



AMENDMENTS TO THE COMMON REPORTING STANDARD

Responses to Industry on consultation feedback

13th November 2025

Regulation No.	Amended Regulation No.	Description	Industry feedback	Ministry of Financial Services and Commerce response
Reg 2	Reg 2	Definition of “Accurate”	Most associations objected to the proposed definition of “ accurate ”, noting that it would effectively require Financial Institutions to verify the information contained in self-certifications. Industry emphasized that such a requirement goes beyond the OECD CRS, which relies on the good faith acceptance of self-certifications unless the institution knows or has reason to know that the information is unreliable or incorrect.	<p>The Ministry acknowledges that requiring Financial Institutions to verify the factual content of self-certifications would go beyond the obligations set out under the CRS, which permits reliance on self-certifications unless there is knowledge or reason to know they are incorrect or unreliable.</p> <p>Accordingly, we will amend the definition of “accurate” to delete the verification provision.</p> <p>The requirement proposed in Regulation 7(2)(c) for a valid self-certification to be verified against Documentary Evidence will also be deleted.</p>
Reg 2	Reg 2	Definition of “change of circumstances	<p>Industry requested clarification on the reference to changes in an Account Holder’s or Controlling Person’s “profile” within the definition of “change in circumstances” noting that the term “profile” is vague and overly broad, creating uncertainty as to its intended scope.</p> <p>Industry therefore recommended that the Ministry either clarify the meaning of the term or remove paragraph (b) of the proposed definition in</p>	<p>The Ministry agrees that the reference to changes in an Account Holder’s or Controlling Person’s “<i>profile</i>” in paragraph (b) of the proposed definition of “change of circumstances” could lead to ambiguity. To provide greater clarity and alignment with international standards, the Ministry will remove paragraph (b) of the proposed definition of “change of circumstances”.</p>

Regulation No.	Amended Regulation No.	Description	Industry feedback	Ministry of Financial Services and Commerce response
			its entirely to ensure consistency with the CRS standard and to avoid ambiguity in application.	
Reg 2	Reg 2	Definition of “government entity vs “Governmental Entity”	Industry raised concerns about the proposed narrowing of the definition of “government entity,” noting that the revised wording could inadvertently exclude foreign-controlled entities, such as state pension funds, which are currently treated as exempt under the existing framework.	<p>The term “government entity,” as proposed for insertion in section 2(1) of the draft Regulations, refers specifically to entities classified as “exempted bodies”. These entities are not required to register with the Department for International Tax Cooperation (DITC) as financial institutions under Regulation 8, even if they might otherwise fall within scope. This category includes, for example, statutory bodies established under Cayman Islands law and public authorities. The term therefore represents a narrow and intentional carve-out within the Regulations, exempting certain Cayman Islands entities from registration and reporting obligations.</p> <p>Importantly, this term is distinct from the broader concept of a “Governmental Entity” as defined under the CRS, specifically in Section VIII, Defined Terms, paragraphs B.1 and B.2. The CRS definition encompasses both Cayman Islands and foreign entities and is relevant to Cayman Financial Institutions when determining due diligence and reporting obligations for Account Holders qualifying as Non-Reporting Financial Institutions.</p> <p>Under both the Regulations and CRS, a Cayman Financial Institution that is not an exempted body is required to register and report to the DITC. A Non-Reporting Financial Institution that does not qualify as an exempted body must still register.</p> <p>Accordingly, the Ministry does not propose any changes to the current definition of “government entity.”</p>
Reg 3	Reg7(3)		Industry supports the requirement to obtain self-certifications at the time of account opening. However, stakeholders note that, in practice, there are	The Ministry considered the feedback received from Industry regarding the requirement to obtain self-certifications at the time of account opening. The Ministry acknowledges that, while this

Regulation No.	Amended Regulation No.	Description	Industry feedback	Ministry of Financial Services and Commerce response
			<p>circumstances in which obtaining the self-certification immediately upon account opening is not feasible.</p> <p>Industry further observed that draft Regulation 7(3) is more onerous than the CRS 2.0 standard, as it omits the new provision addressing a “temporary lack of self-certification.” In exceptional circumstances. This flexibility is included in the provision included in Section VII of CRS under Regulation 20(e) of the Amendment Regulations, and stakeholders recommended that it also be reflected in Regulation 7(3) for consistency.</p> <p>Accordingly, industry suggests revising the drafting to refer to obtaining self-certifications “on or before” the date the account is opened, and to align with the temporary lack of self-certification provision.</p>	<p>requirement is appropriate in principle, there are practical circumstances in which it may not be feasible to obtain the self-certification immediately upon account opening.</p> <p>The Ministry will amend regulation 7(3) to align more closely with the CRS, in particular, the requirement to obtain a self-certification on or before the time of account opening is subject to the “temporary lack of self-certification” provision, consistent with the provision included in Section VII of CRS under Regulation 20(e) of the Amendment Regulations.</p>
Reg 4	Reg 8	Registration deadline (Jan 31 vs Apr 30)	<p>Industry expressed that advancing the registration deadline to 31 January would be impractical. They explained that many funds launched late in the year often do not yet possess their GIIN or CIMA registration numbers by that date. As such, industry recommended extending the deadline to 31 March or, alternatively, allowing greater flexibility to accommodate these timing challenges.</p>	<p>Having considered feedback received from industry stakeholders regarding the proposed advancement of the registration (notification) deadline., the Ministry maintains the position that moving the deadline to 31 January is appropriate. This adjustment will enhance the timely identification of all Financial Institutions (FIs) for each reporting year, thereby strengthening oversight of the FI population, facilitating the detection of non-compliant entities, and improving data accuracy and reconciliation across the CRS, CARF, FATCA, and Economic Substance frameworks. However, Ministry acknowledges that this change may present practical challenges for newly established entities, particularly those formed late in the calendar year. To address these concerns, a transitional arrangement will be implemented:</p> <ul style="list-style-type: none"> • Entities that become Financial Institutions in 2025 will retain a registration deadline of 30 April 2026.

