems identified in section A.1 on beneficial ownership and the application of the anti-money laundering legislation also affect the availability of information on the beneficial owners of these accounts. As anti-money laundering legislation is the only legislation applicable to bank accounts, these deficiencies give rise to a recommendation.

206. The table below presents the findings on this element:

Legal framework: in place, but certain aspects of the legal implementation of the element need improvement

| Deficiencies identified/Underlying factor | Recommendations |
|---|---|
| <p>Although anti-money laundering legislation provides for the identification of the beneficial owners of bank accounts in Mauritania, the methodology for determining the beneficial owners of legal persons and legal arrangements have several shortcomings, and does not ensure the identification of beneficial owners of bank accounts in accordance with the standard.</p> <p>Additionally, the legislation does not indicate that the CDD should be updated in case of doubts or knowledge of change.</p> | <p>Mauritania is recommended to ensure the availability of information relating to the beneficial owners of bank accounts, in accordance with the requirements of the standard.</p> |

Practical implementation of the standard: no rating is assigned on this element, as it involves issues of practice that are dealt with in the Phase 2 review.

A.3.1. Record-keeping requirements

207. The Central Bank of Mauritania regulates banking activities and supervises financial institutions. It also ensures that anti-money laundering regulations are properly applied.

Availability of banking information

208. Under the terms of Article 12 of the Anti-Money Laundering Act, financial institutions must:

- retain all account files, transactions, correspondence, records, documents and data for all transactions, whether financial, commercial, cash or otherwise, local or international, together with all related data and the results of any analysis carried out for at least ten years from the date of termination of the business relationship or occasional transaction
- take the necessary measures to enable them to analyse data, track all types of transactions and reconstruct individual transactions. The account files, transactions, correspondence, records, documents and papers kept must be sufficient to enable financial transactions to be analysed and monitored, and to be made available to the competent authorities on request in a timely manner, and must be capable of being used as evidence in the event of prosecution

- keep all records, documents and data, including photocopies of identity documents obtained in application of the due diligence and enhanced due diligence measures, accounting and transaction records, correspondence and any analysis carried out, for at least ten years from the date on which the transaction or business relationship ceased to exist or the account was closed.

209. The Public Prosecutor’s Office may ask financial institutions to extend the retention period for archives, documents, declarations, accounts, transactions and correspondence, to the extent necessary for criminal investigations or prosecutions in accordance with Article 24 of Instruction 06/GR/2019 signed by the Governor of the Central Bank.

210. These obligations are comprehensive and comply with the standard.

Beneficial ownership information on account holders

211. The standard was strengthened in 2016 to clearly require that beneficial owner information for all bank accounts is available.

212. In Mauritania, banks must keep a complete, accurate and up-to-date register of their customer information, as well as information relating to “real beneficiaries”, their shareholders, managers and members of management bodies (article 5, paragraph 7 of decree no. 197-2019 implementing the anti-money laundering law, article 17 of instruction 06/GR/2019).

213. Article 3-2 of decree no. 197-2019 stipulates that information on the identity of the beneficial owner must be collected and verified by all banks. The decree specifies that the verification must be done “on the basis of the risk represented by a particular customer”. The obligation to verify the identify beneficial owners depends on the level of risk and is not automatic for all bank account holders. This may lead to situations where information on the beneficial owners of certain bank accounts may not be accurate in all cases, depending on the level of verification applied. This will be followed up in Phase 2 (see Annex 1).

214. Article 9 of Instruction 06/GR/2019 states that the financial institution, when applying *due diligence* or enhanced due diligence measures to clients under the risk-based approach, must verify the identity of the beneficial owner and take reasonable steps to verify it using documents, data or information from a reliable and independent source so that financial institutions are satisfied that they have identified the beneficial owner.

215. With regard to the legal arrangements, the same article stipulates that the offeror, the beneficiaries and any other natural person exercising effective and ultimate control over the legal arrangement shall be identified and reasonable measures shall be taken to ascertain their identity.

216. For legal entities, the identification process set out in Article 3-2-a-b of Decree no. 197-2019 does not comply with the standard. This provision provides for a two-step methodology to identify beneficial owners:

1. “Verify the identity of the natural person who holds or controls more than 10% of the shares of the legal person and take reasonable steps to ascertain that person’s identity”.
2. “In cases where there is neither ownership nor control of 10% or more of the shares of the legal person, or where the shareholder who holds the controlling share is suspected of not being the real beneficiary, the natural person who exercises control over the legal person must be identified by other appropriate means”.

217. As mentioned in section A.1 of this report, there are shortcomings in the methodology for determining the beneficial owners of legal entities and arrangements. The analysis in paragraphs 112 to 122 also applies to this section of the report.

218. Although the anti-money laundering legislation provides for the identification of the beneficial owners of bank accounts in Mauritania, the methodology for determining the beneficial owners of legal persons and legal arrangements has several shortcomings and does not ensure the identification of beneficial owners of banks in accordance with the standard. The legislation requires the financial institution to keep a register containing an up-to-date information on beneficial owners, but there is no obligation to update information on the beneficial owners in case of doubts or knowledge of change. There may therefore be situations where the information on the beneficial owners of these accounts is not up to date. **Mauritania is recommended to ensure the availability of information relating to the beneficial owners of bank accounts in accordance with the requirements of the standard.**

219. Mauritanian legislation provides for an obligation to update information on the beneficial owners of bank accounts every five years for all clients, and the frequency must be higher for high-risk customers. The frequency of updates of beneficial ownership information for bank accounts will be further reviewed in Phase 2 (see Annex 1).

220. The retention period for bank customer identification documents is ten years from the date of the transaction or the account closure.

221. Furthermore, in the event of the dissolution of a bank or the cessation of its activities, article 17, decree no. 197-2019 specifies that the competent authorities, legal persons, managers, liquidators or other persons involved in the dissolution of legal persons must keep in Mauritania the registers and all information relating to the beneficial owners for at least ten years from the date of the dissolution or cessation of the legal person.

Oversight and enforcement

222. The methodological framework for the supervision of financial institutions in the fight against money laundering, adopted by the Central Bank in 2020, provides for exhaustive on-site inspections, in accordance with a pre-established plan based on a risk-based approach. The control plan must provide for a minimum of periodic inspections of banks even if their risk is low. This period is generally one year for low-risk financial institutions and less than one year for high-risk financial institutions.

223. The Central Bank determines the level of risk taken into account to determine the frequency and scope of controls on each bank based on its size, complexity and the level of risk it faces, in accordance with the most recent inspection and its risk profile. In particular, focus is placed on financial institutions with a high or medium risk or those with significant deficiencies or those that have been found to have committed breaches of their anti-money laundering policies, measures and procedures.

224. With regard to the permanent control (control on documents), financial institutions subject to Central Bank supervision are obliged to submit three periodic reports every three months, on money laundering risks and training programmes, updating of identification data and an annual report on the financial institution's anti-money laundering system.

