EU-Andorra agreement on the automatic exchange of financial account information: Amending Protocol

2025/0224(NLE) - 13/11/2025 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 605 votes to 29, with 0 abstentions, a legislative resolution on the proposal for a Council decision on the conclusion, on behalf of the Union, of the Amending Protocol to the Agreement between the European Union and the Principality of Andorra on the automatic exchange of financial account information to improve international tax compliance.

Parliament approved the conclusion of the amending protocol to the agreement.

The agreement provides the legal basis for the reciprocal automatic exchange of financial account information between the Member States and the Principality of Andorra.

The main objective of the amending protocol is to improve administrative tax cooperation in the following ways:

- to ensure that the automatic exchange of financial account information is in line with the updated Common Reporting Standard (CRS) developed by the Organisation for Economic Cooperation and Development (OECD) and with the respective EU rules i.e. the Council Directive (EU) 2023/226 (DAC8), which implemented the latest amendments to the CRS within the EU. As a result of the recent update of the CRS, its scope was extended to cover electronic money products and central bank digital currencies. Furthermore, the updates also contain provisions to ensure an efficient interaction between the CRS and the separate Crypto-Asset Reporting Framework (CARF). Andorra will implement the CARF in the future, thus the application of the CARF related provisions is postponed;

- to update the legal reference on data protection legislation: all the references to the repealed Directive 95 /46/EC were removed and replaced with references to the GDPR (i.e. Regulation (EU) 2016/679). Andorra is the beneficiary of an EU adequacy decision concerning data protection.

The modifications of CRS will apply from 1 January 2026 and - in line with that - the respective provisions of DAC8 will apply in the EU from that onwards.

The amending protocol ensures that the existing agreement remains aligned with the respective EU legislation.