

POLITICAL DECLARATION

Today, the Government of Sweden and the States of Guernsey have agreed to enter into four agreements aimed at strengthening and broadening their current economic and trading relationship.

Sweden and Guernsey have signed an Agreement on the Exchange of Information in Tax Matters. The Agreement constitutes an important step forward in the global effort towards an international financial system that is free of distortions created through lack of transparency and lack of effective exchange of information in tax matters.

Both parties recognise the other's commitment to comply with international standards and to participate in international efforts to combat money laundering, terrorist financing, financial and other crimes including fiscal crime.

Sweden and Guernsey have also signed a Shipping and Air Transport Agreement; an Agreement for the Avoidance of Double Taxation on Individuals; and a Mutual Agreement Procedure in Connection with the Adjustment of Profits of Associated Enterprises. The objective of these agreements is to eliminate tax obstacles to free trade between Guernsey and Sweden. The two former agreements prevent international double taxation by allocating taxing rights between Guernsey and Sweden and the latter agreement provides for a competent authority procedure for resolving double taxation cases arising in relation to associated enterprises.

Following the entry into force of these agreements, Sweden and Guernsey will continue the dialogue to examine what measures could be adopted to further enhance and broaden their political and economic relationship including the further clarification of elements of double taxation, discrimination and other undesired tax barriers and the further extension of the arrangements for information exchange.

Sweden welcomes Guernsey as a member of the community of nations committed to international cooperation and full and effective information exchange on tax matters, and wishes to assure the States of Guernsey that Guernsey will be fully and equally treated as such by the authorities of Sweden.

Sweden and Guernsey look forward to working together to expand their bilateral commercial links and to developing a long term political relationship based on transparency and cooperation.

Helsinki, 28 October 2008
