

**REPUBLIC OF NAURU**  
**AUTOMATIC EXCHANGE OF FINANCIAL ACCOUNT INFORMATION**  
**(AMENDMENT) BILL 2016**

**SECOND READING SPEECH**

**Honourable David Adeang MP**

**22<sup>nd</sup> December 2016**

Mr. Speaker Sir,

I have the pleasure of introducing to the House today the Automatic Exchange of Financial Account Information (Amendment) Bill.

This Bill, once passed, will strengthen the Automatic Exchange of Financial Account Information Act, and result in a more practical application of the provisions of this law. It will also further re-inforce the formal commitment of Nauru to the mandate of the OECD Global Forum in promoting international co-operation in tax matters through exchange of information.

Mr Speaker, the Automatic Exchange of Financial Account Information Act was certified on 4<sup>th</sup> November 2016, and provides the legal framework for implementing the obligations of Nauru arising under an agreement for the implementation of the standard of automatic exchange of financial account information in tax matters. This law requires Reporting Financial Institutions in Nauru to report financial information to the Secretary for Finance on an annual basis.

This Bill, once passed, will make minor technical changes to the provisions of the Automatic Exchange of Financial Account Information Act, and will remove any doubt, ambiguity or unintended consequences in the interpretation and application of the law.

Mr. Speaker, this Bill, once passed, will serve to ensure that the necessary legislative framework is in place, and that it reflects best practice in the application of the law, so that the intended outcomes are fairly achieved. It will clearly demonstrate to the global tax community that Nauru is ready and willing to move forward in the fight against tax avoidance and fraudulent tax practices.

Mr Speaker, the explanatory memorandum details the provisions of the Bill.

I commend the Bill to the House.