

Media Release

Date: 6 July 2015

OECD GIVES BACKING FOR GUERNSEY AS A COOPERATIVE JURISDICTION

Guernsey's Chief Minister has welcomed comments by the Organisation for Economic Cooperation and Development (OECD) that underline Guernsey's reputation as a cooperative jurisdiction.

Deputy Jonathan Le Tocq said:

"Guernsey meets every international standard of tax transparency and cooperation, and we are by any objective or evidence-based set of criteria a cooperative jurisdiction. It is important that is recognised internationally, and the clear views of the OECD – the leading international standard-setter on tax transparency and cooperation – will help ensure that is the case.

"The European Commission shoehorned Guernsey onto an arbitrary list of so-called non-cooperative jurisdictions three weeks ago. Since then the UK government has made it clear to the Commission that Guernsey should not be on any list of non-cooperative jurisdictions, and now the OECD has done the same.

"The Commission should either withdraw the list, or remove Guernsey from it. I have written to Commissioner Moscovici to that effect. The fact remains that Guernsey leads and exceeds a number of EU Member States on tax transparency and cooperation, and we will be partners of the EU in the automatic exchange of information under the Common Reporting Standard. Guernsey's place on the list is unjustified, unwarranted and plainly wrong."

Monica Bhatia, Head of the Secretariat of the OECD Global Forum on Transparency and Exchange of Information for Tax Purposes said:

"I am very surprised that Guernsey has been included in a list of non-cooperative jurisdictions. We are very pleased with the cooperation Guernsey has shown as a very active member of the Global Forum. It has demonstrated its commitment to upholding the highest standards of transparency and exchange of information. This is evident through its rating on its peer review and the fact that it has committed to the new global standard on automatic exchange of information as an early adopter.

"We look forward to continuing this close and cooperative relationship with Guernsey."

Pascal Saint-Amans, the OECD's Head of Global Tax Policy said:

“Guernsey is in the leading group of jurisdictions who are active in the practical implementation of tax transparency and co-operation. Their adherence to the internationally accepted standards developed by the OECD means that there is clear and demonstrable criteria against which the OECD can consider them as a cooperative jurisdiction. The fact that Guernsey has been peer reviewed as part of the Global Forum illustrates that other jurisdictions also consider Guernsey transparent and cooperative against those international standards.”

The OECD's comments come two months after **European Tax Commissioner Pierre Moscovici** met with Guernsey's Chief Minister. After that meeting the Commissioner said:

“I very much welcome the active engagement of the Channel Islands in the key initiatives involved in the fight against tax evasion, fraud and abusive tax avoidance in which they are important partners of the EU. Their commitment to the adoption of the Common Reporting Standard on automatic exchange of information, alongside the EU Member States, is particularly positive.”

Guernsey's track record on tax cooperation and transparency includes:

- Voluntarily adopting the EU Savings Directive and moving to automatic exchange of information from 2011. This means that information relating to accounts held in Guernsey by individuals resident in an EU Member State is now automatically sent to their home jurisdiction each year
- Voluntarily adhering to the principles of the Code of Conduct on Business Taxation, which has been formally endorsed by the Code Group
- Being part of the Early Adopter Group of the Common Reporting Standard on automatic exchange of information, after signing the Multilateral Competent Authority Agreement in October 2014. This means that we will be able to exchange information for 2016 in 2017, unlike a full EU Member state such as Austria
- Being assessed by the OECD's Global Forum on Tax Transparency and Exchange of Information for Tax Purposes as largely compliant with the international standards on exchange of information on request – a rating that is shared with the UK, Germany and the USA
- Being a party to the Multilateral Convention on Mutual Administrative Assistance in Tax Matters
- At 1 July 2015, having 58 Tax Information Exchange Agreements in place (including 22 EU Member States and 16 G20 members) and 13 Double Taxation Agreements in place

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