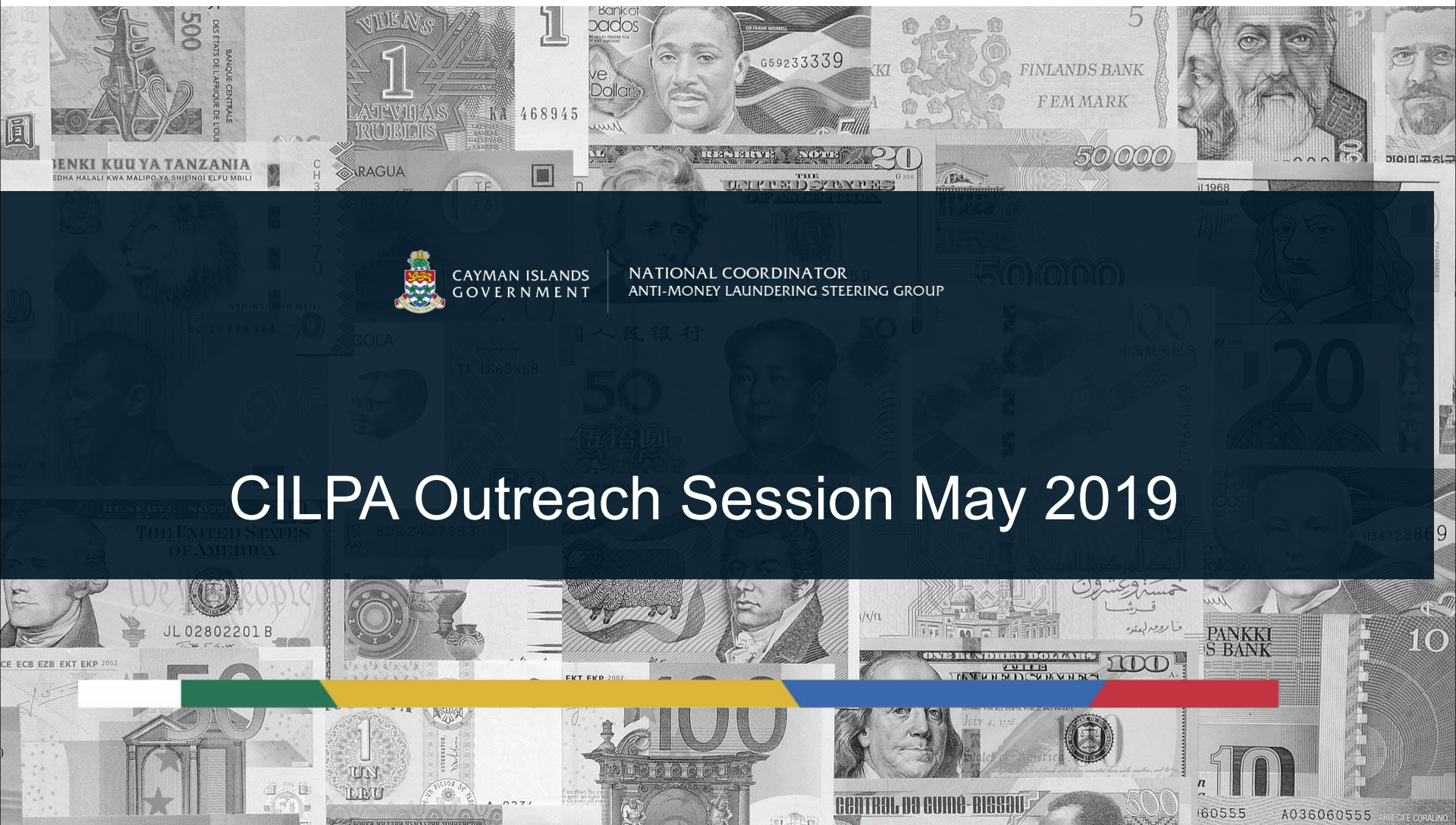




CAYMAN ISLANDS
GOVERNMENT

NATIONAL COORDINATOR
ANTI-MONEY LAUNDERING STEERING GROUP

CILPA Outreach Session May 2019



Overview

- The background
- The timeline
- The framework
- The action plan
- Beyond the action plan
- The outcome



