Enhanced regulatory requirements in Cayman are requiring greater oversight, transparency and reporting.

The Anti-Money Laundering Regulations of the Cayman Islands (2020 revision) expanded the scope of its regulations to all licensed entities.

EY Cayman Ltd. ("EY") can help you adapt to the enhanced 2020 revision of CIMA AML regulations.
The recent evaluation of the Cayman Islands performed by the Caribbean Financial Action Task Force (CFATF) resulted in additional reforms and requirements relating to AML, countering the financing of terrorism (CFT) and countering proliferation financing (CPF).

Cayman AML/CFT/CPF considerations

- **Beneficial ownership**
  - Beneficial owners (BOs) must be identified and disclosed at a 10% threshold level.

- **Politically exposed persons (PEPs)**
  - All PEPs are considered high-risk and enhanced due diligence (EDD) must be applied to all PEP investors in a fund, including identification of the source of funds and source of wealth.

- **Sanctions requirements**
  - Extension of the EU, UK and UN sanctions lists apply to the Cayman Islands per the UK requirement.

- **Officer appointment**
  - A Money Laundering Reporting Officer (MLRO), Deputy MLRO and AML Compliance Officer must be appointed to oversee AML/CFT/CPF risk. The officers must be natural persons and approved by CIMA.

- **Risk-based approach**
  - Financial institutions need to develop their own methodology for risk-assessing countries due to the removal of the equivalent jurisdiction list.

- **Eligible introducers**
  - Know your customer (KYC) from an eligible introducer must list the customer and the beneficial owners. The institution is responsible for monitoring and screening the customer and beneficial owners.
EY has successfully combined our deep financial crime experience, unmatched regulatory credibility, large-scale service delivery centers and leading-edge technology solutions to offer an alternative operating model. We are future-forward in our thinking and the way in which we advise financial services firms on strategies to execute with lower cost and higher quality in a “business as usual” managed services model. We remain at the forefront of innovation across the industry and around the globe, helping firms evolve their financial crime operational model to the model of the future.

How we can help: EY’s unique AML services offering

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Develop framework strategy and operating model
- Program reviews and control framework strategy
- Technology systems strategy
- Policy and procedure development
- Risk assessment
- Operating model development

Deliver financial crime operations
- KYC remediation
- Alert clearing and backlogs
- Quality control reviews
- Financial Crime Managed Services (outsourcing BAU)
- Managed Investigations Team
- Utility design

Establish efficient risk management
- Transaction monitoring, name-screening system optimization
- Process efficiency review, enhancement and robotics
- Data analytics
- Financial crime intelligence

Investigate and respond
- Transaction look-backs
- Transformation program management
- Internal investigation
- Asset tracing

Manage regulatory change
- Independent oversight
- Bank-side support to regulator intervention
- Benchmarking and maturity assessments
- Assurance reviews

Anti-money laundering and countering the financing of terrorism

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Benefits of working with EY

Cayman-based AML professionals with global reach and scale

- Local on-the-ground AML-skilled resources with Certified Anti-Money Laundering Specialist (CAMS) certification
- Strong knowledge and working relationships with local regulators
- Ability to scale workforce across geographies
- Global, consistent platform delivered through regional hubs
- Flexible model that delivers services onshore and offshore to balance cost, service levels and language needs

EY has the largest regional qualified team of Certified Anti-Money Laundering Specialists. Over 30 professionals from the EY region of the Bahamas, Bermuda, British Virgin Islands and Cayman Islands are part of our CAMS-certified team. This team is recognized by both regulators and governments as a leader on these topics.

Meet our team

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About the EY Region of the Bahamas, Bermuda, British Virgin Islands and Cayman Islands

The EY region of member firms in the Bahamas, Bermuda, British Virgin Islands and Cayman Islands is aligned with EY’s Americas Financial Services Organization, headquartered in New York. We serve the banking and capital markets, insurance, and wealth and asset management sectors providing a full suite of assurance, consulting, strategy, tax and transaction services with a focus on providing seamless, exceptional client service.

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