

Government of Pakistan  
Revenue Division  
Federal Board of Revenue  
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C. No. 2(103)Int.Taxes-Ops/2014/75961-R

Islamabad, 14<sup>th</sup> June 2017

To

1. Ms Khalida Habib,  
Director Investor Education and International Relations,  
Securities and Exchange Commission of Pakistan,  
Islamabad.
  
2. Mr. Nadeem Akhtar Sherazi,  
Deputy Director,  
Banking Policy and Regulations Department,  
State Bank of Pakistan,  
Karachi

Subject: **List of Participating Jurisdictions in accordance with clause (am) of Rule 78B of Chapter XIIA of the Income Tax Rules 2002.**

Pakistan has signed the Multilateral Competent Authority Agreement (the CRS-MCAA) on 7<sup>th</sup> June, 2017 and its Annexure E consists of a list of Participating jurisdictions for automatic exchange of information. Under clause (am) of rule 78B of Chapter XIIA of the Income Tax Rules 2002, the Reporting Financial Institutions, are required to provide the information as specified in Rule 78C of the said rules to FBR pertaining to the reportable persons of the jurisdictions to be identified in a published list to be made available on FBR web portal. The term Participating Jurisdictions has been defined in the said rule as under:

*Participating Jurisdictions "means a jurisdiction (i) with which an agreement is in place pursuant to which it will provide the information specified in Rule 78C, and (ii) which is identified in a published list to be made available on FBR's web portal;"*

2. As the financial institutions are required to start their due diligence procedures for reportable financial accounts from 1<sup>st</sup> July, 2017, therefore it is imperative for FBR to issue the list of Participating Jurisdictions before the cut-off date. As the CRS rules provide a concept of passive NFE (Non- Financial Entity) which is defined as an entity which is not an active entity and it includes an Investment entity which is not a Participating Jurisdiction Financial Institution. As a result, Reporting Financial

Institutions are required to “look through” for “controlling persons” of such investment entities which are not located in Participating Jurisdictions. In such cases the reporting financial institutions will report on the controlling persons who are reportable persons. Therefore, it is important for the financial institutions to have a list of Participating Jurisdictions, published by FBR, so that they can carry on with their required due diligence process and to apply the “look through” treatment in case of Investment entities which are non participating jurisdiction financial institutions .

3. In the light of above, FBR has published the list of Participating Jurisdictions on provisional basis which may be updated as and when required. It is requested that the financial institutions under control of your respective organizations may kindly be informed accordingly. The list is available on official web portal of FBR i.e. [www.fbr.gov.pk](http://www.fbr.gov.pk) and a copy is enclosed herewith for ease of reference.

4. In addition to the above, it is pertinent to mention here that certain amendments have been made in 78B of CRS Rules, amending the definitions of “Reporting Financial Institutions” and “Participating Jurisdiction Financial Institutions” vide SRO no. 452(I)/2017 dated 8<sup>th</sup> June, 2017. Copy of the said SRO is also attached for reference please.



(Rabia Yaser Durrani)  
Secretary (exchange of Information)  
International Taxes

**Provisional List of Participating Jurisdictions for Automatic Exchange  
Of Information**

Sr No	JURISDICTION FROM WHICH THE COMPETENT AUTHORITY IS FROM
1.	ALBANIA
2.	ANDORRA
3.	ANGUILLA
4.	ANTIGUA AND BARBUDA
5.	ARGENTINA
6.	ARUBA
7.	AUSTRALIA
8.	AUSTRIA
9.	BARBADOS
10.	BELGIUM
11.	BELIZE
12.	BERMUDA
13.	BRAZIL
14.	BRITISH VIRGIN ISLANDS
15.	BULGARIA
16.	CANADA
17.	CAYMAN ISLANDS
18.	CHILE
19.	CHINA (PEOPLE'S REPUBLIC OF)
20.	COLOMBIA
21.	COOK ISLANDS
22.	COSTA RICA
23.	CROATIA
24.	CURAÇAO
25.	CYPRUS
26.	CZECH REPUBLIC
27.	DENMARK
28.	ESTONIA