225. In the event of non-compliance with the obligations to keep the required information, the Central Bank may impose one or more of the following measures or penalties pursuant to Article 44 of the Anti-Money Laundering Act:

- written warning to comply with legal provisions within a specified period
- fines, the amount of which is set by regulations based on the nature and seriousness of the offence
- the temporary suspension of certain operations
- prohibition on carrying out certain operations and other restrictions on doing business
- suspension of dividend payments
- the provisional suspension of one or more directors or owners whose responsibility for the commission of the offence is proven
- the appointment of a temporary administrator
- partial or permanent withdrawal of approval.

226. The practical implementation and application of binding and supervisory powers in relation to the availability of banking information will be assessed during the Phase 2 evaluation.

Availability of banking information in EOI practice

227. Mauritania has indicated that it has already processed one request for banking information. The implementation of the legal and regulatory framework and the availability of banking information in EOI in practice will be assessed during the Phase 2 review.

Part B: Access to information

228. Sections B.1 and B.2 evaluate whether competent authorities have the power to obtain and provide information that is the subject of a request under an EOI arrangement from any person within their territorial jurisdiction who is in possession or control of such information, and whether rights and safeguards are compatible with effective EOI.

B.1. Competent authority's ability to obtain and provide information

Competent authorities should have the power to obtain and provide information that is the subject of a request under an exchange of information arrangement from any person within their territorial jurisdiction who is in possession or control of such information (irrespective of any legal obligation on such person to maintain the secrecy of the information).

229. The powers of the Mauritanian tax authorities to obtain the information requested by an EOI partner are based on the information directly available in the internal databases, and on the right to information (*droit de communication*), which allows them to obtain information held by third parties, including bank information and beneficial ownership information. The right to information can be exercised to obtain information from the person who is the subject of the EOIR request or from a third party. Appropriate sanctions may be applied in the event of failure to provide the requested information and professional secrecy can also be waived under the right to information.

230. The table below presents the conclusions on this element.

Legal and Regulatory framework: in place

No material deficiencies have been identified in the legislation of Mauritania in relation to access powers of the competent authority.

Practical Implementation of the Standard: no rating is assigned on this element, as it involves issues of practice that are dealt with in the Phase 2 review.

B.1.1. Ownership, identity and banking information

Accessing information generally

231. In Mauritania, the competent authority for EOI for tax purposes is the Minister of Finance, who has delegated this function to the Director General of Taxes. Taxpayer information is directly available to the tax authorities through an internal database. The tax authority also has a cross-checking system that enables it to obtain data from various sources, such as the Register of Companies. Under the CGI and the LPF, the Mauritanian tax authorities have a very broad right to information, enabling them to obtain information for exchange of information purposes, as well as for tax audits.

232. The right to information is set out in Article L.65 of the LPF, which states that “to enable the assessment, control and collection of the taxes and duties covered by this code, the tax authorities may obtain the books and records required to be kept by the Commercial Code, as well as all accounting documents, receipts and expenditure, the preparation of which is [provided for by the legal framework], without being bound by professional secrecy”.

233. The right to information applies to all natural or legal persons paying salaries or fees, to company’s directors and to all industrial, commercial or self-employed persons. Banks, financial institutions, insurance companies and, in general, any natural or legal person holding funds or assets on behalf of third parties, are also required to provide at the request of the tax authorities, any information relating to taxpayers’ accounts, credit facilities and foreign currency allocations granted to them (article L.66, LPF). It also applies to persons considered as taxpayers in a foreign jurisdiction (see paragraph 241).

234. Public administrative bodies are also bound by the right to information and may not invoke professional secrecy against the tax authorities (article L.67, LPF). Notaries, bailiffs, court clerks and administrators of central and local government departments must also disclose, at the request of tax officials, documents in their custody, such as company incorporation documents (article L.68, LPF). This also covers legal ownership information held by the authorities responsible for maintaining the Register of Companies.

235. In addition to the right to information, the Mauritanian tax authorities may access information by implementing tax audit procedures. The right of inspection is exercised when the tax authorities discover a deficiency, inaccuracy, omission or concealment in the information used to calculate the taxes, duties or fees due. A tax audit consists of either a desk-based audit or an on-site inspection. The latter may take the form of a general audit of accounts (article L.25, LPF) or a one-off audit of one or more taxes or a specific item in the accounts (article L.26, LPF). On-site inspections

may not exceed three months. However, this period may be extended by a further 45 days, if the taxpayer fails to provide the documentation or supporting materials requested by the auditors within the stipulated timeframe. Depending on the situation, the taxpayer may or may not be informed in advance. Although the right of inspection is not the main course of accessing information, the Mauritanian authorities have indicated that it may be used if a request for information is particularly complex and requires an in-depth examination of the taxpayer's accounts.

236. The right of investigation also gives the tax authorities access to the taxpayer's premises to investigate tax offences. It grants the tax administration the power of search and seizure (article L.71, LPF).

Accessing beneficial ownership information

237. Article 67 of Decree no. 2021-033 relating to the Register of Companies states that beneficial ownership information shall be sent without delay, at their request, to several public authorities, including the Director General of Taxes.

238. These authorities send their request directly to the competent court registry, which then forwards a copy of the declaration of beneficial owners to them, after informing the president of the court or the judge in charge. This guarantees them direct access to the information contained in the Register of Companies regarding beneficial owners, unlike the other authorities who must first request for authorisation from the president of the court.

239. Article 9 of Decree no. 197-2019 of the anti-money laundering act states that the persons subject to the provisions of anti-money laundering legislation must make available to several public authorities, including the Director General of Taxes, the information obtained during the due diligence exercise on beneficial owners, bank statements or any other document they hold, if necessary.

Accessing banking information

240. Pursuant to Article L.66 of the LPF, professional secrecy may not be invoked when requesting information from banks, in particular, to obtain information about the accounts they hold.

241. However, Article L.66 of the LPF refers to "taxpayers' accounts", which indicates that bank information can only be obtained through the right to information if the person concerned is a taxpayer. The question then arises as to whether the taxpayer in question must be a Mauritanian taxpayer or whether it can be a person who is a taxpayer in a foreign jurisdiction and not in Mauritania. According to the Mauritanian authorities, a

person considered to be a taxpayer in another jurisdiction is also considered to be a taxpayer in Mauritania, and thus, information on these bank accounts can be obtained. Mauritania's ability to process requests relating to persons not resident in Mauritania will be analysed during Phase 2 of the review (see annex 1).

B.1.2. Accounting records

242. Accounting information is, for the most part, directly available to the tax authorities as part of the annual requirement for entities to provide their financial statements and other accounting information as part of their tax return. For any other accounting information that is not already available to the Direction Générale des Impôts, such as the underlying documentation, the tax authorities may use their right to information to obtain it from the relevant entity or individual business person concerned or from the authority in possession of the information, such as the commercial court, persons subject to the provisions of anti-money laundering legislation or business partners.

