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FOR IMMEDIATE RELEASE

Cayman's financial services industry pleased with EU's recognition of Cayman Islands cooperation

The following statement can be attributed to Jude Scott, CEO of Cayman Finance:

"The EU's recognition of the Cayman Islands as cooperative on both transparency and fair taxation is an important validation of Cayman's commitment to a responsible policy of tax neutrality that poses no harm to other countries. The EU now joins many other respected international entities like the OECD in identifying the Cayman Islands as a transparent jurisdiction without harmful tax regimes. We greatly appreciate the Cayman Islands Government's cooperation and working relationship with the EU over many years that helped produce this outcome.

"Cayman Finance and the Cayman Islands financial services industry actively support the Cayman Islands Government's efforts to ensure our tax neutral regime remains progressive, continuing to meet the highest evolving global standards on transparency and tax information sharing. Our dedication to these standards differentiates us from other International Financial Centres and is a key reason institutional investors consistently prefer to access global investment opportunities through Cayman-domiciled collective investment vehicles (CIVs).

"As a cooperative jurisdiction, the Cayman Islands financial services industry's leading role in the global financial system continues to provide benefits for EU governments and their citizens as they recover from the economic impact of COVID-19. Billions of Euros in investment capital from around the world are being pooled in Cayman CIVs and invested into Europe, providing much needed liquidity to support innovation, R&D and jobs, and environmental initiatives, as well as supporting economic growth and recovery. European pension funds use Cayman CIVs to access global markets more efficiently, securing better returns for the pensioners who rely on them. As the EU has now affirmed, the Cayman Islands financial services industry continues to provide these economic benefits to European investors while meeting and maintaining the very best tax governance principles."

Other industry associations also welcomed the EU's recognition of the Cayman Islands' cooperation and the removal of the jurisdiction from its list of non-cooperative jurisdictions for tax purposes.

Ronan Guilfoyle, AIMA Cayman Chairman, commented: "This action by the EU acknowledges that the regimes established by the Cayman Islands for fund regulation and the wider economic substance requirement, as well as those for the exchange of tax and financial information, anti-money laundering and related measures are fully in line with international standards.

"While we have always been fully confident that the EU would recognise the strength of Cayman's legal and regulatory regime for both open and closed ended funds, it has been welcome that the Cayman Islands has remained the jurisdiction of choice for so many investment managers and institutional fund promoters around the world who have continued to use Cayman as a fund domicile in great numbers," he added.

The Cayman Islands Fund Administrators Association (CIFAA) stated: “This acknowledges that the Cayman Islands’ regimes for fund regulation, economic substance, exchange of tax and financial information, anti-money laundering and related measures are in line, and in some cases exceed, international standards. The sheer number of private funds registered as part of this process confirms our status as the leading international financial centre, and still the best place to domicile fund structures.”

Francois Lamontagne, President of the Cayman Islands Institute of Professional Accountants (CIIPA) acknowledged, on behalf of CIIPA Council and its members, all the hard work both Government and the Private Sector put into ensuring that the Cayman Islands are deemed to be a cooperative jurisdiction.

“CIIPA and its members have been fully supportive of the actions that the jurisdiction has taken to ensure this outcome. Being removed from this list was crucial to the jurisdiction and demonstrates what can be achieved by the close cooperation of public and private sectors,” he stated.

“The Cayman Islands have long been a cooperative jurisdiction in all matters and have once again demonstrated that the jurisdiction is committed to global standards. We are very pleased of the cooperation, participation and dedication of our members on this matter and we look forward to our continued partnership with both public and private sectors.”

The Cayman Islands Legal Practitioners’ Association (CILPA) also welcomed the EU’s announcement on 6 October 2020. “This is an important confirmation for clients of Cayman’s legal services product of Cayman’s commitment as a transparent and cooperative jurisdiction for international business transactions. CILPA is appreciative of the efforts of the Government and other stakeholders to achieve this outcome for the financial services industry.”

The Cayman Islands Company Managers Association (CICMA) said it was delighted to hear the announcement that Cayman has been removed from the EU blacklist of non-co-operative tax jurisdictions. “As everyone is aware, Cayman has been a co-operative jurisdiction for a very long time and its efforts have finally been acknowledged, thanks to the hard work of the Ministry of Financial Services, Cayman Finance and especially the members of CICMA who have had to implement, without pause of reward, the various initiatives leading to this acknowledgement.”

Cayman International Insurance and the Insurance Managers Association of Cayman chair Colin Robinson commented, “We are delighted that the Cayman Islands Government has demonstrated to the EU Cayman’s continued compliance with international standards and ongoing cooperation with international tax authorities.”

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About Cayman Finance:

Cayman Finance is the association of the financial services industry of the Cayman Islands, a premier global tax neutral financial hub efficiently connecting law abiding users and providers of investment capital and financing around the world.

Cayman Finance represents first rate service providers within investment funds and asset management, banking, insurance, reinsurance, capital markets, and trusts sectors and world class fiduciary, legal, and public accounting service providers. Additionally, Cayman Finance represents 15 industry associations.

Learn more at: www.caymanfinance.ky

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