

GLOBAL FORUM ON
**TRANSPARENCY AND EXCHANGE OF
INFORMATION FOR TAX PURPOSES**

Tax Transparency and Exchange of Information in Times of COVID-19

2020 GLOBAL FORUM ANNUAL REPORT



"The COVID-19 pandemic created an unprecedented situation for the Global Forum and its members. Circumstances have been uncertain and continue developing at a fast pace. In these difficult times, the Global Forum has demonstrated its versatility and determination to take forward the work under its mandate as far as possible. This has been and remains the only way to ensure the Global Forum emerges from this crisis even stronger and better prepared to meet its mid- and long-term goals."

Ms María José Garde, Chair of the Global Forum



"This year, the Global Forum has ensured that international co-operation in the field of transparency and exchange of information was not put on hold or scaled back in the face of serious operational challenges. The progress achieved on ensuring the automatic exchange of information and exchange of information on request standards are properly implemented to benefit members is a great indicator of success. The determinations and ratings assigned show that we are on the right path and that multilateral efforts are bearing fruit."

Ms Zayda Manatta, Head of the Global Forum Secretariat

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Table of contents

1 Executive summary	2
2 Introduction: Working together in times of crisis	4
Tax authorities adapt to new circumstances	5
Global Forum finds innovative ways to deliver	5
3 More transparency, better co-operation	6
Global context to the reform of transparency and exchange of information	7
EOIR and AEOI: Key tools in the fight against tax evasion and avoidance	7
Major achievements of multilateral efforts	8
4 Automatic exchange of information	12
AEOI today	13
Implementation of the AEOI standard on a good track	13
Changes delivered by the peer review of the legal frameworks	15
AEOI commitments continue to be made	16
5 Exchange of information on request	18
EOIR today	19
Implementation of the EOIR standard remains strong	20
Changes delivered by the Global Forum's peer review process	21
Adapted schedule for the EOIR peer reviews	22
New jurisdiction of relevance identified	22
6 Capacity building	23
High-level commitment to transparency is progressing	24
Development of new tools	26
7 What's next?	29
Annex A. Implementation of the AEOI standard	31
Annex B. Implementation of the EOIR standard	33

1 | Executive summary

As governments continue to grapple with the COVID-19 pandemic globally, multilateral co-operation on transparency and exchange of information for tax purposes is increasingly important to help them mobilise tax revenues and ensure that all taxpayers pay what is due.

In this year's constantly changing environment, the Global Forum and its 161 members have proven their ability to adapt, coordinate their responses and continue to deliver. The Global Forum developed innovative approaches to support its members and accommodate their needs moving ahead.

The implementation of the automatic exchange of information (AEOI) standard is on a good track. Almost all committed jurisdictions commenced exchanges.

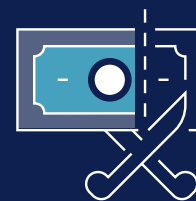
The legal frameworks of 88% of the jurisdictions which committed to exchange financial account information by 2017 or 2018 have been determined to be "In Place" or "In Place But Needs Improvement", as the Global Forum publishes the first results of the AEOI peer reviews for 100 jurisdictions.

The jurisdictions' performance on the exchange of request (EOIR) standard remains strong, with 86% of jurisdictions reviewed in the second round of the EOIR peer reviews having received a satisfactory overall rating ("Compliant" or "Largely Compliant"). Almost half of the Global Forum members have now been reviewed in this round with 20 new reports finalised in 2020.¹

During the pandemic, demand for capacity building support, commitment to the transparency agenda and engagement with jurisdictions remained strong. The Global Forum's capacity building work has further expanded, with 68 jurisdictions receiving assistance in 2020 and the level of satisfaction rated at 4.5 out of 5. Over 6 800 officials from 157 jurisdictions have been trained, almost exclusively remotely. The regional initiatives have spurred further progress. New tools and innovative approaches have been welcomed by members and will continue to be used, as necessary, beyond the pandemic.

In these challenging times, transparency and exchange of information continue to deliver and generate much needed tax revenues. At least EUR 107 billion in additional revenue (tax, interest, penalties) have been identified worldwide through voluntary disclosure programmes and offshore tax investigations. Of this amount, 29 billion were reported by developing countries.

Ensuring effective international cooperation requires constant improvements in the field of transparency and exchange of information for tax purposes to address any remaining and new challenges. Moving forward, to support the effective delivery of the Global Forum's mandate, a new Task Force on Risk has been set-up, with a mandate to identify possible risks to the implementation of the transparency and exchange of information standards.



107

**billion euros in
additional revenue**

.....

**The progress on
transparency and
exchange of information
have helped identify
about EUR 107 BILLION
in additional revenue
(tax, interest and
penalties) through
voluntary disclosure
programmes and
offshore tax
investigations.**

1. In 2020, 17 peer review reports have been published as of 9 December 2020 and 3 additional reviews are expected to be adopted by the end of 2020.

2 | Introduction: Working together in times of crisis

Co-operation in the area of transparency and exchange of information for tax purposes has successfully continued in 2020, showing that the international system of exchanges can withstand global shocks. The Global Forum and its member jurisdictions demonstrated their ability to adapt, coordinate responses and deliver.



TAX AUTHORITIES ADAPT TO NEW CIRCUMSTANCES

In response to the operational challenges posed by the pandemic, at least 75 Global Forum members reported introducing special measures to continue effective exchanges.² Many tax authorities moved to remote working, sometimes impeding their access to internal secured systems. In certain cases, this affected their ability to collect, sort, validate and transmit the financial account information, as well as to process the incoming and outgoing requests. Many jurisdictions exchanging automatically extended the internal reporting deadline for financial institutions to provide greater flexibility. Some also reported other measures, such as supervisory activities temporarily taking place desk-based and some flexibility exercised in applying sanctions related to delays in reporting by financial institutions.

The pandemic provided a strong trigger for a wider use of digital technologies which have proven effective. Special arrangements have been put in place to enable access during remote working, whilst respecting data confidentiality requirements. Many Global Forum members have introduced or expanded the use of digital transmission channels for incoming and/or outgoing requests. In some instances, special secure servers and file transfer systems have been deployed to enable effective exchanges on request. Communication with the information holders switched to electronic means. Some of these new arrangements have proven effective and are expected to continue post-pandemic.

GLOBAL FORUM FINDS INNOVATIVE WAYS TO DELIVER

Through the Global Forum, competent authorities shared tips and best practices on exchanging information, both in respect of EOIR and AEOI, to help each other adjust to the new circumstances. A secure platform has been deployed for exchanging statements concerning any difficulties that competent authorities are facing and special measures put in place to facilitate exchanges and ensure that co-operation continues.

The Global Forum stepped up as an intergovernmental platform where members could swiftly coordinate ad hoc measures necessary with respect to exchange of information. When the pandemic hit, the members of the Global Forum came together and found a coordinated response: in order to provide for consistency and predictability internationally reporting deadlines for financial institutions under the AEOI standard were extended to the end of December 2020 with jurisdictions encouraged to exchange earlier if they could.

Innovative ways to deliver have been found. To secure and extend the progress achieved in transparency and exchange of information, a wide range of remote activities were put in place in lieu of face-to-face interaction. Changes have been made to the peer review work to secure a right balance between ensuring the continuity of assessments, whilst also preserving their robustness and depth.

In times of the COVID-19 pandemic, the Global Forum stepped up as an intergovernmental platform where members could swiftly coordinate ad hoc measures necessary with respect to exchange of information.

This report details the changes made and the results achieved in this extraordinary year.



2. 59% out of 127 members who responded to the 2020 Global Forum Survey.

3 | More transparency, better co-operation

In a year of global shocks and fragmentation, the Global Forum continues to be a leading standard-bearer of international co-operation on transparency and exchange of information for tax purposes. It brings over 160 jurisdictions together and demonstrates how multilateral efforts can be transformative in the fight against tax evasion and avoidance.



GLOBAL CONTEXT TO THE REFORM OF TRANSPARENCY AND EXCHANGE OF INFORMATION

Over the past eleven years, the Global Forum has been at a forefront of the international efforts to address one of the major weakness of the international tax system. Whilst the cross-border movement of wealth was intensifying, tax authorities had been facing obstacles in obtaining information about the offshore assets and financial affairs of their residents. This created conditions in which tax evasion and avoidance came at a low cost. Secrecy, which was on offer in dozens of jurisdictions, was providing a shield for abusive behaviour, feeding into a widespread public perception that the tax system is unjust as the wealthy could escape taxation through the use of offshore bank accounts and opaque structures.

EOIR AND AEOI: KEY TOOLS IN THE FIGHT AGAINST TAX EVASION AND AVOIDANCE

Massive progress on transparency and exchange of information was triggered in 2009 when G20 leaders declared that bank secrecy would no longer be tolerated and committed to take action against non-cooperative jurisdictions. In response, many jurisdictions agreed to fight cross-border tax evasion and avoidance together by committing to the effective implementation of the EOIR standard, developed by the OECD, and by joining a restructured Global Forum.

Further steps to strengthen transparency and exchange of information were taken in 2013, when G20 leaders endorsed the OECD's work on a new global standard for automatic exchange. In 2014, member countries of the OECD and G20 working together developed the Common Reporting Standard (CRS) for the automatic exchange of financial information. The Global Forum was called on by the G20 to monitor and review the implementation of the new global standard, including delivering a roadmap for developing countries participation.³

In 2014, member countries of the OECD and G20 working together developed the Common Reporting Standard (CRS) for the automatic exchange of financial information.

