



The Launch of the Oslo Dialogue

A Closing Statement by Norway, as host, and the OECD

23 March 2011

“Fighting economic crime requires greater transparency and improved efforts to make the most of the capacity of different government agencies to work together, aiming to prevent, detect and prosecute these crimes. This fight must be fought both domestically and internationally.”

Mr. Roger Schjerva, State Secretary, Ministry of Finance, Norway

Tax crimes, money laundering and other financial crimes can threaten the strategic, political and economic interests of both developed and developing countries. They also undermine citizens’ confidence in their governments’ ability to get taxpayers to pay their taxes and may deprive governments of revenues needed for sustainable development.

These activities all thrive in a climate of secrecy, inadequate legal frameworks, lax regulation, poor enforcement, and weak inter-agency co-operation. Conduct involving money laundering, corruption or other economic crimes typically also constitutes a tax crime. Countering these activities requires greater transparency, more strategic intelligence gathering and improved efforts to harness the capacity of different government agencies to work together to detect, deter and prosecute these crimes (a whole of government approach).

Issues of financial crime and illicit flows are of concern to all countries, but particularly to developing countries. Illicit financial flows resulting from financial crimes strip resources from developing countries that could finance their long-term development. The recent freezing of USD billions worth of assets owned by deposed North African autocrats and their families illustrates the point. Moreover, illicit financial flows are linked to organized crime, illicit goods, such as drugs and illegal arms, all of which impact the quality of governance, violent conflict and state fragility in the developing world. It is estimated that more than two-thirds of these flows involve tax evasion.

These issues were discussed by more than 150 delegates from 54 delegations who participated in the first tax and crime conference hosted on 21-23 March 2011 by the Norwegian government and opened by Mr. Roger Schjerva, State Secretary, Ministry of Finance, Norway and the importance of the issues to development efforts was highlighted by Mr. Erik Solheim, Minister of the Environment and International Development, Norway. The conference brought together representatives from a range of OECD and non-OECD governmental agencies, including Tax Administrations, Finance and Justice Ministries, Financial Intelligence Units, Central Banks, FATF, International Organisations, as well as business and NGOs.

The purpose of the conference was to find more effective ways to counter financial crimes, tax evasion and other illicit flows through better interagency and international co-operation. The conference discussed how governments can deliver better results, in shorter time frames, with lower costs and less duplication, building on the strength and expertise of different agencies. The conference also discussed legal and practical barriers to effective inter-agency co-operation, such as secrecy provisions that restrict information sharing at the domestic or international level.

Interagency co-operation can enhance financial integrity and good governance by improving the effectiveness of countries’ abilities to fight financial crimes. In a world where criminals operate across organizational and geographic boundaries, inter-agency co-operation both domestically and internationally is the only viable response.



It is against this backdrop that the conference reached the following conclusions:

1. **Tax crimes are serious crimes** and need to be pursued as such. Participants welcomed the discussions within FATF on tax crimes as a predicate offence.
2. Changing behavior is key and requires clear, consistent and public messaging.
3. Business can play a key role by establishing the **tone from the top** through internal controls, policy and structures to ensure compliance.
4. **There is a clear benefit to inter-agency co-operation** covering tax, law enforcement, anti-money laundering authorities and where appropriate other agencies.
5. Different models for **international co-operation** exist and should be reviewed to enhance co-operation on tax and crime, such as a forum for criminal investigators bringing together different governmental agencies from both developing and developed countries.
6. There is a need to identify and **fill the legislative, policy and operational gaps** that prevent effective domestic and international co-operation.
7. **Developing countries can also benefit** from the “whole of government approach” and in particular significant improvements could be achieved through early detection, effective investigation, prosecution and recovery of assets by use of appropriate tools.

On the basis of these outcomes and the strong interest in continuing the inter-agency dialogue and sharing of experiences commenced in Oslo, the OECD, working with other international organizations and interested parties, will:

1. Establish a global dialogue on inter-agency collaboration to better fight financial crimes including illicit financial flows. A platform for sharing operational experiences could support this dialogue.
2. Immediately advance the issues discussed at Oslo through an OECD Task Force¹, which will focus on:
 - Improving inter-agency co-operation by mapping out different models of co-operation, their advantages and challenges with a view to developing best practice standards, and with a particular focus on the contribution that tax administrations can make in this regard.
 - Improving understanding and use of international co-operation mechanisms by cataloguing all relevant forms and instruments for international co-operation in fighting financial crime.
 - supporting sustainable development and fiscal transparency by seeking to assess areas of biggest benefit to developing countries from the “whole of government approach”.

The outcomes of this Conference will be presented to the OECD Ministerial Meeting to be held on 25-26 May 2011.

¹ The Task Force on Tax Crimes and other Crimes



ANNEX

Participating countries

Albania	Liechtenstein
Armenia	Luxembourg
Australia	Malta
Austria	Mexico
Azerbaijan	Monaco
Belgium	Montenegro
Canada	Netherlands
Colombia	New Zealand
Czech Republic	Norway
Denmark	Portugal
Estonia	Singapore
Finland	Slovenia
France	South Africa
Germany	Spain
Greece	Sweden
Guernsey	Switzerland
India	Tanzania
Ireland	Thailand
Israel	Turkey
Italy	Uganda
Japan	United Kingdom
Korea	United States
Latvia	Vietnam

Other participants (including International Organisations)

European Union
Financial Action Task Force (FATF)
Financial Action Task Force of South America (GAFISUD)
Intergovernmental Action Group against Money Laundering in Africa (GIABA)
KPMG
Siemens
Task Force on Financial Integrity and Economic Development
Transparency International