



CROSS-BORDER INVESTMENT

**Key jurisdictions for Middle Eastern
asset managers and investors**

A practical guide to the Cayman Islands,
Channel Islands, and Luxembourg

INTRODUCTION

Middle Eastern asset managers, sovereign wealth funds, family offices and institutional investors frequently utilise the Channel Islands, Luxembourg and the Cayman Islands when structuring international investment funds and cross-border investment vehicles.

Each jurisdiction offers distinct advantages depending on the target asset class, investor profile, regulatory requirements and geographic investment strategy. For investors across the GCC and wider Middle East, jurisdictional choice can influence fundraising success, investor confidence, speed to market, governance requirements and access to key investment markets.

This guide compares three of the world's leading fund and investment structuring jurisdictions and highlights why Middle Eastern investors continue to use them when investing internationally.



WHY JURISDICTION MATTERS

Middle Eastern investors and managers often use offshore and international fund jurisdictions to:



Raise international capital efficiently



Access US, European and Asian investors



Structure private equity, real estate, infrastructure and credit strategies



Optimise regulatory and tax efficiency



Support sovereign, family office and institutional investment mandates

Jurisdictional choice can influence speed to market, investor familiarity, distribution reach, and ongoing governance requirements.



JURISDICTION FOCUS

CAYMAN ISLANDS

The Cayman Islands remains the global market standard for international alternative investment funds.

KEY STRENGTHS

- **Global Market Standard:** Cayman remains the preferred domicile for many of the world's largest private equity, private credit and hedge fund managers.
- **Investor Familiarity:** Institutional investors, sovereign wealth funds and family offices are highly familiar with Cayman structures.
- **Flexible Structuring Options:** Cayman offers exceptional flexibility for fund sponsors, including:
 - Exempted limited partnerships
 - Master-feeder arrangements
 - Segregated portfolio companies
 - Co-investment vehicles
- **Tax Neutrality:** The Cayman Islands does not impose direct taxes on fund vehicles, making it attractive for international investment programmes.



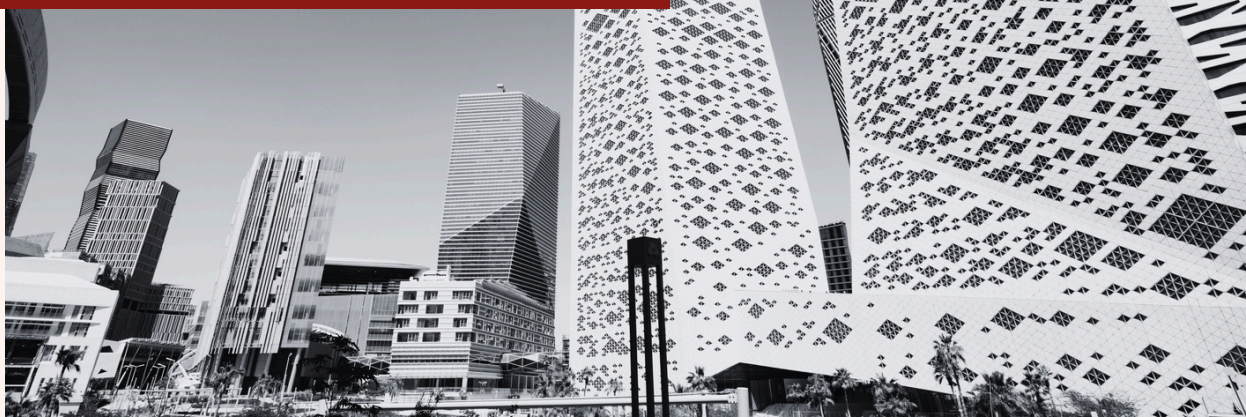
CAYMAN ISLANDS

USE CASES

- **Global private equity funds:** Many Middle Eastern investors access global private equity opportunities through Cayman structures.
- **International co-investments:** The flexibility of Cayman vehicles makes them popular for co-investment arrangements involving multiple international investors.
- **Hedge funds:** Cayman remains the dominant jurisdiction for hedge funds globally.

