

AGREEMENT BETWEEN THE COMPETENT AUTHORITIES OF
THE KINGDOM OF NORWAY AND THE REPUBLIC OF PANAMA ON THE AUTOMATIC EXCHANGE OF
FINANCIAL ACCOUNT INFORMATION TO IMPROVE INTERNATIONAL TAX COMPLIANCE

Whereas, the Government of the Kingdom of Norway (“Norway”) and the Government of the Republic of Panama (“Panama”) have a longstanding and close relationship with respect to mutual assistance in tax matters and desire to improve international tax compliance by further building on that relationship;

Whereas, the laws of their respective jurisdictions require financial institutions to report information regarding certain accounts and follow related due diligence procedures, consistent with the scope of exchange contemplated by Section 2 of this Agreement and the reporting and due diligence procedures contained in the Common Reporting Standard;

Whereas, Article 6 of the Convention on Mutual Administrative Assistance in Tax Matters as amended by Protocol (the “Convention”), authorises the exchange of information for tax purposes, including the exchange of information on an automatic basis, and allows the competent authorities of Norway and Panama (the “Competent Authorities”) to agree the scope and modalities of such automatic exchanges;

Whereas, Norway and Panama have or are expected to have in place (i) appropriate safeguards to ensure that the information received pursuant to this Agreement remains confidential and is used solely for the purposes set out in the Convention, and (ii) the infrastructure for an effective exchange relationship (including established processes for ensuring timely, accurate, and confidential information exchanges, effective and reliable communications, and capabilities to promptly resolve questions and concerns about exchanges or requests for exchanges and to administer the provisions of Section 4 of this Agreement);

Whereas, the Competent Authorities desire to conclude an agreement to improve international tax compliance based on reciprocal automatic exchange pursuant to the Convention, and subject to the confidentiality and other protections provided for therein, including the provisions limiting the use of the information exchanged under the Convention;

Now, therefore, the Competent Authorities have agreed as follows:

SECTION 1

Definitions

1. For the purposes of this agreement (“Agreement”), the following terms have the following meanings:
 - a) the term “**Norway**” means the Kingdom of Norway, including any area outside the territorial waters of the Kingdom of Norway, where the Kingdom of Norway, according to Norwegian legislation and in accordance with international law, may exercise her rights with respect to the seabed and subsoil and their natural resources; the term does not comprise Svalbard, Jan Mayen and the Norwegian dependencies (“biland”);
 - b) the term “**Panama**” means the Republic of Panama and, when used in a geographical sense, the territory of the Republic of Panama, including inland waters, its airspace and the territorial sea, and any area outside the territorial sea within which, in accordance with international law and on application of its domestic legislation, the Republic of Panama exercises, or may exercise in the future, jurisdiction or sovereign rights with respect to the seabed, its subsoil and superjacent waters, and their natural resources;
 - c) the term “**Competent Authority**” means:
 - i) in the case of Norway, the Minister of Finance or the Minister’s authorised representative; and
 - ii) in the case of Panama, the Ministry of Economy and Finance or its authorized representative;
 - d) the term “**Norwegian Financial Institution**” means (i) any Financial Institution that is resident in Norway, but excludes any branch of that Financial Institution that is located outside Norway, and (ii) any branch of a Financial Institution that is not resident in Norway, if that branch is located in Norway;
 - e) the term “**Panamanian Financial Institution**” means (i) any Financial Institution that is resident in Panama, but excludes any branch of that Financial Institution that is located outside Panama, and (ii) any branch of a Financial Institution that is not resident in Panama, if that branch is located in Panama;
 - f) the term “**Reporting Financial Institution**” means any Norwegian Financial Institution or Panamanian Financial Institution, as the context requires, that is not a Non-Reporting Financial Institution;
 - g) the term “**Reportable Account**” means a Norwegian Reportable Account or a Panamanian Reportable Account, as the context requires, provided it has been identified as such pursuant to due diligence procedures, consistent with the Common Reporting Standard, in place in Norway or Panama;
 - h) the term “**Norwegian Reportable Account**” means a Financial Account that is maintained by a Panamanian Reporting Financial Institution and held by one or more

