

## **POLITICAL DECLARATION**

Today, the Governments of the Faroes and the Isle of Man have agreed to enter into four agreements aimed at strengthening and broadening their current economic and trading relationship.

The Faroes and the Isle of Man have signed an Agreement on the Exchange of Information in Tax Matters. The Agreement constitutes an important step forward in the global effort to establish an international financial system that is based on transparency and effective exchange of information in tax matters.

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

The Faroes and the Isle of Man 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 the Isle of Man and the Faroes. The two former agreements prevent international double taxation by allocating taxing rights between the Isle of Man and the Faroes 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, the Faroes and the Isle of Man will continue to examine what measures could be adopted to further enhance and broaden their political and economic relationship.

The Faroes and the Isle of Man look forward to working together to expand their bilateral commercial links and to developing a long term political relationship based on transparency and cooperation.

Done at Oslo, this thirtieth day of October 2007, in duplicate in the English language

**FOR THE GOVERNMENT  
OF THE ISLE OF MAN:**

**FOR THE GOVERNMENT OF  
THE FAROES:**

.....

.....