

JOINT STATEMENT BY THE EARLY ADOPTERS GROUP

Joint Statement by: Argentina, Belgium, Bulgaria, Colombia, Croatia, Cyprus,¹ the Czech Republic, Denmark, Estonia, the Faroe Islands, Finland, France, Germany, Greece, Hungary, Iceland, India, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Malta, Mexico, the Netherlands, Norway, Poland, Portugal, Romania, Seychelles, Slovakia, Slovenia, South Africa, Spain, Sweden, and the United Kingdom; the UK's Crown Dependencies of Isle of Man, Guernsey and Jersey; and the UK's Overseas Territories of Anguilla, Bermuda, the British Virgin Islands, the Cayman Islands, Gibraltar, Montserrat, and the Turks & Caicos Islands.

"Tax evasion is a global problem and requires a global solution. We therefore welcome the new standard in automatic exchange of information between tax authorities developed by the OECD (the Common Reporting Standard). This will provide a step change in our ability to clamp down on tax evasion, which reduces public revenues and increases the burden on those who pay their taxes.

We committed ourselves to early adoption of the Common Reporting Standard, through joining the initiative first launched by France, Germany, Italy, Spain and the UK in April 2013. In doing so we recognised that only those financial centres which adopt the highest standards in tax transparency and work in close cooperation to tackle cross-border tax evasion will prosper in the future.

Now that the Common Reporting Standard is agreed, we intend to implement it among the early adopters group to an ambitious but realistic timetable:

- Pre-existing accounts would be those that are open on 31 December 2015 and new accounts would be those opened from 1 January 2016. Hence, new account opening procedures to record tax residence will need to be in place from 1 January 2016.
- The due diligence procedures for identifying high-value pre-existing individual accounts will be required to be completed by 31 December 2016, while the due diligence for low-value pre-existing individual accounts and for entity accounts will be required to be completed by 31 December 2017.
- The first exchange of information in relation to new accounts and pre-existing individual high value accounts will take place by the end of September 2017.
- Information about pre-existing individual low value accounts and entity accounts will either first be exchanged by the end of September 2017 or September 2018 depending on when financial institutions identify them as reportable accounts.

¹ Note by Turkey: The information in this document with reference to "Cyprus" relates to the southern part of the Island. There is no single authority representing both Turkish and Greek Cypriot people on the Island. Turkey recognizes the Turkish Republic of Northern Cyprus (TRNC). Until a lasting and equitable solution is found within the context of the United Nations, Turkey shall preserve its position concerning the "Cyprus issue".

Note by all the European Union Member States of the OECD and the European Union: The Republic of Cyprus is recognized by all members of the United Nations with the exception of Turkey. The information in this document relates to the area under the effective control of the Government of the Republic of Cyprus.

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We invite other countries and jurisdictions to join us in this early adoption initiative and to create rapidly a truly global system of automatic information exchange which leaves no hiding places for tax evasion."