



Global Forum on Transparency and Exchange of Information for Tax Purposes

Plenary Meeting

15-17 November, 2017

Yaoundé, Cameroon

THE 2017 GLOBAL FORUM PLENARY MEETING: STATEMENT OF OUTCOMES



1. On 15-17 November 2017, 186 delegates from 78 jurisdictions and 12 international organisations and regional groups came together in Yaoundé, Cameroon, for the 10th annual meeting of the Global Forum on Transparency and Exchange of Information for Tax Purposes (the Global Forum). This year's gathering was held in Cameroon in recognition of the critical importance of tax transparency and exchange of information work for developing countries, in particular those in the African continent.

2. The meeting took place in the backdrop of the recently released "Paradise Papers" which once again publicly highlighted the global problem of cross-border tax avoidance and evasion, issues that require an international response to deal with them effectively. Members acknowledged the progress that has been made in working multilaterally within the framework of the Global Forum – by far the largest international tax grouping ensuring the effective implementation of international standards – in providing tax authorities the right tools to fight offshore tax avoidance and evasion. They resolved to continue to make progress towards more effective international tax cooperation to deal with common international challenges faced.

3. The Global Forum welcomed 10 new members which have joined since its last meeting: Benin, Cambodia, Djibouti, Ecuador, Faroe Islands, Greenland, Haiti, Madagascar, Rwanda and Thailand, bringing membership to a total of 147 jurisdictions. A new powerful exchange of information infrastructure is emerging, with both the Global Forum standards of exchange of information on request (EOIR) and automatic exchange of information (AEOI) together providing an effective suite of international tax compliance tools, and with more and more jurisdictions participating and using them to great effect.

4. Discussing last year's accomplishments, the current and future global challenges in the area of fighting tax avoidance and evasion, and potential next steps, the delegates:

- Recognised that the successful commencement of first exchanges of financial account information under the Global Forum's AEOI Standard is a historic milestone. The first gains of AEOI are already being realised through voluntary compliance and disclosure programmes, and more is expected with those jurisdictions that exchanged information in 2017 exploiting the data received.
- Welcomed the progress reported in the first public *AEOI Implementation Report*¹ and called on the further 53 jurisdictions committed to commence exchanges in September 2018 to maintain their intense focus to deliver on their commitments in full. This is particularly pressing for those yet to finalise their domestic and international legal frameworks.
- Adopted *The Plan of Action for Developing Countries Participation in AEOI*² designed to help developing countries identify a suitable timeline and subsequently implement and benefit from AEOI. Recognising the resources required, the Global Forum calls on the international development agencies, governments and other potential donors to support this vital agenda.

¹ AEOI Implementation Report 2017: <http://www.oecd.org/tax/transparency/reporting-on-the-implementation-of-the-AEOI-standard.pdf>

² The Global Forum's Plan of Action on Developing Countries and AEOI (2017): <http://www.oecd.org/tax/transparency/plan-of-action-AEOI-and-developing-countries.pdf>



- Welcomed the progress made by 14 jurisdictions in upgrading their compliance ratings on a provisional basis on the implementation of the EOIR Standard through the Fast-Track procedure and encouraged the continued demonstration of progress in light of the upcoming peer reviews against the 2016 Terms of Reference.
- Released the first 16 reports under the second round of peer reviews of EOIR with new ratings. Acknowledging the challenges associated with a strengthened EOIR Standard which includes requirements on beneficial ownership, and with over 130 more peer reviews scheduled for 2018-2021, encouraged all members to intensify the work aimed at tackling potential or already identified gaps or deficiencies.
- Restated its role as the leading international body on issues of transparency and EOI for tax purposes³ and committed to continue engaging with relevant bodies to ensure that all initiatives relating to tax transparency, such as the identification of non-cooperative jurisdictions, are fully aligned with the work of the Global Forum to ensure an accurate, coherent and consistent recognition of this work. The international community must stand united and send a clear message to deliver the action required.
- Some members expressed concern that the ongoing EU listing process, which includes criteria related to tax transparency, is occurring outside of the framework of the Global Forum. While acknowledging that the EU criteria on transparency rely on the work of the Global Forum, the links to transparency aspects within the fair taxation criteria lack clarity. Several members expressed the need for a platform to support further clarification of the criteria to ensure their objective and consistent understanding and application on the basis of the principle of level playing field. It was agreed that it is desirable to discuss the issues further in an informal voluntary group comprising of the Global Forum and Inclusive Framework members working together with the EU Code of Conduct Group and drawing on the work of the Global Forum and of the Forum on Harmful Tax Practices. To that end, the Secretariat was requested to liaise with the EU Code of Conduct Group to discuss the modalities and timing of the joint work.
- Expressed determination to reinforce its technical assistance work so as to ensure that developing countries advance more quickly to benefit from tax transparency and called on all relevant actors to support developing countries in benefitting from the international tax transparency environment.

