

REPUBLIC OF NAURU
CORPORATIONS (AMENDMENT) BILL 2016

SECOND READING SPEECH

Honourable David Adeang M.P.

10th March 2016

Mr. Speaker Sir,

I have the pleasure of introducing to the House today a Bill for the amendment of the *Corporations Act 1972*.

The purpose of this amendment is to amend and remove the bearer shares and bearer debentures sections of the Act. This will provide legislative authority for the Government to meet transparency requirement as these classes present a major deficiency in the transparency of ownership.

This Bill once passed will signal to the international community the formal commitment of Nauru to the principles of the OECD Global Forum in promoting international standards of transparency and exchange of information for tax purposes.

Nauru joined the Global Forum in 2009, and has committed to the international standards of transparency and effective exchange of information for tax purposes.

This amendment to the Corporations Act 1972 will re-inforce Nauru's commitment to work with the OECD to address harmful tax practices, help eliminate vehicles for money laundering and promote transparency.

Mr Speaker, it is for this reason that Nauru is now embarking on this important initiative.

For some years Nauru was identified as an offshore financial centre, a misconception still held to this day by some tax jurisdictions, overseas bankers and a portion of the general overseas community.

Mr. Speaker, this Bill, once passed, will serve to clearly demonstrate to the global tax, banking and general community that Nauru is ready and willing to move forward in the fight against tax avoidance and fraudulent tax practices with transparency.

Mr Speaker, the explanatory memorandum describes in detail the provisions of the Bill.

I commend the Bill to the House.