**CAYMAN ISLANDS: Committed to Public Register of Beneficial Ownership.**

The Cayman Islands government has announced that it intends to introduce a public register of beneficial ownership of all financial entities domiciled by 2023.

The required legislation is expected to be introduced in 2022 and will bring Cayman in line with evolving standards and international obligations such as those reflected in the principles of EU 5th Anti Money Laundering Directive.

The government had previously said it would only make this type of information public if it became an international standard. The issue caused considerable controversy when the UK parliament passed an amended bill in May 2018 which included a demand that British Overseas Territories begin adopting public registers by the end of 2020.At the time, however, the passage of the legislation drew fury from the government here and in other overseas territories because it was seen as a colonial imposition on devolved issues.

We stand ready to work collaboratively with other jurisdictions as a common approach emerges in the design and maintenance of verified beneficial ownership registers"  
Premier Alden McLaughlin, who led the charge, said that if the UK tried to impose an order-in-council, he would take this to the courts, and that Cayman would not be changing any laws to introduce public registers until everyone did so.

"Since 2013 my government has committed to introducing a public register of company beneficial ownership when it becomes an international standard," McLaughlin stated. "The introduction of the UK's public beneficial ownership register, the EU 5th Anti Money Laundering Directive and similar actions by other jurisdictions represents a shift in the global standard and the practices used to combat illicit activity."

The premier said he was proud that Cayman had worked with law enforcement and tax authorities the world over as the level of transparency here has been recognised by key international bodies and other governments.

"The timeline we have announced today recognises the work necessary to create a register that is sufficiently robust, capable of suitable levels of interoperability and that will avoid the redesigns that the UK now has to undertake," he added.

Financial Services Minister Tara Rivers said the commitment reinforced Cayman's standing as a leading International financial centre.

"It is appropriate that other jurisdictions with developed financial services industries follow suit, and we will make every effort to support the global development and implementation of evolving international standards in this area," she said. "We stand ready to work collaboratively with other jurisdictions as a common approach emerges in the design and maintenance of verified beneficial ownership registers."

The change of stance follows a similar announcement made by the British Crown Dependencies earlier this year. Cayman Finance welcomed the initiative.

"Cayman Finance, the association of the Cayman Islands financial services industry, supports the decision by the Cayman Islands Government to introduce a public register of beneficial ownership in line with evolving global standards and practices within a timeframe that aligns with UK legislation and the EU 5th Anti Money Laundering Directive.

"The Cayman Islands' position as a premier global financial hub is based, in part, on our industry's long-standing commitment to the highest global standards for transparency and cross-border cooperation with tax and law enforcement authorities. That commitment has contributed significantly to the Cayman Islands achieving the same OECD rating for transparency as countries like the UK, US, Germany, Canada and Australia," the non-profit organisation that represents the offshore sector said in a statement.

Global Witness is calling on other British Overseas Territories to follow suit.

"This commitment from the Cayman Islands to reveal the real people behind companies on their shores shows how company transparency is now the global standard in financial integrity. The writing is on the wall for the rest of the British Overseas Territories who will today be feeling the pressure to follow suit and announce their own plans as a matter of urgency," Naomi Hirst, Senior Campaigner at Global Witness, said.

"Once public registers are brought in across all the British Overseas Territories and Crown Dependencies, it will be much harder for the criminal and corrupt to use UK tax havens to hide and move stolen wealth. As more and more countries and jurisdictions commit to company transparency, those failing to do so are becoming isolated voices in a more open world," she added.