B.1.3. Use of information gathering measures in the absence of a domestic tax interest

243. Articles L.65 and L.67 of the LPF allow the right to information to be exercised “to enable the assessment, control and collection of the taxes and duties covered by this Code” and “to establish the taxes instituted by this Code”. These clarifications seem to indicate that the right to information can only be used for Mauritanian taxes. However, the Mauritanian authorities have confirmed that there is no limit to the right to information and that they may have access to the information. According to the Mauritanian authorities, the provisions allowing the collection of information with a view to the assessment or audit of Mauritanian taxes and duties, are interpreted as valid even when the information is solely intended for a foreign tax authority, provided that this is justified by an international convention signed between the jurisdiction concerned and Mauritania.

244. Under article 80 of the Mauritanian Constitution, “treaties or agreements that have been duly ratified or approved, and conventions and agreements that have been ratified, take precedence over laws as soon as they are published”. This provision covers tax treaties and EOI agreements, including the Multilateral Convention. Given the superiority of treaties over Mauritanian law, treaty provisions on the exchange of information take precedence over the provisions of the General Tax Code on the right to information. Once a treaty is in force, the tax authorities are required to apply its provisions on the exchange of information and thus to use their domestic powers of access to that end. This interpretation has never been challenged in practice.

245. The Mauritanian tax authorities may access the information requested even though it is not needed for internal tax purposes. Furthermore, when exercising its right to information, the Mauritanian tax authorities do not have to justify its interest in obtaining the information to the holder of the information.

246. The Mauritanian authorities have clarified that in practice, the requests for information received during the period under review always involved a Mauritanian taxpayer.

B.1.4. Effective enforcement provisions to compel the production of information

247. Refusal to provide the information referred to in article L.65 of the LPF is followed by a formal notice sent by a registered post with acknowledgement due. If, at the end of a period of eight days following receipt of this letter, the requested information is still not provided, a fine of MRU 200 000 (EUR 5 400) is applied and is followed by the closure of the bank, financial institution or insurance company or any establishment for a period of one to three days belonging to an individual or legal entity that has refused to provide the information. This fine is increased by MRU 50 000 (EUR 1 350) for each month or fraction of a month of the delay.

248. Under Article L.70 of the LPF, refusal to provide information requested by the tax authorities under their right to information during an on-site visit is punishable by a fine of between MRU 10 000 and MRU 100 000 (EUR 270 and EUR 2 700). The law also provides for the possibility of closing of the bank, financial institution or insurance company or any other establishment for a period of one to three days belonging to an individual or legal entity that has refused to provide the information.

249. Finally, as indicated above, the right of investigation grants the tax administration the power of search and seizure (article L.71, LPF).

250. The implementation of the binding powers of the Tax Authority to compel the production of information in practice will be analysed during the Phase 2 evaluation (see Annex 1).

B.1.5. Secrecy provisions

Banking secrecy

251. Banking secrecy is provided for in Law No. 2018-036 regulating credit institutions (article 129):

All persons who, in any capacity whatsoever, participate in the administration, direction or management of a credit institution,

or who are employed by a credit institution, persons entrusted, even on an exceptional basis, with work relating to the supervision of credit institutions and, more generally, any person called upon, in any capacity whatsoever, to know or use information relating to credit institutions, are bound by professional secrecy in accordance with the provisions of the Criminal Code.

252. The same law provides for exceptions to banking secrecy in favour of persons to whom it is not enforceable (Article 95, LPF), without including the tax authorities. On the other hand, Ordinance 2007/020 of 13 March 2007 regulating credit institutions allows other cases of exemptions from banking secrecy if they are provided for by law. In this respect, as mentioned in paragraph 240 the tax authorities may ask banks, under the right to information, to provide information relating to taxpayers' accounts, credit facilities and foreign currency allocations granted to them (Article L.66, LPF).

Professional secrecy

253. Article 350 of the Criminal Code provides for a general obligation of professional secrecy for any person who, by virtue of his or her status or profession, is entrusted with the secret information. In the case of lawyers, notaries and accountants, this general obligation is confirmed and specified in the texts governing their professions.¹² In particular, lawyers must keep secrets entrusted to them by their clients or of which they have become aware in the course of their practice.

254. Nevertheless, the tax authorities' right to information applies without professional secrecy (Article L.65, LPF). Mauritanian law therefore allows for obtaining information covered by professional secrecy, in accordance with the standard.

B.2. Notification requirements, rights and safeguards

The rights and safeguards (e.g. notification, appeal rights) that apply to persons in the requested jurisdiction should be compatible with effective exchange of information.

12. Article 10 of Decree no. 97-018 of 1 March 1997 instituting the National Order of Chartered Accountants of Mauritania, article 51 of law no. 2020-16 on the organisation of the legal profession and article 21 of law no. 2022-018 on the status of notaries.

B.2.1. Rights and safeguards should not unduly prevent or delay effective exchange of information

Notification

255. Mauritanian law does not provide for any obligation to notify the persons who are the subject of an EOI request for information, either before or after the information is sent to the requesting jurisdiction.

256. In addition, when the tax authorities exercise their right to information, they do not inform the holder of the information of the purpose regarding the request. The risk that the taxpayer is indirectly informed of the existence of the EOI request is therefore limited.

Appeal rights

257. The Mauritanian legal framework does not contain any specific appeal procedure against the EOI procedure or against the right to information exercised with information holders. Only the appeal for misuse of power applies, which is a right of appeal against any administrative act contrary to the law. Mauritania has confirmed that this has not been used in practice neither in domestic cases nor for EOIR cases.

Legal and Regulatory framework: in place

| |
|---|
| The rights and safeguards that apply to persons in Mauritania are compatible with effective exchange of information |
|---|

Practical Implementation of the Standard: no rating is assigned on this element, as it involves issues of practice that are dealt with in the Phase 2 review.

Part C: Exchange of information

258. Sections C.1 to C.5 evaluate the effectiveness of Mauritania's network of EOI mechanisms – whether these EOI mechanisms provide for exchange of the right scope of information, cover all Mauritania's relevant partners, whether there were adequate provisions to ensure the confidentiality of information received, whether Mauritania's network of EOI mechanisms respects the rights and safeguards of taxpayers and whether Mauritania can provide the information requested in an effective manner.

C.1. Exchange of information mechanisms

Exchange of information mechanisms should provide for effective exchange of information.

259. In Mauritania, the legal basis for exchanging information is a series of bilateral, regional and multilateral international agreements.

260. Mauritania is a party to the Convention for the Avoidance of Double Taxation and the Establishment of Rules for Mutual Assistance in Respect of Taxes on Income between the States of the Arab Maghreb Union (the UMA Convention), to which Algeria, Libya, Morocco and Tunisia are also parties. This convention has been in force since 1994.

261. The 2016 Report noted that Mauritania had also signed seven double taxation conventions (DTCs) providing for the exchange of information.

262. The 2016 Report concluded that the international framework was in place but certain aspects of the legal implementation of Element C.1 needed to be improved. Indeed, five bilateral conventions had been ratified, which only allowed Mauritania to exchange information with some of its partners.

263. Since 2016, Mauritania has concluded two new DTCs with the United Arab Emirates and Saudi Arabia. However, the DTC with Saudi Arabia is currently not in force.