“The legal team has deep knowledge and experience in a wide range of topics that are relevant to funds management, private wealth management, banking, corporate finance and more, with an international view. Their experience and reputation help to efficiently design the legal framework in an international environment.”

Legal 500, Cayman 2026





JURISDICTION FOCUS

CHANNEL ISLANDS

The Channel Islands – Guernsey and Jersey – are two of the world’s leading international finance centres and have long been trusted by Middle Eastern sovereign wealth funds, family offices, institutional investors and asset managers for the structuring and administration of cross-border investments.

The islands are recognised globally for their political stability, sophisticated legal and regulatory frameworks, tax neutrality and deep expertise in international private capital structures. They are frequently used alongside Luxembourg and the Cayman Islands for private equity, venture capital, private credit, infrastructure and real estate investments.

For Middle Eastern investors seeking efficient access to opportunities across Europe, North America and Asia, the Channel Islands offer a flexible and highly regarded platform for the establishment and operation of investment vehicles.



JURISDICTION FOCUS

CHANNEL ISLANDS

KEY STRENGTHS

- **Proven private capital expertise:** The Channel Islands have decades of experience supporting international private equity sponsors, sovereign wealth funds, family offices and institutional investors. The jurisdictions collectively service thousands of investment structures and are recognised as leading centres for alternative assets.
- **Gateway to international markets:** The Channel Islands are widely used for investments into the UK and Europe and are often selected as neutral holding and investment platforms for global investment programmes.
- **Stable and well-regulated:** Both Guernsey and Jersey benefit from robust legal systems, independent regulatory regimes and strong reputations for governance and investor protection.
- **Tax neutrality:** The Channel Islands provide tax-neutral investment platforms designed to facilitate efficient cross-border investment while avoiding unnecessary layers of taxation.
- **Flexible fund regimes:** Both jurisdictions offer streamlined fund approval processes, allowing managers to bring products to market quickly while maintaining appropriate regulatory oversight.
- **Trusted by sovereign wealth funds and family offices:** The Channel Islands have extensive experience working with sovereign wealth funds, government-backed investors, family offices and international institutions, making them familiar and well-understood jurisdictions within the Middle Eastern investment community.

CHANNEL ISLANDS

USE CASES

- **Private equity and venture capital funds:** The Channel Islands are widely used to establish investment funds, carried interest structures, co-investment vehicles and GP arrangements for private capital sponsors.
- **Real estate and infrastructure investments:** The Channel Islands have a long-established track record in supporting investments into UK, European and global real estate and infrastructure assets.
- **Co-investment and joint venture structures:** The flexibility of Channel Islands structures makes them particularly attractive for bespoke co-investment arrangements involving multiple investors or strategic partners.
- **Sovereign wealth fund investments:** Many sovereign and institutional investors utilise Channel Islands structures to make direct investments, participate in club deals or hold portfolio investments.
- **Family office platforms:** Guernsey and Jersey remain leading jurisdictions for family office structures, succession planning and long-term investment holding arrangements.



CHANNEL ISLANDS

WHY CHOOSE GUERNSEY OR JERSEY?

GUERNSEY

- Long-established expertise in closed-ended funds and listed structures
- Particularly strong reputation in private equity, venture capital, infrastructure, real estate, and sustainability-related investment strategies
- Guernsey Private Investment Fund (PIF) regime provides a fast and flexible route to market
- Flexible regulatory framework and highly experienced professional services community
- Extensive experience supporting family offices and institutional investors

JERSEY

- Largest funds jurisdiction in the Channel Islands
- Widely used for private equity, real estate, venture capital and private credit structures
- Jersey Private Fund (JPF) regime provides a fast and flexible route to market
- Strong links with the UK institutional investment market
- Flexible and proportionate regulatory framework
- Track record in supporting family offices and institutional investors

“Mourant has a very strong bench of lawyers with cross-border expertise. They understand their clients’ business and are able to respond while taking into account the bigger picture.”

