

OECD Global Forum on Taxation, 14-15 October 2003

ST VINCENT AND THE GRENADINES: First Submission, Day 1

I wish to thank our hosts the Canadians.

I wish to thank the OECD for responding to our call to host a special meeting on the single issue of the 'level playing field.'

In February 2002 SVG made a commitment to the exchange of information and transparency based on the particular condition precedent of there being a level playing field. The level playing field has not been achieved, as was evident in the examples set out by the representatives from Panama and Antigua and Barbuda. SVG cannot be expected to act on its commitment, while the condition precedent to it doing so has not been met.

There has been some attempt by OECD members to suggest that significant progress is being made, and that some 26 of 30 OECD member states are in agreement on key issues. However, as long as one player is exempt, there is no level playing field. It is those few non-compliant countries, i.e. Switzerland, Luxembourg, Austria and Belgium, with whom we are in direct competition.

There has also been an attempt to disassociate the EU Tax Compromise and the OECD initiative. Such attempts are intellectually unsound. In fact key members of the OECD have acknowledged that the EU Tax Compromise has negatively affected the OECD process.

I call on the OECD to once and for all abandon any prospect of the future resurgence of the 'naming and shaming' exercise and the application of sanctions. Rather I urge the OECD to continue towards a more inclusive, voluntary, participatory process.

Finally, I pose a question to the OECD: what is it doing about Hong Kong and Singapore, which remain outside the OECD initiative to date?

– Louise Mitchell, Acting Offshore Finance Inspector, Offshore Finance Authority