

THE MARSHALL ISLANDS CORPORATE REGISTRY

COMPLIANCE UPDATE

ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT (OECD)

The Republic of the Marshall Islands (RMI) received a rating of "largely compliant" on 12 November 2019 following its second round review against the 2016 Terms of Reference, which analyzed the implementation of the international standard of transparency and exchange of information on request. Panama's second round review was adopted at the same time, and they received a rating of "partially compliant." Liberia also received a rating of "partially compliant" on 6 April 2020. Liberia had not been evaluated since 2012 because the country fell below the poverty index and faced challenges from an Ebola outbreak.

FINANCIAL ACTION TASK FORCE (FATF)

The RMI was put on regular follow-up following its 2011 evaluation. For reference, regular follow-up is the highest rating achievable. It will undergo its next evaluation in the fourth quarter of 2020, with its report to be adopted in 2021. Several countries have already been evaluated under the new standards, and a number of those jurisdictions were evaluated as having strategic deficiencies regarding anti-money laundering activities

and in combatting the financing of terrorism. Both the Bahamas and Panama have been listed as jurisdictions with strategic deficiencies.

EUROPEAN UNION (EU)

The RMI is currently whitelisted by the EU after being removed from the EU blacklist of non-cooperative jurisdictions for tax purposes on 14 November 2019. This is due in part to the economic substance regulations that the RMI implemented. It is important to note that Liberia has not yet been evaluated by the EU. When Liberia is evaluated, it will be held to the same standards and will also be required to implement economic substance regulations before it is evaluated to be in compliance with EU standards. Panama was placed on the EU blacklist on 18 February 2020.

FRANCE

The RMI was removed from the French tax haven blacklist on 7 January 2020. Importantly, Panama remains on the blacklist, and the Bahamas and the British Virgin Islands have now been added to the blacklist.

JURISDICTION COMPARISON

	OECD		FATF		EU		FRANCE	
	non-compliant partially compliant	compliant largely compliant	non-compliant strategic deficiencies	compliant regular follow-up	non-compliant black/gray list	compliant white list	non-compliant ETNC* listed	compliant not ETNC* listed
BAHAMAS	-	X	X	-	X	-	X	-
CAYMAN ISLANDS	-	X	-	X	X	-	-	X
MARSHALL ISLANDS	-	X	-	X	-	X	-	X
PANAMA	X	-	X	-	X	-	X	-
LIBERIA	X	-	not evaluated		not evaluated		not evaluated	

* states and non-cooperative territories (ETNC) list

as of 6 April 2020



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