The Background

- December 2017: Onsite Inspection
 - Technical compliance: 40 recommendations
 - Effectiveness: 11 Immediate Outcomes
- November 2018: CFATF Plenary
- February 2019: FATF Plenary
- March 2019: Release of published report
- CFATF: Enhanced Follow up
- FATF ICRG: The Cayman Islands meets the requirements to enter the observation period for automatic monitoring
 - Effectiveness: Difficult for many jurisdictions
 - Threshold: USD 5 billion - Broad money (M3) data (previously M2)

The Timeline

- February 2019 to February 2020: Observation period
- September 2019: Submit first follow up report to CFATF
- November 2019: CFATF Plenary
- March 2020: Initial submission to the Joint Group
- April / May 2020: Joint Group face-to-face meeting: Post-Observation Period Report
- June 2020: FATF Plenary decision

FATF PLENARY JUNE 2020

JG presents POPR to the next FATF ICRG meeting... June 2020 (with an action plan if after their analysis of the 'Big 6' if rated NC / PC and progress in each IO rated low or moderate the Cayman Islands do not make sufficient progress)

FATF ICRG determines that Cayman Islands **HAS MADE ENOUGH PROGRESS.**

The jurisdiction is monitored by the CFATF only for the MER follow-up process.

FATF ICRG determines that jurisdiction **HAS NOT MADE ENOUGH PROGRESS.**

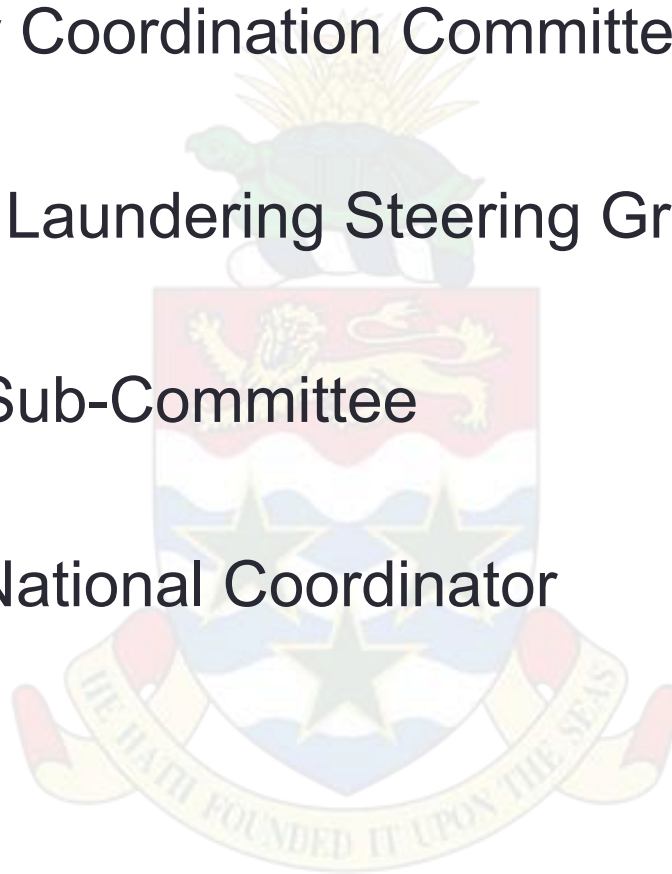
Cayman Islands does not provide high level political statement – it goes to the Public Statement

Cayman Islands provides High level political commitment – it goes to the Compliance document

JG monitors progress and makes recommendations to the FATF ICRG (updates provided at every FATF Plenary)

