
BFSB Supports Achievement of G20 Standard

The Bahamas Financial Services Board (BFSB) appreciates the extraordinary effort of the Government that has led to The Bahamas surpassing the number of Tax Information Exchange Agreements (TIEA) that meet the G20 and Organization for Economic Cooperation and Development (OECD) standard for tax cooperation and transparency. The OECD has acknowledged that The Bahamas has “substantially implemented” the internationally agreed tax standard.

“We would like to thank the Government for its willingness to engage the private sector throughout the past twelve month period as they sought to advance meeting the OECD standard,” said Craig Gomez, BFSB’s Chairman. “By meeting the OECD standard the Government has demonstrated that it intends to ensure The Bahamas remains a well regulated jurisdiction which meets evolving standards for offering international financial services.”

The signing today of a TIEA with seven Nordic countries (Denmark, the Faroe Islands, Finland, Greenland, Iceland, Norway and Sweden) and the expected signing of a similar agreement with Spain tomorrow means The Bahamas will have 19 tax treaties in place, surpassing the G20 standard of twelve OECD compliant agreements, required by March 31, 2010.

Jeffrey Owens, Director of the OECD’s Centre for Tax Policy and Administration, said: “Given the role that The Bahamas plays in the financial world, I am particularly pleased that they have made significant progress and they continue to expand their network of partners with whom they can exchange tax information.”

The Bahamas previously has signed agreements with the United States, the United Kingdom, Mexico, China, France, New Zealand, Argentina, Belgium, the Netherlands, Monaco and San Marino. Additional TIEAs are still expected to be signed.

BFSB with its member firms have been engaged in the examination of tax cooperation and transparency and the broader implications of tax policy over the past 10 years, as well as ongoing dialogue with the Government.

In early 2009, broad industry support was secured for The Bahamas to move ahead with adopting the OECD standard for tax cooperation and transparency negotiations, based primarily on the attainment of the level playing field. While this consensus was reached in the first quarter of 2009, the activities of the G20 and OECD in September 2009 confirmed that the right decision was taken. At that time the G20 advised that sanctions would be imposed on countries that did not meet the G20 standard of twelve compliant agreements by March 31, 2010.

“We look forward to continuing to work with Government to build on the Strategy Statement for the sector that started in 2009,” said Wendy Warren, BFSB’s CEO and Executive Director. “The priority now is to build the strongest possible business case for our key lines of business, ensuring in each case that necessary SCRIPT is written, an acronym that means a **Strategy** for cross-sector **Coordination**; a proactive and pragmatic **Regulatory** environment; a recognition that **Infrastructure** is vital; a **Proactive** and targeted business development strategy; and an emphasis on building and attracting a world-class **Talent Pool**.”