G20 summit, Saint-Petersburg, September 2013.
© Newscom / Alamy Stock Photo



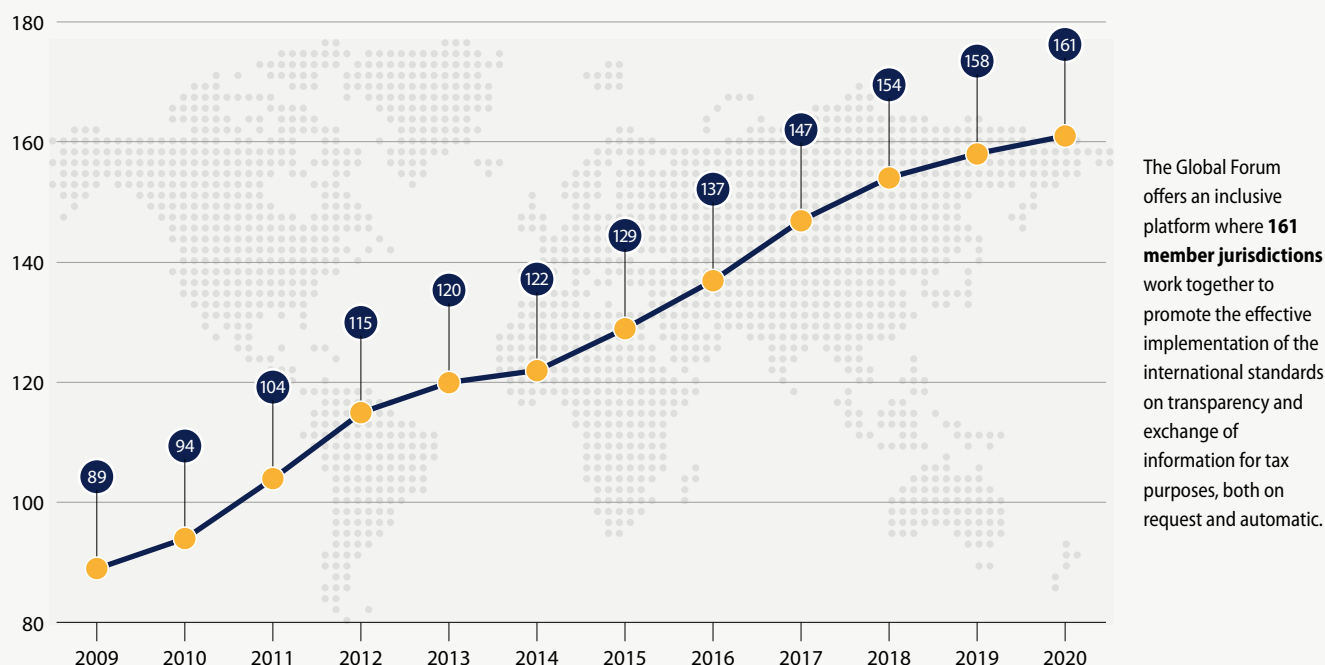
3. G20 leader's declaration, 2013.

MAJOR ACHIEVEMENTS OF MULTILATERAL EFFORTS

All voices are heard

The Global Forum offers an inclusive platform where 161 member jurisdictions work together to promote the effective implementation of the international standards on transparency and exchange of information for tax purposes, both on request and automatic (see **Figure 1**). All G20 and OECD countries, all major international financial centres (IFCs) and a large number of developing countries cooperate on an equal footing. Each member jurisdiction has a say as all decisions are taken by consensus.⁴

FIGURE 1. The growth of the Global Forum membership



Improved tax compliance

Transparency brought the benefits of improved tax compliance, in particular it (i) allows the detection of tax evasion and concealed offshore assets; (ii) creates a strong deterrence to non-compliance; and (iii) supports domestic compliance strategies. Both standards contribute to this effect. EOIR takes away the shield of secrecy which had protected offshore financial activities. AEOI utilises the benefits of third-party reporting, widely recognised for enhancing tax compliance domestically, to ensure tax authorities have automatic access to a wide range of information on offshore financial accounts.

Millions of taxpayers have come forward to voluntarily disclose their assets after the implementation of EOIR and AEOI standards. For instance, a small European country reported that over 60 000 taxpayers made use of the voluntary disclosure mechanism in 2016-19, of which 27 800 came forward in 2019, a marked increase compared to 3 300 in 2012.⁵ In Asia, one developing

4. Consensus minus one for peer review reports.

5. The 2020 Global Forum Survey.

country reported that more than 950 000 taxpayers made a disclosure in 2016.⁵ This has been against the backdrop of the increased transparency, in particular AEOI.

Billions of Euros worth of assets have been disclosed, generating revenues both in a short-term period through the associated tax and penalty charges, as well as long-term by enabling the subsequent taxation with respect to the disclosed assets. For instance, as part of the disclosure programme, EUR 1.3 billion worth of taxable foreign income have been brought to light in Belgium (2016-19), over EUR 700 million in Hungary (2014-17), and EUR 128 million in Norway (2015-19).⁵ Further, EUR 32 billion worth of assets were identified in France (2013-17),⁶ EUR 51 billion in Brazil (2016-17)⁷ and EUR 4.2 billion in Norway (2015-19).⁵

The availability of information also deters potential non-compliance. This impact has been observed by Global Forum members in the increasing number of offshore financial accounts and assets declared by taxpayers, after the implementation of the AEOI standard. For instance, a Latin American country introduced an obligation to declare assets abroad from 2015, before commencing AEOI in 2017, resulting in a notable increase in the number of foreign accounts declared, from about 31 600 in 2015 to 51 000 in 2018.⁵ One European country reported that the number of foreign accounts declared increased from around 129 000 in 2013, before the jurisdiction committed to implement AEOI in 2014, to over 325 000 in 2019.⁵ Another member observed a tenfold increase from about 133 000 to 1 135 000 in the same period.⁵

Billions of Euros worth of assets have been disclosed, generating revenues both in a short-term period through the associated tax and penalty charges, as well as long-term by enabling the subsequent taxation with respect to the disclosed assets.

Active investigations on the basis of the AEOI data are in progress. As experience is gained in data matching and analysis, increasing numbers of Global Forum members are reporting tax investigations opened on the basis of AEOI data. One developed country reported collecting over EUR 900 million as a direct result of AEOI in 2017-2019. Developing country members also report gains with one member collecting nearly EUR 300 million in 2019 alone.⁵

Additional revenues generated worldwide

The progress on transparency and exchange of information have helped identify about EUR 107 billion in additional revenue (tax, interest and penalties) through voluntary disclosure programmes and offshore tax investigations. Developing countries have gained at least EUR 29 billion as a result. For instance, five Latin American countries reported collecting EUR 21 billion in 2015-2019 through voluntary disclosures.⁵ Two European countries collected EUR 2.5 billion and EUR 850 million respectively in 2017-2019.⁵ A low income developing country collected EUR 188 million in 2018.⁵

EOIR alone has enabled the collection of about EUR 10 billion of additional tax revenue. In 2018-2019, Russia collected EUR 942 million, including interest and penalties. A member in Asia Pacific reported collecting EUR 623 million and another one in Latin America EUR 117.4 million.⁵ African countries also reported increasing revenues from audits and investigations supported by EOIR, including Senegal which collected EUR 2.7 million in 2018-2019 and Uganda EUR 25 million since 2014, of which more than 10 million in 2019.⁵

6. Cour des comptes (2017), Les régularisations d'avoirs à l'étranger gérées par le service de traitement des déclarations rectificatives (STDR), www.ccomptes.fr/sites/default/files/2017-11/20171106-rapport-STDR.pdf.

7. BRL 169 940 777 908, converted as of 31.12.2016; <https://receita.economia.gov.br/noticias/ascom/2016/novembro/programa-de-regularizacao-de-ativos-brasileiro-atinge-objetivos> (2016); <http://receita.economia.gov.br/noticias/ascom/2017/agosto/segunda-etapa-do-rerct-permitiu-regularizacao-de-r-4-6-bilhoes-de-ativos-no-exterior> (2017)

The available data could only reveal a small share of the actual gains. Only about 30% of the Global Forum members have monitoring tools to track additional tax revenues collected with the involvement of EOIR and about 15% monitor the revenues generated by AEOI.⁵

Implementation and compliance costs optimised

Lengthy treaty negotiations are no longer necessary and information from more than 140 jurisdictions can be accessed through a single instrument. Since 2010, a multilateral treaty, the Convention on Mutual Administrative Assistance in Tax Matters (the multilateral Convention) has grown to 141 participating jurisdictions and creates over 7 700 bilateral exchange of information relationships.⁸ The treaty has rapidly expanded the worldwide network of EOI relationships. All but 20 Global Forum members are participating in this instrument and, of the remainder, 8 are in the process of joining. This eliminated the need for negotiating thousands of bilateral agreements, minimising the administrative effort required to create a legal basis for exchanges.

The multilateral effort helped to identify cost-efficient solutions for exchanging information. The CRS enabled the automatic exchange of financial account information and has been designed in a standardised way to meet the needs of all jurisdictions, while also minimising the compliance burden on financial institutions. The Common Transmission System (CTS), which is managed by the Global Forum and used globally for various exchanges, including the automatic exchange of bulk taxpayer information, simplifies exchanges for participating jurisdictions. It offers a cost-efficient alternative to the need to put in place a series of bilateral solutions, while ensuring strict information security standards are applied to the transmissions. The possible uses of the CTS are being expanded: as of 2021, it will be able to handle further types of exchanges, including EOIR.

Capacity building assistance on a wide scale

The Global Forum has become a powerhouse of technical expertise on the implementation of the EOIR and AEOI standards and offers tailored assistance globally. This assistance includes country-specific support to meet the requirements of the international standards, building political capital for change, exploring regional synergies and facilitating peer-to-peer learning.

Practically all of 88 developing country members have benefitted from the Global Forum's assistance, including 59 jurisdictions in 2020. This builds an inclusive environment, which the Global Forum seeks to bring. At its 2010 Leaders' Summit in Seoul, the G20 asked the Global Forum to enhance its work to counter tax evasion in developing countries and help deliver the Sustainable Development Goals, underlining the strong relationship between tax transparency and development. Nearly 20 developing country members reported having been supported by other actors,⁹ such as other international organisations, often in collaboration or coordination with the Global Forum, which enables synergies.



141
jurisdictions
participating in
the multilateral
Convention

Lengthy treaty
negotiations are no
longer necessary
and information
from more than
140 JURISDICTIONS
can be accessed
through a single
instrument.

