

THERE'S NOTHING LIKE CAYMAN

JS de Jager of CSI and Paul Arbo of BDO, offer insight into the Cayman Islands as a one of a kind captive destination

Captive Review (CR): How does the expertise available for captive insurance clients in the Cayman Islands compare to other offshore domiciles?

The Cayman Islands is, and has been for many years, attracting the best of the best (including highly qualified and experienced insurance managers, accountants, investment managers, bankers and lawyers). As such, the world-class infrastructure in the Cayman Islands supporting its captive insurance business is widely recognised as the standard setter and for most part, the best there is by all in the captive insurance and the offshore financial industries.

CR: What unique services can the Cayman Islands offer that aren't available elsewhere?

The uniqueness of the Cayman Islands comes from it being a 'one-stop shop' for all captive insurance and offshore financial needs. Historically, the industry and the various service providers have close relationships and it is an attractive option for our international clients that their captive insurance managers have direct access to other high quality service providers like auditors, tax specialists, investment managers, lawyers, bankers, etc. Having all of these service providers actively engaging the client's business needs is another important step to ultimately establishing the required 'mind and management' in the Cayman Islands rather than another country/domicile that might seek tax revenue from that captive.

CR: You describe the Cayman Islands as a 'truly international financial jurisdiction serving the complex needs of business worldwide', how did the islands become such a global market-leader?

Written by
JS de Jager



JS de Jager joined CSI International Underwriting (Cayman) Ltd. in 2007 and is directly responsible for the management and oversight of an extensive portfolio of captive insurance, investment and financial management companies. JS currently holds a range of directorships, including hedge funds and investment management companies.



Written by
Paul Arbo

Paul Arbo has been a partner with the BDO Cayman office for 8 years. Paul oversees and signs off on a number of the firm's insurance audits, management, trust companies and hedge funds as well as locally based clients from a wide range of industries.

The Cayman Islands has, through innovative and high class regulation in the various financial industry fields including but not limited to banking, company management, captive insurance, funds (hedge funds and mutual funds), auditing and tax, trust services and investment administration, been at the forefront of offshore financial services for well over four decades. To most, including us, the service providers here in Cayman and our international client base, it is comforting to know Cayman is at the forefront of international standards when it comes to due diligence and anti-money laundering practices. The Cayman Islands also signed 36 Tax Information Exchange

Agreements (TIEAs*) as well as intergovernmental agreements regarding the provision of tax information required to be disclosed under UK Fatca and US Fatca. The Cayman Islands fulfils the recommendations of the Financial Action Task Force, are at the forefront of the common reporting standards implementation, has a Aaa3 credit rating (obligations rated Aaa are judged to be of the highest quality, subject to the lowest level of credit risk).

CR: What key industry trends do you expect will be of the most significance in the Cayman Islands in the next 12 to 18 months?

The PIC legislation and accompanying regulations that were passed in 2015 both exemplifies and reinforces Cayman's leading position over other jurisdictions in terms of sensible regulation, innovative legislation based upon a reliable legal system and the high level of governance and compliance afforded to it. During 2016 and 2017, the local industry will keep working to promote the services that are valued so highly by our clients and envied by many other jurisdictions.

We are not simply resting on the laurels of those historical strengths and markets, however. We are also looking to create new and closer relationships with key service providers to Latin American companies who are involved in existing or emerging captive structures. Fostering deeper relationships with the people who are routinely part of making important decisions when advising their clients on jurisdictional choices goes hand-in-hand with the educational exercise which we will be embarking upon. If we can provide these professionals with a better appreciation of Cayman's value proposition, they will be more likely to advise clients to domicile their captives in Cayman. 