5. Further details on the outcomes of the meeting are set out below.

Automatic Exchange of Information (AEOI)

6. The Global Forum welcomed the full delivery of the commitments made by the jurisdictions which led the agenda and commenced exchanges this year.⁴ The 49 “early adopter” jurisdictions put in place the necessary domestic and international legal frameworks and signed up to the Common Transmission System for exchange. Minor delays are primarily attributed to the devastation caused by the recent hurricanes in several Caribbean jurisdictions, which will come back online as soon as possible. This successful kick-off marks a significant change in the landscape of global tax transparency.

³ The Global Forum is the only international body endorsed as such by the G20,

⁴ AEOI Implementation Report 2017: <http://www.oecd.org/tax/transparency/reporting-on-the-implementation-of-the-AEOI-standard.pdf>



7. The potential of AEOI will only be felt where there is an international level playing field. This would require the full delivery by the further 53 jurisdictions due to begin exchanges next year. Members discussed the results of the Global Forum's monitoring, as set out in the public report, *AEOI Implementation 2017*. It shows that those exchanging this year have delivered and those commencing exchanges next year have made significant progress in implementation. Most jurisdictions are fully on track to deliver on their commitments. There are, however, a few jurisdictions that have missed key milestones and face challenging timelines to deliver. The Global Forum called on these jurisdictions to speed up their implementation and ensure a timely and full delivery of their commitments. The next progress report will be published by the end of 2018.

8. The ongoing importance of effective confidentiality and data safeguards frameworks in member jurisdictions was underscored and jurisdictions were encouraged to meet the required standards to ensure they are able to receive information under the AEOI Standard. Given the risks associated with possible confidentiality breaches, the Global Forum agreed upon an interim coordinated communications plan to be put in place at a multilateral level.

9. A process to assess whether agreements are being put in place with all "interested appropriate partners" (being those interested in receiving information and which meet the required standards in relation to confidentiality and the proper use of data), which is crucial for the delivery of a level playing field, has delivered good results. The network of partners has been enlarged in a number of jurisdictions, and more is in progress. The monitoring of international frameworks and activated relationships will be an increasing focus of the Global Forum's attention in 2018.

10. Ensuring a full delivery of the AEOI commitments will remain at centre stage in 2018. The Global Forum mandated the AEOI Group to develop detailed Terms of Reference and Methodology for a new full peer review process of the AEOI implementation that is due to commence in 2020. This framework will be completed in time for approval by the 2018 plenary of the Global Forum. In the meantime, the staged approach – designed to monitor, assess and support the delivery of each key aspect of the AEOI Standard – will remain in place and provide a departure point for the new Terms of Reference and Methodology.

11. The emerging evidence of the effectiveness of AEOI in strengthening tax compliance attracts new voluntary commitments. Developing countries show a growing interest in implementing the AEOI Standard. After Ghana and Albania, which committed in 2014, this year five new commitments have been announced: Azerbaijan, Maldives, Nigeria, Pakistan and Peru (see Annex 1). To encourage further participation, the Global Forum adopted *The Plan of Action for Developing Countries Participation in AEOI* which introduces a new enhanced commitment process and encouraged all developing countries to take advantage of it.⁵ The step-by-step approach embedded in this plan of action builds upon the experience gained by the Global Forum in the past three years through AEOI pilot projects and other technical assistance activities. No country will be left out with progress delivered through bespoke assistance and plans recognising the diverse capacities and experience.

⁵ The Global Forum's Plan of Action for Developing Countries Participation in AEOI (2017): <http://www.oecd.org/tax/transparency/plan-of-action-AEOI-and-developing-countries.pdf>



Exchange of Information on Request (EOIR)

12. Members welcomed the successful conclusion of the Fast-Track review procedure which was put in place following the April 2016 call by the G20 on all jurisdictions to upgrade their rating to a satisfactory level by the G20 Summit in July 2017 where non-cooperative jurisdictions in the field of tax transparency were to be named. In total, 15 out of 21 eligible jurisdictions applied, leading to a provisional upgrade of 14 overall ratings. All provisionally upgraded jurisdictions have been scheduled for a full peer review under the 2016 EOIR Standard in the near future.