8. Convention on Mutual Administrative Assistance in Tax Matters, www.oecd.org/ctp/exchange-of-tax-information/convention-on-mutual-administrative-assistance-in-tax-matters.htm.

9. 18 out of 127 jurisdictions which have responded to the 2020 Global Forum Survey.

The Global Forum has played a crucial role in promoting a level playing field. Before 2011, due to the limited coverage of the treaty network, non-compliant taxpayers could shift their assets to jurisdictions which, at that time, would not fully engage in the exchange of information.¹⁰ Today, the peer reviews of the EOIR and AEOI standards have dedicated elements to ensure that all members have an exchange of information treaty in place, activate exchange of information relationships and ultimately receive the information in a timely manner. Furthermore, any non-member can be nominated as a jurisdiction of relevance for assessment, which contributes to ensuring the level playing field.

With the widening of the exchange of information network, in particular through the multilateral Convention and the commencement of AEOI, the situation has changed and tax evaders have little room for manoeuvre. Consequently, bank deposits in IFCs held by non-IFC residents fell by USD 410 billion between 2008 and 2019.¹¹ The commencement of AEOI in 2017 and 2018 is associated with a significant decrease (22%) in foreign-owned IFC bank deposits and increased deposits between non-IFCs, suggesting that the drop is related to reduced offshore activity.¹¹ These figures suggest that taxpayers are reallocating their assets, taking into consideration other competitive advantages and the shield of secrecy has lost its power to attract allocation of assets.

11. O'Reilly P, Ramirez K.P. and Stemmer M.A. (2019), "Exchange of Information and Bank Deposits in International Financial Centres", OECD Taxation Working Papers, No. 46, OECD Publishing, Paris.

4 | Automatic exchange of information

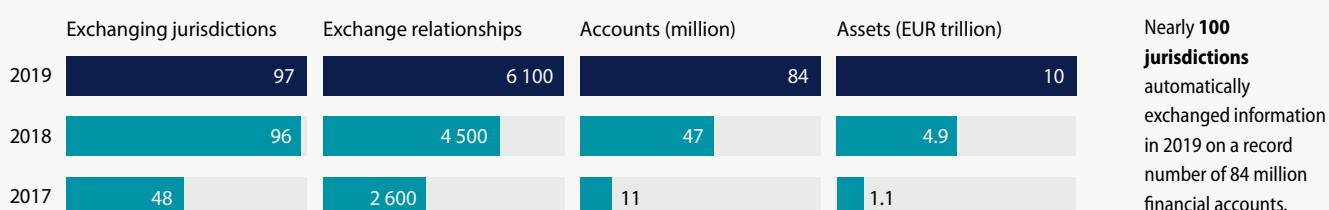
The implementation of the AEOI standard is on a good track. Not only have almost all committed jurisdictions commenced exchanges, but 88% of the legal frameworks of the jurisdictions which committed to exchange financial account information by 2017 or 2018 have been determined to be “In Place” or “In Place But Needs Improvement”, as the Global Forum publishes the first results of the AEOI peer reviews. Out of over 700 recommendations made in the process, more than 450 have already been addressed.

AEOI TODAY

Growing cross-border information flows

Nearly 100 jurisdictions automatically exchanged information in 2019 on a record number of 84 million financial accounts, covering total assets of EUR 10 trillion. These figures grew exponentially since the year of first exchanges in 2017 (see Figure 2). The year-on-year increase reflects a growing number of jurisdictions exchanging, the wider scope of the information exchanged in the second and subsequent years of exchange, and an increase in the number of exchange relationships.

FIGURE 2. Rapid increase of automatic exchanges of financial account information



These already immense figures are set to further increase in 2020. In total, 105 jurisdictions are due to exchange information in 2020, up by 3 from 2019. The network of exchange relationships has also continued to expand, from 6 100 by the end of 2019 to 7 000 currently (15% increase).

Satisfaction of tax authorities with co-operation

Even at this relatively early stage of implementation, the quality of data is generally reported by competent authorities as satisfactory. The average matching rate is 67%, with some jurisdictions reaching more than 85% and many showing a positive trajectory on a year-on-year basis as they accumulate more experience. Overall, more than half of the jurisdictions reported a matching rate over 75%. For instance, Finland reported a matching rate of 80%, Norway – 86% and the Netherlands – 89%.

A majority of Global Forum members, which responded to the 2020 Global Forum Survey, reported that they face no particular challenges in AEOI (57%) and many referred to the COVID-19 pandemic as an obstacle to effective exchanges that in practice affected them in 2020 (17%). However, in contrast with EOIR (see the next section of this report), a more substantial share of Global Forum members reported resource and capacity-related constraints of the tax administration (21%) as an impediment to effective AEOI.

IMPLEMENTATION OF THE AEOI STANDARD ON A GOOD TRACK

Outcomes of the peer reviews of the legal frameworks

The peer review of the domestic and international legal frameworks put in place to implement the AEOI standard has been central to the Global Forum's work for several years, culminating with the publication of the conclusions in 2020. The results published in 2020 relate to the 100 jurisdictions committed to commence exchanges under the AEOI standard in either 2017 or 2018. The process takes place in accordance with the AEOI Terms of Reference.¹²

12. Global Forum (2018), "The Framework for the Full AEOI Reviews: The Terms of Reference", www.oecd.org/tax/transparency/documents/aeoi-terms-of-reference.pdf.

The *Peer Review of the Automatic Exchange of Financial Account Information 2020* completes the detailed analysis conducted over recent years.¹³ It includes the determinations on the extent to which each jurisdiction has the necessary legal frameworks put in place to implement the AEOI standard, namely:

- The domestic legal frameworks in place to implement the AEOI standard to require Financial Institutions to conduct the due diligence and reporting procedures (Core Requirement 1, hereafter “CR1”), and
- The international legal frameworks to exchange the information, including whether jurisdictions have exchange relationships in effect with all Interested Appropriate Partners¹⁴ (Core Requirement 2, hereafter “CR2”).

The peer reviews indicated a very high level of compliance of the legal frameworks put in place to implement the AEOI standard (see **Annex A**). Of the 100 jurisdictions that committed to commence exchanges in 2017 or 2018, virtually all of them (98) have in place an international legal framework that is fully in accordance with the AEOI Terms of Reference and a vast majority (88) have a legal framework that has been determined to be either “In Place” or “In Place But Needs Improvement” (see **Figure 3**).

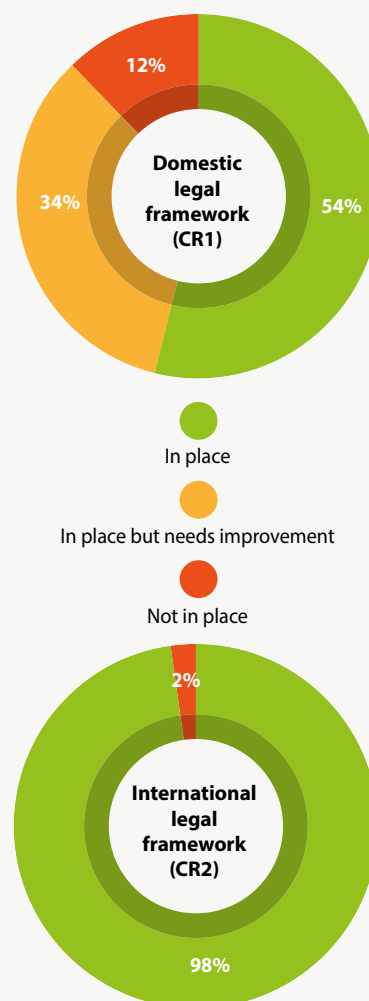
Accordingly, the majority (54 out of 100) jurisdictions received an overall determination of “In Place”. These jurisdictions therefore have domestic legislative and international legal frameworks that are fully in accordance with the AEOI Terms of Reference and the Global Forum has therefore issued them a determination of “In Place” for CR1 and CR2, resulting in an overall determination of “In Place”. This demonstrates very high level of compliance with the AEOI standard.

A further 34 jurisdictions received an overall determination of “In Place But Needs Improvement”. This is because while their international legal framework is “In Place” (CR2), the report includes one or more recommendations to make amendments to their domestic legislative framework in order for it to be fully consistent with the AEOI Terms of Reference. This also demonstrates a good level of compliance with the AEOI standard.

The remaining 12 jurisdictions received an overall determination of “Not In Place”, of which 10 have implemented a domestic legislative framework which contains many of the requirements, but which includes deficiencies viewed as being of a level of significance that could undermine the operation of the AEOI standard. The remaining two jurisdictions have not yet implemented a domestic legal framework (i.e. they have not yet brought into effect the necessary primary and secondary legislation containing the due diligence and reporting procedures).

88% of the legal frameworks of the jurisdictions which committed to exchange financial account information by 2017 or 2018 have been determined to be “In Place” or “In Place But Needs Improvement”.

FIGURE 3. Distribution of AEOI peer reviews’ determinations on the legal frameworks



13. Global Forum (2020), “Peer Review of the Automatic Exchange of Financial Account Information 2020”, www.oecd-ilibrary.org/taxation/peer-review-of-the-automatic-exchange-of-financial-account-information-2020_175eeff4-en.

14. All those jurisdictions interested in receiving information that meet the expected standards in relation to confidentiality and data safeguards.

Effectiveness in practice

In 2020, the Global Forum commenced the peer reviews of the effectiveness in practice of the first 100 jurisdictions' implementation of the AEOI standard. In order to fully deliver on the potential benefits, the legal frameworks must not only be in place to implement the AEOI standard, but the standard must work effectively in practice. This includes a detailed analysis of the frameworks in place to ensure compliance by Financial Institutions with the requirements and the input from peers on the completeness and accuracy of the information received. The Global Forum is due to publish the final results in 2022.¹⁵

Assessments in relation to confidentiality and data safeguards

Keeping the information exchanged confidential and properly safeguarded is critical to the implementation of the AEOI standard. All jurisdictions are assessed by peers prior to exchange to ensure that tax administrations intending to participate in AEOI have arrangements in place to ensure the confidentiality and safeguarding of the information to be exchanged. Furthermore, in 2020, the Global Forum commenced post-exchange assessments of jurisdictions participating in AEOI to peer review the actual arrangements being used to handle and use the data exchanged. As more jurisdictions join the exchanges, the Global Forum continues to undertake pre-exchange assessments.