Regulation No.	Amended Regulation No.	Description	Industry feedback	Ministry of Financial Services and Commerce response
				<ul style="list-style-type: none"> The 31 January deadline will first apply to entities that qualify as Financial Institutions during 2026, with effect from 31 January 2027. <p>This phased approach provides a balanced transition, ensuring that the benefits of earlier registration are realised while allowing sufficient time for entities to adjust their systems and processes ahead of full implementation.</p>
Reg 4	Reg 8	Change form – 21 days of the change occurring	<p>Industry Associations generally viewed the proposed 21-day timeframe for submitting change forms as impractical, noting that service providers may not always become aware of relevant changes immediately.</p> <p>One Association recommended that the 21-day period commence from the date of becoming aware of the change, rather than the date the change occurred. Another Association suggested extending the timeframe to 60 days to allow adequate time for verification and submission.</p> <p>The remaining Associations proposed adopting a more flexible standard, such as requiring that change forms be submitted “as soon as practicable” after the change is identified.</p>	<p>The Ministry considered that a modest extension is appropriate. Accordingly, the period will be extended from 21 days to 30 days.</p> <p>This adjustment reflects a balanced approach that recognises industry’s request for greater flexibility while maintaining the importance of timely and accurate reporting. Up-to-date information is essential for effective communication, compliance monitoring, and enforcement under the CRS framework.</p> <p>Extending the timeframe further could result in outdated or incomplete information within the reporting period, thereby reducing the DITC’s ability to issue notices, respond to queries, and follow up on compliance matters. The 30-day timeframe therefore provides a reasonable and proportionate compromise, offering limited flexibility for entities that rely on third-party service providers while ensuring that the authorities continue to receive current and reliable information to support regulatory oversight.</p>

Regulation No.	Amended Regulation No.	Description	Industry feedback	Ministry of Financial Services and Commerce response
Reg 5	Reg 9	Return and compliance form reporting deadline (31 May vs 31 July and 30 September)	<p>There was significant opposition from industry to the proposed advancement of the CRS reporting deadline from 31 July to 31 May. The primary concern expressed was that most Cayman Financial Institutions are investment funds with 31 December year-ends, and audited financial statements are generally not finalised until late June. As a result, a 31 May deadline would necessitate reporting based on unaudited or draft financial information, increasing the potential for errors, corrective filings, and additional administrative burdens for both industry participants and the DITC.</p> <p>Several respondents also suggested that, instead, the deadline for submission of the CRS Compliance Form be advanced to 31 July (from 15 September) to provide the DITC with earlier access to key data without compromising accuracy.</p> <p>In addition, two industry associations recommended adopting a 30 June reporting deadline to align the CRS reporting period with the FAR filing timeline.</p>	<p>While the Ministry acknowledges the concerns raised by industry participants, it remains essential that the Department for International Tax Cooperation (DITC) has adequate time to conduct data validation, compliance verification, and remediation prior to the September transmission of information to partner jurisdictions. Further, aligning the Cayman reporting deadline with comparable jurisdictions enhances the jurisdiction's international credibility and ensures timely cooperation under the OECD Common Reporting Standard.</p> <p>For reference, the statutory CRS reporting deadlines in other comparable jurisdictions are as follows:</p> <ul style="list-style-type: none"> • British Virgin Islands (BVI) – 31 May following the calendar year to which the return relates • Guernsey, Jersey and Isle of Man – 30 June following the end of the reporting year. <p>In light of these submissions, the Ministry has decided to adjust the proposed deadline from 31 July to 30 June, rather than 31 May as originally indicated.</p>

