Ministry of Finance, National Planning and Trade
Liberty House, P.O Box 313/Victoria/ Mahé, Seychelles

Press Release

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Seychelles removed from Annex I of the EU list of non-cooperative jurisdictions for tax purposes

"*EU's positions are now more reflective of the current state of play of the Seychelles' compliance with the standards on tax transparency"*, says Minister Naadir Hassan

The European Union (EU) Council has removed Seychelles from Annex I of the EU list of non-cooperative jurisdictions for tax purposes (the so-called EU blacklist) with effect from Tuesday 19th February 2024, and added the jurisdiction to Annex II of the list (the so-called EU greylist).

The Council's determination is in line with their listing criterion, recognizing the Organisation for Economic Co-Operation and Development (OECD) Global Forum on Transparency and Exchange of Information for Tax Purposes (the Global Forum) approval to grant Seychelles a supplementary review on the implementation of the standard of transparency and exchange of information on request (EOIR).

The Minister for Finance, National Planning and Trade, Mr. Naadir Hassan welcomed the Council's determination and stated "we are pleased that the Global Forum and EU Council positions are now more reflective of the current state of play of the Seychelles' compliance with the standards on tax transparency, and that they recognize the progress and commitment of the country with meeting these standards."

In July 2023, the Global Forum adopted the Supplementary review of the Seychelles maintaining its rating of Partially Compliant against the standard on EOIR (the Standard), which resulted in Seychelles being added to Annex I of the EU list of non-cooperative jurisdictions for tax purposes in October 2023.

Whilst Seychelles disagreed with this position, it remained confident of its ability to continue to demonstrate progress and be approved for a supplementary review. In line with its commitment to submit for this supplementary review at the earliest opportunity, Seychelles authorities engaged with the Global Forum Secretariat and submitted its request for such review in mid-December 2023. The request was submitted on the basis of significant improvements in relation to the quality and timeliness of exchange of information (EOI) requests and maintained and improved supervision and enforcement activities to ensure compliance with the framework. The Peer Review Group (PRG) of the Global Forum approved the proposal that these represented sufficient likelihood of an upgrade to the overall rating of Seychelles against the Standard such that the country qualified for a supplementary review. This review will be launched in 2025 and include an on-site visit by the assessment team.

The Minister commented that Seychelles remains highly confident that the determination of this upcoming review will be positive, and reaffirmed the commitment of the jurisdiction in being a key player in the promotion of tax transparency, and an effective partner for EOIR.

"While we welcome the determination of the Global Forum to approve our supplementary review and the EU Council to move us to Annex II, we maintain that the determination of these two bodies last year were not appropriately considered. We firmly believe that the list has been ineffective in its objective of promotion of good tax governance standards in this instance, as the Seychelles in no way amended its strategy in relation to meeting the Standards as a result of the listing, and indeed, the progress demonstrated would have been achieved irrespective of the listing. The authorities continue to engage actively to address any outstanding deficiencies, and we are confident that following the conclusion of this upcoming review, Seychelles will be removed from the EU list altogether" said Minister Hassan.

"We continue to urge of the need to review the methodology for assessment of a jurisdiction's compliance with the Standards, to ensure that reports and associated lists appropriately reflect the current state of a country's commitment, and do not disproportionately damage jurisdictions for legacy matters."

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