

CAYMAN ISLANDS



**PROCEEDS OF CRIME (AMENDMENT)
BILL, 2026**

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A BILL FOR AN ACT TO AMEND THE PROCEEDS OF CRIME ACT (2025 REVISION) IN ORDER TO EXPAND THE MEMBERSHIP OF THE ANTI-MONEY LAUNDERING STEERING GROUP (THE STEERING GROUP) TO INCLUDE THE MINISTER WITH RESPONSIBILITY FOR FINANCIAL SERVICES OR A DESIGNATE OF THE MINISTER TO BE CHAIRPERSON OF THE STEERING GROUP AND TO INCLUDE THE CHIEF OFFICER OF THE MINISTRY RESPONSIBLE FOR CUSTOMS AND BORDER CONTROL OR THE DESIGNATE OF THE CHIEF OFFICER; TO PROVIDE FOR THE SHARING OF INFORMATION BETWEEN MEMBERS OF A COMMITTEE APPOINTED BY THE STEERING GROUP AND BETWEEN MEMBERS OF THE STEERING GROUP AND MEMBERS OF THAT COMMITTEE; TO PROVIDE FOR AN ANNUAL PERFORMANCE REPORT OF THE ACTIVITIES OF THE STEERING GROUP; AND FOR INCIDENTAL AND CONNECTED PURPOSES

PUBLISHING DETAILS

Sponsoring Ministry/Portfolio: Ministry of Financial Services and Commerce



Memorandum of OBJECTS AND REASONS

This Bill makes several amendments to the Proceeds of Crime Act (2025 Revision) (“the principal Act”) in order to provide, among other things, for the following matters —

- (a) change in the membership of the Steering Group;
- (b) continuation of the Inter-Agency Coordination Committee;
- (c) the sharing of information between members of the Steering Group and the Inter-Agency Coordination Committee and among members of the Inter-Agency Coordination Committee;
- (d) the provision of annual performance reports by every competent authority which is charged with the responsibility for investigating or prosecuting money laundering, associated predicate offences and terrorist financing; and
- (e) immunity of the Steering Group and its members and the Inter-Agency Coordination Committee and its members.

Clause 1 provides the short title of the legislation.

Clause 2 amends section 2 of the principal Act to insert definitions of “**Inter-Agency Coordination Committee**”, “**self-laundering offence**”, “**stand-alone money laundering offence**” and “**third-party money laundering offence**”.

Clause 3 repeals and replaces section 5(1) of the principal Act to change the composition of the Steering Group. It is proposed that the Steering Group will now be chaired by the Minister responsible for financial services or a designate of the Minister. Clause 3 also amends section 5 to provide that there continues to be established a committee known as the Inter-Agency Coordination Committee appointed by the Steering Group.

Clause 4 inserts a new section 5A which provides for the provision of annual performance reports by every competent authority which is charged with the responsibility for investigating or prosecuting money laundering, associated predicate offences and terrorist financing. It is required that such reports must, no later than three months after the end of each year, be prepared and submitted to the Steering Group. As soon as practicable after the Steering Group has received the report, the Steering Group must submit the report to Cabinet for its information, and thereafter publish the report in the Gazette and on any other government website determined by the Steering Group.

It is proposed that the annual performance report will contain different information depending on whether an entity prosecutes or investigates offences. However, both types of entities must provide annual performance reports containing the following information —

- (a) key achievements and indicators of progress —



- (i) as measured against the national action plan approved by the Steering Group, if one exists; to combat money laundering, terrorist financing and proliferation financing; and
 - (ii) in the absence of a national action plan, which are in line with the national strategy to combat money laundering, the financing of terrorism and proliferation financing;
- (b) an outline of the operational and strategic priorities of the relevant competent authority for the forthcoming year where such priorities relate to the national anti-money laundering, counter-terrorist financing and counter-proliferation financing strategy; and
- (c) statistical or performance indicators relevant to the effectiveness of the relevant agency in its performance against —
 - (i) the national anti-money laundering, counter-terrorist financing and counter-proliferation financing action plan approved by the Steering Group, where one exists; or
 - (ii) in the absence of a national action plan, in line with national anti-money laundering, counter-terrorist financing and counter-proliferation financing strategy.