264. The biggest change since 2016 is the signing of the Convention on Mutual Administrative Assistance in Tax Matters (Multilateral Convention) by Mauritania on 13 February 2019. The Convention entered into force on 1 August 2022 in Mauritania. The Multilateral Convention covers most of the partners with which DTCs are not in force (Saudi Arabia, Kuwait and Qatar). The only DTC not in force for which the relationship is not covered by the Multilateral Convention is the one with Sudan. Mauritania’s EOI network is generally compliant with the standard and it has exchange relationships with 149 jurisdictions, 140 of which are in force. The 2016 recommendation has therefore been implemented and is withdrawn.

265. The tables below present the conclusions on this element.

Legal and Regulatory framework: in place

No material deficiencies were identified in Mauritania’s mechanisms for exchanging of information.

Practical Implementation of the Standard: no rating is assigned on this element, as it involves issues of practice that are dealt with in the Phase 2 review.

The Phase 2 recommendations made in the 2016 Report are reproduced below for your information

| Underlying factor/ Identified shortcomings | Recommendations |
|--|---|
| Communication difficulties between the various Mauritanian authorities responsible for ratifying tax treaties (Ministry of Foreign Affairs and Ministry of Finance) have led to confusion over the ratification and entry into force of tax treaties signed by Mauritania. | It is recommended that the Mauritanian authorities take the necessary measures to ensure effective monitoring of the ratification process for the conventions signed, so as to guarantee that the process is completed within a reasonable timeframe. |

C.1.1. Standard of foreseeable relevance

266. The 2016 Report concluded that Mauritania’s DTC network follows the OECD Model Tax Convention, and they are applied in accordance with the Commentary on “foreseeable relevance”.

267. Mauritania continues to interpret and apply its DTCs in accordance with these principles. All the new information exchange mechanisms signed by Mauritania since the 2016 Report, namely the DTCs with the United Arab Emirates and Saudi Arabia and the Multilateral Convention, provide for the

exchange of “foreseeably relevant” information. The term “necessary” used in the UMA Convention is considered in the commentaries to Article 26 of the OECD Model Convention to have equivalent effects in terms of exchange of information as the term “foreseeably relevant”.

Clarifications and foreseeable relevance in practice

268. Mauritania requires the requesting relevant partner to provide sufficient information to demonstrate the foreseeable relevance of its request. It checks, for example, whether the person concerned is properly identified in the request and also for the tax purpose being pursued. Mauritania follows the guidelines provided by the Commentary to the OECD Model Tax Convention. However, the Mauritanian tax authorities do not have a procedural guide detailing the criteria to be taken into consideration when assessing the foreseeable relevance of the request. The practical implementation of this practice will be analysed during the Phase 2 evaluation (see Annex 1).

Group requests

269. The EOI standard includes a reference to group requests in accordance with paragraph 5.2 of the Commentary to the OECD Model Tax Convention. The foreseeable relevance of a group request must be sufficiently demonstrated, and the information requested should help to determine the compliance with tax obligations by taxpayers in the group.

270. Mauritania does not have a specific process in place to handle the group requests. Mauritania will process a group request using the same procedures as those used for individual requests. If Mauritania receives a group request, it will analyse the validity of this request in the light of the criteria of foreseeable relevance set out in the EOIR standard, in the same way as for individual requests.

271. The processing of group requests received by Mauritania will be analysed during the Phase 2 review (see Annex 1).

C.1.2. Provide for exchange of information in respect of all persons

272. The Multilateral Convention does not limit the scope of persons who may be covered by the exchange of information. The UMA Convention contains the sentence that the exchange of information is not limited to the persons covered by this instrument.

273. The treaty with Sudan does not expressly include a provision extending the scope of the exchange of information to persons who are not residents of the Contracting States. However, it does allow the exchange

of information that is necessary or useful for the application of its provisions or those of the domestic legislation of the Contracting States. As the tax legislation of each Contracting State is applicable to both residents and non-residents, Mauritania confirms that the information that may be exchanged on the basis of this convention also concerns non-residents. In this way, none of the mechanisms for the exchange of information concluded by Mauritania restricts the scope of the exchange of information to one category of persons to the exclusion of others, such as those who are not considered to be residents of one of the States.

274. In practice, the requests for information received by the Mauritanian tax authorities generally involve a taxpayer resident in Mauritania. However, Mauritania has recently received requests for information involving persons who are not resident in Mauritania. Mauritania has been able to process these requests.

C.1.3 and C.1.4. Obligation to exchange all types of information including in the absence of domestic tax interest

275. The Multilateral Convention contains provisions equivalent to paragraphs 4 and 5 of Article 26 of the OECD Model Tax Convention.

276. All the other conventions concluded by Mauritania were signed prior to the amendment of Article 26 of the Model but the absence of paragraphs 4 and 5 in the conventions does not systematically create a restriction on the exchange of information. The comments to the Model Convention state that while paragraph 5 represents a change to the structure of Article 26, it should not be interpreted to mean that the previous version of this article did not cover exchanges of banking information or information held by financial institutions, nominees or persons acting as fiduciary agents. The Mauritanian authorities state that they agree with this interpretation.

277. Mauritanian law contains no restrictions on the exchange of information and the powers granted to the tax authorities by law, in this case the General Tax Code allow them to access and exchange all types of information, including bank information or information held by trustees and fiduciary agents. In addition, there are no specific restrictions in the legislation of its EOI partners¹³ that would prevent the exchange of all types of information or that would prevent the exchange of information that they do not need in their own tax interests and they are covered by the Multilateral Convention.

278. In practice, although the requests received by the Mauritanian tax authorities generally involve a taxpayer resident in Mauritania, the information

13. These are France, Senegal and Tunisia.

exchanged is not necessarily of immediate tax interest to Mauritania. This has never been an obstacle to Mauritania transmitting the information requested by its information exchange partners.

C.1.5 and C.1.6. Civil and criminal tax matters

279. The EOI instruments to which Mauritania is a party do not restrict the exchange of information to tax matters of a civil nature. As a result, Mauritania interprets these agreements as allowing for the exchange of information in relation to tax matters whether administrative, civil or criminal.

280. The EOI instruments to which Mauritania is a party and Mauritanian legislation do not provide for the principle of dual criminality as a condition for responding to a request for information in criminal tax matters. Mauritania therefore interprets these instruments and its legislation as allowing an exchange of information, including in cases where the act under investigation would not constitute a criminal offence under Mauritanian law if it had occurred in Mauritania.

C.1.7. Provide information in specific form requested

281. There is no particular restriction in Mauritania's EOI instruments or in its legislation that would prevent it from providing the requested information in the form desired and specified by the requesting jurisdiction.

C.1.8. and C.1.9. Signed agreements should be in force and be given effect through domestic law

282. Article 78 of the Mauritanian Constitution states that treaties may only be ratified by virtue of law. It also states that ratified international treaties take precedence over domestic laws.

283. The procedure for ratifying international agreements signed by Mauritania consists of submitting them to Parliament (the National Assembly). If the Constitutional Council declares that an international agreement contains a clause contrary to the Constitution, authorisation to ratify or approve the agreement can only be given after the Constitution has been amended (article 79). The Ministry of Foreign Affairs remains responsible for carrying out the final stage of the ratification process, which is the preparation of the instrument of ratification for signature by the President of the Republic, before it is deposited with or sent to the party(ies) concerned.

