

OECD Ranking Upgraded for Bermuda

Press Release
The Hon. Paula A. Cox, JP, MP
Deputy Premier and Minister of Finance
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Bermuda Signs Tax Information Agreement with the Netherlands **Claims top OECD Ranking**

HAMILTON, JUNE 8, 2009 – Bermuda's Minister of Finance the Hon. Paula A. Cox announced today that Bermuda concluded a bilateral agreement with the Netherlands that provides for a full exchange of information on criminal and civil tax matters between the two countries. The signing of the Tax Information Exchange Agreement, (TIEA), took place at a ceremony today at the Royal Netherlands Embassy in London which was attended by the Netherlands Deputy Minister (State Secretary), The Hon. Jon Kees de Jager, who signed the agreement for the Netherlands, and Netherlands Ambassador Pim Waldeck. The signing was the culmination of negotiations two years in the making and marks a great step forward in cementing the relationship between the two countries.

In reviewing the day's events, Minister Cox commented on the diligent efforts of Bermuda: "I am delighted today to sign the tax information exchange agreement with the Kingdom of the Netherlands. It marks Bermuda's twelfth signed TIEA and thereby satisfies the standard articulated by the G20 during its London Summit on April 2, 2009. Bermuda may now claim its position amongst those jurisdictions that have substantially implemented the internationally agreed tax standard."

"By Bermuda's proactive and high-level commitment to support the OECD initiative to implement standards of information exchange and transparency, we have worked assiduously to strengthen worldwide tax cooperation," she said. "It is significant that Bermuda had concluded 12 TIEA negotiations as of April 2, 2009, and as we noted at that time, we were confident that our TIEA partners would have completed the internal processes within due time to be able to sign the agreements."

"Bermuda wholeheartedly endorses the OECD's objectives and is especially pleased to note that the April 2 progress report – or 'gray list' – will now be updated and that Bermuda will be included in the revised white list," said the Minister. "We shall continue to build upon our long standing position of transparency and cooperation which has, through the years, differentiated Bermuda from other jurisdictions."

The Minister noted that Bermuda has a long-standing commitment to the principles of fair tax competition and international co-operation in tax matters that extends back to 1988 when Bermuda signed a TIEA with its largest trading partner, the United States of America.

"Our jurisdiction has worked diligently for almost two decades to arrive at this juncture today," she explained. "In addition to our agreements with the United States, United Kingdom, Australia, New Zealand and the Nordic Group, which together comprise the 12 required TIEAs to meet the OECD standard, Bermuda has concluded negotiations with Germany, Mexico and Canada. Signing dates are being arranged with Germany and Mexico for the very near future and it is anticipated that the signing with Canada will take place later in the year after Canada concludes its ratification process."

"I am pleased also to confirm that our TIEA negotiations will continue on the basis of mutual benefit and note that the Government of Bermuda is closing in on its goal to have TIEAs in place with all G7 countries and other important international trading and commercial partners. Most importantly, Bermuda continues to not only meet but exceed standards set by the OECD Global Forum's annual assessments, and we are confident that we have the legislative framework in place to well-position ourselves for the forthcoming model peer review process as our TIEA partners repeatedly publicly commend Bermuda on how well we effectively exchange information."

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