CHANGES DELIVERED BY THE PEER REVIEW OF THE LEGAL FRAMEWORKS

The Global Forum's peer reviews triggered significant improvements in the legal frameworks.

In total, 64 jurisdictions have implemented changes in response to the recommendations made by the Global Forum to bring their due diligence, reporting and enforcement frameworks in accordance with the AEOI standard. Many jurisdictions addressed the issues as soon as they were raised, even before the reviews were even completed and the recommendations issued. Out of over 700 recommendations made as part of the AEOI peer review process, more than 450 have already been addressed by jurisdictions.

64 jurisdictions have implemented changes in response to the recommendations made by the Global Forum to bring their legal frameworks in accordance with the AEOI standard.

The following aspects of the AEOI implementation have been improved:

- **Due diligence procedures.** Most jurisdictions have made significant improvements to the specification of the due diligence procedures, which was the most common area where recommendations were made. Around 80% of the original recommendations made in this area have been addressed.
- **Definitions of Reporting Financial Institutions and Reportable Financial Accounts.** Good progress has also been made in addressing deficiencies in defining the scope of Reporting Financial Institutions and Reportable Financial Accounts, including ensuring that jurisdiction specific exclusions are aligned with those permitted under the standard. Around 50% of the recommendations concerning definitions and exclusions have been addressed.
- **Enforcement of due diligence and reporting obligations.** Some progress has also been made on closing the gaps found in the legal frameworks which are necessary to underpin the enforcement of due diligence and reporting obligations. While these deficiencies can require more substantive amendments to legal frameworks, jurisdictions have already addressed around 40% of the recommendations made.

15. Deferred from 2021, in recognition of the challenges faced by the jurisdictions due to the global pandemic.

Automatic exchange of information

More changes are expected in the future with some delays in the legislative process of certain jurisdictions attributed directly to the effects of the COVID-19 pandemic. The Global Forum will continue to evaluate any improvements made to the legal frameworks to implement the AEOI standard and will publish updated analysis and conclusions accordingly.

AEOI COMMITMENTS CONTINUE TO BE MADE

As part of the initial commitment process which was launched in 2014,¹⁶ nearly 100 jurisdictions committed to exchange by 2017 or 2018, including some developing countries not asked to commit to a specific timeline, but having done so voluntarily.

Practically all jurisdictions which committed to commence exchanges by 2017 or 2018 have delivered upon their commitment. Only two jurisdictions, Sint Maarten and Trinidad and Tobago, are late in putting in place the necessary legal frameworks to implement the AEOI standard. Further two jurisdictions, Dominica and Niue, have in place the legal frameworks to implement the AEOI standard but that have not put in place the technical requirements for exchange. A fully effective AEOI standard requires there to be a level playing field and the Global Forum therefore continues to work closely with these jurisdictions to support them delivering on their commitments.

Practically all jurisdictions which committed to commence exchanges by 2017 or 2018 have delivered upon their commitment. The post-2019 commitments are also respected.



16. In 2014, all Global Forum members, except developing countries without financial centres, were invited to implement the AEOI standard and commence exchanges of information in 2017 or 2018, and for exchanges to take place with “all interested appropriate partners”.

More than a dozen jurisdictions have made a voluntary commitment to commence exchanges in 2019 and onwards. This year, Morocco and Kenya committed to start exchanges in 2022 and Georgia in 2023 (see **Table 1**).

The post-2019 commitments are also respected. The two jurisdictions that committed to 2019 commenced exchanges on time (Ghana and Kuwait). Several jurisdictions which committed to exchange in 2020, namely Nigeria, Oman and Peru, are on track to deliver their commitments. The legal framework of these jurisdictions is to be reviewed in due course.

TABLE 1. AEOI: Status of commitments^a

Year of commitment to first exchanges	Jurisdiction
2017	Anguilla, Argentina, Belgium, Bermuda, British Virgin Islands, Bulgaria, Cayman Islands, Colombia, Croatia, Cyprus ^b , Czech Republic, Denmark, Estonia, Faroe Islands, Finland, France, Germany, Gibraltar, Greece, Guernsey, Hungary, Iceland, India, Ireland, Isle of Man, Italy, Jersey, Korea, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Mexico, Montserrat, Netherlands, Norway, Poland, Portugal, Romania, San Marino, Seychelles, Slovak Republic, Slovenia, South Africa, Spain, Sweden, Turks and Caicos Islands, United Kingdom
2018	Andorra, Antigua and Barbuda, Aruba, Australia, Austria, Azerbaijan ^c , The Bahamas, Bahrain, Barbados, Belize, Brazil, Brunei Darussalam, Canada, Chile, China, Cook Islands, Costa Rica, Curacao, Dominica ^d , Greenland, Grenada, Hong Kong (China), Indonesia, Israel, Japan, Lebanon, Macau (China), Malaysia, Marshall Islands, Mauritius, Monaco, Nauru, New Zealand, Niue ^d , Pakistan ^c , Panama, Qatar, Russia, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Samoa, Saudi Arabia, Singapore, Sint Maarten ^d , Switzerland, Trinidad and Tobago ^d , Turkey, United Arab Emirates, Uruguay, Vanuatu
2019	Ghana ^c and Kuwait ^f
2020	Nigeria ^c , Oman ^e and Peru ^c
2021	Albania ^c , Ecuador ^c , Kazakhstan ^f and Maldives ^c
2022	Kenya ^c , Morocco ^c
2023	Georgia ^c , Jordan ^f , Montenegro ^f , Thailand ^f

a. The United States has undertaken automatic information exchanges pursuant to FATCA from 2015 and entered into intergovernmental agreements (IGAs) with other jurisdictions to do so. The Model 1A IGAs entered into by the United States acknowledge the need for the United States to achieve equivalent levels of reciprocal automatic information exchange with partner jurisdictions. They also include a political commitment to pursue the adoption of regulations and to advocate and support relevant legislation to achieve such equivalent levels of reciprocal automatic exchange.

b. *Note by Turkey:* The information in the documents 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 recognised by all members of the United Nations with the exception of Turkey. The information in the documents relates to the area under the effective control of the Government of the Republic of Cyprus.

c. Developing countries that do not host a financial centre and were not asked to commit to a specific date to exchange information, but have done so voluntarily.

d. These jurisdictions have yet to commence exchanges.

e. Developed countries that joined the Global Forum after the commitment process was conducted in 2014. They were therefore asked to commit to a particular timeline upon joining.

f. Jordan, Kazakhstan, Montenegro and Thailand were subject to the Global Forum process aimed at identifying jurisdictions relevant for the implementation of the AEOI standard and, if considered relevant, they would have been expected to commit to exchange under the AEOI standard to a particular timeline. They however voluntarily committed to implement the AEOI standard.

5 | Exchange of information on request

The jurisdictions' performance on the EOIR standard remains strong, with 86% of those reviewed in the second round having received a satisfactory overall rating ("Compliant" or "Largely Compliant"). Almost half of the Global Forum members have now been reviewed in this round, including 20 of them in 2020. Jurisdictions subject to an annual follow-up monitoring reported that over 90% of more than 550 recommendations are either "addressed" or "in the process of being addressed".



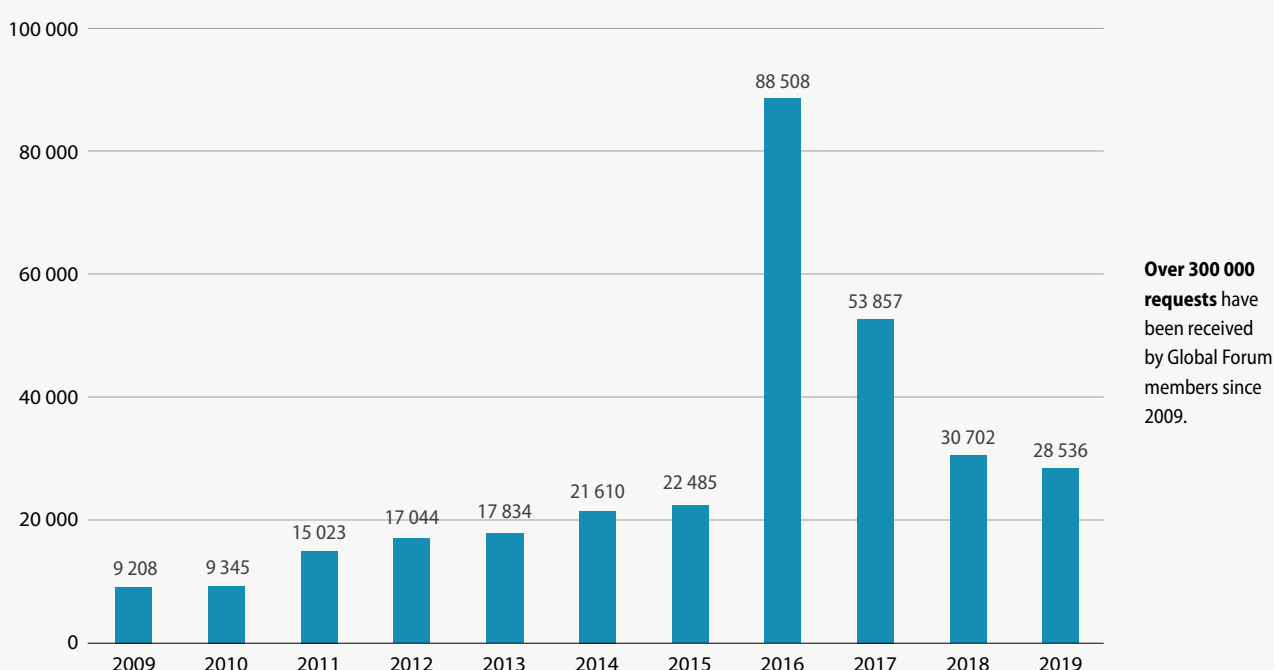
EOIR TODAY

Growing cross-border information flows

Over 300 000 requests have been received by Global Forum members since 2009 (see Figure 4).

