

To: Taxation WG, International Affairs & Reinsurance WG
From: Personal & general insurance department
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Subject: EU list of non-cooperative jurisdictions for tax purposes

Summary

On 14 February, the Ecofin Council revised the EU list of non-cooperative jurisdictions for tax purposes. The revision added the following four jurisdictions:

- **British Virgin Islands**, because it does not have a rating of at least “largely compliant” by the Global Forum for exchange of information on request.
 - **Costa Rica**, because it has a harmful foreign source income exemption regime and has not resolved this issue yet.
 - **Marshall Islands**, as it facilitates offshore structures and arrangements aimed at attracting profits without real economic substance.
 - **Russia**, because it has a harmful preferential tax regime for international holding companies.
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- After this update, the EU list is made up of 16 jurisdictions due to their lack of commitment to improve their tax good governance or due to the lack of progress in delivering on their previous commitments.
 - The criteria used to screen jurisdictions are tax transparency, fair taxation and anti-base erosion and profit shifting (BEPS) measures.
 - The 16 jurisdictions that are now part of Annex I are:
 - American Samoa
 - Anguilla
 - Bahamas
 - British Virgin Islands
 - Costa Rica
 - Fiji
 - Guam
 - Marshall Islands
 - Palau
 - Panama
 - Russia
 - Samoa
 - Trinidad and Tobago
 - Turks and Caicos Islands
 - US Virgin Islands
 - Vanuatu

Background

- The EU list of non-cooperative jurisdictions for tax purposes was established in December 2017. It is part of the EU’s external strategy on taxation and aims to contribute to ongoing efforts to promote good tax governance worldwide.

- Jurisdictions are assessed on the basis of [a set of criteria](#) laid down by the Council. These criteria cover tax transparency, fair taxation and implementation of international standards designed to prevent tax base erosion and profit shifting.
- Since 2020, the Council updates the list twice a year. The next revision of the list is scheduled for October 2023.
- The list is set out as an annex to [conclusions](#) adopted by the Ecofin Council (Annex I) on the EU list of non-cooperative jurisdictions for tax purposes.
- The conclusions also include a state-of-play document (Annex II) identifying cooperative jurisdictions which have made further improvements to their tax policies or related cooperation. 18 jurisdictions are currently included in Annex II. A timeline of Annex I and Annex II lists can be found [here](#).
- The Council's decisions are prepared by the Council's code of conduct group (CoCG) which is also responsible for monitoring tax measures in the EU member states. More information about the CoCG can be found [here](#).
- More information regarding the rationale and the objectives of the list can be found [here](#).

Next steps

- October 2023, next revision of the non-cooperative jurisdictions list.