New CIMA Rules

Effective September 18, 2026

The Cayman Islands Monetary Authority (the "Authority" or "CIMA") has issued two new rules coming into force September 18, 2026 for Regulated Entities:

- **The Rule on Effective Compliance Programme for the Prevention and Detection of Money Laundering, Terrorist Financing and Proliferation Financing for Financial Services Providers;** and
- **The Rule on Compliance with Financial Sanctions and Targeted Financial Sanctions**.

What you need to know

- **Applies to all financial service providers ("FSPs")** regulated by CIMA, including investment funds.
- **Alignment with existing guidance**: The Rules are designed to be consistent with prior CIMA guidance.
- **Binding obligations for AML/CFT/CPF and sanctions:** Now published as rules, they will be enforceable, giving CIMA stronger supervisory and enforcement powers.
- **AML audit cadence:** AML/CFT/CPF Compliance Rule 12 states that following two consecutive internal audit cycles, the next audit must be performed by an external service provider.
- **Sanctions compliance:** Strengthened controls and screening obligations to meet CIMA's sanctions framework.
- **Oversight of outsourced AML functions:** The AML/CFT/CPF Compliance Rule embodies CIMA's *Statement of Guidance on Outsourcing* as it relates to AML and introduces outsourcing-related requirements for regulated investment funds.
- **Where AML functions are outsourced**, FSPs remain ultimately responsible and must conduct due diligence on the service provider, assess outsourcing and country risks, document the parties' responsibilities, preserve CIMA's access to relevant information and systems, and notify CIMA of arrangements involving material compliance functions.



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How KPMG can help

KPMG professionals have extensive experience assisting Cayman-regulated entities with AML/CFT/CPF compliance programmes, regulatory inspections, governance reviews and regulatory change initiatives.

- ✓ **AML/CFT/CPF audit reviews** designed to support entities responding to CIMA's new independent audit requirements.
- ✓ **Health Checks** to identify gaps and enhancement opportunities for your AML/CFT/CPF programme
- ✓ **Gap assessments** against the new CIMA Rules
- ✓ **Business Risk Assessment** reviews focused on regulatory requirements and industry practices
- ✓ **Sanctions Compliance Reviews** covering screening, escalation and monitoring processes
- ✓ **Outsourcing and Third-Party Oversight Reviews** focused on governance and regulatory compliance
- ✓ **Remediation planning** and programme enhancement support, including development of remediation roadmaps, governance reporting and implementation prioritization.
- ✓ **Targeted training** for boards, executives, and frontline teams; awareness of new obligations and processes

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Contact us for further detail or client-specific discussions.



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