



Government of the Republic of Trinidad and Tobago
MINISTRY OF FINANCE

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MEDIA RELEASE

TRINIDAD AND TOBAGO HAS JOINED THE WORLD'S WIDEST REACHING MULTILATERAL TREATY FOR INTERNATIONAL TAX CO-OPERATION AND EXCHANGE OF INFORMATION BY SIGNING THE MULTILATERAL CONVENTION ON MUTUAL ADMINISTRATIVE ASSISTANCE IN TAX MATTERS

On Thursday, November 7, 2024, at the Organisation for Economic Co-operation and Development (OECD) Headquarters in Paris, the Honourable Colm Imbert, MP, Minister of Finance of Trinidad and Tobago, signed the Multilateral Convention on Mutual Administrative Assistance in Tax Matters (the Convention). This signing brings the total number of jurisdictions participating in the Convention to 149.

By signing the Convention, Trinidad and Tobago joins the most extensive international treaty for tax cooperation and information exchange, strengthening the Convention's presence within the Caribbean. This milestone enables Trinidad and Tobago to engage in information exchange with 148 other jurisdictions, including major global financial centres, contributing to the more than 8,000 exchange relationships already established under the Convention.

The Convention facilitates various forms of mutual assistance in tax matters: information exchange on request, spontaneous exchange, automatic exchange, tax examinations abroad, simultaneous tax examinations, and assistance in tax collection. It also provides robust safeguards to protect taxpayer rights.

As a core instrument for quickly implementing the Standard for Automatic Exchange of Financial Account Information in Tax Matters, the Convention—developed by the OECD and G20 countries supports over 110 jurisdictions in the automatic exchange of offshore financial account information. In addition to information exchange on request and automatic exchange under the Standard, the Convention is instrumental in combating illicit financial flows and upholding the transparency standards of the OECD/G20 Base Erosion and Profit Shifting (BEPS) Project.



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Aligned with these goals, Trinidad and Tobago has also signed the Multilateral Competent Authority Agreements (MCAAs) for the automatic exchange of information under the Common Reporting Standard (CRS) and on Country-by-Country (CbC) Reports, known as the CRS MCAA and the CbC MCAA.

By signing the CRS MCAA, Trinidad and Tobago agrees to collect financial account information from financial institutions (e.g. banks, investment entities) and automatically exchange this information with other participating jurisdictions on an annual basis.

The Addendum to the CRS clarifies, expands, or refines the scope of the CRS or addresses practical implementation issues. It may also cover additional technical details, such as specific data reporting requirements or expanded definitions for particular terms, to ensure consistency and alignment among jurisdictions participating in the CRS.

The CbC MCAA is a separate international agreement designed to facilitate the automatic exchange of Country-by-Country (CbC) reports between tax authorities, in line with Action 13 of the BEPS initiative. CbC reports provide tax administrations with a breakdown of the global allocation of income, taxes, and economic activity of multinational enterprises (MNEs) across the jurisdictions in which they operate. This helps identify aggressive tax planning strategies and profit shifting. The CbC MCAA allows jurisdictions to exchange CbC reports to assess whether MNEs are shifting profits to low or no-tax jurisdictions and ensure compliance with local tax laws.

This signing marks a significant milestone for Trinidad and Tobago, underscoring the nation's commitment to global tax transparency and cooperation. By joining the Convention and the associated MCAAs for automatic exchange under the CRS and CbC Reporting, Trinidad and Tobago demonstrates its dedication to upholding international tax standards and combating illicit financial flows.

For Trinidad and Tobago, this advancement strengthens the nation's tax system, helping to prevent tax evasion and enhance revenue collection, ultimately supporting national development. Additionally, participation in the Convention helps establish Trinidad and Tobago as a compliant and cooperative jurisdiction, fostering greater trust and strengthening economic ties with international partners. This step also aligns with Trinidad and Tobago's efforts to meet European Union and OECD requirements, positioning the country as a leader in the Caribbean on tax matters.

On Friday, November 8, 2024, at the European Union headquarters in Brussels, the Honourable Minister of Finance of Trinidad and Tobago met with the Directorate-General for Taxation and Customs Union of the European Union Council. The focus of the meeting was Trinidad and Tobago's current placement on the European Union's list of non-cooperative tax jurisdictions.

This meeting, requested by Trinidad and Tobago, aimed to showcase the significant strides the country has made over recent months to align with the European Union's criteria for tax cooperation. Given the pivotal nature of the recent signing of the Convention, the Honourable Minister highlighted this milestone as a testament to Trinidad and Tobago's dedication to global tax transparency and compliance.

This in-person meeting provided a vital platform to petition for the country's removal from the list of non-cooperative jurisdictions. Through this dialogue, Trinidad and Tobago demonstrated its commitment to strengthening its global partnerships and enhancing compliance with international tax standards, which are central to its efforts in fostering economic cooperation and development.

The international response to Trinidad and Tobago's historic signing of the Convention and its associated MCAAs on the CRS and CbC Reporting highlights the nation's growing influence and commitment to global tax standards. Several key sources have covered this milestone, showcasing Trinidad and Tobago's strengthened position in international tax cooperation.

