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Methodology

The research methodology adopted in this paper includes the following elements:

1. An analysis of data from the 2006 Assessment relating to a sample of 25 countries. The analysis is aimed at identifying the nature and prevalence of limitations within the relevant legal and administrative frameworks. As the 2006 Assessment lists the details of limitation but does not give aggregate or prevalence data, the paper focuses on that aspect. The countries in the sample were selected to reflect the geographic dispersion as well as the population and GDP dispersion of the 82 countries covered in the Assessment. This sample has been further divided into three groups: OECD, ITIO and non-OECD/non-ITIO.

2. A correlation of data in the 2006 Assessment with materials published by other international organisations, including the World Bank, the FATF and the IMF, as well as data published by individual governments.

3. An analysis of interviews conducted with representatives from individual small and developing Commonwealth countries that participated in the 2006 Assessment process to establish factors which were outside the scope of the 2006 OECD Assessment, but which, from the perspective of those countries, contribute to what has been identified as the 'unlevel playing field'.

It should be noted that the limitations addressed in the context of the 2006 Assessment refer only to legal and administrative mechanisms, rather than to limitations related to the actual practices of the countries. The ability to provide tax information for foreign tax authorities only pursuant to an international agreement is not viewed as a limitation, as this is an accepted international norm.

The countries reviewed include:

- First Group – OECD countries:
  The OECD countries selected include all of the group of seven leading industrial countries (G-7) – USA, UK, Canada, Japan, France, Germany and Italy. Other OECD countries which also have developed economies with strong financial services industries and which are included in the First Group are Switzerland, Austria and Luxembourg.

- Second Group – ITIO countries:
  The ITIO countries selected reflect the geographical dispersion of ITIO member countries in the Caribbean, the Pacific and Europe. The countries selected from the Caribbean are the Cayman Islands, Barbados, the British Virgin Islands, St Kitts and

Nevis, and St Lucia. The countries selected from the Pacific are Samoa and Vanuatu. The European country included is the Isle of Man.

- Third Group – Other Countries:
  Included in this group are non-ITIO and non-OECD countries which also reflect the geographical dispersion of countries included in the 2006 Assessment. The countries include Mauritius, Singapore, United Arab Emirates, Bahrain, Hong Kong, China, Costa Rica and Monaco.