284. Since the entry into force of the Multilateral Convention on 1 August 2022, Mauritania has a network of information exchange relationships with 149 jurisdictions, 140 of which are in force.

285. However, the bilateral agreement signed by Mauritania with Sudan on 22 December 2009 is still not in force. Mauritania should ensure that it can exchange information with Sudan (see Annex 1).

EOI mechanisms

| | |
|--|----------------|
| Total number of EOI relationships covered by bilateral, multilateral and regional mechanisms | 149 |
| In force | 140 |
| In line with the standard | 140 |
| Not in line with the standard | 0 |
| Signed but not in force | 9 |
| In line with the standard | 9 ^a |
| Not in line with the standard | 0 |
| Total number of bilateral EOI relationships that are not supplemented with multilateral or regional mechanisms | 1 ^b |
| In force | 0 |
| Signed but not in force | 1 |
| In line with the standard | 1 |
| Not in line with the standard | 0 |

Notes: a. The Multilateral Convention is in force for Mauritania but not for 8 other signatories: Honduras, Gabon, Madagascar, Papua New Guinea, Philippines, Togo, United States, Viet Nam. In addition, the bilateral agreement with Sudan, which is not covered by the Multilateral Convention, is not yet in force.

b. Sudan.

C.2. Exchange of information mechanisms with all relevant partners

The jurisdiction's network of information exchange should cover all relevant partners, meaning those jurisdictions who are interested in entering into an information exchange arrangement.

286. With the signing of the Multilateral Convention, a regional instrument and bilateral conventions, Mauritania currently has a wide EOI network covering 149 jurisdictions including 140 relationships in force.

287. No member of the Global Forum has indicated having approached Mauritania to negotiate an information exchange mechanism and received a negative response.

288. The standard requires jurisdictions to establish an information exchange relationship in accordance with the standard with all partners that are interested in such a relationship. Mauritania should continue to conclude EOI agreements with any new relevant partners who would so require and ensure that existing relationships are effective (see Annex 1).

289. The table below presents the conclusions on this element.

Legal and Regulatory framework: in place

The network of information exchange mechanisms of Mauritania covers all relevant partners.

Practical Implementation of the Standard: no rating is assigned on this element, as it involves issues of practice that are dealt with in the Phase 2 review.

C.3. Confidentiality

The jurisdiction's information exchange mechanisms should have adequate provisions to ensure the confidentiality of information received.

290. The EOI instruments to which Mauritania is a party provide for confidentiality rules in line with the standard. The provisions of Mauritanian legislation relating to professional secrecy which apply in particular to tax administration officials also provides for the confidentiality of the information exchanged.

291. The table below presents the conclusions on this element.

Legal and Regulatory Framework: in place

No material deficiencies have been identified in the EOI mechanisms and legislation of Mauritania concerning confidentiality

Practical Implementation of the Standard: no rating is assigned on this element, as it involves issues of practice that are dealt with in the Phase 2 review.

C.3.1. Information received: disclosure, use and safeguards

292. All the treaties concluded by Mauritania contain provisions relating to confidentiality, although they are not all drafted in the same way as Article 26, paragraph 2 of the OECD Model Convention.

293. The UMA Convention provides that information exchanged “shall be disclosed only to persons or authorities (including courts and administrative bodies) concerned with the assessment or collection of, the enforcement or prosecution in respect of, or the determination of appeals in relation to, the taxes covered by the Convention”. This wording guarantees the confidentiality of information as required by the standard.

294. Internally, the confidentiality of information is guaranteed by Article 10 of Law 93-09 of 18 January 1993 on the general status of civil servants and contractual State employees:

Notwithstanding of the rules established by criminal law on professional secrecy, all civil servants are subject to the obligation of professional discretion with regard to all facts and information of which they have become aware in the course of or in connection with the performance of their duties. Any communication to a third party of departmental records or documents that is not provided for by the regulations in force is prohibited. Apart from the cases expressly provided for by the regulations in force, an official may only be released from the obligation of professional discretion or the prohibition set out in the previous paragraph by express decision of the authority to which he reports.

295. With regard to tax officials in particular, Article L.72 of the LPF subjects to professional secrecy any person called upon, in the course of his/her duties or responsibilities, to intervene in the assessment, collection or litigation of taxes and also once the person ceases to work for the tax authorities. However, this secrecy does not preclude the exchange of information with States that have concluded mutual assistance agreements with Mauritania in tax matters.

296. Tax officials are also exempt from professional secrecy with respect to an investigating judge who questions them about facts that are the subject of a complaint lodged by the tax authorities against a taxpayer, and with respect to any court for production of any tax document which is relevant to the resolution of a dispute, even if the dispute is not of a tax nature. The agreements concluded by Mauritania allow the information exchanged to be made available to the judicial authorities in tax matters only. However, as mentioned above, ratified international treaties have a higher precedence than its territorial laws and therefore, if the judicial authority were to request information received through EOI for non-tax purposes, it would only be provided in accordance with the applicable treaty provisions.

297. The Terms of Reference, as amended in 2016, clarified that although it remains the rule that information exchanged cannot be used for purposes other than tax purposes, an exception applies where the EOI agreement provides that the information may be used for such other purposes under the laws of both contracting parties and the competent authority supplying the information authorises the use of information for purposes other than tax purposes. All EOI relationships covered under the Multilateral Convention and the UMA Convention provide for this possibility. Mauritania has indicated that it has not received any requests from partners seeking Mauritania's agreement to use the information for non-tax purposes

and, similarly, Mauritania has not asked its partners to use the information received for non-tax purposes.

298. Violation of the professional secrecy of tax officials is an offence punishable by administrative and criminal penalties. From an administrative point of view, any official guilty of disclosing information outside the cases authorised by law is, pursuant to the law on the general status of civil servants, liable to disciplinary sanctions ranging from a warning to dismissal. From a criminal point of view, disclosure of professional secrecy by a civil servant is punishable by a sentence of imprisonment between one month and six months, and a fine of between MRU 5 000 and MRU 60 000 (EUR 135 and EUR 1 620) (article 350 of the Criminal Code). Article 12 of the law also states that in the event of misconduct constituting a breach of professional secrecy, the matter must be referred without delay to the public prosecutor's office by the authority to which the civil servant reports. The Mauritanian authorities have confirmed that sanctions also apply if an official respects the text of the law on exceptions but violates the text of the treaty under which the information disclosed was obtained.

C.3.2. Confidentiality of other information

299. The provisions on confidentiality set out both in the applicable agreements and in Mauritanian domestic legislation makes no distinction as regard the confidentiality, depending on whether the information is received in response to a request or is an element of the foreign request itself. These provisions apply equally to requests, attached documents and all communications between the jurisdictions involved in the exchange. The Mauritanian authorities have indicated that the information obtained under the exchange of information is not clearly identified as such. For the time being, this only concerns requests for information received, as Mauritania has not made any requests itself and has therefore never received any information from abroad. The lack of a "label" for the information exchanged will be analysed during the Phase 2 evaluation (see Annex 1).

