



Global Forum on Transparency and Exchange of Information for Tax Purposes

**Jakarta, Indonesia
21-22 November 2013**

Statement of Outcomes



1. On 21-22 November 2013, over 200 delegates from 81 jurisdictions and 10 international organisations and regional groups came together at the sixth meeting of the Global Forum on Transparency and Exchange of Information for Tax Purposes (the Global Forum) in Jakarta, Indonesia ([Annex 1](#) provides a list of participants). The Global Forum welcomed the six new members which have joined since its last meeting, bringing the membership of the Global Forum to 122 members.
2. This meeting marked the adoption of ratings for the first 50 jurisdictions on their level of compliance with the internationally agreed standard for exchange of information (http://www.oecd.org/tax/transparency/global_forum_ratings.pdf). The ratings have been applied in respect of each of the 10 essential elements in the Global Forum's Terms of Reference as well as an overall rating ranging from Compliant, to Largely Compliant, Partially Compliant and finally Non-Compliant. The assignment of ratings is consistent with the Global Forum's goal of recognising the progress jurisdictions have made in implementing the standards in the first 3 years and identifying those jurisdictions that are not doing so.
3. The Global Forum also agreed that, in order to ensure a continuous monitoring of implementation of EOI on request, after completion of the current round of reviews, a Phase 3 review should be conducted for all Global Forum members and relevant non-members starting in 2016. In anticipation of a Phase 3 review, the Global Forum will also study the Terms of Reference as they apply to EOI on request, with a view to updating these in light of the changing transparency environment and the lessons learned from the first two Phases of peer reviews.
4. In recognition of the rapidly evolving EOI environment towards greater transparency, the Global Forum agreed on the establishment of a new voluntary group on automatic exchange of information (AEOI) to be chaired by David Pitaro (Italy). The new group will assist the Global Forum in taking forward the work to monitor and review the implementation of AEOI, consistent with the G20's call.
5. Finally, the Global Forum adopted and published a further 9 Phase 2 peer review reports and 2 Phase 1 reports, representing further progress in the completing the current schedule of reviews.
6. The Global Forum was also pleased that, on the margins of the Jakarta meeting, 2 of its member jurisdictions signed the multilateral *Convention on Mutual Administrative Assistance in Tax Matters*. At present, 63 countries have signed the Convention, four have signed letters of intention to sign and 13 jurisdictions are now covered by way of territorial extension and 36 countries have now deposited their instruments of ratification (click here for more information: <http://www.oecd.org/tax/exchange-of-tax-information/conventiononmutualadministrativeassistanceintaxmatters.htm>).
7. The main outcomes of the meeting which were agreed by delegates are set out below.

Peer Reviews and Ratings

8. The rating of the 50 jurisdictions that have completed Phase 2 has been achieved for each of the 10 essential elements as assessed in their peer reviews and all have been assigned a rating of either "compliant", "largely compliant", "partially compliant", or "not compliant".
9. The overall ratings show that 18 jurisdictions are rated as "Compliant", 26 jurisdictions as "Largely Compliant", 2 jurisdictions as "Partially Compliant" and 4 jurisdictions as "Non-Compliant". In addition, there are still 14 jurisdictions which, in the course of their Phase 1 reviews, were determined to be unable to move to Phase 2 until their legal and regulatory frameworks for exchange of information in tax



matters is improved and could therefore not be rated (http://www.oecd.org/tax/transparency/global_forum_ratings.pdf). In order to ensure a level playing field, the Global Forum is undertaking close, on-going monitoring so that these jurisdictions move forward expeditiously. Certain supplementary reports have been launched and other requests are already under examination.

10. The Global Forum is on track to complete its remaining peer reviews and has also adopted a revised Schedule of Reviews that sets dates for the Phase 1 reviews of all new members, including a number of developing countries, and Phase 2 reviews for a number of recent members of the Global Forum.

11. The Global Forum adopted a revised methodology, which is designed to also recognise progress following a Phase 2 review, and provides an opportunity to jurisdictions to report implementation of recommendations made in the peer review reports and request for an upgrade of their individual element or overall ratings.