In 2009, Global Forum member jurisdictions have jointly reported 9 208 incoming requests and the cumulative figure grew to 30 702 in 2018 and 28 536 by 2019. Some jurisdictions, including many international financial centres, moved from receiving none or just a handful of requests to dozens, hundreds or thousands. For instance, Luxembourg received 242 requests in 2009 and 1 114 in 2019.

FIGURE 4. Number of requests received, 2009-2019



Note: The graph is built on the basis of the figures reported by Global Forum members through the 2020 Global Forum Survey (127 out of 161 members responded). It should be noted that the methods used by jurisdiction to count requests differ: For 62% of jurisdictions, each letter constitutes one request regardless of the number of taxpayers; for 24% of jurisdictions each taxpayer mentioned in the request is treated as a separate request and the remaining 14% use other methods.

Along with individual requests, jurisdictions are making an increasing use of group requests.

Group requests allow the request of information on taxpayers not individually identified but which have certain characteristics in common, for example, an account with a particular offshore bank. Whilst in 2009 only a few group requests were received by Global Forum members, the more recent figures reach several hundred in 2018 and in 2019. As some of these requests involve thousands of taxpayers, the impact on exchange statistics increases. The peak in the number of requests in 2016 and 2017 is notably due to this type of requests when counted by number of persons concerned.

Satisfaction of tax authorities with co-operation

Notwithstanding the increased volume of exchanges on request, the response time has also been improving. In the second round of EOIR peer reviews, over 68% of requests are answered within 180 days. Approximately 82% of requests are answered within 1 year and only about 8% take over 1 year. The best performing jurisdictions, which had their exchange of information practice rated as “Compliant”, on average answer up to 84% of requests in 180 days.

Information requested can be obtained in all but 1% of cases, which speaks to the high effectiveness of international co-operation and improvement in transparency. In the second round, over 90% of requests have been answered, less than 5% were still pending at the date of review, and 1% were withdrawn by the requesting jurisdiction. The remaining 3% were actually unanswered with about 2% declined for valid reasons and only in 1% of cases the relevant jurisdiction failed to provide an answer.

The improvement in co-operation is integral to wider enhancements, which have taken place in the communication with partners and in the organisation of exchange of information locally. Most jurisdictions have established dedicated units and introduced special procedures for ensuring effective co-operation, including based on the recommendations made by the Global Forum in the context of EOIR peer reviews and often with its technical assistance. For instance, the number of jurisdictions with a dedicated EOI unit in Africa has increased from five in 2014 to 20 in 2019.¹⁷

The competent authorities are generally satisfied with co-operation from their partners. In 2020, a majority of Global Forum members, which responded to the 2020 Global Forum Survey, reported that they are not facing any particular difficulties in exchanging information on request (nearly 60%). The most frequently cited challenge for effective EOIR, which in practice affected member jurisdictions in 2020, has been the COVID-19 pandemic (18%) and resource and capacity-related constraints in the tax administration (11%). Only a small number of jurisdictions referred to other factors related to gaps in the implementation of the EOIR standard, such as non-availability of information domestically and insufficient access powers of the competent authority to obtain the information (6%), or unsatisfactory quality of incoming requests and/or other communication issues with the requesting jurisdiction (6%).

The jurisdictions' performance on the exchange of request (EOIR) standard remains strong, with 86% of jurisdictions reviewed in the second round of the EOIR peer reviews having received a satisfactory overall rating ("Compliant" or "Largely Compliant")

IMPLEMENTATION OF THE EOIR STANDARD REMAINS STRONG

Almost half of the Global Forum members (78 out of 161) have now been reviewed in the second round of EOIR peer reviews and the ratings assigned are generally very good: 86% of the jurisdictions have received a satisfactory overall rating ("Compliant" or "Largely Compliant"), 11% have been assessed as Partially Compliant and 3% as Non-Compliant (see **Figure 5**).

In 2020, 17 new reports were adopted and another 3 are expected to be finalised by the year end:

- 12 jurisdictions secured an overall rating of "Largely Compliant", i.e. Brunei Darussalam, Chile, China, Gibraltar, Greece, Korea, Macau (China), Switzerland and Uruguay. Three jurisdictions that received ratings for the first time this year also succeeded in getting a "Largely Compliant" overall rating (Papua New Guinea, Peru and Tunisia).
- Five jurisdictions did not succeed in reaching a satisfactory level of implementation of the standard, with an overall rating of "Partially Compliant" (Barbados, Liberia, Malta and the Seychelles) and "Non-Compliant" (Anguilla). These ratings are due mainly to the gaps identified in the supervision and enforcement on laws and regulations essential for effective EOIR.

17. Global Forum (2020), "Tax Transparency in Africa 2020: Africa Initiative Progress Report 2019", www.oecd.org/tax/transparency/documents/tax-transparency-in-africa-2020.htm.

CHANGES DELIVERED BY THE GLOBAL FORUM'S PEER REVIEW PROCESS

Jurisdictions perform better in the second round. The Global Forum has produced 204 peer review reports on EOIR to date, of which 124 reports in the first round (2010-2016) and 80 reports in the second round (2016-ongoing). Comparison between these two rounds demonstrates significant progress made despite the strengthening of the standard between the two rounds, notably with the introduction of the requirement to have beneficial ownership information available: 27% of the jurisdictions have improved their rating in the second round and 51% retained it at the same level.

The massive scale of improvements is not always visible in the overall rating.

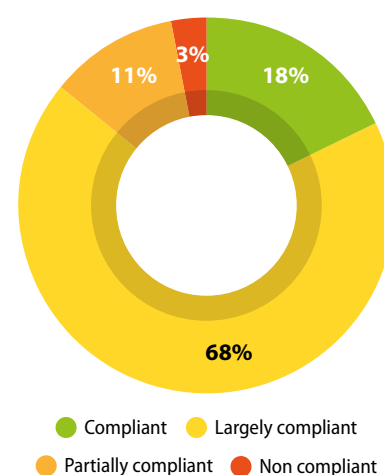
In many instances, jurisdictions have addressed the regulatory deficiencies identified in the first round but received new recommendations, for instance, to ensure an effective implementation in practice of the new rules introduced to address previous recommendations made by the Global Forum. Further, the second round includes a new requirement to ensure the availability and access to beneficial ownership information, which has caused challenges and relative decline in overall or element-wise ratings for many jurisdictions.

Over 90% of recommendations have been reported by jurisdictions as either “addressed” or “in the process of being addressed”. The annual follow-up process,¹⁸ which allows jurisdictions to self-report any steps taken on the recommendations that were given to them, shows that jurisdictions continue progressing towards better implementing the EOIR standard after having been reviewed. In 2020, the follow-up reports were made by 76 jurisdictions. Out of 559 recommendations, 282 were reported as “addressed”, 235 as “in the process of being addressed” and only 42 as “not addressed”. Twelve jurisdictions reported having fully addressed all recommendations.

Many obstacles to the effective EOIR have been removed:

- **Bank secrecy.** Bank secrecy vis-a-vis tax authorities has been eliminated by 67 jurisdictions. Following changes in Guatemala, access to bank information is hindered by bank secrecy in only two out of 125 jurisdictions reviewed by the Global Forum so far.¹⁹ The changes were heavily concentrated in the first round and no new gaps related to bank secrecy have been identified in the second round.
- **Legal ownership.** The availability of information on the legal ownership and identity has significantly improved. Bearer shares, one of the key instruments allowing to conceal ownership, have been mostly abolished or modified to enable the identification of their owners. Nearly 50 jurisdictions abolished bearer shares or introduced adequate custodial or non-custodial arrangements since 2009. Of the jurisdictions which have been identified as having inadequate arrangements for identification of owners or which were allowing bearer shares at the time of their peer review, 22 self-reported in 2020 that the recommendation has been either “addressed” or is “in the process of being addressed”.

FIGURE 5.
EOIR peer reviews: Ratings assigned in the second round



18. Following the publication of its EOIR report, each reviewed jurisdiction is expected to submit a follow-up report through which, in respect of each recommendation made in the report, the jurisdiction has to indicate whether and how the recommendation has been addressed. Each year, once the follow-up reports are received, a detailed analysis is carried out and presented to the Peer Review Group of the Global Forum. A qualitative analysis of responses is also carried out to identify the recommendations not addressed for three or more than three years, as well as where inadequate responses on practical implementation of the standard have been provided. Tailored feedback is provided to each jurisdiction.

19. Kazakhstan and Trinidad and Tobago. The removal of bank secrecy in Guatemala has been self-reported and is yet to be reviewed by the Global Forum.

- **Accounting records.** A majority of Global Forum members had deficiencies in the availability of accounting records, including 30 jurisdictions, for which the regulatory framework had been determined to be “Not in Place” in the first round. The gaps in law have been addressed by practically all of them. The focus in the second round shifted to ensuring that the implementation of these new provisions is effectively supervised and enforced.

With over 200 recommendations issued, the beneficial ownership requirement, which was incorporated into the EOIR standard in 2016, emerges as a hotspot of changes triggered by the second round.

The beneficial ownership requirement, which was incorporated into the EOIR standard in 2016, emerges as a hotspot of changes triggered by the second round. One third of the total recommendations (213 out of 651) issued in the second round of the EOIR peer reviews pertain to ensuring the availability of information on beneficial owners of relevant entities and bank accounts. The annual follow-up process indicates that a large majority of the jurisdictions are currently working on the recommendations received: over 40% of these recommendations have been reported as “addressed” and more than 50% as “in the process of being addressed”.