13. At the end of the first round, 119 jurisdictions have been rated, with 18% of them that have achieved a rating of “Compliant” (22), while the majority (75%) needs to make some progress and was rated “Largely Compliant” (77) or “Provisionally Largely Compliant” (13). The remaining 7% were recommended to address serious issues and rated as “Partially Compliant” (5), “Provisionally Partially Compliant” (1) or “Non-Compliant” (1). The Global Forum appreciated the work taken over the past few years by its members to implement the EOIR Standard and the recommendations made, and urged the jurisdictions to sustain their efforts in the fast-approaching second round reviews. The Global Forum will continue to work with the jurisdictions which have not yet achieved a satisfactory rating.

14. The second round of peer reviews launched in July 2016 reflects the latest developments in international tax transparency, including the requirement to have access to beneficial ownership information which strengthens the fight against anonymous shell companies and the use of legal arrangements to conceal ownership identity. A total of 36 reviews have already been launched in the second round. 16 reports have now been adopted by the Global Forum, of which 6 ratings are “Compliant”, 8 “Largely Compliant” and 2 “Partially Compliant”. See Annex 2 for all ratings issued so far.

15. The Global Forum continues scrutinising non-members to prevent jurisdictions from gaining a competitive advantage by refusing to implement the EOI standards. This year members have agreed that Bosnia and Herzegovina, Montenegro and Serbia are of relevance for EOIR purposes. These jurisdictions will be invited to become members of the Global Forum and scheduled for peer reviews against the 2016 EOIR Standard.

Technical Assistance

16. Technical assistance work has now become integral to the Global Forum’s operation and much of the successful progress achieved in the past decade would not have been possible without it. In the past year, focus has been on supporting jurisdictions eligible to undergo the Fast-Track reviews, jurisdictions implementing the AEOI Standard, providing support to implement the beneficial ownership requirements and helping new member jurisdictions to implement the standards and benefit from this process.

17. Developing countries represent more than half of the Global Forum members and comprise practically all new members, many of them having little exchange of information experience. Members agreed that close support in the first few years of a jurisdiction’s participation is vital and commended the induction programmes put in place to assist more than 20 new members developing their exchange of information procedures and practices.

18. The Global Forum welcomed the launch of the next three-year phase of the Africa Initiative which – in addition to EOIR – will now focus on providing support and assistance to implement AEOI. If African countries are to fully benefit from the most recent improvements in global tax transparency and tackle illicit financial flows, they must be enabled to participate in AEOI. The Global Forum commended



the Yaoundé Declaration⁶ and welcomed the support provided to the Africa Initiative by the UK's Department for International Development, the Swiss Confederation, and the French Ministry of Foreign Affairs which has just renewed its financial support.

19. With the extended AEOI commitment process in place, the breadth of the Global Forum's technical assistance work will further expand. The Global Forum therefore calls on the G20, international development agencies, governments and other potential donors to provide political, financial and other support for this agenda. Recognising the potential difficulties which many jurisdictions face – in particular those less developed – in relation to information security management, the Global Forum strongly emphasises the importance of technical support in this field. Members also emphasise the need to collaborate with regional organisations, such as the African Tax Administration Forum (ATAF), the Centre de rencontres et d'études des dirigeants des administrations fiscales (CREDAF) and the Inter-American Center of Tax Administrations (CIAT), to expand the reach of the Global Forum's technical assistance and achieve greater synergy.

Governance and budget

20. The Global Forum agreed to extend the terms of the Chair and Vice Chairs of the AEOI Group for another two years until the end of 2019.

21. An intermediate financial report for 2017 was considered and the Global Forum adopted the budget proposals for 2018.

Impact Assessment

22. Global movement towards greater transparency and exchange of information for tax purposes continues to spread and yield significant benefits. To better inform all stakeholders, the Global Forum agreed to expand its impact assessment work which aims to evaluate the scale of the changes and impact generated by the progress achieved in the past decade, in particular those associated with AEOI. The outcomes will inform and enrich the future work of the Global Forum and members agreed to participate fully in this work.

Next Steps

23. The key focus in 2018 will be on the full and timely delivery of the commitments made by the jurisdictions scheduled to commence AEOI exchanges in 2018, the development of the framework for the full AEOI peer reviews and the progress in the implementation of the AEOI Standard by developing country members. Furthermore, in relation to the EOIR Standard, the Global Forum will deliver further reports in the second round of EOIR peer review. Ensuring progress in the availability of and access to beneficial ownership information will also be at the centre of the Global Forum's EOIR and AEOI assessments and technical assistance work.

