

AUSTRALIA ELECTED CHAIR OF GLOBAL FORUM

The Global Forum on Transparency and Exchange of Information for Tax Purposes, the international body tasked with monitoring tax havens, tax preferential jurisdictions and promoting international tax information exchange has elected Australia its inaugural international chair for a term of two years.

The Global Forum was established in 2000 by the Organisation for Economic Cooperation and Development (OECD). Since then the Global Forum has played a central role in the development and promotion of what are now internationally accepted standards of transparency and exchange of information across tax issues.

To build on this work, the G20 earlier this year asked the Global Forum to evaluate its current structure and mandate. As a result of this process, the Global Forum will now be substantially strengthened and restructured becoming a self-funded organisation with a dedicated, self-standing Secretariat.

A part of this reform process, Australia was elected for a two-year term as the inaugural chair of the reformed Global Forum from the 62 jurisdictions represented at its recent meeting in Mexico. The People's Republic of China, Germany and Bermuda will serve as Vice Chairs of the Global Forum.

"It is an honour that Australia has been elected by its global peers to chair the restructured and significantly bolstered Global Forum," said the Assistant Treasurer.

"Under Australia's chairmanship, the Global Forum has set itself a wide-ranging agenda for the coming years."

"First, the Global Forum will now move forward to expand its membership and ensure members participate on an equal footing."

"The Global Forum will then also develop an in-depth peer review system under which member jurisdictions will monitor and review progress made towards the implementation of international standards for exchanging critical tax information."

"The Global Forum will immediately identify mechanisms to speed-up agreements to exchange information and to enable developing countries to benefit from the new more cooperative tax environment," said the Assistant Treasurer.

"The Global Forum will also improve coordination efforts in financial regulation and anti-money laundering – and Australia will be at the very forefront of these developments."

"This agenda will boost the overall integrity of the international tax and financial system as we plot the path to recovery from the global recession," said the Assistant Treasurer.

The Global Forum will expand its current membership by inviting all jurisdictions which have so far endorsed the Global Forum's standards on tax information exchange and transparency standards to become members.

"Going forward, other jurisdictions will be invited to participate in the work of the Global Forum with the possibility to become members if they commit to implement the standards set down by the group and agree to be peer-reviewed," said the Assistant Treasurer.

The Global Forum's Mexico meeting was also attended by representatives of the OECD, the World Bank, the International Monetary Fund, the European Commission, the International Financial Corporation, the Inter-American Development Bank, the Financial Action Task Force and the European Bank for Reconstruction and Development.

"I would also like to acknowledge the hard work of Australia's Treasury officials, who played a significant role in the development of the ambitious forward work program," said the Assistant Treasurer.

Setting a world-leading example, Australia has recently signed Global Forum/OECD-standard tax information exchange agreements with Singapore, Belgium, Gibraltar, Jersey, the Isle of Man and the British Virgin Islands.

"I will also be taking these issues up with our neighbours in the Pacific Islands when I meet with regional Economic Ministers next month," said the Assistant Treasurer.

CANBERRA
24 September 2009