Norwegian Persons that are Reportable Persons or by a Passive NFE with one or more Controlling Persons that is a Norwegian Reportable Person;

- i) the term “**Panamanian Reportable Account**” means a Financial Account that is maintained by a Norwegian Reporting Financial Institution and held by one or more Panamanian Persons that are Reportable Persons or by a Passive NFE with one or more Controlling Persons that is a Panamanian Reportable Person;
 - j) the term “**Norwegian Person**” means an individual or Entity that is identified by a Panamanian Reporting Financial Institution as resident in Norway pursuant to due diligence procedures consistent with the Common Reporting Standard, or an estate of a decedent that was a resident of Norway;
 - k) the term “**Panamanian Person**” means an individual or Entity that is identified by a Norwegian Reporting Financial Institution as resident in Panama pursuant to due diligence procedures consistent with the Common Reporting Standard, or an estate of a decedent that was a resident of Panama;
 - l) the term “**TIN**” means a Norwegian TIN or a Panamanian TIN, as the context requires;
 - m) the term “**Norwegian TIN**” means a Norwegian personal identification number or organization number;
 - n) the term “**Panamanian TIN**” means a Sole Taxpayer Registry number (“RUC”, as per its acronym in Spanish).
2. Any capitalised term not otherwise defined in this Agreement will have the meaning that it has at that time under the law of the jurisdiction applying the Agreement, such meaning being consistent with the meaning set forth in the Common Reporting Standard. Any term not otherwise defined in this Agreement or in the Common Reporting Standard will, unless the context otherwise requires or the Competent Authorities agree to a common meaning (as permitted by domestic law), have the meaning that it has at that time under the law of the jurisdiction applying this Agreement, any meaning under the applicable tax laws of that jurisdiction prevailing over a meaning given to the term under other laws of that jurisdiction.

SECTION 2

Exchange of Information with Respect to Reportable Accounts

- 1. Pursuant to the provisions of Article 6 of the Convention and subject to the applicable reporting and due diligence rules consistent with the Common Reporting Standard, each Competent Authority will annually exchange with the other Competent Authority on an automatic basis the information obtained pursuant to such rules and specified in paragraph 2.
- 2. The information to be exchanged is, in the case of Norway with respect to each Panamanian Reportable Account, and in the case of Panama with respect to each Norwegian Reportable Account:
 - a) the name, address, TIN(s) and date and place of birth (in the case of an individual) of each Reportable Person that is an Account Holder of the account and, in the case of

any Entity that is an Account Holder and that, after application of due diligence procedures consistent with the Common Reporting Standard, is identified as having one or more Controlling Persons that is a Reportable Person, the name, address, and TIN(s) of the Entity and the name, address, TIN(s) and date and place of birth of each Reportable Person;

- b) the account number (or functional equivalent in the absence of an account number);
- c) the name and identifying number (if any) of the Reporting Financial Institution;
- d) the account balance or value (including, in the case of a Cash Value Insurance Contract or Annuity Contract, the Cash Value or surrender value) as of the end of the relevant calendar year or other appropriate reporting period or, if the account was closed during such year or period, the closure of the account;
- e) in the case of any Custodial Account:
 - (1) the total gross amount of interest, the total gross amount of dividends, and the total gross amount of other income generated with respect to the assets held in the account, in each case paid or credited to the account (or with respect to the account) during the calendar year or other appropriate reporting period; and
 - (2) the total gross proceeds from the sale or redemption of Financial Assets paid or credited to the account during the calendar year or other appropriate reporting period with respect to which the Reporting Financial Institution acted as a custodian, broker, nominee, or otherwise as an agent for the Account Holder;
- f) in the case of any Depository Account, the total gross amount of interest paid or credited to the account during the calendar year or other appropriate reporting period; and
- g) in the case of any account not described in subparagraph 2(e) or (f), the total gross amount paid or credited to the Account Holder with respect to the account during the calendar year or other appropriate reporting period with respect to which the Reporting Financial Institution is the obligor or debtor, including the aggregate amount of any redemption payments made to the Account Holder during the calendar year or other appropriate reporting period.