The international community has recognized Trinidad and Tobago's recent signing of the Convention and the associated MCAAs on the CRS and CbC Reporting. These developments mark Trinidad and Tobago's commitment to global tax transparency and cooperation, reinforcing its position on the international stage. Coverage from multiple reputable sources highlights this milestone:

1. OECD - "Trinidad and Tobago joins Multilateral Convention to tackle tax evasion and avoidance"

Date: November 8, 2024

Link: <https://www.oecd.org/en/about/news/announcements/2024/11/trinidad-and-tobago-joins-multilateral-convention-to-tackle-tax-evasion-and-avoidance.html>

The OECD's announcement highlights Trinidad and Tobago's commitment to the Multilateral Convention, the most comprehensive international tax treaty for information exchange and cooperation. It emphasizes the Convention's role in enabling jurisdictions to combat tax evasion through various forms of mutual assistance while protecting taxpayer rights.

2. Tax at Hand - "Trinidad and Tobago signs mutual assistance convention, CbC MCAA, and CRS MCAA"

Date: November 8, 2024

Link: <https://www.taxathand.com/article/37108/OECD/2024/Trinidad-and-Tobago-signs-mutual-assistance-convention-CbC-MCAA-and-CRS-MCAA>

This article details Trinidad and Tobago's recent signing, emphasizing how this move expands the nation's participation in international tax cooperation and enables it to share tax information with other jurisdictions. The article highlights the significance of these agreements for the Caribbean region.

3. Orbitax - "Trinidad and Tobago Signs Mutual Assistance Convention, CbC MCAA, and CRS MCAA"

Date: November 8, 2024

Link: <https://orbitax.com/news/archive.php/Trinidad-and-Tobago-Signs-Mutu-57128>

Orbitax covers the implications of the new agreements signed by Trinidad and Tobago, noting that they will enhance the nation's capabilities in tax information sharing, compliance, and transparency. The article underscores how the Convention and MCAAs serve as tools in the global fight against tax evasion.

4. Law360 - "Trinidad and Tobago Joins OECD Tax Transparency Treaty"

Date: November 8, 2024

Link: <https://www.law360.com/tax-authority/articles/2258241/trinidad-and-tobago-joins-oecd-tax-transparency-treaty>

Law360 reports on Trinidad and Tobago's new international tax agreements, highlighting the country's alignment with OECD standards and its bolstered role in international tax transparency. The article discusses how these agreements support the nation's commitment to prevent base erosion and profit shifting.

5. Caribbean News Global - "Trinidad and Tobago joins multilateral convention to tackle tax evasion and avoidance"

Date: November 8, 2024

Link: <https://caribbeannewsglobal.com/trinidad-and-tobago-joins-multilateral-convention-to-tackle-tax-evasion-and-avoidance/>

Caribbean News Global commends Trinidad and Tobago's strategic steps in tax reform, stating that the country's commitment to the OECD and the Convention advances

transparency in the Caribbean. The article emphasizes the importance of these agreements in fighting tax evasion and fostering greater accountability.

These publications underscore Trinidad and Tobago's role as a leader in tax cooperation and transparency within the region, further reinforcing its international standing.

Through the Convention, Trinidad and Tobago will gain greater access to capacity-building support provided by the Global Forum on Transparency and Exchange of Information for Tax Purposes. This support will help the country implement the Exchange of Information on Request and Automatic Exchange of Information on Request standards under the Convention framework. Additionally, Global Forum positive ratings as a result of signing the Convention will enable Trinidad and Tobago **to attract foreign direct investments**, as many international financial institutions incorporate these ratings into their investment policies. **This key milestone will help solidify Trinidad and Tobago's profile as a reliable destination for facilitating business.**

By signing the Convention, Trinidad and Tobago takes a significant step toward being removed from the European Union list of non-cooperative tax jurisdictions and demonstrate our commitment to tax transparency, while enhancing our international standing, ensuring compliance with European Union standards, and protecting our economic interests and credibility.

The Honourable Minister of Finance wishes to highlight to the nation the significant international strides Trinidad and Tobago has made towards being removed from the European Union's list of non-cooperative tax jurisdictions. Through relentless effort, we have strengthened our capacity to improve international compliance, enhancing global confidence in Trinidad and Tobago as a trusted financial partner—a critical step that will help attract foreign investment and stabilize currency flows.

Notably, Trinidad and Tobago successfully completed its second-round peer review on Transparency and Exchange of Information on Request from October 21-25, 2024, and participated in bilateral meetings with the Global Forum and the OECD. Additionally, the Forum on Harmful Tax Practices is expected to publish its assessment on the Special Economic Zones regime in December 2024, and Country-by-Country reporting guidelines are projected for completion by year's end. These achievements mark an intensive year of regulatory advancements and international cooperation, which collectively ensure Trinidad and Tobago meets the criteria for removal from the European Union's list, underscoring our steadfast commitment to international standards and responsible economic governance.

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The Honourable Colm Imbert M.P.
Minister of Finance