Regulation No.	Amended Regulation No.	Description	Industry feedback	Ministry of Financial Services and Commerce response
Reg 7	Reg. 11 To amend 7(4)(f)	Third-party service providers /PPOC location	<p>Industry opposed the proposal to require all AEOI/CRS service providers to be based in the Cayman Islands. They noted that many financial institutions currently engage offshore service providers and that there is insufficient local capacity to meet existing demand.</p> <p>Industry cautioned that imposing a local presence requirement for all service providers would substantially increase costs for financial institutions and could negatively affect the Cayman Islands’ competitiveness as an international financial centre.</p> <p>As a practical compromise, industry recommended that only the Principal Point of Contact (PPOC) be required to be resident in the Cayman Islands, allowing continued access to specialised expertise while ensuring a local liaison for regulatory engagement.</p>	<p>The Ministry agrees with the proposed compromise that only the Principal Point of Contact (PPOC) be required to be resident in the Cayman Islands. This approach achieves a practical balance between ensuring effective regulatory oversight and recognising the operational realities of the financial services industry, where many financial institutions rely on specialised service providers based overseas.</p> <p>Ensuring that the PPOC is resident locally provides the DITC with a reliable and accessible point of contact for compliance and enforcement purposes, while allowing Financial Institutions to continue engaging external expertise where appropriate.</p> <p>For FI’s registered prior to the commencement of the Regulations, the deadline for notification of a change of PPOC because of the requirement for the PPOC to be in the Islands will be extended to 30 June 2027 which is the June 2027 deadline.</p>
Reg 14	Reg 28	Penalty Without Breach Notice for failing to file return or compliance form within the time provided under regulation 9	<p>One Association opposed the proposal to remove the requirement for a breach notice prior to the imposition of a penalty. It noted that eliminating this step would remove the opportunity for Financial Institutions to informally address or contest factual or administrative errors, thereby forcing them to pursue costly and time-consuming court appeals instead. The Association cautioned that such a change would increase legal and administrative burdens for both industry and the DITC. As an alternative, the Association recommended retaining the breach notice process, while reducing the response period if greater expediency is desired.</p> <p>One Association requested clarity on alternative enforcement measures.</p>	<p>The Ministry acknowledges concerns about removing the breach notice before penalties. However, certain statutory deadlines are strict and missing them automatically triggers penalties without discretion. This ensures the regime's integrity and timely compliance. While contesting factual errors is possible, clear breaches like missed deadlines do not require prior notice. Retaining breach notices in such cases would delay enforcement without benefit. The Ministry remains committed to fair appeal processes for genuine errors.</p>
	General	Self-Certification	<p>One Association noted that, for an Entity Self-Certification (“Self-Cert”) to be valid, Part (v) requires the entity to specify its classification as a Reporting Financial Institution, Non-Reporting Financial Institution, or Non-Financial Entity. However, in practice, many self-certifications do not</p>	<p>The current OECD template does, in fact, include this level of detail, and the DITC’s Entity Self-Certification Form has always required such information. The screenshot provided does not</p>

Regulation No.	Amended Regulation No.	Description	Industry feedback	Ministry of Financial Services and Commerce response
			<p>include this level of detail, particularly where the OECD Template Form has been used.</p> <p>The Association emphasised that requiring all account holders who previously submitted the OECD template to provide an updated self-certification would impose a significant administrative burden on both financial institutions and clients.</p>	<p>appear to reflect the current OECD template, and it is therefore unclear which version it represents or how dated it is.</p> <p>Furthermore, this information is essential for a Financial Institution to accurately determine whether its account holders are reportable or non-reportable under the relevant regulations.</p>
	General	System/Portal Capacity	<p>Industry expressed widespread concern that the current AEOI Portal already experiences significant delays and technical issues close to filing deadlines. Stakeholders cautioned that aligning all filings on the same date, particularly with the introduction of CARF reporting, could overload the system and exacerbate existing bottlenecks.</p> <p>Recommendation: Industry recommended either implementing staggered filing deadlines across different reporting regimes or undertaking portal infrastructure upgrades to ensure the system can accommodate increased reporting volumes efficiently.</p>	<p>The Ministry acknowledges the concerns raised by industry regarding portal performance and capacity constraints near filing deadlines, particularly in light of the upcoming implementation of CARF reporting.</p> <p>The Ministry confirms that this issue is actively being addressed through engagement with the DITC's IT service providers to enhance the AEOI Portal's stability, speed, and processing capacity. These improvements are intended to ensure the system can efficiently accommodate increased reporting volumes and simultaneous filings across multiple regimes.</p> <p>The Ministry will continue to monitor portal performance closely and implement further technical or procedural enhancements as necessary to maintain a reliable and efficient filing platform.</p>
	General	Implementation timeline	Industry requested that the final guidance be issued by the fourth quarter of 2025 to allow sufficient time for implementation and system adjustments ahead of the new reporting requirements.	The substantive provisions will be in place in the form of the Regulations by 1 st January 2026 and the official guidelines will be prepared as soon as possible thereafter.
	General	Accessibility of FI numbers to service providers	Industry suggested that service providers be granted access to Financial Institution (FI) numbers to facilitate internal reconciliations and strengthen compliance monitoring processes. They noted that such access would support the DITC's oversight	This matter falls outside the scope of the current consultation, but the Ministry confirms that this suggestion is already being considered as part of ongoing efforts to enhance system functionality and improve regulatory efficiency.

Regulation No.	Amended Regulation No.	Description	Industry feedback	Ministry of Financial Services and Commerce response
			efforts, improve the accuracy of notifications, and reduce the number of penalty notices issued for missed registrations or filings.	