

Cayman Islands' Special Economic Zone Expansion

The Cayman Islands has, since 2011, had a special economic zone known as Cayman Enterprise City (“CEC”). The intention behind this is to make it simple for certain businesses to set up physical operations in the Cayman Islands and for owners of such business and their staff to move to, live and work in the Cayman Islands.

Businesses that qualify to operate in CEC are referred to as “business parks” and initially there were six: (1) internet (2) science and technology (3) media (4) commodities and derivatives (5) outsourcing and (6) academia.

A seventh “business park”, the new Maritime Services business park, has recently been added to this list. The Maritime Services business park is designed to encourage maritime services businesses to set up physical operations in the Cayman Islands. Maritime services business is an umbrella term comprising a comprehensive list of businesses with a maritime element. The intention is to attract a cluster of maritime businesses to the Cayman Islands.

The Cayman Islands is a tax neutral environment, levying no income, capital gains or similar taxes with a favourable while robust regulatory environment and excellent infrastructure and facilities. This, plainly, is attractive to businesses and their staff. With onshore tax and other authorities seeking additional sources of revenue or regulation, being able to easily establish an offshore physical presence to benefit from this can be highly desirable.

Business in the CEC can be conducted through any Cayman Islands vehicle such as an exempted company or exempted limited partnership. Physical presence can range from one person with shared business centre facilities through to a fully equipped office with multiple staff, so all needs can be catered for. The cost is competitive and further details can be obtained from CEC, contact details for which can be found at <http://www.caymanenterprisecity.com/>.

In summary, the CEC offers a wide range of businesses, including now maritime services businesses, the opportunity to establish a physical presence in an offshore jurisdiction quickly, efficiently and at a competitive cost.

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