

Portfolio of Legal Affairs
Cayman Islands Government
c/o Attorney General's Chambers - SGO
4th Floor, Government Administration Building
Grand Cayman, Cayman Islands
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CAYMAN ISLANDS
GOVERNMENT

MEMORANDUM
Ministry of Portfolio of Legal Affairs

To: Accountant General, Treasury Department
From: Chief Financial Officer, Portfolio of Legal Affairs
Date: January 18, 2024
Org Type: **Executive**
Description: CILPA 2023 - 3rd/4th Quarter funding

Please effect immediately Cabinet Funding from Executive bank account [REDACTED] as set out below:

Appropriation Details

NGS 89 – Cayman Islands Legal Practitioners Association Ltd.

CI \$303,000.00

Regards,

Honourable Attorney General
Samuel Bulgin, KC

Solicitor General
Reshma Sharma, KC

Cayman Attorneys Regulation Authority
(345) 749-2272 | info@cara.ky | www.cara.ky

INVOICE # 12
DATE 17 January 2024

FAO

Hon. Attorney General
Cayman Islands Government
Government Administration Building
133 Elgin Ave, George Town
Cayman Islands

FOR AML/CFT/CPF/TFS Supervision

Description	Amount
For Q3/2023 and Q4/2023 (1 July – 31 Dec 2023) – Supervision, monitoring, and regulation of firms of attorneys-at-law (including sole practitioners) conducting relevant financial business.	CI \$ 303,000.00

*Approved [Signature]
24/1/2024*

Total	CI \$ 303,000.00
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If you have any questions concerning this invoice, please contact Clare Guile | (345)-749-2276 | clare.guile@cara.ky

MEMORANDUM

From: Clare Guile, Head of CARA

Date: 17 January 2024

To: Tiffany Ebanks, Chief Financial Officer

Cc'd: J. Lemuel Hurlston, Chair of CARA Board

RE: Purchase Agreement between CIG and CILPA dated 31 December 2021

1. Under the terms of the Purchase Agreement between the Cayman Islands Government (“CIG”) and the Cayman Islands Legal Practitioners Association Ltd (“CILPA”) dated 31 December 2021 (“**the Agreement**”), the outputs/measures purchased by Cabinet and to be delivered by CILPA (delegated to its sub-committee, CARA) during the fiscal year 2023 are detailed below.

MEASURES	2022 1 Jan to 31 Dec 2022	2023 1 Jan to 31 Dec 2023
QUANTITY		
<ul style="list-style-type: none"> • Number of applications for registration and cancellations of registration processed • Number of ML/TF/PF/TFS risk assessments conducted • Number of supervisory activities and or enforcement actions applied to supervised firms • Number of outreach events and activities delivered to supervised firms • Number of meetings held, and presentations made to other supervisory authorities, LEAs, and relevant stakeholders • Number of public notices, publications, advisories, press releases and responses to industry queries in which CARA provided technical advice, guidance, information, and support to the legal sector 	<p>2-8</p> <p>50-65</p> <p>30-60</p> <p>2-4</p> <p>12-15</p> <p>5-10</p>	<p>2-8</p> <p>50-65</p> <p>30-60</p> <p>2-4</p> <p>12-15</p> <p>5-10</p>
QUALITY		
<ul style="list-style-type: none"> • Regulatory and supervisory functions carried out in accordance with applicable legislation, CARA Guidance, policies and procedures and Board directives 	95-100%	95-100%
TIMELINESS		
<ul style="list-style-type: none"> • Conduct supervisory and enforcement activity according to established timelines 	85-100%	85-100%

2. The following table details the outputs/deliverables budgeted per the Agreement compared to actual deliverables.

Purchase Agreement 2022-2023		2023								YR END TOTAL	
Measurables	QTY	ACTUAL	ACTUAL	ACTUAL			ACTUAL				
		Q1 (JAN - MAR)	Q2 (APR - JUN)	JUL	AUG	SEPT	OCT	NOV	DEC		
1	No. of applications for registration and cancellation of registration processed.	2-8	2	2	0	1	1	0	0	0	6
2	No. of ML/TF/PF/TFS risk assessments conducted.	50-65	0	57	0	0	0	0	0	0	57
3	No. of supervisory activities and or enforcement actions applied to supervised firms.	30-60	6	35	0	0	0	0	5	0	46
4	No. of outreach events and activities delivered to supervised firms.	2-4	0	0	0	0	0	0	0	0	0
5	No. of meetings held, presentations made to other supervisory authorities, LEAs, and relevant stakeholders.	12-15	5	7	0	0	3	2	0	3	20
6	No. of public notices, publications, advisories, press releases, and responses to industry enquiries, in which CARA provided technical advice, guidance, information, and support to the legal sector.	5-10	8	14	1	0	0	0	1	0	24

3. Measure #1- Registry

- 3.1. Actual outputs achieved in Q3 and Q4 combined totalled two.
- 3.2. During this period one new law firm was registered with CARA and one firm was de-registered as the practice had closed down.
- 3.3. The required budgeted output is 2-8 for 2023. Total output achieved at year end totalled six. The measurable has therefore been met.

4. Measure #2 - Risk Based Approach

- 4.1. This measurable relates to CARA's annual AML Return exercise in which all firms conducting relevant financial business are required to complete and submit a detailed questionnaire on their money laundering, terrorism and proliferation financing risks and compliance with the Anti Money Laundering Regulations (as revised) ("the AMLRs"). The data is used by CARA to risk profile each firm which in turn drives CARA's risk-based approach to supervision and monitoring.

4.2. The required output is 50-65 for 2023 (and is dependent upon the size of the supervised population which can vary). The AML Return exercise was conducted in Q2. This measurable was therefore met in full at the mid-year point.

5. Measure #3 - Supervision and Enforcement

5.1. Actual outputs achieved in Q3 and Q4 combined totalled five.

5.2. In June 2023, CARA commenced supervisory engagement with 35 supervised firms to assess their compliance with targeted financial sanctions legislation in accordance with Regulation 5 of the AMLRs. This included conducting limited scope on-site assessments at five of the firms.

5.3. The required budgeted output is 30-60 for 2023. Total output achieved at year end totalled 46. The measurable has therefore been met.

6. Measurable #4 - Outreach

6.1. Due to staffing resources, CARA was not able to deliver any outreach events to the legal profession in 2023.

6.2. The required output is 2-4 for 2023. This measurable has therefore not been met.

7. Measurable #5 - Information and intelligence sharing

7.1. Actual outputs achieved in Q3 and Q4 combined totalled eight.

7.2. The required output is 12-15 for 2023. Total output achieved at year end totalled 20. The measurable has therefore been met.

8. Measurable #6 - Guidance and technical assistance

8.1. Actual outputs achieved in Q3 and Q4 combined totalled two.

8.2. The required output is 5-10 for 2023. Total output achieved at year end totalled 24. The measurable has therefore been met.

ENDS.