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Organisation de Coopération et de Développement Économiques
Organisation for Economic Co-operation and Development

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English/French

COUNCIL

C(2009)122/FINAL
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Council

**DECISION OF THE COUNCIL ESTABLISHING THE GLOBAL FORUM ON TRANSPARENCY AND
EXCHANGE OF INFORMATION FOR TAX PURPOSES**

(adopted by the Council at its 1204th Session on 17 September 2009)

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English/French

The COUNCIL,

Having regard to the Convention on the Organisation for Economic and Cooperation Development of 14th December 1960 (hereinafter called “the Convention”);

Having regard to the Rules of Procedure of the Organisation;

Having regard to the Financial Regulations of the Organisation;

Having regard to the Recommendation of the Council on Counteracting Harmful Tax Competition adopted on 9 April 1998 [C(98)17],

Having regard to the OECD Model Agreement on Exchange of Information on Tax Matters and article 26 of the OECD and UN Model Tax Conventions;

Having regard to the Summary of Outcomes of the Global Forum on Transparency and Exchange of Information for Tax Purposes held in Mexico on 1-2 September 2009;

Having regard to the note by the Secretary-General concerning the establishment of the Global Forum on Transparency and Exchange of Information for Tax Purposes (hereinafter “the Global Forum”) as a Part II program of the budget of the Organisation [C(2009)122/FINAL];

DECIDES

The Global Forum is hereby established with the following mandate:

Mission

1. The Global Forum shall ensure a rapid and effective global implementation of the standards of transparency and exchange of information for tax purposes¹ through in depth monitoring and peer review.
2. The whole monitoring and peer review process will be an ongoing exercise. Evaluation reports will be published after adoption by the Global Forum. Jurisdictions will be expected to act on any recommendations in the review and to report back to the Global Forum on actions taken.

Participation

3. The Global Forum membership is open to OECD countries,² G20 countries and other jurisdictions covered by the report “Tax Co-operation 2009: towards a level playing field” (see full list in Appendix). All members will participate on an equal footing.
4. The Global Forum may invite other jurisdictions to participate in its work with the possibility to become members if they commit to implement the standards and accept to be reviewed.

¹ See *Tax Cooperation, Towards a Level Playing field, Assessment by the Global Forum on Taxation*, page 14, Summary of Part II.

² The Commission of the European Community takes part in the work of the Global Forum in accordance with article 13 of the OECD Convention and its Supplementary Protocol No. 1.

5. The Global Forum may invite relevant international organisations as observers.

Governance

6. The Plenary of the Global Forum is the decision making body of the Global Forum. The Global Forum may adopt its rules of procedure.
7. The Plenary is assisted by:
 - a Steering Group which will prepare and guide the Global Forum future work;
 - a Peer Review Group (PRG) which will develop the methodology and detailed terms of reference for a robust, transparent and accelerated peer review process. The PRG will also carry out such peer reviews;
 - any other body it may deem appropriate to establish.
8. The Plenary shall appoint the Chair and Vice Chairs of the Global Forum, who are also Chair and Vice Chairs of the Steering Group, the Chair and Vice Chairs of the PRG, who are also members of the Steering Group, and the other members of the Steering Group and the Peer Review Group.
9. The Global Forum will operate by consensus. However, as far as peer reviews are concerned, no one jurisdiction can block the adoption or publication of a review. Nevertheless, every effort should be made to arrive at a consensus and the views of the reviewed jurisdiction will be fully noted.
10. The Global Forum will be served by a dedicated self standing secretariat based in the Organisation's Centre for Tax Policy and Administration so as to benefit from the Organisation's experience in this area. Notwithstanding the provisions of Staff regulation 7 b) and the related instruction 107/1, the Secretary-General of the OECD shall be authorised to appoint, as OECD officials, nationals from any member of the Global Forum as long as they are located in the secretariat serving the Global Forum.

Budget

11. The expenditures of the program shall be charged against the appropriations authorised under a Part II chapter of the budget of the Organisation.
12. The budget of the Global Forum shall be financed by its members to the amount agreed between them.
13. The scale of contributions shall be the following:
 - a yearly fee of 15,000 euros for each member; such fee will be subject to an automatic annual increase equal to the annual increase in the Global Forum Budget;
 - the remaining funding to be allocated in accordance with Annex II of document BC(2009)3.³ In order not to overburden the smallest jurisdictions, only those with a GNP above 35 billion USD will contribute to this part of the budget.

³ Annex II of BC(2009)3 contains the revised 2004 Principles and rules for determining the scales of contributions by Member other than part I of the budget of the Organisation.

14. In order to allow members to contribute stable amounts to the Global Forum over successive years, appropriations, for which no commitment has been entered into before the end of the financial year for which they were appropriated, shall be automatically carried forward to the budget for the ensuing year by decision of the Secretary General, notwithstanding the provisions of the Financial Regulations of the Organisation.

Evaluation

15. An evaluation exercise of the Global forum will be conducted prior to the end of the mandate period.

Duration

16. The Global Forum is established until 31 December 2012.
17. The Global Forum on Transparency and Exchange of Information presently under direction of the Committee on Fiscal Affairs as part of its external relations activity is abolished as of the date of adoption of the present Decision.

Appendix
List of Potential Members of the Global Forum

| | | | |
|-------------------------|------------------|------------------------|----------------------------------|
| Andorra | Denmark | Liechtenstein | Seychelles |
| Anguilla* | Dominica | Luxembourg | Singapore |
| Antigua and Barbuda | Estonia | Macao, China | Slovak Republic |
| Argentina | Finland | Malaysia | Slovenia |
| Aruba** | France | Malta | Spain |
| Australia | Germany | Marshall Islands | Saint Kitts and Nevis |
| Austria | Gibraltar* | Mauritius | Saint Lucia |
| The Bahamas | Greece | Mexico | Saint Vincent and the Grenadines |
| Bahrain, Kingdom of | Grenada | Monaco | South Africa |
| Barbados | Guatemala | Montserrat* | Sweden |
| Belize | Guernsey**** | Nauru | Switzerland |
| Belgium | Hong Kong, China | Netherlands** | Turkey |
| Bermuda* | Hungary | Netherlands Antilles** | Turks and Caicos Islands* |
| Brazil | Iceland | New Zealand | United Arab Emirates |
| British Virgin Islands* | India | Niue | United Kingdom |
| Brunei | Indonesia | Norway | United States |
| Canada | Ireland | Panama | U. S. Virgin Islands***** |
| Cayman Islands* | Isle of Man**** | Philippines | Uruguay |
| Chile | Israel | Poland | Vanuatu |
| China | Italy | Portugal | |
| Cook Islands | Japan | Russian Federation | |
| Costa Rica | Jersey**** | Samoa | |
| Cyprus*** | Korea | San Marino | |
| Czech Republic | Liberia | Saudi Arabia | |

* Overseas Territory of the United Kingdom

** The Netherlands, the Netherlands Antilles and Aruba are the three countries of the Kingdom of the Netherlands

*** Note by Turkey:

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. Turkey recognises the Turkish Republic of Northern Cyprus (TRNC). Until a lasting and equitable solution is found within the context of United Nations, Turkey shall preserve its position concerning the "Cyprus issue".

Note by all the European Union member states of the OECD and the European Commission: The Republic of Cyprus is recognised by all members of the United Nations with the exception of Turkey. The information in this document relates to the area under the effective control of the Government of the Republic of Cyprus.

**** Dependency of the British Crown

***** External Territory of the United States