24. The Global Forum agreed that its next meeting will take place in October or November 2018 in Uruguay.

25. Finally, the Global Forum thanked the Government of Cameroon for its generous hospitality. The full list of participants can be found in Annex 3.

⁶ The Yaoundé Declaration <http://www.oecd.org/tax/transparency/yaounde-declaration.pdf>



ANNEX 1: STATUS OF AEOI COMMITMENTS¹

The table below summarises the status of AEOI commitments (as of 17 November 2017).

| JURISDICTIONS UNDERTAKING FIRST EXCHANGES IN 2017 (49) |
|---|
| Anguilla, Argentina, Belgium, Bermuda, British Virgin Islands, Bulgaria, Cayman Islands, Colombia, Croatia, Cyprus ² , Czech Republic, Denmark, Estonia, Faroe Islands, Finland, France, Germany, Gibraltar, Greece, Guernsey, Hungary, Iceland, India, Ireland, Isle of Man, Italy, Jersey, Korea, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Mexico, Montserrat, Netherlands, Norway, Poland, Portugal, Romania, San Marino, Seychelles, Slovak Republic, Slovenia, South Africa, Spain, Sweden, Turks and Caicos Islands, United Kingdom |
| JURISDICTIONS UNDERTAKING FIRST EXCHANGES BY 2018 (53) |
| Andorra, Antigua and Barbuda, Aruba, Australia, Austria, Azerbaijan ³ , The Bahamas, Bahrain, Barbados, Belize, Brazil, Brunei Darussalam, Canada, Chile, China, Cook Islands, Costa Rica, Curacao, Dominica, Ghana ³ , Greenland, Grenada, Hong Kong (China), Indonesia, Israel, Japan, Kuwait, Lebanon, Macau (China), Malaysia, Marshall Islands, Mauritius, Monaco, Nauru, New Zealand, Niue, Pakistan ³ , Panama, Qatar, Russia, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Samoa, Saudi Arabia, Singapore, Sint Maarten, Switzerland, Trinidad and Tobago, Turkey, United Arab Emirates, Uruguay, Vanuatu |
| JURISDICTIONS UNDERTAKING FIRST EXCHANGES BY 2019/2020 (4) |
| Albania ³ (2020), Maldives ³ (2020), Nigeria ³ (2019), Peru ³ (2020) |
| DEVELOPING COUNTRIES HAVING NOT YET SET THE DATE FOR FIRST AUTOMATIC EXCHANGE (40) ⁴ |
| Armenia, Benin, Botswana, Burkina Faso, Cambodia, Cameroon, Chad, Côte d'Ivoire, Djibouti, Dominican Republic, Ecuador, Egypt, El Salvador, Former Yugoslav Republic of Macedonia, Gabon, Georgia, Guatemala, Guyana, Haiti, Jamaica, Kazakhstan, Kenya, Lesotho, Liberia, Madagascar, Mauritania, Moldova, Morocco, Niger, Papua New Guinea, Paraguay, Philippines, Rwanda, Senegal, Tanzania, Thailand, Togo, Tunisia, Uganda, Ukraine |

¹ The United States has undertaken automatic information exchanges pursuant to FATCA from 2015 and entered into intergovernmental agreements (IGAs) with other jurisdictions to do so. The Model 1A IGAs entered into by the United States acknowledge the need for the United States to achieve equivalent levels of reciprocal automatic information exchange with partner jurisdictions. They also include a political commitment to pursue the adoption of regulations and to advocate and support relevant legislation to achieve such equivalent levels of reciprocal automatic exchange.

² Note by Turkey: The information in the documents 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 recognizes the Turkish Republic of Northern Cyprus (TRNC). Until a lasting and equitable solution is found within the context of the 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 Union: The Republic of Cyprus is recognised by all members of the United Nations with the exception of Turkey. The information in the documents relates to the area under the effective control of the Government of the Republic of Cyprus.

³ Developing countries that do not host a financial centre were not asked to commit to a specific date of first exchanges but these jurisdictions have done so.

⁴ Developing countries that do not host a financial centre were not asked to commit to a specific date of first exchanges.