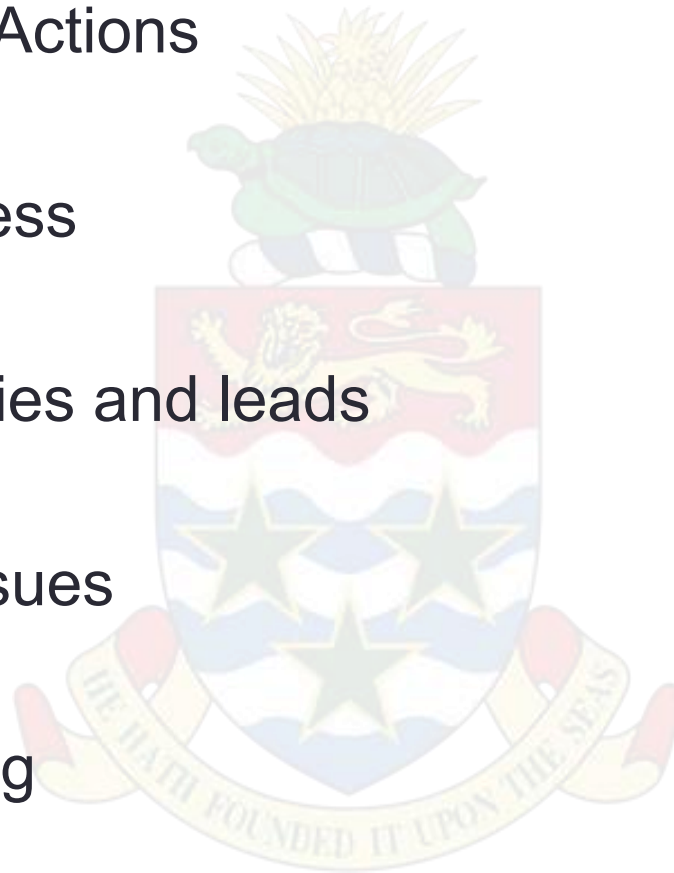
The Framework

- The Interagency Coordination Committee
- The Anti-Money Laundering Steering Group
- The Ministerial Sub-Committee
- The role of the National Coordinator



The Action Plan

- Recommended Actions
- Sufficient Progress
- Identified agencies and leads
- Cross cutting issues
- Monthly reporting



Recommended actions

- IO3: SUPERVISION:
- The jurisdiction should appoint an AML / CFT supervisory authority for lawyers.



The Action Plan

- **Cross cutting actions**

- The Financial Crime Focus Group chaired by the ODPP
- The Anti-Money Laundering Regulations Working Group chaired by the Anti-Money Laundering Unit

- **Monthly reporting:**

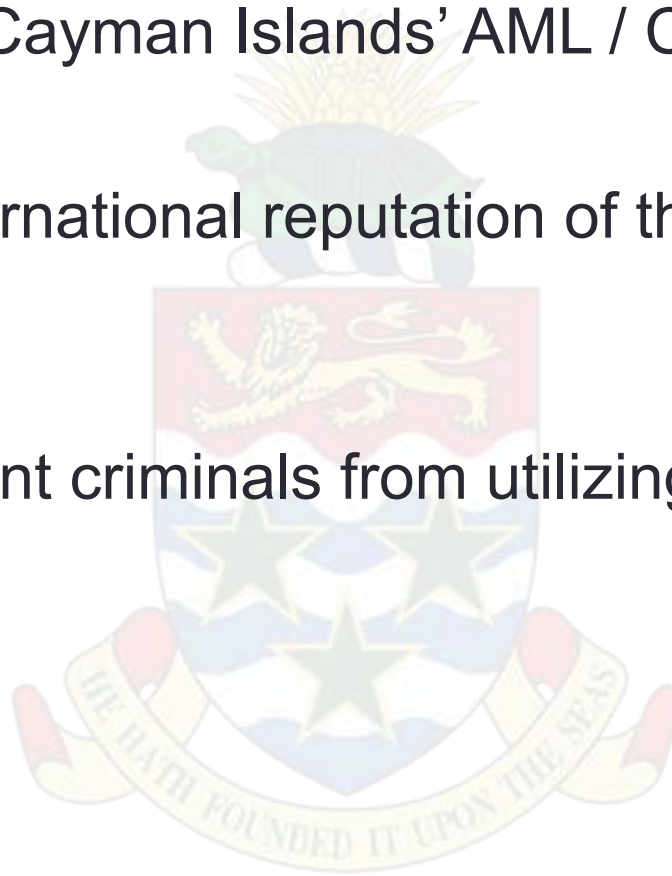
- Statistics and case examples e.g. Number of onsite inspections and outcomes, including enforcement action
- Outreach e.g. Targeted Financial Sanctions
- Training e.g. Terrorist financing
- Effectiveness

Beyond the Action Plan

- **International outreach**
 - Engaging those who can verify the international assistance provided by the Cayman Islands
 - Support from the United Kingdom government
 - Engaging with those who may have been critical in the past and increasing their understanding
- **Public outreach**
 - Ensuring that there is transparency and understanding
- **Industry outreach and engagement**
 - Ensuring that there is an understanding of the need for action, the urgency for action and the consequences of not acting.

The Outcome

- Strengthen the Cayman Islands' AML / CFT / CPF regime
- Improve the international reputation of the Cayman Islands
- Deter and prevent criminals from utilizing the jurisdiction



Questions?





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