C.4. Rights and safeguards of taxpayers and third parties

The information exchange mechanisms should respect the rights and safeguards of taxpayers and third parties.

C.4.1. Exceptions to the requirement to provide information

300. All information exchange mechanisms entered into by Mauritania ensure that the parties concerned will not be required to provide information that would disclose an industrial, commercial or professional secret or

information, the disclosure of which would be contrary to public interest. The 2016 Report concluded that all exchange of information instruments to which Mauritania is a party contain a provision equivalent to the exception provided for in Article 26(3) of the OECD Model Convention, allowing a State to refuse to exchange certain types of information, including information that would disclose a trade, business, industrial, commercial or professional secret or trade process, or information the disclosure of which would be contrary to public policy. The same applies to agreements concluded since 2016.

301. There is no definition of professional secrecy and banking in the exchange of information mechanisms. Mauritanian law, as described in section B.1.5 above, allows professional secrecy to be waived in favour of the tax authorities in the context of their right to information (see paragraphs 251 to 254).

Legal and Regulatory framework: in place

No material deficiencies have been identified in respect of the rights and safeguards of taxpayers and third parties.

Practical Implementation of the Standard: no rating is assigned on this element, as it involves issues of practice that are dealt with in the Phase 2 review.

C.5. Requesting and providing information in an effective manner

The jurisdiction should request and provide information under its network of agreements in an effective manner.

302. For the exchange of information to be effective, it must take place within a timeframe that allows the requesting tax authorities to process the information in the context of the cases concerned. If a response is only provided after a significant period of time, the information may no longer be useful to the requesting authorities. This is particularly important in the context of international co-operation.

303. During the preparation of this assessment, Mauritania indicated that it had received five requests for exchange of information between July 2019 and June 2022 and that it has not sent any request.

304. As requesting and providing information effectively is a matter of practice, this aspect will be evaluated during the Phase 2 review.

305. The table below sets out the conclusions for this element.

Legal and Regulatory Framework

This element involves issues of practice. Accordingly, no determination has been made.

Practical Implementation of the Standard: no rating is assigned on this element, as it involves issues of practice that are dealt with in the Phase 2 review.

C.5.1. Timeliness of responses to requests for information

306. There are no provisions in Mauritanian law or in its exchange of information arrangements regarding responses or time limits within which a response must be provided. As such, there are no restrictions on the ability of the Mauritanian competent authorities to respond to requests within 90 days of receipt, either by providing the information requested or by indicating the status of the request. However, the Mauritanian authorities have provided for their partners to be informed of the progress of their request in case the 90-day deadline is exceeded.

307. An analysis of the Mauritanian authorities' practice in terms of response times to requests for information and, where appropriate, sending updates on the progress of these requests, as well as in terms of communication with partners, will be carried out during the Phase 2 evaluation (see Annex 1).

C.5.2. Organisational processes and resources

Organisation of the competent authority

308. The function of competent authority for EOI in Mauritania is with the Minister in charge of Finance or his/her authorised representative. Since 15 September 2015, the Director General of Taxes has received full delegation of authority to receive, process and respond to all requests for exchange of information for tax purposes by Mauritania's treaty partners and to issue requests for information to Mauritania's partners, to receive responses thereto and to use the content thereof within the limits of the terms provided by the conventions or agreements in force. In the absence of the Director General of Taxes, these powers are delegated to the Director of Audit and Tax Investigations, who is under his/her hierarchical authority.

309. The Information Exchange Unit was created in 2015 within the Tax Audit and Investigation Department. Its mission is to process all requests for information received from Mauritania's treaty partners and is responsible for sending all requests proposed by Mauritanian auditors.

Resources and training

310. The Information Exchange Unit is headed by the Head of the Control Programming and Monitoring Section which sits within the Tax Audit and Investigation Department, supported by five investigators, all with the rank of Head of Unit.

311. The processing of requests for information is not organised in a specific document like a manual. When a request for information is received by the Director General of Taxes, it is recorded and referenced at the Director General's secretariat in an EXCEL file which enables it to be tracked until the reply is sent by the Director General of Taxes. The request is then delivered by hand to the Director of Audit and Tax Investigations. The request for information is then examined by the Director of Audit and Tax Investigations and the Head of the Tax Reconciliation and Investigations Department to determine whether it is admissible. If the request is admissible, it is then automatically assigned to the Head of the Exchange of Information Unit for processing.

312. The head of the Information Exchange Unit has taken distance learning courses provided by the Global Forum on various topics relating to information exchange: "Information exchange as a tool in the fight against tax evasion", "Seminar on setting up and managing operational information exchange units" and "Last mile seminar". The other agents have not received any training on EOI.

313. The consequences of the lack of a manual and staff training will be analysed in the Phase 2 review (see Annex 1).

C.5.3. Unreasonable, disproportionate or unduly restrictive conditions for EOI

314. The exchange of information must not be subjected to unreasonable, disproportionate or excessively restrictive conditions. No factors or problems have been identified that would be unreasonable, disproportionate or excessively restrictive in Mauritania.

Annex 1. List of in-text recommendations

The Global Forum may identify issues that have not had and are unlikely to have, in current circumstances, a significant impact on exchange of information on request in practice. Nevertheless, the circumstances may change and the relevance of an issue may increase. In these cases, a recommendation may be made, but should not be placed in the same box as more substantive recommendations. Instead, these recommendations should be mentioned in the body of the report. A list of these recommendations is reproduced below for reference.

- **Element C.1:** Mauritania should ensure that it can exchange information with Sudan (paragraph 285).
- **Element C.2:** Mauritania should continue to conclude EOI agreements with any new relevant partner who would so require and ensure that existing relationships are effective (paragraph 288).

In addition, the Global Forum may identify certain aspects of the legal and regulatory framework that require follow-up in Phase 2. A non-exhaustive list of these aspects is reproduced below for reference.

- **Element A.1:** The practical implementation of the free zone companies' legal obligations for availability of information on beneficial owners and beneficiaries (paragraph 73).
- **Element A.1.1:** The practical implementation to ensure that the persons concerned are informed and understand the differences between company law and the decree on the fight against money laundering in order to avoid possible confusion due to differences in pieces of various legislation (paragraph 102).
- **Element A.1.1:** the effectiveness of declarations and maintenance of the register of beneficial owners and the implementation of the penalty provisions (paragraph 108).
- **Element A.1.1:** the practical implementation and application of the binding and supervisory powers relating to the availability of beneficial owner information on companies (paragraph 125).

