



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

G. Wayne Panton
Minister for Financial Services,
Commerce and Environment
133 Elgin Avenue, Box 126
Grand Cayman KY1-900

Dear Minister

8 September 2014

FINANCIAL CONDUCT AUTHORITY HIGH RISK COUNTRY LIST

Thank you for your letter of 26 August regarding the inclusion of the Cayman Islands on the Financial Conduct Authority's High Risk Country List. I am replying as Minister responsible for Financial Conduct Authority (FCA).

I think it appropriate that the FCA has removed the list from its website; it is out of date and they are no longer using it. I have met with Martin Wheatley, who has assured me that he has instigated an overhaul of the process and methodology for making these kinds of judgements in the FCA to ensure they are robust.

The UK attaches utmost importance to its relationship with the Cayman Islands, including on anti-money laundering and counter-terrorist financing. I am aware of the good work that the Cayman Islands are doing in this area and my officials have already made the FCA aware of the positive findings of their visit in June this year and of the Cayman's continued commitment to the Prime Minister's agenda on company transparency. But if you would like to discuss this further, then I would be very happy to arrange a call.

I am copying this letter to Martin Wheatley, Chief Executive of the FCA, and James Duddridge, Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs.

Best wishes

Andrea Leadsom

ANDREA LEADSOM