12. With the adoption of 8 Phase 1 and 24 Phase 2 reviews since its last meeting, the Global Forum has completed 124 peer reviews, which include 74 Phase 1 reviews, 26 Combined (Phase 1 + Phase 2) reviews and 24 Phase 2 reviews. The progress with the peer reviews and the assigned ratings are reflected in the Global Forum's 2013 Annual Report "Tax Transparency, 2013: Report on Progress", which was published today by the Global Forum. This report also notes the significant changes taking place in effectiveness of exchange of information and increased level of cooperation between tax authorities.

Terms of Reference and On-going Monitoring

13. In recognition of the need to ensure a continuous monitoring of implementation of the international standard, the Global Forum agreed that a Phase 3 review would be initiated following the completion of the existing Schedule of Reviews. Prior to commencing this new phase of reviews, it would examine the existing Terms of Reference in light of the experience gained from the peer reviews, and in light of international developments.

14. To this end, the Global Forum mandated its Peer Review Group to examine the Terms of Reference to keep up with developments in the transparency world, including as regards beneficial ownership, for which it will draw on the work of the Financial Action Task Force, as well as reflecting lessons learned from the Phase 1 and Phase 2 reviews and to submit substantive proposals for discussion and adoption by the Global Forum at its plenary meeting in 2014.

Automatic Exchange of Information

15. In recognition of the evolution of the exchange of information environment, and emergence of AEOI as a new global standard that supports and enhances exchange on request, the Global Forum established a new voluntary AEOI Group comprising members who wish to come together to work towards a common goal of engaging in AEOI. The main responsibilities of the AEOI Group will be to propose terms of reference and a methodology for monitoring AEOI on a going-forward basis, building on the expertise developed at the OECD level, establishing a set of criteria to determine when it would be appropriate for jurisdictions to implement AEOI having regard, in particular to capacity constraints, resource limitations and the need to ensure confidentiality and the proper use of information exchanged, and helping developing countries identify their needs for technical assistance and capacity building before engaging in AEOI. The group will work in close co-operation with the OECD, the World Bank Group and the G20 Development Working Group.



16. The AEOI Group will be Chaired by David Pitaro (Italy), assisted by Colin Powell (Jersey) and 3 other Vice-Chairs. The first meeting of the group is expected to take place early in 2014. The Group will report back to the Global Forum plenary on its activities on a regular basis and decisions will continue to be made by the Global Forum.

Membership and Governance

17. The Global Forum welcomed 6 new members: Azerbaijan, Dominican Republic, Lesotho, Romania, Senegal and Ukraine. The continued expansion of the Global Forum reinforces the relevance of the Global Forum's work and the worldwide cooperation between tax authorities.

18. The Global Forum agreed to rotate the membership of the Steering Group and the Peer Review Group. Regarding the Steering Group, Jersey has stepped aside and Isle of Man will join in 2014. For the Peer Review Group, Malaysia, Luxembourg, Saint Kitts and Nevis and Isle of Man have stepped aside and Ghana, Bermuda, Liechtenstein and Hong Kong, China will join in 2014. The jurisdictions that join these groups will bring a new perspective and help ensure that the governance of the Global Forum remains responsive to the voice of all its members. The Chair of the new AEOI Group would also participate in Steering Group meetings to ensure regular inputs and updates.

Technical Assistance

19. The Global Forum welcomed the outcomes of the technical assistance pilot projects in Ghana and Kenya, and noted new requests for assistance from a number of other jurisdictions. The Global Forum recognised the value of the projects undertaken in El Salvador, Indonesia and Uruguay with the support of member governments and international organisations. It also agreed that the EOI Work Manual developed by the Global Forum Secretariat and the World Bank Group/IFC should be widely disseminated for use by competent authorities in developing their own manuals. The Global Forum noted the success of the "Last Mile" seminar piloted by India, followed by the Philippines, and recognised the potential for further development of a training programme aimed at sensitising auditors to the benefits of EOI and the processes involved. The Global Forum also looked forward to an assessor training seminar to be hosted by the United Arab Emirates, which is part of its on-going cooperation with the Global Forum under a memorandum of understanding. The Global Forum is appreciative of all the contributions made by its membership in this area.

