



MINISTRY OF FINANCE  
REPUBLIC OF SOUTH AFRICA

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## STATEMENT ON AUTO EXCHANGE TAX INFO

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Today, South Africa and the United Kingdom have agreed to work closer together to tackle offshore tax evasion, including through pressing for stronger international action. This builds on the strengthening resolve of the G20 to ensure everyone pays the tax that is due.

South Africa will join the pilot scheme for the automatic exchange of tax information launched by the United Kingdom, along with France, Germany, Italy and Spain. This initiative has received growing support worldwide, demonstrating the growing number of jurisdictions committed to quickly implementing the new standard in the automatic exchange of tax information being developed by the OECD.

Greater automatic information exchange will provide a step change in our ability to expose hidden assets and ensure the correct payment of tax. Both South Africa and the United Kingdom strongly encourage other countries to join in this effort.

Greater tax transparency and exchange of information will benefit both developed and developing countries. The G20 has committed to provide technical assistance to developing countries to ensure they can benefit from greater tax transparency, given the importance taxation plays in governance and state-building. As part of this, the United Kingdom and South Africa have committed to a long-term partnership to support the tax capacity building of revenue authorities in the region.

South African Finance Minister Pravin Gordhan said: "The automatic exchange of tax information will contribute to the establishment of a more effective, efficient and fair international tax system. As more countries join this movement, it will ultimately benefit poor countries who are often the victims of organised efforts to undermine their tax bases. In this regard, there needs to be increased cooperation between advanced and developing countries in order to enhance the protection of the tax base of developing countries and to build the capacity of their tax administrations. South Africa has been working with more than 28 fellow African nations through the African Tax Administration Forum (ATAF) to improve the efficacy of their tax legislation and administrations."

UK Chancellor of the Exchequer, George Osborne said: "I strongly welcome this significant step taken by South Africa, which shows the increasing momentum behind stepping up our efforts to crack down on offshore tax evasion. The message to those who attempt to conceal their assets offshore is clear: our resolve is stronger than ever, the net is closing in and the world is becoming a smaller place for those looking to evade their responsibilities by seeking not to pay the taxes that are due."

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