ANNEX 2: JURISDICTION EOIR RATINGS

The table below summarises the overall ratings following the first and ongoing second round of Peer Reviews against the EOIR Standard (as of 17 November 2017).

| Ratings based on First round of reviews | Ratings based on Second round of reviews ⁷ | Overall rating |
|--|--|---|
| Belgium, China (People's Republic of), Colombia, Finland, France, Iceland, Japan, Korea, Lithuania, Mexico, New Zealand, Slovenia, South Africa, Spain, Sweden | Ireland, Isle of Man, Italy, Jersey, Mauritius, Norway | Compliant |
| Albania, Argentina, Aruba, Austria, Azerbaijan, Bahamas, Bahrain, Barbados, Belize, Botswana, Brazil, British Virgin Islands, Brunei Darussalam, Bulgaria, Burkina Faso, Cameroon, Chile, Cook Islands, Cyprus, Czech Republic, El Salvador, Estonia, Former Yugoslav Republic of Macedonia, Gabon, Georgia, Ghana, Gibraltar, Greece, Grenada, Guernsey, Hong Kong (China), Hungary, Israel, Kenya, Latvia, Lesotho, Liechtenstein, Luxembourg, Macao (China), Malaysia, Malta, Mauritania, Monaco, Montserrat, Morocco, Netherlands, Nigeria, Niue, Pakistan, Philippines, Poland, Portugal, Romania, Russia, San Marino, Senegal, Singapore, Slovak Republic, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Saudi Arabia, Seychelles, Switzerland, Turks and Caicos Islands, Uganda, United Kingdom, United States, Uruguay | Australia, Bermuda, Canada, Cayman Islands, Denmark, India, Germany, Qatar | Largely Compliant |
| Andorra, Antigua and Barbuda, Costa Rica, Dominica, Dominican Republic, Guatemala, Federated States of Micronesia, Lebanon, Nauru, Panama, Samoa, United Arab Emirates, Vanuatu | | Provisionally* Largely Compliant |
| Anguilla, Indonesia, Sint Maarten, Turkey | Curaçao, Jamaica | Partially Compliant |
| Marshall Islands | | Provisionally* Partially Compliant |
| Trinidad and Tobago** | | Non Compliant |

* These jurisdictions have been reviewed under the Fast-Track review procedure and assigned a provisional overall rating. These jurisdictions have been scheduled to undergo a full review under the strengthened 2016 Terms of Reference in the near future.

** This jurisdiction applied for the Fast-Track review, but the progress it demonstrated was not sufficient to justify an upgrade of its rating beyond Non-Compliant.

⁷ The Second round of EOIR reviews commenced in 2016 and is carried out under the strengthened Terms of Reference: <http://www.oecd.org/tax/transparency/about-the-global-forum/publications/terms-of-reference.pdf>.



ANNEX 3: LIST OF PARTICIPANTS AT GLOBAL FORUM MEETING

YAOUNDÉ, CAMEROON

15-17 November 2017

Andorra, Antigua and Barbuda, Argentina, Australia, Austria, The Bahamas, Bahrain, Barbados, Belgium, Benin, Bermuda, Botswana, Brazil, Cambodia, Cameroon, Cayman Islands, China (People's Republic of), Cook Islands, Côte d'Ivoire, Cyprus, Denmark, Dominican Republic, Ecuador, Estonia, Faroe Islands, Finland, France, Georgia, Germany, Haiti, Hong Kong (China), Hungary, India, Indonesia, Ireland, Italy, Jamaica, Japan, Kenya, Korea, Liberia, Liechtenstein, Lithuania, Luxembourg, Macau (China), Malaysia, Maldives, Mauritania, Mauritius, Mexico, Morocco, Netherlands, Norway, Pakistan, Panama, Peru, Poland, Portugal, Saint Kitts and Nevis, Saint Lucia, Samoa, Saudi Arabia, Senegal, Seychelles, Singapore, South Africa, Spain, Sweden, Switzerland, Tanzania, Togo, Trinidad and Tobago, Turkey, Turks and Caicos Islands, Uganda, United Kingdom, United States, Uruguay.

African Tax Administration Forum (ATAF), African Development Bank (AfDB), Asia Developing Bank (ADB), Centre de rencontres et d'études des dirigeants des administrations fiscales (CREDAF), Commonwealth Secretariat, European Bank for Reconstruction and Development (EBRD), European Commission (EC), European Investment Bank (EIB), Inter-American Center of Tax Administrations (CIAT), International Finance Corporation (IFC), Organisation for Economic Co-operation and Development (OECD), United Nations (UN), World Bank Group (WBG).