ADAPTED SCHEDULE FOR THE EOIR PEER REVIEWS

Changes had to be made in the schedule of EOIR peer reviews. As a result of the COVID-19 pandemic, on-site visits had to be suspended from March. The reports adopted this year relate to reviews for which an onsite visit could take place before the travel restrictions. The launch of new EOIR peer reviews was also paused for nine months in 2020, with changes to the schedule of reviews decided in May and October. The launch of new peer review is expected to resume by the end of 2020 and the Global Forum is working on adapting its working methods to the constraints imposed by the pandemic, while keeping the robustness of the process. The latest schedule is available on the Global Forum website.²⁰

NEW JURISDICTION OF RELEVANCE IDENTIFIED

In 2020, after an in-depth analysis of the situation of Nicaragua, the Global Forum concluded that it should be considered as a jurisdiction of relevance for the work of the Global Forum. Accordingly, Nicaragua will now be invited to join the Global Forum and an EOIR peer review will be scheduled. Further, the Peer Review Group on AEOI will discuss the relevance of this jurisdiction for AEOI purposes.

20. Global Forum, “Exchange of Information on Request: Schedule of second round peer reviews 2016-2023” www.oecd.org/tax/transparency/documents/schedule-of-reviews.pdf

6 | Capacity building

Many developing countries have been badly affected by the pandemic. The revenue mobilising potential of transparency has therefore become even more critical and members demonstrated an increased appetite for capacity-building activities. In response to this high demand, the Global Forum strengthened its tools to support members remotely.



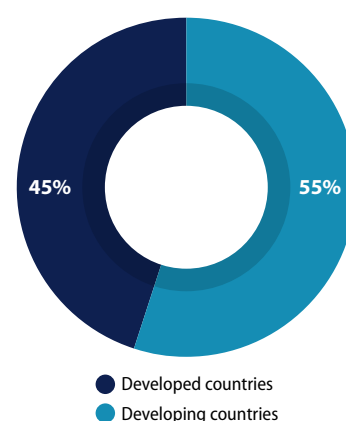


Capacity building

The tax transparency and exchange of information standards provide a powerful tool for governments to address tax evasion and other illicit financial flows (IFFs), and ultimately mobilise domestic revenues. These tools are crucial for developing countries, which tend to face greater challenges with respect to IFFs. In addition, they have more acute capacity-building needs to fully benefit from co-operation between tax authorities. The COVID-19 pandemic exacerbated these needs and disrupted the delivery of capacity-building activities (i.e. technical assistance and trainings).

Once the on-site delivery of capacity building activities was no longer possible due to the travel and other restrictions, the Global Forum promptly reacted with an Action Plan to strengthen its tools for supporting members remotely. Most of the work has successfully continued remotely, enabling developing countries, which now constitute a majority of Global Forum membership (see Figure 6), to progress and benefit from the EOIR and AEOI standards.

FIGURE 6.
Membership of the
Global Forum



HIGH-LEVEL COMMITMENT TO TRANSPARENCY IS PROGRESSING

The transparency agenda and political engagement has remained strong at jurisdiction and regional levels. In 2020, high-level commitments translated into:

- **An increase of the membership of the Global Forum**, with three new countries (Mali, Palau and Viet Nam) joining the Global Forum – amounting to 161 members;
- **An increase of the participants to the Convention on Mutual Administrative Assistance in Tax Matters** (the multilateral Convention), with 11 jurisdictions signing²¹ and 7 jurisdictions ratifying²² it – totalling 141 participating jurisdictions;
- **An increase in AEOI commitments**, with Morocco and Kenya committed to start exchanges in 2022 and Georgia in 2023 – amounting to 115 jurisdictions committed to exchange by 2023.

The regional initiatives spurred further political commitments in 2020 (see Table 2).

21. Benin, Bosnia and Herzegovina, Botswana, Cabo Verde, Eswatini, Jordan, Mongolia, Namibia, Oman, Togo and Thailand.

22. Armenia, Bosnia and Herzegovina, Cabo Verde, Kenya, Mongolia, Montenegro and Oman.

TABLE 2. Global Forum's regional initiatives

Africa Initiative

Launched in 2014, the Africa Initiative focuses on two pillars:

- (i) Raising political awareness and commitment in Africa. In 2020, the Global Forum strengthened its partnership with the African Union Commission. In addition, five African countries signed the Yaoundé Declaration²³, a call for a tax transparency agenda in Africa, bringing its supporters to 30 African jurisdictions; and
- (ii) Developing capacities in African countries in tax transparency and exchange of information. This year 15 African countries were benefitting from an Induction Programme, a comprehensive programme offered to new members, and 16 other African jurisdictions benefitting from a tailored assistance to respond to their specific needs.

The **Tax Transparency in Africa 2020** report, launched virtually with the African Union Commission and African Tax Administration Forum (ATAF) in June 2020, sets out substantial progress made by African countries and the challenges they face in implementing the tax transparency standards.²⁴

For instance, the implementation of AEOI, though still limited on the continent, is progressing:

Nigeria is due to start exchanging in 2020 and Kenya and Morocco are committed to do so in 2022, bringing to seven the number of African countries implementing AEOI. In addition, assistance is provided to four other African jurisdictions (Cameroon, Senegal, Tunisia and Uganda) to help them determine a practical timeline for starting AEOI.

In September 2020, the African members agreed on the renewal of the Initiative for a 3-year period (2021-2023), as well as on a new governance and work programme.



Latin American Initiative

The *Punta del Este Declaration*, signed by eight Latin America Ministers of Finance in November 2018, aims to strengthen the regional consensus on whole of government approaches to tax evasion and corruption in Latin America and to give a new impetus to the widespread implementation of the Global Forum's standards in the region.

Since 2018, five new jurisdictions signed the Declaration²⁵, bringing the number of signatories to 13. This growing network and the partnership with the Inter-American Center of Tax Administrations (CIAT), the Inter-American Development Bank (IDB) and the World Bank Group (WBG), help ensure further regional collaboration and enhance the impact of tax transparency in Latin America.

In November 2020, the signatories of the Punta del Este Declaration adopted a working plan for the following three years, as well as a governance framework.

Pacific Initiative

To support efforts of Pacific jurisdictions in the phased implementation of tax transparency standards to prevent tax avoidance and strengthen domestic resource mobilisation, a new initiative was launched in October 2020 in co-operation with the Asian Development Bank (ADB), the Pacific Islands Tax Administrators Association (PITAA) and other partners.²⁶ In addition, the Global Forum, ADB and the WBG have been focusing on assisting Pacific jurisdictions to becoming party to the multilateral Convention, on assessing their legal framework and providing Information Security Management (ISM) assistance.

23. Cabo Verde, Djibouti, Egypt, Eswatini and Kenya. The Yaoundé Declaration and the list of its signatories are available at www.oecd.org/tax/transparency/what-we-do/technical-assistance/the-yaounde-declaration.htm

24. Global Forum (2020), "Tax Transparency in Africa 2020: Africa Initiative Progress Report 2019", www.oecd.org/tax/transparency/documents/tax-transparency-in-africa-2020.htm.

25. Brazil, Costa Rica, the Dominican Republic, Guatemala and Honduras. The Punta del Este Declaration and the list of its signatories are available at www.oecd.org/tax/transparency/what-we-do/technical-assistance/punta-del-este-declaration.htm.

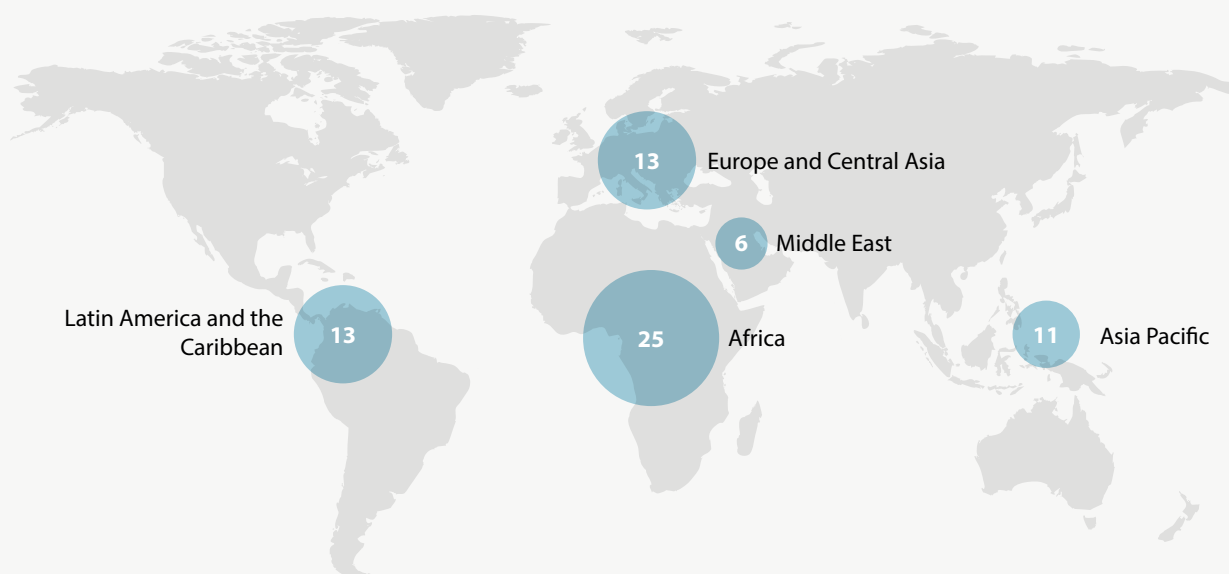
26. OECD, WBG, Australia and New Zealand.

DEVELOPMENT OF NEW TOOLS

Country-specific technical assistance

In 2020, 68 countries benefitted from technical assistance, including 59 developing countries (see **Figure 7**), a marked increase compared to 2019. The level of satisfaction was high and rated at 4.5 out of 5.