SECTION 3

Time and Manner of Exchange of Information

1. For the purposes of the exchange of information in Section 2, the amount and characterisation of payments made with respect to a Reportable Account may be determined in accordance with the principles of the tax laws of the jurisdiction exchanging the information.
2. For the purposes of the exchange of information in Section 2, the information exchanged will identify the currency in which each relevant amount is denominated.

3. With respect to paragraph 2 of Section 2, information is to be exchanged with respect to 2017 and all subsequent years and will be exchanged within nine months after the end of the calendar year to which the information relates. Notwithstanding the foregoing sentence, information is only required to be exchanged with respect to a calendar year if both jurisdictions have in effect legislation that requires reporting with respect to such calendar year that is consistent with the scope of exchange provided for in Section 2 and the reporting and due diligence procedures contained in the Common Reporting Standard.
4. Notwithstanding paragraph 3, the information to be exchanged with respect to 2017 is the information described in paragraph 2 of Section 2, except, for gross proceeds described in subparagraph 2(e)(2) of Section 2, which in the case of Panama is to be exchanged with respect to the year 2018 and all subsequent years.
5. The Competent Authorities will automatically exchange the information described in Section 2 in a common reporting standard schema in Extensible Markup Language.
6. The Competent Authorities will agree on one or more methods for data transmission, including encryption standards.

SECTION 4

Collaboration on Compliance and Enforcement

A Competent Authority will notify the other Competent Authority when the first-mentioned Competent Authority has reason to believe that an error may have led to incorrect or incomplete information reporting or there is non-compliance by a Reporting Financial Institution with the applicable reporting requirements and due diligence procedures consistent with the Common Reporting Standard. The notified Competent Authority will take all appropriate measures available under its domestic law to address the errors or non-compliance described in the notice.

SECTION 5

Confidentiality and Data Safeguards

1. All information exchanged is subject to the confidentiality rules and other safeguards provided for in the Convention, including the provisions limiting the use of the information exchanged and, to the extent needed to ensure the necessary level of protection of personal data, in accordance with the safeguards which may be specified by the supplying Competent Authority as required under its domestic law. Information exchanged under this Agreement may not be used or disclosed in proceedings that would be contrary to public policy (ordre public) in the supplying jurisdiction.
2. Each Competent Authority will notify the other Competent Authority immediately regarding any breach of confidentiality or failure of safeguards and any sanctions and remedial actions consequently imposed.

SECTION 6

Consultations and Amendments

1. If any difficulties in the implementation or interpretation of this Agreement arise, either Competent Authority may request consultations to develop appropriate measures to ensure that this Agreement is fulfilled.
2. This Agreement may be amended by written agreement of the Competent Authorities. Unless otherwise agreed upon, such an amendment is effective on the first day of the month following the expiration of a period of one month after the date of the later of the signatures of such written agreement or the date of the later of the notifications exchanged for purposes of such written agreement.

SECTION 7

Term of Agreement

1. This Agreement will come into effect on the date of the later of the notifications provided by each Competent Authority that its jurisdiction has the necessary laws in place to implement the Agreement.
2. A Competent Authority may suspend the exchange of information under this Agreement by giving notice in writing to the other Competent Authority that it has determined that there is or has been significant non-compliance by the other Competent Authority with this Agreement. Such suspension will have immediate effect. For the purposes of this paragraph, significant non-compliance includes, but is not limited to, non-compliance with the confidentiality and data safeguard provisions of this Agreement and the Convention, a failure by the Competent Authority to provide timely or adequate information as required under this Agreement or defining the status of Entities or accounts as Non-Reporting Financial Institutions and Excluded Accounts in a manner that frustrates the purposes of the Common Reporting Standard.
3. Either Competent Authority may terminate this Agreement by giving notice of termination in writing to the other Competent Authority. Such termination will become effective on the first day of the month following the expiration of a period of 12 months after the date of the notice of termination. In the event of termination, all information previously received under this Agreement will remain confidential and subject to the terms of the Convention.

Signed in duplicate at Oslo in the English language on 21 September 2017.

Ingebjørg Brekka

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Norwegian Ministry of Finance
Competent Authority for Norway

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