Matters to be included in an annual performance report for an entity which prosecutes offences include —

- (a) the number of prosecutions for money laundering, terrorist financing and proliferation financing activity;
- (b) the nature and types of associated predicate offences from which proceeds are derived;
- (c) the number of money laundering convictions related to —
 - (i) third-party money laundering offences;
 - (ii) stand-alone money laundering offences;
 - (iii) self-laundering offences; and
 - (iv) foreign predicate offences;
- (d) the number and types of sanctions including monetary fines and prison sentences imposed for money laundering, terrorist financing and proliferation financing offences; and
- (e) the types of offences to which each sanction relates.

Matters to be included in an annual performance report for an entity which investigates offences include —

- (a) the number of criminal investigations for money laundering, terrorist financing and proliferation financing activity;



- (b) the number of criminal cases where there was an investigation to identify and trace assets; and
- (c) the value of criminal assets seized or frozen for domestic purposes.

Clause 5 inserts new sections 7A and 7B. The proposed new section 7A deals with information sharing. It is provided that —

- (a) a member of the Inter-Agency Coordination Committee may disclose information in the possession of that member to another member of the Inter-Agency Coordination Committee; and
- (b) a member Inter-Agency Coordination Committee may disclose information in the possession of that member to a member of the Steering Group,

where the disclosure is made in good faith for the purpose of enabling the Inter-Agency Coordination Committee, members of the Inter- Agency Coordination Committee or the Steering Group to perform functions under the legislation or in the exercise of any statutory power.

The new section 7B provides that neither the Steering Group, a member of the Steering Group, the Inter-Agency Coordination Committee nor any member of that Committee shall be liable in damages for anything done or omitted in the discharge of their respective functions or duties under the legislation unless it is shown that the act or omission was in bad faith or constituted wilful misconduct or negligence.

Clause 6 validates the sharing of information which took place prior to the date of the commencement of the amending legislation.

CAYMAN ISLANDS



PROCEEDS OF CRIME (AMENDMENT) BILL,
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PROCEEDS OF CRIME (AMENDMENT) BILL, 2026

A BILL FOR AN ACT TO AMEND THE PROCEEDS OF CRIME ACT (2025 REVISION) IN ORDER TO EXPAND THE MEMBERSHIP OF THE ANTI-MONEY LAUNDERING STEERING GROUP (THE STEERING GROUP) TO INCLUDE THE MINISTER WITH RESPONSIBILITY FOR FINANCIAL SERVICES OR A DESIGNATE OF THE MINISTER TO BE CHAIRPERSON OF THE STEERING GROUP AND TO INCLUDE THE CHIEF OFFICER OF THE MINISTRY RESPONSIBLE FOR CUSTOMS AND BORDER CONTROL OR THE DESIGNATE OF THE CHIEF OFFICER; TO PROVIDE FOR THE SHARING OF INFORMATION BETWEEN MEMBERS OF A COMMITTEE APPOINTED BY THE STEERING GROUP AND BETWEEN MEMBERS OF THE STEERING GROUP AND MEMBERS OF THAT COMMITTEE; TO PROVIDE FOR AN ANNUAL PERFORMANCE REPORT OF THE ACTIVITIES OF THE STEERING GROUP; AND FOR INCIDENTAL AND CONNECTED PURPOSES

ENACTED by the Legislature of the Cayman Islands.

Short title

1. This Act may be cited as the Proceeds of Crime (Amendment) Act, 2026.



Amendment of section 2 of the Proceeds of Crime Act (2025 Revision) - interpretation

2. *The Proceeds of Crime Act (2025 Revision)*, in this Act, referred to as the “principal Act”, is amended in section 2 by inserting, in the appropriate alphabetical sequence, the following definitions —

“**Inter-Agency Coordination Committee**” means the committee appointed by the Steering Group under section 5(3A) to carry out the functions specified under section 5(3B);

“**self-laundering offence**” means the laundering of proceeds by a person who was involved in the commission of the predicate offence;

“**stand-alone money laundering offence**” means a money laundering offence committed independently of the underlying predicate money laundering offence; and

“**third-party money laundering offence**” means the laundering of proceeds by a person who was not involved in the commission of the predicate offence.”.

