



G7 BARI DECLARATION ON FIGHTING TAX CRIMES AND OTHER ILLICIT FINANCIAL FLOWS

Whereas the fight against tax crimes, money laundering, the financing of terrorism, bribery and corruption requires concerted international effort, including through enhanced inter-agency cooperation and exchange of information;

Whereas the 2013 Lough Erne Declaration stressed the importance of fighting tax evasion through the automatic exchange of information and access by tax and law enforcement authorities to beneficial ownership information;

Whereas the 2014 Brussels Declaration by the Leaders of the Group of Seven affirmed our commitment to tackle tax evasion and illicit financial flows, including by supporting developing countries to strengthen their tax base and help create stable and sustainable states;

Whereas the 2015 Schloss Elmau Declaration by the Leaders of the Group of Seven emphasised the importance of beneficial ownership transparency for combatting tax evasion, corruption and other activities generating illicit flows of finance;

Whereas the 2016 G7 Iseshima Summit Communiqué, along with G7 Action to Fight Corruption, supported action to prevent and tackling corruption and welcomed the outcomes of the 2016 London Anti-Corruption Summit;

Whereas the capacity of developing countries to mobilise domestic resources is one of the foundations of financing for development, and critical to the achievement of the global 2030 Agenda for sustainable development, and is affected by illicit financial flows;



Recognizing the work of the OECD to drive the fight against tax crimes, bribery and corruption through enhanced transparency and improved international and inter-agency cooperation, including through the Oslo Dialogue;

Having regard to the activity of the OECD in monitoring the implementation and enforcement of the 1997 OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions;

Acknowledging the work of the Financial Action Task Force (FATF) on money-laundering, the financing of terrorism and proliferation of weapons of mass destruction;

We, G7 Finance Ministers, declare that:

1. We support a holistic approach to fighting tax and financial crime based on effective interagency and international co-operation, especially through improved access to and effective exchange of information, with consideration of domestic circumstances;
2. We will continue to work to ensure access to beneficial ownership information for tax authorities, financial intelligence units and law enforcement agencies, and welcome the work by the FATF and the Global Forum on Transparency and Exchange of Information for Tax Purposes on reinforcing inter-agency and international cooperation, in particular on beneficial ownership information. We also look forward progress on the work by the OECD in complementary tax areas relating to beneficial ownership;
3. We look forward to the OECD Task Force on Tax Crime and Other Crimes' update of the 2013 *Report on Effective Inter-Agency Co-operation in Fighting Tax Crimes and Other Financial Crimes*, and call for a report back at our next meeting;
4. We ask the OECD to start discussing possible ways to address arrangements designed to circumvent reporting under the Common Reporting Standard or aimed at providing beneficial owners with the shelter of non-transparent structures, considering also model mandatory disclosure rules inspired by the approach taken for avoidance arrangements outlined within the BEPS Action 12 Report, and to report back to the Group of Seven by our next meeting. We encourage the G20 to endorse this work;
5. We will ensure that tax and financial crimes, which involve illicit financial flows, including foreign bribery, are effectively investigated, prosecuted and sanctioned;
6. We support the efforts to combat corruption in all its forms, in particular by improving the capacity of the existing networks and exploring innovative methods;



7. We reiterate our commitment to fully and effectively implement the FATF standards, including on designated non-financial businesses and professions, and we welcome the ongoing work on global professional conduct and practice standards that reflect the role that professions like lawyers, accountants and auditors can play in the fight against tax and financial crime;
8. We will support the strengthening of capacity of developing countries in the fight against tax crimes and other illicit financial flows. We also welcome new initiatives in this area, like the establishment by the OECD of the Africa Academy for Tax and Financial Crime Investigation in Kenya.

Bari, Italy
13 May 2017