- **Element A.1.3:** the practical implementation and enforcement of the binding and supervisory powers of the legal obligations regarding the availability of information on the identity and beneficial ownership on partnerships (paragraph 154).
- **Element A.2:** the practical implementation and enforcement of the binding and supervisory powers of the legal obligations regarding the availability of accounting information (paragraph 203).
- **Element A.3:** the verification of beneficial ownership documentation in practice for bank accounts (paragraph 213).
- **Element A.3:** the frequency of update of beneficial ownership information for bank accounts (paragraph 219).
- **Element A.3:** the practical implementation and application of binding and supervisory powers in relation to the availability of banking information (paragraph 226).
- **Element B.1:** Mauritania's ability to process requests relating to persons not resident in Mauritania (paragraph 241).
- **Element B.1.4:** the implementation of the binding powers of the Tax Authority to compel the production of information (paragraph 250).
- **Element C.1.1:** the application of the foreseeable relevance criteria in practice (paragraph 268).
- **Element C.1.1:** the processing of group requests received by Mauritania (paragraph 271).
- **Element C.3:** the lack of a "label" for the information exchanged (paragraph 299).
- **Element C.5:** Mauritanian authorities' practice in terms of response times to requests for information and, where appropriate, sending updates on the progress of these requests, as well as in terms of communication with partners (paragraph 307).
- **Element C.5:** the consequences of the lack of a manual and staff training (paragraph 313).

Annex 2. List of Mauritania’s EOI mechanisms

Bilateral instruments for the exchange of information on request

List of bilateral agreements relating to the exchange of information signed by Mauritania

| | EOI partner | Type of agreement | Signature | Entry into force |
|---|----------------------|-------------------|------------------|--------------------------------|
| 1 | Algeria | DTC | 11 December 2011 | 1 January 2017 |
| 2 | France | DTC | 15 October 1967 | 1 March 1969 |
| 3 | Kuwait | DTC | 27 December 2009 | Not yet in force: not ratified |
| 4 | Qatar | DTC | 25 December 2003 | Not yet in force: ratified |
| 5 | Saudi Arabia | DTC | 2 December 2018 | Not yet in force |
| 6 | Senegal | DTC | 9 January 1971 | 1 January 1973 |
| 7 | Sudan | DTC | 22 December 2009 | Not yet in force |
| 8 | Tunisia | DTC | 12 March 1986 | 1 January 2000 |
| 9 | United Arab Emirates | DTC | 21 October 2015 | 1 January 2020 |

Multilateral Convention on Mutual Administrative Assistance in Tax Matters (“the Convention”, as amended)

The Convention on Mutual Administrative Assistance in Tax Matters was jointly developed by the OECD and the Council of Europe in 1988 and amended in 2010 (Multilateral Convention).¹⁴ The Multilateral Convention is the most comprehensive multilateral instrument available for any form

14. The amendments to the 1988 Convention were formulated in two separate instruments with the same objective: the Amended Convention, which incorporates the amendments into a consolidated text, and the Protocol amending the 1988 Convention, which lists the amendments separately.

of tax co-operation to tackle tax avoidance and evasion, a priority for all jurisdictions.

The 1988 Multilateral Convention was revised in response to the call by the G20 at the London Summit in April 2009 to align it with the exchange of information on request standard and to open it up to all countries, in particular to ensure that developing countries could benefit from a new, more transparent environment. The amended Multilateral Convention was opened for signature on 1 June 2011.

The amended Multilateral Convention was signed by Mauritania on 13 February 2019 and entered into force for Mauritania on 1 August 2022. Mauritania may exchange information with all other Parties to the Multilateral Convention.

The Multilateral Convention is in force in respect of the following jurisdictions: Albania, Andorra, Anguilla (extension by the United Kingdom), Antigua and Barbuda, Argentina, Armenia, Aruba (extension by the Netherlands), Australia, Austria, Azerbaijan, Bahamas, Bahrain, Barbados, Belgium, Belize, Benin, Bermuda (extension by the United Kingdom), Bosnia and Herzegovina, Botswana, Brazil, British Virgin Islands (extension by the United Kingdom), Brunei Darussalam, Bulgaria, Burkina Faso, Cabo Verde, Cameroon, Canada, Cayman Islands (extension by the United Kingdom), Chile, China (People's Republic of), Colombia, Cook Islands, Costa Rica, Croatia, Curaçao (extension by the Netherlands), Cyprus, Czech Republic, Denmark, Dominica, Dominican Republic, Ecuador, El Salvador, Estonia, Eswatini, Faroe Islands (extension by Denmark), Finland, France, Georgia, Germany, Ghana, Gibraltar (extension by the United Kingdom), Greece, Greenland (extension by Denmark), Grenada, Guatemala, Guernsey (extension by the United Kingdom), Hong Kong (China) (extension by China), Hungary, Iceland, India, Indonesia, Ireland, Isle of Man (extension by the United Kingdom), Israel, Italy, Jamaica, Japan, Jersey (extension by the United Kingdom), Jordan, Kazakhstan, Kenya, Korea, Kuwait, Latvia, Lebanon, Liberia, Liechtenstein, Lithuania, Luxembourg, Macau (China) (extension by China), North Macedonia, Malaysia, Maldives, Malta, Marshall Islands, Mauritania, Mauritius, Mexico, Moldova, Monaco, Mongolia, Montenegro, Montserrat (extension by the United Kingdom), Morocco, Namibia, Nauru, Netherlands, New Zealand, Nigeria, Niue, Norway, Oman, Pakistan, Panama, Paraguay, Peru, Poland, Portugal, Qatar, Romania, Russia, Rwanda, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Samoa, San Marino, Saudi Arabia, Senegal, Serbia, Seychelles, Singapore, Sint Maarten (extension by the Netherlands), Slovak Republic, Slovenia, South Africa, Spain, Sweden, Switzerland, Thailand, Tunisia, Türkiye, Turks and Caicos Islands (extension by the United Kingdom), Uganda, Ukraine, United Arab Emirates, United Kingdom, Uruguay and Vanuatu.

In addition, the following jurisdictions have signed the amended Convention, which is not yet in force for them: Gabon, Honduras, Madagascar, Papua New Guinea (entry into force on 1 December 2023), Philippines, Togo, United States (the 1988 Convention in force on 1 April 1995, the Amending Protocol signed on 27 April 2010) and Viet Nam (entry into force on 1 December 2023).

Convention for the Avoidance of Double Taxation and the Establishment of Rules for Mutual Assistance in Respect of Taxes on Income between the States of the Arab Maghreb Union (Convention of the Arab Maghreb Union States)

The parties to the Convention are Algeria, Libya, Mauritania, Morocco and Tunisia. The Convention has been in force since 1994.

Annex 3. Methodology for the review

The reviews are based on the 2016 Terms of Reference and conducted in accordance with the 2016 Methodology for peer reviews and non-member reviews, as approved by the Global Forum in October 2015 and amended in December 2020 and November 2021, and the Schedule of Reviews.

The assessment is based on information available to the assessment team, including the signed exchange of information agreements, laws and regulations in force or effective as at 17 July 2023, Mauritania's responses to the EOIR questionnaire and inputs from peers on the negotiation of EOI arrangements with Mauritania and information provided by partner jurisdictions. As Mauritania has limited experience in exchange of information on request, the review of this jurisdiction will be in two phases, in accordance with the new section V of the 2016 Methodology, as amended in 2021. As the first Phase of the review only refers to the legal and regulatory framework, no questionnaire peer input was required at the launch of this review.