Amendment of section 5 - Anti-Money Laundering Steering Group

3. The principal Act is amended in section 5 as follows —

- (a) in subsection (1), by repealing paragraphs (a) to (h) and substituting the following paragraphs —

- “(a) the Minister responsible for financial services or a designate of the Minister, who is the chairperson;
- (b) the chief officer of the Ministry responsible for financial services or the designate of the chief officer, who is the deputy chairperson;
- (c) the Attorney General or the designate of the Attorney General;
- (d) the Commissioner of Police or the designate of the Commissioner of Police;
- (e) the chief officer of the Ministry responsible for Customs and Border Control or the designate of the chief officer;
- (f) the managing director appointed under section 13 of the *Monetary Authority Act (2020 Revision)* or the designate of the Managing Director;
- (g) the Solicitor General or the designate of the Solicitor General;
- (h) the chairperson of the Anti-Corruption Commission or the designate of the chairperson;
- (i) the Director of Public Prosecutions or the designate of the Director; and



- (j) the chief officer or Director, as the case may be, of the department in Government charged with responsibility for monitoring compliance with Regulations made under section 145 in relation to persons conducting relevant financial business” who are not otherwise subject to such monitoring by the Monetary Authority.”; and
- (b) in subsection (3A) as follows —
 - (i) by deleting the words “The Steering Group shall appoint a committee” and substituting the words “There continues to be established a committee known as the Inter-Agency Coordination Committee appointed by the Steering Group”;
 - (ii) by deleting the word “committee” where it twice appears and substituting the words “Inter-Agency Coordination Committee”;
 - (iii) in paragraph (b) —
 - (A) by inserting after subparagraph (ii) the following subparagraph —

“(iia) a representative from an agency or body that is assigned by Cabinet under section 4(9) as a Supervisory Authority;”; and
 - (B) in subparagraph (iii), by inserting immediately after the word “unit” the words “or units”; and
- (c) in subsection (3B), by deleting the words “A committee” and substituting the words “The Inter-Agency Coordination Committee”.

Insertion of section 5A - annual performance reports of competent authorities

4. The principal Act is amended by inserting after section 5 the following section 5A —
- “Annual performance reports of competent authorities**

- 5A.** (1) Subject to subsections (2), (3) and (4), every competent authority that is charged with the responsibility for investigating or prosecuting money laundering, associated predicate offences and terrorist financing shall, prepare and submit to the Steering Group an annual performance report in accordance with this section no later than three months after the end of each year,
- (2) The annual performance report that every competent authority specified under subsection (1), is required to prepare and submit shall include the following information —
- (a) key achievements and indicators of progress —

- (i) as measured against the national action plan approved by the Steering Group, if one exists, to combat money laundering, terrorist financing and proliferation financing;
 - (ii) in the absence of a national action plan, which are in line with the national strategy to combat money laundering, the financing of terrorism and proliferation financing;
- (b) an outline of the operational and strategic priorities of the relevant competent authority for the upcoming year where the priorities relate to the national anti-money laundering, counter-terrorist financing and counter-proliferation financing strategy; and
- (c) statistical or performance indicators relevant to the effectiveness of the relevant agency in its performance —
 - (i) against the national anti-money laundering, counter-terrorist financing and counter-proliferation financing action plan approved by the Steering Group, where one exists; or
 - (ii) in the absence of a national action plan, in line with national anti-money laundering, counter-terrorist financing and counter-proliferation financing strategy;
- (3) The annual performance report which every competent authority specified under subsection (1), which is charged with the responsibility for prosecuting money laundering, associated predicate offences and terrorist financing, is required to prepare and submit shall include the following information —
 - (a) the number of prosecutions for money laundering, terrorist financing and proliferation financing activity;
 - (b) the nature and types of associated predicate offences from which proceeds are derived;
 - (c) the number of money laundering convictions related to —
 - (i) third-party money laundering offences;
 - (ii) stand-alone money laundering offences;
 - (iii) self-laundering offences; and
 - (iv) foreign predicate offences;
 - (d) the number and types of sanctions including monetary fines and prison sentences imposed for money laundering, terrorist financing and proliferation financing offences;
 - (e) the types of offences to which each sanction relates;



