



MESSAGE FROM OUR MANAGING DIRECTOR 20th ANNIVERSARY OF THE IOSCO MMOU



The financial services industry is never static, and as modern technologies have forced our economies to be linked, information exchange and cooperation is becoming increasingly important. These developments led to the Cayman Islands Monetary Authority (CIMA) being a proud member of the International Organization of Securities Commissions (IOSCO) and a signatory to its Multilateral Memorandum of Understanding (MMoU) in March 2009. Since then, and through this cooperation, CIMA has made significant progress in raising the standards of enforcement and building capacity for sustainable finance.

As many of our regulated entities conduct securities activities in global markets, the ability to exchange essential non-public information with international regulatory bodies has proved to strengthen our processes and enhance CIMA's statutory obligation to maintain a sound financial system.

This MMoU has also become an indispensable tool in the fight against financial fraud, insider trading and misconduct of affiliated shareholders and directors in other jurisdictions - an element which has been critical to the success of our regulatory enforcement.

Prior to our membership 14 years ago, and without an overarching framework to set the rules, cross-border investigations were cumbersome. Today, such cases can now be investigated and brought before the courts.

This sentiment was echoed by a local [judicial decision](#) undertaken in 2017 between CIMA and Select Vantage Inc - a Cayman-registered company. Results of the proceedings confirmed CIMA's statutory powers to compel information from regulated and non-regulated entities, on behalf of overseas regulators under the MMoU. The matter was later appealed to the Privy Council and subsequently denied, thereby upholding the ground-breaking decision to enforce an order which required Select Vantage to comply with the directive issued by CIMA. This provision was since adopted under the Monetary Authority Act, underscoring the MMoU's importance as the gold standard for cross-border regulation.

As IOSCO observes its 20th Anniversary of the MMoU, it is well-positioned to build on its efforts to enhance cross-border enforcement cooperation for wide-reaching securities regulation. I applaud and congratulate IOSCO on this successful milestone and look forward to the continued cooperation to obtain the international assistance needed to pursue effective enforcement for the Cayman Islands, and the world.

Cindy Scotland
Managing Director