

The Supervision Project – Strengthening Supervisory Systems

Funded by the Governments of Canada and the United Kingdom of Great Britain and Northern Ireland



CFATF delivers first targeted AML/CFT Supervision Training to The Cayman Islands



Glenda Leben, Supervision Advisor, CFATF, pictured centre in the front row, together with some of the participants of the 3-day training event for AML/CFT Supervisors in the Cayman Islands.

The Supervision Project – Strengthening Supervisory System, funded by the Governments of Canada and the United Kingdom of Great Britain and Northern Ireland, which is open to all Caribbean Financial Action Task Force (CFATF) Members, seeks to improve the level of Technical Compliance and Effectiveness of Member countries as it relates specifically to strengthening Anti-Money Laundering/Counter Financing of Terrorism (AML/CFT) supervisory frameworks.

The Cayman Islands was the first Member of the CFATF to receive this type of training, which was conducted during the period January 8-10, 2020 and held at the Grand Cayman Marriott Beach Resort. Ms. Glenda Leben, Supervision Advisor at the CFATF, delivered the training over the three-day period, and focused on promoting a clear understanding of the requirements of Immediate Outcome (IO) 3 to AML/CFT Supervisors within the jurisdiction.

Participants included representatives from the Cayman Islands Monetary Authority, Cayman Attorneys Regulatory Authority, Cayman Islands Institute of Professional Accountants, Department of Commerce and Investment, Registrar of Companies, and Anti-Money Laundering Unit.

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Following their assessment in December 2017, the Cayman Islands Mutual Evaluation Report (MER) identified eleven (11) Key Findings and eight (8) Recommended Actions to strengthen specific areas of its supervision framework. As one of the first CFATF Members to agree to participate in the Supervision Project, the Supervision Advisor, undertook an analysis of the actions taken by the Cayman Islands subsequent to its evaluation, to address the Recommended Actions in the MER. Based on the findings, feedback was provided on the measures undertaken to date and further guidance was provided specific to IO3 and the relevant elements of related Recommendations (Recommendations 14, 26-28, 34, 35, elements of 1 and 40).

Since the Cayman Islands supervision framework for DNFBPs is fairly new with recently appointed AML/CFT Supervisors for Real Estate, Dealers in Precious Metals and Stones, Legal Professionals and Accountants, the training was offered and accepted by the Cayman Islands Government.

The sessions included exploration of the relationship between the Technical Compliance requirements and Effectiveness of AML/CFT Systems, namely the 6 Core Issues of IO3 and Recommendations specific to IO3, the components of a strong AML/CFT Compliance system, Risk-Based Approach to Supervision and the different phases in AML/CFT supervision. Simulation exercises were also conducted in order to assist personnel from agencies in the embryonic stage to acquire a greater understanding of the Mutual Evaluation Process and how their Effectiveness in implementing supervisory measures is assessed.

Feedback from participants indicate that the training improved their understanding and will assist with communication to supervised entities, the interactive sessions allowed for a better assimilation of the information presented and the links between the Methodology and the Recommendations were very helpful.

Consequently, the CFATF Secretariat through the Supervision Advisor anticipates continued positive outcomes from this project identified and supported by the Governments of Canada and the United Kingdom and Northern Ireland.