Barbados signs OECD’s Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting

Barbados removed from European Union’s Blacklist of non-cooperative tax jurisdictions

Paris, France, January 25, 2018. – In a ceremony in Paris on January 24th, Barbados officially signed the OECD’s Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (MLI). The signing ceremony marks Barbados’ longstanding commitment to international standards and tax rules designed to counter treaty abuse and improve dispute resolution while facilitating the use of its treaty network to eliminate double taxation.

“Since its declaration of independence in 1966, Barbados has embraced government-to-government transparency, the creation of businesses of substance and sound regulation,” stated Donville Inniss, Barbados’ Minister of Industry, International Business, Commerce and Small Business Development. “Today’s signing of the OECD’s MLI is a reaffirmation of Barbados’ longstanding commitment to philosophies, rules and legislation that ethically facilitate international trade and commerce.”

In a parallel development, the European Union (EU) clarified its relationship with Barbados by removing the country from its blacklist, thereby acknowledging it as a tax jurisdiction committed to the improvement of their taxation standards. The reclassification of Barbados recognizes work that was done by the island nation to accommodate the EU’s strategy for effective international taxation. The move by the EU also removes the barriers to international business that are created when a nation is classified as “blacklisted”.

“Barbados is also pleased that its business relationship with the European Union has been clarified,” continued Minister Inniss. “Barbados will continue to be an innovative and highly cooperative partner within the global economy – working assiduously to reinforce its place as a pre-eminent offshore financial jurisdiction and destination of choice for international business.”

About Barbados’ international business sector

Barbados’ international business sector contributes approximately 10% of the nation’s GDP and is comprised of approximately 4,000 entities. Significant vertical markets within the international business sector include: financial services, niche manufacturing, and information and communications technologies.