



## **Anti-Money Laundering Steering Group (AMLSG)**

CAYMAN ISLANDS GOVERNMENT

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### **Cayman Islands Final AML/CFT Assessment Postponed**

The deadline for the Cayman Islands to enhance its AML/CFT framework was postponed by four months for a second time due to the worldwide disruptions caused by the COVID-19 pandemic, as announced by the President of the Financial Action Task Force (FATF) in a letter to the jurisdiction. Prior to the delay, the Cayman Islands was in a one-year Observation Period. During that time, the Cayman Islands worked to improve the effectiveness of the AML/CFT framework and to demonstrate that it made sufficient progress in implementing the 63 Recommended Actions listed in the jurisdiction's Mutual Evaluation Report, which was published in March 2019.

In March 2020, the Observation Period, which originally ended on February 21, 2020, was extended to June 26, 2020 due to the impact of the COVID-19 pandemic, including shelter in place regulations, border closures around the world and social distancing requirements. While the Cayman Islands submitted its Post-Observation Period Report in March 2020, the presentation of the Cayman Islands' progress was to be made in person by means of a face to face interview with the Joint Group of the Americas in late April. The Group includes representatives from Caribbean Financial Action Task Force member countries, the United States, Canada and the European Union. The Joint Group would have assessed the jurisdiction's progress and made a recommendation to the FATF about whether a remediation plan should be imposed on the Cayman Islands.

However, with the airport in the Cayman Islands remaining closed and many countries still in the midst of the pandemic, the FATF postponed the deadline a further four months. As such, the Cayman Islands' Observation Period will now end in late October 2020 and the FATF decision about whether the Cayman Islands has made sufficient progress in implementing the 63 Recommended Actions and whether it will impose a remediation plan is scheduled for the FATF plenary meeting in February 2021.