- (f) the number of money laundering investigations referred to the Director of Public Prosecutions but not proceeded with, and the reasons for not proceeding;
 - (g) the value of proceeds of crime, instrumentalities, or property of corresponding value confiscated in the reporting period whether through confiscation proceedings or by civil recovery;
 - (h) the value of criminal assets seized or frozen for domestic purposes;
 - (i) the value of criminal assets seized or frozen for international cooperation purposes;
 - (j) the number of cases where proceeds of crime were shared with or repatriated to foreign jurisdictions;
 - (k) the value of proceeds of crime shared with or repatriated to foreign jurisdictions;
 - (l) the value of proceeds of crime, and the number and nature of cases where the proceeds of crime were restituted to victims domestically and through international cooperation to victims outside of the Islands; and
 - (m) any other information that may be determined by Cabinet, in consultation with the Steering Group and which is information that is being dealt with by the prosecutorial authority.
- (4) The annual performance report which every competent authority specified under subsection (1), which is charged with the responsibility for investigating money laundering, associated predicate offences and terrorist financing, is required to prepare and submit shall include the following information —
- (a) the number of criminal investigations for money laundering, terrorist financing and proliferation financing activity;
 - (b) the number of criminal cases where there was an investigation to identify and trace assets;
 - (c) the value of criminal assets seized or frozen for domestic purposes; and
 - (d) any other information that may be determined by Cabinet, in consultation with the Steering Group and which is information that is being dealt with by the investigative authority.
- (5) A person who is required to report of information in accordance with this section is not required to disclose information that is subject to legal professional privilege or information that would prejudice any ongoing or future investigations or prosecutorial proceedings.

- (6) An annual performance report shall not contain information which, in the opinion of the Steering Group, is sensitive, is operational data, or the disclosure of which may prejudice law enforcement or national security.
- (7) As soon as practicable after the Steering Group has received the annual performance report, the Steering Group shall submit the report to Cabinet for its information and thereafter publish the report in the Gazette and on any other government website determined by the Steering Group.”.

Insertion of sections 7A and 7B - information sharing among members of the Inter-Agency Coordination Committee and between the Inter-Agency Coordination Committee and the Steering Group; immunity of the Steering Group and its members and of the Inter- Agency Coordination Committee and its members

5. The principal Act is amended by inserting after section 7 the following sections —

“Information sharing among members of the Inter-Agency Coordination Committee and between the Inter- Agency Coordination Committee and the Steering Group

7A. (1) Subject to this section —

- (a) a member of the Inter-Agency Coordination Committee may disclose information in the possession of that member to another member of the Inter- Agency Coordination Committee; and
- (b) a member of the Inter-Agency Coordination Committee may disclose information in the possession of that member to a member of the Steering Group,

where the disclosure is made in good faith for the purpose of enabling the Inter-Agency Coordination Committee, members of the Inter-Agency Coordination Committee or the Steering Group to perform functions under this Act or in the exercise of any statutory power.

- (2) Information disclosed under subsection (1) shall be used only by the member to whom it is disclosed for the following purposes —
 - (a) implementing policies under this Act;
 - (b) coordination or risk assessments related to anti-money laundering, countering the financing of terrorism, and counter-proliferation financing; and
 - (c) such other purposes as determined by the Steering Group.
- (3) A disclosure under subsection (1) shall not contravene —



- (a) any order made by the Grand Court in respect of such information; and
 - (b) *the Data Protection Act (2021 Revision)* or any other law in the Islands relating to confidentiality of information.
- (4) Nothing in this section shall require the Financial Reporting Authority to disclose any information that was received by the Financial Reporting Authority from a foreign financial intelligence unit except in accordance with the principles and procedures that govern such disclosures.
- (5) The word “**member**” means a member of the Inter-Agency Coordination Committee.

Immunity of the Steering Group and its members and the Inter-Agency Coordination Committee and its members

7B. The Steering Group, a member of the Steering Group, the Inter-Agency Coordination Committee and any member of that Committee shall not be liable in damages for anything done or omitted in the discharge of their respective functions or duties under this Act unless it is shown that the act or omission was in bad faith or constituted wilful misconduct or negligence.”.

Validation

6. Disclosure of information under the principal Act —

- (a) by a member of the Inter- Agency Coordination Committee, acting in good faith, to another member of the Inter-Agency Coordination Committee; and
- (b) by a member of Inter- Agency Coordination Committee, acting in good faith, to a member of the Steering Group,

prior to the date of the commencement of this amending Act is validated and deemed to have been lawfully done.

Passed by the Parliament the _____ day of _____, 2026.

Speaker

Clerk of the Parliament