FIGURE 7. Number of jurisdictions currently supported by the Global Forum Secretariat, by region (December 2020)



In 2020, 30 comprehensive capacity-building programmes (Induction Programmes) offered to new members continued, as well as 38 country programmes of tailored assistance which is provided on request to support the implementation of the EOIR and AEOI standards. This work has almost exclusively been delivered remotely through desk-based support and videoconferencing:

- 31 members assisted in the implementation of AEOI, including 29 on information security management (ISM) and three on effective use of AEOI data. This includes support provided under **six AEOI pilot projects** currently underway.²⁷
- 52 members assisted in the implementation of EOIR, including 43 on the availability of BO information.

This work has borne fruit. For instance, several jurisdictions receiving technical assistance (i.e. Tunisia, Peru and Papua New Guinea) obtained a “Largely Compliant” rating with the EOIR standard in April and September 2020. Many members made significant progress in implementing the AEOI standard, with, for instance, Peru and Albania passing successfully their confidentiality assessment, and Nigeria and Albania on track to start their first AEOI exchanges in 2020.

27. Following the success of the first pilot projects supported by the Global Forum Secretariat (Colombia and Spain (2017); Pakistan and the United Kingdom (2018)), six other projects are on-going: Albania and Italy; Egypt and the United Kingdom; Ghana and the United Kingdom; Georgia and Germany; Morocco and France; the Philippines and Australia. A new pilot project is likely to be launched before end of 2020 between Tunisia and Switzerland.

The number of requests made by developing countries is increasing. While sending requests is not a goal in itself, it shows that jurisdictions are making use of the available tools to fight tax evasion and avoidance. In 2009, only a handful of developing countries reported making requests. In 2018-19, developing country members reported sending about 60 requests per year on average.²⁸

Training and other awareness-raising activities

The Global Forum accelerated the development of e-learning modules, toolkits and virtual trainings to enhance the desk-based assistance and strengthen its technical assistance offerings. In light of the successful use of these tools, it is expected that some of the newly adopted approaches will be part of the capacity building strategy going forward.

Training

In total, more than 3 600 officials from 157 jurisdictions were trained during 24 events, 21 of which were conducted on a remote basis. 50% of the participants were women. Defined as a key focus for 2020, seven trainings were carried out to unpack the concept and explore policy considerations that members, in particular in Africa, Latin America and Asia-Pacific, may consider when implementing legal and supervisory frameworks to identify and collect beneficial ownership information.

Over 6 800 officials from 157 jurisdictions have been trained in 2020, almost exclusively remotely.

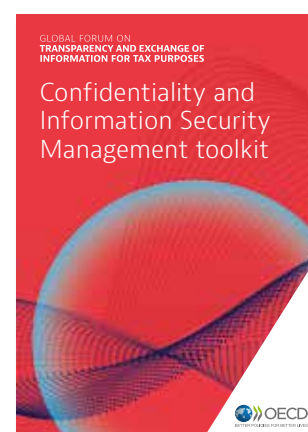
E-learning

The Global Forum promoted the blended e-learning released in 2019 and produced two new courses on beneficial ownership (with ADB) and on the EOIR standard. Following the success of these courses, which were taken by more than 3 200 officials, e-learning will remain a core element of the Global Forum's capacity building strategy and more courses will be scheduled for 2021, notably on AEOL.

Toolkits

Following the commended release of the beneficial ownership implementation toolkit developed with the IDB in 2019,²⁹ the Global Forum Secretariat published new toolkits:

- **A Toolkit for Becoming a Party to the Convention on Mutual Administrative Assistance in Tax Matters³⁰** to help developing countries extend their exchange of information networks by joining the most powerful instrument for administrative co-operation; and
- **A Confidentiality and Information Security Management Toolkit³¹** to assist jurisdictions in their implementation of the confidentiality and ISM requirements under the AEOL standard.
- In December 2020, the Global Forum will release a toolkit on establishing and running an effective EOI function (in partnership with ATAF).



28. The 2020 Global Forum Survey.

29. Global Forum and Inter-American Development Bank (2019), "A Beneficial Ownership Implementation Toolkit" www.oecd.org/tax/transparency/documents/beneficial-ownership-toolkit.pdf

30. Global Forum (2020), "A Toolkit for Becoming a Party to the Convention on Mutual Administrative Assistance in Tax Matters" www.oecd.org/tax/transparency/documents/MAAC-toolkit_en.pdf

31. Global Forum (2020), "Confidentiality and Information Security Management Toolkit", www.oecd.org/tax/transparency/documents/confidentiality-ism-toolkit_en.pdf

Capacity building

Collaboration with partners and support from donors

Built on trust and long-term relationships, a strong network of regional partners and international organisations work with the Global Forum to deliver capacity building activities. Regional partnerships ensure better coordination and the pooling of strengths and resources. In 2020, the Global Forum continued the fruitful collaboration with its partners through regular contact, virtual meetings and joint events.

Within the Global Forum, a number of members support its technical assistance work. In 2020, Australia, European Union, France, Japan, Norway, Senegal,³² Switzerland and the United Kingdom have provided financial contributions. Many others provided experts or technical support (see **Box 1**).

BOX 1. COUNTRIES AND ORGANISATIONS SUPPORTING THE CAPACITY-BUILDING ACTIVITIES

Financial contributions provided by:



Expertise provided by:

- Australia
- Belgium
- France
- Germany
- Italy
- New Zealand
- Norway
- Spain
- Switzerland
- United Kingdom

Partner organisations:

- African Development Bank
- African Tax Administration Forum
- African Union Commission
- Asian Development Bank
- Centro Interamericano de Administraciones Tributarias
- Cercle de réflexion et d'échange des dirigeants des administrations fiscales

32. Voluntary contribution of the Resource Mobilisation and Investment Attractiveness Institutional Support (PAIMRAI). Project piloted by the Ministry of Finance of Senegal and supported by the AfDB, which is under OECD approval process.

7 | What's next?

As governments face social and economic challenges on the path to economic recovery, the Global Forum must continue to deliver on its mandate. International co-operation should remain strong to address the remaining and new challenges in the effective implementation of transparency and exchange of information standards to continue tackling tax evasion and avoidance globally.

As per the G20 mandate, ensuring the level playing field and the effective implementation of the AEOI standard should continue to remain a priority. Reviews of the effective implementation in practice of the AEOI standard be a key focus in 2021 and 2022. In addition, the Global Forum will continue to work closely with the jurisdictions that have not yet delivered on their commitment to commence exchanges, to support them delivering on their commitment. Finally, members will work on addressing the recommendations made during their legal assessment in 2020. These include, amongst others, tax evasion risks posed by jurisdiction-specific Non-Reporting Financial Institutions and Excluded Accounts and enforcement provisions.

About half of the Global Forum membership remains to be assessed against the EOIR standard, while the schedule of the second round of EOIR peer reviews had to be extended until 2024 due to new membership and a nine-month pause caused by the pandemic. Work is ongoing to learn from the experience of past few months and changes are being made to the methodology to streamline the EOIR review process and improve its efficiency.

Our capacity-building programme will reach its 10-year mark in 2021. The Global Forum will implement a renewed strategy to further improve the effectiveness of the support provided to members. This strategy will focus on consolidating the engagement with members, providing assistance on a step-by-step basis for all relevant areas of work (EOIR, AEOI, Information Security Management and effective use of data) and strengthening the Global Forum's co-operation with other development agencies.

Whilst some delays occurred in response to operational challenges, the exchanges of information have not been put on hold at the times of the global health crisis. The efforts made by member jurisdictions on the ground and the Global Forum at the intergovernmental level have helped maintain co-operation between tax authorities. The situation will be kept under review as the COVID-19 pandemic unfolds to make further adjustments as necessary.

Ensuring effective international cooperation requires constant improvements in the field of transparency and exchange of information for tax purposes to address any remaining and new challenges. Moving forward, to support the effective delivery of the Global Forum's mandate, a new Task Force on Risk has been set-up, with a mandate to identify possible risks to the implementation of the transparency and exchange of information standards.

Annexes

The implementation of the international standards on transparency and exchange of information has been swift and global. Only few jurisdictions have fallen short in meeting the commitments made to the Global Forum. They are provided with support to advance their regulatory environment and practices.

Annex A | Implementation of the AEOI standard

Jurisdiction	CORE REQUIREMENT 1 (Domestic Legal Framework)	CORE REQUIREMENT 2 (International Legal Framework)	OVERALL DETERMINATION
Andorra	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Anguilla	In Place	In Place	In Place
Antigua and Barbuda	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Argentina	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Aruba	Not In Place	In Place	Not In Place
Australia	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Austria	In Place	In Place	In Place
Azerbaijan	Not In Place	In Place	Not In Place
Bahrain	In Place	In Place	In Place
The Bahamas	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Barbados	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Belgium	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Belize	Not In Place	In Place	Not In Place
Bermuda	In Place	In Place	In Place
Brazil	In Place	In Place	In Place
British Virgin Islands	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Brunei Darussalam	In Place	In Place	In Place
Bulgaria	In Place	In Place	In Place
Canada	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Cayman Islands	In Place	In Place	In Place
Chile	In Place But Needs Improvement	In Place	In Place But Needs Improvement
China	In Place	In Place	In Place
Colombia	In Place	In Place	In Place
Cook Islands	In Place	In Place	In Place
Costa Rica	Not In Place	In Place	Not In Place
Croatia	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Curaçao	Not In Place	In Place	Not In Place
Cyprus	In Place	In Place	In Place
Czech Republic	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Denmark	In Place	In Place	In Place
Dominica	Not In Place	In Place	Not In Place
Estonia	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Faroe Islands	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Finland	In Place	In Place	In Place
France	In Place	In Place	In Place
Germany	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Gibraltar	In Place	In Place	In Place
Greece	In Place	In Place	In Place
Greenland	In Place	In Place	In Place
Grenada	Not In Place	In Place	Not In Place
Guernsey	In Place	In Place	In Place
Hong Kong (China)	In Place	In Place	In Place
Hungary	In Place But Needs Improvement	In Place	In Place But Needs Improvement

