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OUTCOME OF PROCEEDINGS

From: General Secretariat of the Council

To: Delegations

Subject: The EU list of non-cooperative jurisdictions for tax purposes

- Compilation of commitment letters received from jurisdictions
- = Curaçao
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General Secretariat of the Council
Ms. Fabrizia Lapecorella
Rue de la Loi 175
B-1048 Brussels
België

<i>Datum</i>	- 9 NOV. 2017	<i>Contactpersoon</i>	<i>E-mail</i>
<i>Uw brief d.d.</i>		<i>Uw kenmerk</i>	<i>Ons nummer</i>
<i>Onderwerp</i>		<i>Pagina</i>	<i>Zaaknummer</i>
			2017/042289
			<i>Aantal Bijlagen</i>

Dear Ms. Lapecorella,

In reference to your letter, dated on the 24th of October concerning Curacao's compliance with the criteria agreed on by the Council of the EU, concerning the areas of tax transparency, fair taxation and the implementation of anti-Base Erosion and Profit Shifting measures as set out in the Council's "Conclusions on criteria and process leading to the establishment of EU list of non-cooperative jurisdictions for tax purposes" of the 8th of November 2017. I want to inform you as follows.

Concerning my commitment to address to correct the deficiencies on the stated criteria, I want to leave no doubt that I am fully committed to address the identified deficiencies under criteria 1.1, 1.2 and 2.1. To underscore this commitment, I want to provide you with a further update concerning the stated criteria;

- 1.1. On the 19th of October, the OECD Coordinating body for the implementation of the Common Reporting Standard on the basis of MCAA, has been informed to notify a total of 94 countries including all European Union member states that Curacao will be exchanging information automatically in conformity with the CRS on the basis of the MCAA. Automatic Exchange of Information in conformity with CRS will be started from September 2018. I have attached the signed version of the notification by Curacao to my letter.
- 1.2. The rating for Curacao by the Global Forum on Transparency and Exchange of Information for Tax Purposes, shows deficiencies with the set criteria by the Council of the EU. The supplementary review for Curacao, by which I will commit to address this deficiency, will be requested in accordance with the standards of the Global Forum in the month of November of 2018. During this supplementary

review period, I am committed to get a Largely Compliant rating for Curacao and thus addressing this criterion.

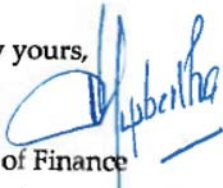
- 2.1 The regimes identified by the Forum on Harmful Tax Practices under action point 5 of the Minimum Standards of BEPS agenda of the OECD, are also mentioned under criterion 2.1 of Code of Conduct Group of the EU. These regimes, which are the E-Zone, Export facility and the Tax Exempt Company regimes have been addressed as in the process of being amended within the FHTP. I want to reiterate my commitment to the BEPS project of the OECD and specifically under this criterion I want to commit to amending these three regimes to fall within the FHTP's guidelines. The process of changing these regimes is already underway and will formally enter the legislation process at the end of 2017. This legislative process implies that the draft legislation will be presented to the consultative bodies, which in this case are the Social-Economic Council (Sociaal-Economische Raad) and the Council of Advice (Raad van Advies). This consultative process with both councils of advice will span the first and second quarter of 2018 and the legislation amending the three regimes earlier mentioned, will be in Parliament at the end of the second quarter of 2018.

Parliament will vote on the amended legislation at the end of second quarter or at the beginning of the third quarter of 2018.

In accordance with the above detailed commitments to the three criteria set out in your letter, dated the 24th of October, Curacao will address the deficiencies ahead of the deadline mentioned by the Code of Conduct Group of the 31st of December of 2018. I also commit to proactively communicate to the Code of Conduct Group, Curacao's progress on the three criteria highlighted by the Code of Conduct Group. This proactive communication with the Code of Conduct Group will span the coming months of this year and the first three quarters of 2018, in accordance with the mentioned timeframes of addressing the identified deficiencies.

To conclude I want to highlight that Curacao will actively participate in the working groups of the Inclusive Framework on BEPS by the OECD and that we will continue to actively be involved in the Global Forum's work on the implementation of the AEOI on the basis of CRS. In addition Curacao will actively follow the work of the Global Forum on EOI, thereby underscoring its commitments to not only the BEPS agenda, but also the to the exchange of information on request and the automatic exchange of information on the basis of the Common Reporting Standards.

Sincerely yours,



Minister of Finance

Pietermaai 17 | Willemstad, Curaçao | T. (+599 9) [REDACTED] F. (+599 9) [REDACTED] | www.gobiemu.cw