



# CAYMAN ISLANDS MONETARY AUTHORITY

## CIMA Statement on AIFMD Passporting Regime

15 May 2015

The Cayman Islands Monetary Authority (“CIMA”) is aware that the European Securities Markets Authority (“ESMA”) is due to make a recommendation in late July 2015 concerning the marketing of non-EU funds within the EU by way of a passporting regime or otherwise. We are also aware of some concern in the financial industry as to whether Cayman Islands funds will be allowed to continue being marketed in EU Countries under a passporting regime for non-EU funds and fund managers if this is recommended by ESMA.

The Managing Director, Mrs. Cindy Scotland, and General Counsel–Deputy Managing Director, Mr. Langston Sibbles, on CIMA’s initiative, met with ESMA officials in Paris two weeks ago on the status of the AIFMD regime as it concerns non-EU funds and fund managers. CIMA is, of course, not in a position to provide details of its discussions with ESMA, as this was done on a regulator-to-regulator basis, which implies that a level of confidentiality is maintained. Suffice it to say that CIMA is not aware that ESMA has made any final determination on its recommendation on whether a passporting regime will be available to non-EU countries and, if so, which countries will be included in the passporting regime. However, CIMA will continue to engage in dialogue with ESMA on this issue.

On 7 November 2014, ESMA launched a call for evidence to gather input from EU and non-EU stakeholders on key issues that affect the anticipated extension of the AIFMD passport to non-EU AIFMs and to EU AIFMs marketing non-EU AIFs, such as Cayman funds.

CIMA responded to the call for evidence from ESMA. There were several options given by ESMA as it relates to the information provided by the respondents, and those entities listed on its website are those who opted to make their responses available to the public.

On November 14, CIMA’s Managing Director addressed the Campbell’s Fund Focus Conference where she indicated that “CIMA’s Board of Directors recently approved the establishment of an Internal Task Force to look at the possibility of a frame work for a new category of fund-an AIFMD Fund that wishes to market in the European Union or European Economic Area. This open or closed-ended fund would create a flexible “opt-in” regime.” CIMA is currently working with the Ministry of Financial Services to take forward this proposal.

At this stage, CIMA would urge industry members not to give credence to otherwise baseless rumours as to the status of any supposed ESMA listing of countries, and would like to give the assurance that CIMA and the Ministry are working assiduously within the context of our respective remits to ensure that Cayman funds can continue to be marketed within the EU and elsewhere in the foreseeable future.

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