



MINISTER VAN
FINANCIEN

Mr. Donald Johnston
Secretary General
OECD
2 Rue André Pascal
75775 Paris Cedex 16
France

November 30, 2000

Dear Mr. Johnston,

Level One Commitment - The Netherlands Antilles

I am writing in connection with the OECD's project on harmful tax competition and the OECD's Report, *Harmful Tax Competition: An Emerging Global Issue* (the "OECD Report").

In view of the above, I am pleased to inform you that the Government of the Netherlands Antilles hereby commits to the elimination of tax practices that have been determined by the Forum on Harmful Tax Competition to be harmful in accordance with the OECD Report. The Netherlands Antilles undertakes to implement such measures (including through any legislative changes) as are necessary to fulfil this commitment.

We commit in particular to a programme of effective exchange of information in tax matters, transparency, and the elimination of any aspects of the regimes for financial and other services that attract with no substantial domestic activities.

Details of these steps and a specific timetable will be agreed with the Forum. This timetable will involve the phased elimination, concluding by the end of the year 2005, of any aspects of the Netherlands Antilles regimes that are determined by the Forum on Harmful Tax Competition to be harmful.

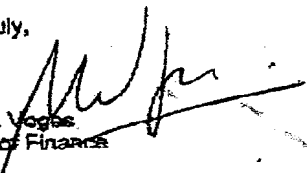
We understand that the OECD is prepared to assist us in establishing, improving, or maintaining such practices and procedures as are necessary to comply with that commitment.

We further commit to refrain from:

- (1) introducing any new regime that would constitute a harmful tax practice under the OECD Report;
- (2) for any existing regime related to financial and other services that currently does not constitute a harmful tax practice under the OECD Report, modifying the regime in such a way that, after the modifications, it would constitute a harmful tax practice under the OECD Report; and
- (3) strengthening or extending the scope of any existing measure that currently constitutes a harmful tax practice under the OECD Report.

We intend to release this letter of commitment and its transmittal letter to the public and would welcome the OECD's release of this letter after the Committee on Fiscal Affairs reports to the OECD council on the progress of its work, which we understand is expected by mid-July 2001.

Yours truly,



Mr. W.R. Vogas
Minister of Finance

For and on behalf of the
Government of the Netherlands Antilles