List of laws, regulations and other materials received

Constitution

General Tax Code

Tax Procedures Code

Commercial Code

Code of Obligations and Contracts

Act No. 2021-005 amending, supplementing and repealing certain provisions of the Commercial Code to establish a register of beneficial owners of companies within the Register of Companies

Decree no. 2021-033 on the Register of Companies

Order of the Minister of Justice no. 1487 of 13 December 2021 defining the forms for applications for registration in the local Register of Companies and the declaration of the beneficial owner and the

forms for applications for registration and searches in the Register of Transferable Securities and the list of deeds and supporting documents that must accompany these forms.

Investment Code, Mining and Hydrocarbons Code

Law no. 2021-004 on Associations, Foundations and Networks

Decree no. 97-057 of 8 January 1997 on waqfs

Order no. 2007-013 of 21 February 2007 (J.O. no. 1144) relating to civil and professional companies

Joint order no. 607 of 23 June 2016 on the annual turnover of traders who are natural persons and exempt from keeping accounting books (J.O. no. 1378)

Law no. 2013-001 of 2 January 2013 creating the Nouadhibou free zone

Instruction 06/GR/2019

Act No. 2019-017 of 20 February 2019 on the fight against money laundering and the financing of terrorism

Decree No. 197-2019 of 23 October 2019 implementing Act No. 2019-017 of 20 February 2019 on the fight against money laundering and terrorist financing

Decree No. 198-2019 of 23 October 2019 on the composition and organisational and operational rules of the National Committee for the fight against Money Laundering and the Financing of Terrorism and the Financial Investigations Unit

Law No. 2018-036 regulating credit institutions

Ordinance No. 2007/020 of 13 March 2007 on the regulation of credit institutions

Criminal code

Law no. 93-09 of 18 January 1993 on the general status of civil servants and contractual State employees

Law no. 2020-16 on the organisation of the legal profession

Law no. 2022-018 on the Status of Notaries

Decree no. 97-018 of 1 March 1997 instituting the National Order of Chartered Accountants of Mauritania, article 51 of law no. 2020-16 on the organisation of the legal profession and article 21 of law no. 2022-018 on the status of notaries

Current and previous reviews

Due to the limited practical experience of Mauritania in EOIR, this report only analyses the legal and regulatory framework of Mauritania in relation to the international standard of transparency and exchange of information on request, as part of the second round of reviews conducted by the Global Forum.

In accordance with the 2016 Methodology for peer reviews and non-member reviews, as amended in 2021, a Phase 2 review, on the practical implementation of the legal and regulatory framework, will be scheduled at the earlier of: (i) the expiry of a period of four years from the date of launch of the Phase 1 review, i.e. in the 30 November 2026 in the case of Mauritania, and (ii) the establishment of EOIR experience in respect of criteria that include the number of requests received (around ten requests over a three year review period); the number of taxpayers involved in the requests; the amounts involved; and the complexity of the requests received, as well as the existence of outgoing requests and their nature and characterisation, subject to a contrary indication by the Steering Group of the Global Forum. Progress made since the adoption of the Phase 1 report will be assessed during the Phase 2 review.

The Global Forum conducted an initial assessment of Mauritania's legal framework in 2015 against the 2010 terms of reference.

The information relating to the Mauritania assessments is listed in the table below.

Summary of reviews

| Review | Evaluation team | Period under review | Legal framework | Date of adoption by the Global Forum |
|--------------------|--|---|------------------|--------------------------------------|
| Round 1 Phase 1 | Mr Zeddoun Sidi-Mohamed of France; Mr Mustupha Mosafeer of Mauritius; and Mr Ervice Tchouata of the Global Forum Secretariat | not applicable | December 2014 | March 2015 |
| Round 1 Phase 2 | Mr Zeddoun Sidi-Mohamed of France; Mr Mustupha Mosafeer of Mauritius; and Mr Ervice Tchouata and Mr Hakim Hamadi of the Global Forum Secretariat | 1 January 2012 to 31 December 2014 | December 2015 | March 2016 |
| Round 2 Phase 1 | Mr Abdoulaye Ndiaye of Senegal; Ms Midia Jor Varamo of Italy; and Ms Kareemah Pathel Vavra and Mr Ervice Tchouata of the Global Forum Secretariat | not applicable | 17 July 2023 | 3 November 2023 |

Annex 4. Mauritania’s response to the review report¹⁵

Mauritania would like to thank the assessment team and the Global Forum Secretariat for the invaluable efforts that has been put in the analysis and evaluation in view of the preparation of this report.

Mauritania would also like to thank the members of the Peer Review Group and its exchange partners for exchange of information on request for tax purposes for their contributions and support throughout this review process.

Mauritania approves the content of this Phase 1 report as part of the second round of reviews in respect of exchange of information on request for tax purposes and takes due note of its conclusions and recommendations.

Mauritania reiterates its commitment for the promotion of tax transparency and exchange of information and will work, without delay, to double the efforts already undertaken to implement the recommendations of this report as soon as possible.

15. This Annex presents the Jurisdiction’s response to the review report and shall not be deemed to represent the Global Forum’s views.

GLOBAL FORUM ON TRANSPARENCY AND EXCHANGE
OF INFORMATION FOR TAX PURPOSES

**Peer Review Report on the Exchange of Information
on Request MAURITANIA 2023 (Second Round, Phase 1)**

The Global Forum on Transparency and Exchange of Information for Tax Purposes is a multilateral framework for tax transparency and information sharing, within which over 160 jurisdictions participate on an equal footing.

The Global Forum monitors and peer reviews the implementation of international standard of exchange of information on request (EOIR) and automatic exchange of information. The EOIR provides for international exchange on request of foreseeably relevant information for the administration or enforcement of the domestic tax laws of a requesting party. All Global Forum members have agreed to have their implementation of the EOIR standard be assessed by peer review. In addition, non-members that are relevant to the Global Forum's work are also subject to review. The legal and regulatory framework of each jurisdiction is assessed as is the implementation of the EOIR framework in practice. The final result is a rating for each of the essential elements and an overall rating.

The first round of reviews was conducted from 2010 to 2016. The Global Forum has agreed that all members and relevant non-members should be subject to a second round of review starting in 2016, to ensure continued compliance with and implementation of the EOIR standard. Whereas the first round of reviews was generally conducted as separate reviews for Phase 1 (review of the legal framework) and Phase 2 (review of EOIR in practice), the EOIR reviews commencing in 2016 combine both Phase 1 and Phase 2 aspects into one review. Final review reports are published and reviewed jurisdictions are expected to follow up on any recommendations made. The ultimate goal is to help jurisdictions to effectively implement the international standards of transparency and exchange of information for tax purposes.

This peer review report analyses the implementation of the standard of transparency and exchange of information on request in Mauritania, as part of the second round of reviews conducted by the Global Forum on Transparency and Exchange of Information for Tax Purposes since 2016. Due to Mauritania's limited practical experience of exchange of information on request, and in accordance with the methodology for peer reviews and non-member reviews, the report only assesses the jurisdiction's legal and regulatory framework. The assessment of the practical implementation of this framework will be subject to a future Phase 2 review.



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