Annexes

Jurisdiction	CORE REQUIREMENT 1 (Domestic Legal Framework)	CORE REQUIREMENT 2 (International Legal Framework)	OVERALL DETERMINATION
Iceland	In Place	In Place	In Place
India	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Indonesia	In Place	In Place	In Place
Ireland	In Place	In Place	In Place
Isle of Man	In Place	In Place	In Place
Israel	Not In Place	In Place	Not In Place
Italy	In Place	In Place	In Place
Japan	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Jersey	In Place	In Place	In Place
Korea	In Place	In Place	In Place
Latvia	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Lebanon	In Place	In Place	In Place
Liechtenstein	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Lithuania	In Place	In Place	In Place
Luxembourg	In Place	In Place	In Place
Macau (China)	Not In Place	In Place	Not In Place
Malaysia	In Place	In Place	In Place
Malta	In Place	In Place	In Place
Marshall Islands	In Place	In Place	In Place
Mauritius	In Place	In Place	In Place
Mexico	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Monaco	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Montserrat	In Place	In Place	In Place
Nauru	In Place	In Place	In Place
Netherlands	In Place But Needs Improvement	In Place	In Place But Needs Improvement
New Zealand	In Place	In Place	In Place
Niue	In Place	In Place	In Place
Norway	In Place	In Place	In Place
Pakistan	In Place	In Place	In Place
Panama	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Poland	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Portugal	In Place	In Place	In Place
Qatar	In Place	In Place	In Place
Romania	Not In Place	In Place	Not In Place
Russia	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Saint Kitts and Nevis	In Place	In Place	In Place
Saint Lucia	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Saint Vincent and the Grenadines	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Samoa	In Place	In Place	In Place
San Marino	In Place	In Place	In Place
Saudi Arabia	In Place	In Place	In Place
Seychelles	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Singapore	In Place	In Place	In Place
Sint Maarten	Not In Place	Not In Place	Not In Place

Jurisdiction	CORE REQUIREMENT 1 (Domestic Legal Framework)	CORE REQUIREMENT 2 (International Legal Framework)	OVERALL DETERMINATION
Slovak Republic	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Slovenia	In Place	In Place	In Place
South Africa	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Spain	In Place	In Place	In Place
Sweden	In Place	In Place	In Place
Switzerland	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Trinidad and Tobago	Not In Place	Not In Place	Not In Place
Turkey	In Place	In Place	In Place
Turks and Caicos Islands	In Place But Needs Improvement	In Place	In Place But Needs Improvement
United Arab Emirates	In Place	In Place	In Place
United Kingdom	In Place	In Place	In Place
Uruguay	In Place But Needs Improvement	In Place	In Place But Needs Improvement
Vanuatu	In Place	In Place	In Place

Annex B | Implementation of the EOIR standard

Jurisdiction	EOIR PEER REVIEWS	
	ROUND 1 OVERALL RATING	ROUND 2 OVERALL RATING
Albania	Largely Compliant	
Andorra	Provisionally Largely Compliant*	Largely Compliant
Anguilla	Partially Compliant	Non Compliant
Antigua and Barbuda	Provisionally Largely Compliant*	
Argentina	Largely Compliant	
Aruba	Largely Compliant	Largely Compliant
Australia	Compliant	Largely Compliant
Austria	Largely Compliant	Largely Compliant
Azerbaijan	Largely Compliant	
The Bahamas	Largely Compliant	Largely Compliant
Bahrain	Largely Compliant	Compliant
Barbados	Largely Compliant	Partially Compliant
Belgium	Compliant	Largely Compliant
Belize	Largely Compliant	
Bermuda	Largely Compliant	Largely Compliant
Botswana	Largely Compliant	Partially Compliant
Brazil	Largely Compliant	Largely Compliant
British Virgin Islands	Largely Compliant	
Brunei Darussalam	Largely Compliant	Largely Compliant
Bulgaria	Largely Compliant	
Burkina Faso	Largely Compliant	
Cameroon	Largely Compliant	
Canada	Compliant	Largely Compliant

Annexes

Jurisdiction	EOIR PEER REVIEWS	
	ROUND 1 OVERALL RATING	ROUND 2 OVERALL RATING
Cayman Islands	Largely Compliant	Largely Compliant
Chile	Largely Compliant	Largely Compliant
China (People's Republic of)	Compliant	Largely Compliant
Colombia	Compliant	
Cook Islands	Largely Compliant	
Costa Rica	Provisionally Largely Compliant*	Largely Compliant
Croatia	N/A	Largely Compliant
Curaçao	Partially Compliant	Largely Compliant
Cyprus	Largely Compliant	
Czech Republic	Largely Compliant	
Denmark	Compliant	Largely Compliant
Dominica	Provisionally Largely Compliant *	
Dominican Republic	Provisionally Largely Compliant*	Largely Compliant
El Salvador	Largely Compliant	
Estonia	Largely Compliant	Compliant
Finland	Compliant	
France	Compliant	Compliant
Gabon	Largely Compliant	
Georgia	Largely Compliant	
Germany	Largely Compliant	Largely Compliant
Ghana	Largely Compliant	Partially Compliant
Gibraltar	Largely Compliant	Largely Compliant
Greece	Largely Compliant	Largely Compliant
Grenada	Largely Compliant	
Guatemala	Non Compliant in Round 1 and then Provisionally Largely Compliant*	Non Compliant
Guernsey	Largely Compliant	Compliant
Hong Kong (China)	Largely Compliant	Largely Compliant
Hungary	Largely Compliant	Largely Compliant
Iceland	Compliant	
India	Compliant	Largely Compliant
Indonesia	Partially Compliant	Largely Compliant
Ireland	Compliant	Compliant
Isle of Man	Compliant	Compliant
Israel	Largely Compliant	
Italy	Largely Compliant	Compliant
Jamaica	Largely Compliant	Largely Compliant
Japan	Compliant	Largely Compliant
Jersey	Largely Compliant	Compliant
Kazakhstan	N/A	Partially Compliant
Kenya	Largely Compliant	
Korea	Compliant	Largely Compliant
Latvia	Largely Compliant	
Lebanon	Provisionally Largely Compliant*	Largely Compliant

Jurisdiction	EOIR PEER REVIEWS	
	ROUND 1 OVERALL RATING	ROUND 2 OVERALL RATING
Lesotho	Largely Compliant	
Liberia	N/A	Partially Compliant
Liechtenstein	Largely Compliant	Largely Compliant
Lithuania	Compliant	
Luxembourg	Largely Compliant	Largely Compliant
Macau (China)	Largely Compliant	Largely Compliant
Malaysia	Largely Compliant	Largely Compliant
Malta	Largely Compliant	Partially Compliant
Marshall Islands	Provisionally Partially Compliant*	Largely Compliant
Mauritania	Largely Compliant	
Mauritius	Largely Compliant	Compliant
Mexico	Compliant	
Monaco	Largely Compliant	Compliant
Montserrat	Largely Compliant	
Morocco	Largely Compliant	
Nauru	Provisionally Largely Compliant*	Largely Compliant
Netherlands	Largely Compliant	Largely Compliant
New Zealand	Compliant	Compliant
Nigeria	Largely Compliant	
Niue	Largely Compliant	
North Macedonia	Largely Compliant	Largely Compliant
Norway	Compliant	Compliant
Pakistan	Largely Compliant	
Panama	Provisionally Largely Compliant*	Partially Compliant
Papua New Guinea	N/A	Largely Compliant
Peru	N/A	Largely Compliant
Philippines	Largely Compliant	Largely Compliant
Poland	Largely Compliant	
Portugal	Largely Compliant	
Qatar	Largely Compliant	Largely Compliant
Romania	Largely Compliant	
Russia	Largely Compliant	
Saint Kitts and Nevis	Largely Compliant	Largely Compliant
Saint Lucia	Largely Compliant	
Saint Vincent and the Grenadines	Largely Compliant	
Samoa	Provisionally Largely Compliant*	Largely Compliant
San Marino	Largely Compliant	Compliant
Saudi Arabia	Largely Compliant	Largely Compliant
Senegal	Largely Compliant	
Seychelles	Largely Compliant	Partially Compliant
Singapore	Largely Compliant	Compliant
Sint Maarten	Partially Compliant	
Slovak Republic	Largely Compliant	
Slovenia	Compliant	

Jurisdiction	EOIR PEER REVIEWS	
	ROUND 1 OVERALL RATING	ROUND 2 OVERALL RATING
South Africa	Compliant	
Spain	Compliant	Largely Compliant
Sweden	Compliant	
Switzerland	Largely Compliant	Largely Compliant
Trinidad and Tobago	Non Compliant	
Tunisia	N/A	Largely Compliant
Turkey	Partially Compliant	
Turks and Caicos Islands	Largely Compliant	Largely Compliant
Uganda	Largely Compliant	
United Arab Emirates	Provisionally Largely Compliant*	Largely Compliant
United Kingdom	Largely Compliant	Largely Compliant
United States	Largely Compliant	Largely Compliant
Uruguay	Largely Compliant	Largely Compliant
Vanuatu	Provisionally Largely Compliant*	Partially Compliant

Notes:

N/A: indicates that no rating was applied to the jurisdiction, as it became a member of the Global Forum too close to the end of the Round 1 or after its end.

For the same reason, the following jurisdictions will be reviewed for the first time in Round 2: Armenia, Benin, Bosnia and Herzegovina, Cabo Verde, Cambodia, Chad, Côte d'Ivoire, Djibouti, Ecuador, Egypt, Eswatini, Faroe Islands, Greenland, Guinea, Guyana, Haiti, Honduras, Jordan, Madagascar, Kuwait, Maldives, Moldova, Mongolia, Montenegro, Namibia, Niger, Oman, Paraguay, Rwanda, Serbia, Tanzania, Thailand, Togo and Ukraine.

*These jurisdictions have been reviewed under the Fast-Track review procedure and assigned a provisional overall rating. The Global Forum completed its first round of peer reviews in 2016, and subsequently established a Fast-Track review procedure, which was a one-time process to allow jurisdictions to quickly demonstrate the progress made in implementing the EOIR standard.

Up-to-date information can be consulted on the Global Forum website: www.oecd.org/tax/transparency.





For more information:

 www.oecd.org/tax/transparency

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