Chambers & Partners, Guernsey 2026

“They have a clear understanding of the market and the client needs in this sector. They are supported by strong teams who provide high-quality technical advice. Mourant are market leaders in funds.”

Chambers & Partners, Jersey 2026



JURISDICTION FOCUS

LUXEMBOURG

Luxembourg remains Europe's leading investment fund domicile and is particularly attractive where investors are seeking broad European fundraising capabilities.

KEY STRENGTHS

- **Access to the European Union:** Luxembourg provides direct access to the European investment fund framework and remains the leading jurisdiction for pan-European fundraising.
- **RAIFs**
- **Special Limited Partnerships**
- **SIFs**
- **SICARs**
- **Institutional familiarity:** Many sovereign wealth funds, pension funds and major institutional investors already invest through Luxembourg vehicles and are highly familiar with the jurisdiction.
- **Strong international reputation:** Luxembourg is often selected where a fully European structure is preferred or where significant institutional capital is being raised across multiple jurisdictions.
- **Sophisticated fund products:** Luxembourg offers a wide range of structures including:
 - allowing managers to tailor vehicles to specific investor requirements.



LUXEMBOURG

USE CASES

- **Pan-European fundraising:** Fund managers targeting investors across multiple EU jurisdictions often utilise Luxembourg structures.
- **Infrastructure and private credit funds:** Luxembourg continues to be a leading domicile for infrastructure, energy transition and private credit strategies.
- **Institutional investment platforms:** Large sovereign and pension investors frequently invest through Luxembourg master fund structures.



“The firm distinguishes itself through deep sector expertise, commercial insight, and a collaborative approach. They offer responsive, solutions-focused advice and handle complex cross-border matters with efficiency and precision.”

Legal 500, Luxembourg 2026



AT A GLANCE

JURISDICTION COMPARISON

Consideration	Cayman Islands	Channel Islands (Jersey & Guernsey)	Luxembourg
Typical Investor Base	The leading offshore jurisdiction for global alternative funds, particularly private equity, private credit and hedge funds.	Widely used by sovereign wealth funds, family offices, private equity sponsors and institutional investors seeking UK and international exposure.	Favoured by global asset managers and institutional investors raising capital across Europe.
Access to Key Markets	Global in focus and commonly used for international fundraising beyond Europe.	Particularly strong for UK and international investment structures, with established routes into European markets.	Offers direct access to the European investment funds framework and European investor base.
Regulatory Environment	Mature and internationally recognised regulatory framework tailored to alternative investment structures.	Well-regulated, internationally recognised jurisdictions with pragmatic and commercially focused regulatory frameworks.	Highly regulated with a sophisticated European regulatory infrastructure.
Fund Structuring Flexibility	Considered one of the most flexible jurisdictions globally for private funds and investment vehicles.	Highly flexible structures suited to private equity, venture capital, infrastructure, real estate, private credit and co-investment arrangements.	Broad range of regulated and unregulated fund vehicles suitable for institutional fundraising.
Sovereign Wealth Fund and Family Office Familiarity	A familiar and widely accepted jurisdiction among sovereign wealth funds and global institutional investors.	Long-established relationships with Middle Eastern sovereign wealth funds, family offices and institutional investors.	Frequently used by sovereign and institutional investors investing across Europe.

