



CAYMAN ISLANDS
GOVERNMENT

Ministry of Finance Financial Services Secretariat

Remarks for Cayman Islands Premier, the Honourable McKeeva Bush

*for GAIM Ops Conference, Tuesday, 24 April 2012
Ritz Carlton Grand Cayman 8:30 a.m.*

Check Against Delivery

Conference Chairpersons, Norm McGregor, Ingrid Pierce, and

Darren Stainrod

Conference Speakers

Ladies and Gentlemen

A pleasant good morning to all.

It is certainly encouraging to see so many companies represented here – an increase from last year – which demonstrates your commitment to securing a firm place in the alternative investment landscape.



As you know, we are the leading jurisdiction for hedge funds, boasting over 9,250 registered funds. This is an industry that has been tried and tested throughout the decades as global financial markets dictate. The Cayman Islands has embraced these challenges and turned them into opportunities, always managing to retain our position at the forefront.

As a key player in the global financial architecture, the Cayman Islands offers the best and most complete suite of products and services. With over 20 years of knowledge and experience of regulating the world's leading funds, I am certain that we will stay ahead of the competition in the face of changing directives and policies in the funds sector.

From a Government perspective, our overall goal for the future is to take the Cayman Islands financial services sector to another level and to do that, we are committing resources towards stimulating growth in this industry, in ways that benefit both market participants and our country.



We recognise that legislative changes in the U.S. and EU such as the US FATCA directive, amendments to the US Advisors Act and the EU AIFM directive could potentially affect the industry however, we are confident that through our professional expertise and modern legislative framework, investors will continue to receive the highest levels of service.

Rest assured, we are fully equipped to address these new international standards. Furthermore, Cayman's status on the OECD 'white' list and a comprehensive network of Tax Information Exchange Agreements will keep the jurisdiction on solid footing to remain competitive in the industry.

I assure you that Government agencies are working diligently to ensure that Cayman meets international standards on governance, regulation and supervision. We continue to develop our legislative framework through upgrades and improvements to existing laws, which will ease the process of doing business and facilitate further investment.



Furthermore, the Cayman Islands has worked to strengthen its own regulatory regime in response to increasing demands from overseas regulators for enhanced fund transparency and improved corporate governance.

Our funds sector is built on sound regulatory excellence, ever-seeking to enhance transparency through dialogue with all stakeholders. Our regulator, the Cayman Islands Monetary Authority, is in the process of conducting in-depth reviews of the regulatory framework for corporate governance.

Specific areas of examination are the 'fit and proper' framework, how directors exercise their responsibilities, the extent to which legislation codifies these responsibilities and issues of transparency. Over the last year, CIMA has conducted comparative assessments of other jurisdictions' standards, and taken into account the recent enhancement of international standards and requirements that are being promoted. CIMA is also in the process of conducting a cost-benefit analysis of certain requirements for investors, service providers, the regulator, and the jurisdiction as a whole.



These changes are a testament to the Cayman Islands' ability to adapt quickly and be more responsive to changing global markets.

Over the past 10 years, the Cayman Islands has ranked among the top jurisdictions for its strength in anti-money laundering, counter of terrorist financing, regulation, information exchange and international cooperation. This endorsement is a further representation of the dedicated compliance structure and validates the extensive focus we have placed on international cooperation and involvement in regulatory matters.

Built on solid international cooperation principles and continually securing new relations with foreign authorities has enabled the Cayman Islands to meet and exceed expectations in this area. Recent reports by the Global Forum applaud our legal and regulatory frameworks, supporting a well-developed tax transparency and information exchange platform. The Cayman Islands currently has 27 bilateral arrangements with G7, G20 and OECD-member countries; as well as a number of regulatory agreements with relevant counterparts.



But this is not all that keeps us ahead of the competition...

Ladies and gentlemen, there are few jurisdictions that can boast of having the high level of talent and expertise across the full spectrum of financial services in both the public and private sectors, as we do here in Cayman.

This partnership speaks to the quality, integrity and stability of the Cayman Islands financial services sector, and I believe that with the right balance of public/private sector cohesiveness, exceptional product offerings, first-rate customer service and an enhanced investor relations environment, the Cayman Islands will remain a leader in financial services for many years to come.

I wish you an interesting and informative conference.

Thank you.