20. Noting the call of G20 Leaders for the G20 Development Working Group to work with the Global Forum and other international organisations to develop a roadmap showing how developing countries can overcome obstacles to automatic exchange of information, the Global Forum expressed its readiness to provide input to this work. Recognising the increasing demand for assistance, in particular from its newer members, the Global Forum agreed to continue to develop its technical assistance work, working with member jurisdictions, development agencies and others with a view to helping jurisdictions with capacity constraints to meet the international standard and also benefit from automatic information exchange. The Global Forum welcomed the announcement of a substantial voluntary contribution from the UK's Department for International Development (DFID) to fund an expansion of technical assistance activities for its members. It was noted that without the support of development agencies, members and international organisations, the Global Forum could not succeed in its task of coordinating and providing high quality assistance to member jurisdictions.



Budget

21. An intermediate financial report for 2013 was considered and the Global Forum adopted the proposed budget for 2014. Noting that only Nauru and Mauritania were in arrears for more than two years and therefore subject to the policy adopted last year concerning the suspension, and ultimately exclusion, for non-payment of Global Forum dues, the Global Forum decided to give these jurisdictions another opportunity to pay their arrears. In any event, these jurisdictions are being closely monitored.

Next Steps

22. The Global Forum looks forward to further Phase 2 peer reviews that will now systematically be accompanied with an allocation of ratings. This will be a key focus of the Peer Review Group in 2014, together with the Phase 1 reviews of a number of recent members of the Global Forum. It is also expected that a number of supplementary reviews will be considered as jurisdictions work to address the recommendations made by the Global Forum. With an eye to the future, the PRG will also consider changes to the Terms of Reference, including as regards beneficial ownership. The AEOI Group will meet very soon to start its work, and will report back to the Global Forum on its progress. The Global Forum will enhance its technical assistance work to address the needs of all its members and will host the third meeting of the Competent Authorities in 2014.

23. The Global Forum agreed that its next meeting will take place in October 2014, and looks forward to offers by member countries to host the meeting. Finally the Global Forum thanked the Government of Indonesia for its generous hospitality.



ANNEX 1: LIST OF PARTICIPANTS AT GLOBAL FORUM MEETING

JAKARTA, INDONESIA

21-22 November 2013

Andorra; Argentina; Australia; Azerbaijan; The Bahamas; Bahrain; Belgium; Belize; Bermuda; Brazil; Brunei Darussalam; Burkina Faso; Canada; the Cayman Islands; Colombia; Cook Islands; Costa Rica; the Czech Republic; Denmark; Finland; France; Gabon; Georgia; Germany; Ghana; Gibraltar; Guernsey; Hong Kong, China; Hungary; India; Indonesia; Ireland; Isle of Man; Italy; Jamaica; Japan; Jersey; Kenya; the Republic of Korea; Liechtenstein; Lithuania; Luxembourg; Macao, China; Malaysia; Malta; Marshall Islands; Mexico; Monaco; the Netherlands; New Zealand; Nigeria; Norway; Panama; the People's Republic of China; the Philippines; Poland; Portugal; Qatar; Romania; the Russian Federation; Saint Kitts and Nevis; Samoa; San Marino; Saudi Arabia; Senegal; the Seychelles; Singapore; the Slovak Republic; South Africa; Spain; Sweden; Switzerland; Turkey; Turks and Caicos Islands; Uganda; Ukraine; the United Arab Emirates; the United Kingdom; the United States; Uruguay; the Virgin Islands (British).

African Tax Administration Forum (ATAF); Inter-American Center of Tax Administrations (CIAT); Centre de Rencontres et D'Etudes des Dirigeants des Administrations Fiscales (CREDAF); Commonwealth; European Bank for Reconstruction and Development (EBRD); European Investment Bank (EIB); European Union (EU); Organisation for Economic Co-operation and Development (OECD); United Nations (UN); World Bank Group.