



Asset Management & Investment Funds Update

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Cayman Islands to be Listed as High-Risk Third Country

In the coming weeks, the EU will finalise proposals to include the Cayman Islands on its list of high-risk third countries for AML purposes. Once included, EU obliged entities are required to apply enhanced customer due diligence when establishing business relations or carrying out transactions involving the Cayman Islands. The following amendments to the EU list of high-risk third countries are also proposed:

- Burkina Faso, Haiti, Jordan, Mali, Morocco, the Philippines, Senegal, and South Sudan are, in addition to the Cayman Islands, to be added to the list of high-risk third countries.
- The Bahamas, Botswana, Ghana, Iraq and Mauritius are to be removed from the list.
- Turkey is under review but will not be added to the list subject to the implementation of relevant mitigating measures.

Next Steps

Fund managers should review AML processes and procedures to ensure compliance with enhanced due diligence rules in respect of the Cayman Islands.

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