

UPDATE

# Cayman Islands removed from the FATF grey list

The Cayman Islands has been removed from the Financial Action Task Force's (FATF) list of jurisdictions under increased monitoring in the area of anti-money laundering and countering the financing of terrorism and proliferation financing (AML/CFT/CPF), commonly referred to as the FATF 'grey list'.

## Background

The Cayman Islands was added to the FATF grey list, which relates to jurisdictions that are actively working with the FATF to address strategic deficiencies in their AML/CFT/CPF regimes, in February 2021. At the time of listing, the FATF acknowledged that the Cayman Islands had met 60 out of 63 FATF recommended actions, including all technical aspects of its most recent inspection. It was also noted that the Caribbean Financial Action Task Force had rated the Cayman Islands as compliant or largely compliant with 39 out of 40 technical compliance points. Nonetheless, the FATF determined that, as the Cayman Islands is a major financial centre with higher risks, it should be held to a higher standard, stating that they expect 'commensurate measures from countries that have higher risks'.

The FATF positively recognised the Cayman Islands' progress in completing the three remaining action points at its October 2021 plenary meeting. Further, the FATF's Follow-up Report and Technical Compliance Re-Rating in October 2021 rated the Cayman Islands as compliant or largely compliant in relation to all 40 technical compliance recommendations.

Following a plenary meeting, the FATF announced on 23 June 2023 that the Cayman Islands had fully satisfied the action plan given by the FATF and was now eligible to be removed from the grey list, subject to successful completion of an onsite visit by the FATF Joint Group. This onsite visit was completed during the week ending 1 September 2023.

## Removal from the list

At the following FATF plenary meeting ending on 27 October 2023, the Cayman Islands was confirmed as having successfully shown that it had met all three remaining action points during the FATF onsite visit and has consequently been removed from the grey list.

## EU AML list

As a technical result of being placed on the grey list, the Cayman Islands was added to the European Union's (EU) list of high risk third countries for AML/CFT purposes (the **EU AML list**) on 13 March 2022.

It is understood that following the Cayman Islands' removal from grey list, the EU will begin steps to delist the Cayman Islands from the EU AML list. A [media release](#) from the Cayman Islands Ministry of Financial Services and Commerce dated 1 June 2022, provided that the EU's Department for Financial Stability and Capital Markets (which oversees the EU's AML/CFT listing process) had confirmed that the same measures required by the FATF to remove the Cayman Islands from the grey list will satisfy the EU's requirements for removing the Cayman Islands from the EU AML list. We will provide a further update at that time.

## Any questions?

Please get in touch with your usual Mourant contact or one of the contacts listed below if you have any questions.

## Contacts

---



**Alex Last**  
Partner  
Mourant Ozannes (Cayman) LLP  
+1 345 814 9243  
[alex.last@mourant.com](mailto:alex.last@mourant.com)



**Catherine Pham**  
Partner  
Mourant Ozannes (Cayman) LLP  
+1 345 814 9247  
[catherine.pham@mourant.com](mailto:catherine.pham@mourant.com)



**Paul Christopher**  
Managing Partner  
Mourant Ozannes (Hong Kong) LLP  
+852 3995 5700  
[paul.christopher@mourant.com](mailto:paul.christopher@mourant.com)

---



**Sara Galletly**  
Partner  
Mourant Ozannes (Cayman) LLP  
+1 345 814 9233  
[sara.galletly@mourant.com](mailto:sara.galletly@mourant.com)



**Craig Luton**  
Partner  
Mourant Ozannes (Singapore) LLP  
+65 6801 4599  
[craig.luton@mourant.com](mailto:craig.luton@mourant.com)

---

This update is only intended to give a summary and general overview of the subject matter. It is not intended to be comprehensive and does not constitute, and should not be taken to be, legal advice. If you would like legal advice or further information on any issue raised by this update, please get in touch with one of your usual contacts. You can find out more about us, and access our legal and regulatory notices at [mourant.com](http://mourant.com). © 2023 MOURANT OZANNES ALL RIGHTS RESERVED