

Taxation: Council revises its EU list of non-cooperative jurisdictions

The Council adopted a revised EU list of non-cooperative jurisdictions for tax purposes.

In addition to the 5 jurisdictions that were already listed, the revised EU list of non-cooperative jurisdictions now also includes the following 10 jurisdictions: Aruba, Barbados, Belize, Bermuda, Dominica, Fiji, Marshall Islands, Oman, United Arab Emirates, Vanuatu.

Those jurisdictions did not implement the commitments they had made to the EU by the agreed deadline.

Annex II of the conclusions, which covers jurisdictions with pending commitments, also reflects the deadline extensions granted to 11 jurisdictions to pass the necessary reforms to deliver on their commitments.

Today we completed our first comprehensive revision of the EU list of non-cooperative jurisdictions. Since it was first adopted in late 2017, the list has proven its worth in promoting forward in a cooperative manner the EU's agenda of improving global tax practices, fighting tax avoidance and improving good governance and transparency: more than 30 jurisdictions have already delivered on their commitment to pass tax reforms.

Eugen Teodorovici, minister for finance of Romania

The list, which is part of the EU's external strategy for taxation as defined by the Council, is intended to contribute to ongoing efforts to prevent tax avoidance and promote tax good governance worldwide.

Work on the list started in mid-2016 within the Council's working group responsible for implementing an EU code of conduct on business taxation. In November 2016, the Council agreed on the process to be followed and laid down criteria for screening third country jurisdictions, namely:

- what a jurisdiction should fulfil to be considered compliant on tax transparency;
- what a jurisdiction should fulfil to be considered compliant on fair taxation;
- that OECD anti-BEPS (tax base erosion and profit shifting) minimum standards are being implemented.

On this basis, the Council approved and published conclusions containing an EU list of non-cooperative tax jurisdictions in December 2017. It also agreed on the further process, and recommended 'defensive' measures with regard to the listed jurisdictions.

The first list was established following a screening of the 92 third country jurisdictions concerned conducted during 2017 and composed of the jurisdictions that did not take meaningful commitments to address deficiencies identified by the EU.

Most commitments taken by third country jurisdictions were with a deadline of end 2018, whilst their enactment in national law was carefully monitored at technical level by the Code of Conduct Group on business taxation until the beginning of this year. The Council adopted the revised EU list of non-cooperative jurisdictions resulting from this exercise and endorsed a revised state of play with respect to pending commitments.

The work on the EU list of non-cooperative jurisdictions is a dynamic process. The Council will continue to regularly review and update the list in the coming years, taking into consideration the evolving deadlines for jurisdictions to deliver on their commitments and the evolution of the listing criteria that the EU uses to establish the list.

Press office - General Secretariat of the Council

Rue de la Loi 175 - B-1048 BRUSSELS - Tel.: +32 (0)2 281 6319

press@consilium.europa.eu - www.consilium.europa.eu/press