JURISDICTION COMPARISON CONTINUED

Consideration	Cayman Islands	Channel Islands (Jersey & Guernsey)	Luxembourg
Private Capital Expertise	Global leader for private equity, hedge funds and private credit structures.	Market-leading reputation across private equity, venture capital, infrastructure, real estate and private credit.	Strong capabilities across all private market asset classes, particularly larger institutional fund platforms.
Speed to Market	Efficient establishment process with considerable structural flexibility.	Fast and efficient establishment processes, particularly through regimes such as the Jersey Private Fund and Guernsey Private Investment Fund.	Generally longer establishment timelines due to European regulatory requirements.
Legal Framework	Common law jurisdiction recognised globally by fund sponsors and investors.	Common law jurisdictions offering familiarity to many international investors and advisers.	Civil law jurisdiction with a robust and sophisticated legal framework.
Tax Considerations	Tax-neutral regime widely used for global investment structures.	Tax-neutral platforms designed to facilitate efficient international investment.	Tax-efficient regime with extensive treaty access and broad international recognition.
Common Use Cases	Global private equity funds, hedge funds, private credit strategies and international co-investment structures.	Private equity and venture capital funds, co-investment vehicles, family office platforms, infrastructure and real estate investments.	European fundraising vehicles, institutional investment platforms, infrastructure and private credit funds.



CROSS-BORDER EXPERTISE

HOW WE CAN HELP

With deep expertise across our teams in Cayman, Guernsey, Jersey and Luxembourg, we offer a single point of access to the world's leading fund domiciles.

Bridging the gap between legal advice and its implementation, our integrated approach combines the strengths of world-class legal, regulatory, and administration expertise in one trusted partner.

SUPPORTING YOUR FUND STRUCTURING

- **Cross-jurisdictional expertise:** Seamless support across all major fund centres, grounded in deep local knowledge.
- **Commercial clarity:** Advice that balances regulatory requirements with practical solutions.
- **Integrated service:** Legal, governance and consulting capabilities combined to deliver end-to-end support.

From fast-tracking a private fund in Jersey or Guernsey, to establishing a Cayman master-feeder, or structuring a Luxembourg RAIF for EU distribution, our specialists work alongside onshore advisers to ensure efficient implementation and ongoing compliance.

SUPPORTING YOUR FUND OPERATIONS

To help managers navigate the complexities of fund structuring across key jurisdictions, Mourant Governance Services offers comprehensive administration services to support both establishment and ongoing operations, including:

- **Fund setup**
- **Investor reporting**
- **Central administration**
- **Accounting and board support**

Drawing on our local expertise in the British Virgin Islands, Cayman, Guernsey, Hong Kong, Jersey, London, Luxembourg, Mauritius and Singapore, we deliver operational efficiency, regulatory confidence and seamless support across the lifecycle of alternative investment vehicles.

KEY CONTACTS



ALEX LAST

Global Investment Funds
Practice Leader
London

✉ alex.last@mourant.com
☎ +44 20 7 796 7604



ALISTAIR HORN

Mourant Law LP Partner
Jersey

✉ alistair.horn@mourant.com
☎ +44 1534 676 947



LARA FORTE

Partner | Avocat à la Cour
Luxembourg

✉ lara.forte@mourant.com
☎ +352 260 082 5074



CATHERINE PHAM

Partner
Cayman Islands

✉ catherine.pham@mourant.com
☎ +1 345 814 9247



JAMES COUSINS

Partner
Guernsey

✉ james.cousins@mourant.com
☎ +44 1481 739 329



RICHARD NUNN

Managing Director
Middle East

✉ richard.nunn@mourant.com
☎ +971 52 859 4132

© Mourant 2026. All rights reserved. Not all services are provided in all jurisdictions. Mourant Ozannes (Luxembourg) S.à r.l. a law firm registered on List V of the Luxembourg Bar Association provides Luxembourg legal advice and joined our global network in June 2023. Mourant Governance Services is regulated or supervised in each jurisdiction in which it operates. Mourant Governance Services (Luxembourg) S.à r.l. provides corporate and entity management services in Luxembourg and joined our global network in May 2023. To find out more about Mourant and to access our legal and regulatory notices visit www.mourant.com.

This document is for information purposes only. It provides information in respect of Mourant's integrated legal, operational and governance support services only and does not relate to the provision by Mourant of securities activities. It does not constitute, and should not be construed as, a securities advertisement in the Kingdom of Saudi Arabia.

mourant

mourant.com