

Professional Relocation to the Cayman Islands

The Cayman Islands are a British Overseas Territory located in the northwestern Caribbean approximately 500 miles south of Miami, Florida, 180 miles northwest of Jamaica and 100 miles south of Cuba.

These Islands are home to many of the world's most prestigious financial institutions and are regarded as one of the largest international financial centres in the world. A tax neutral regime, diverse professional expertise, a strong and independent judiciary coupled with a sophisticated legal system based on English common law are some of the main attractions of the jurisdiction.

The demand for specialist professional and skilled expertise to support the financial and tourism industries has led to the immigration of more than one half of the workforce from overseas.

In 2008, the population of the Islands was estimated at 55,000 of which approximately 25,000 persons were non-Caymanians employed on work permits or who possessed permanent residence with the right to work. Over 100 nationalities are represented from as near as other Caribbean countries to as far away as the Far East and Australia.

Working in the Cayman Islands

Non-Caymanians must first obtain work permits from the Immigration authorities of the Government unless they already possess permanent residence with the right to work. Prospective employers are legally responsible for obtaining and paying for work permits. Businesses employing over 15 non-Caymanians must submit and obtain approval of a Business Staffing Plan setting out projected staffing needs over 3-5 years.

Prior to applying for an annual work permit or its renewal an employer must establish that reasonable efforts have been made to recruit suitably qualified Caymanians. Efforts are evidenced primarily by advertisements over two consecutive weeks in the local newspapers and by referrals to the Government's Employment Relations Department.

Work Permits

There are several types of work permits-Annual (1-5 years); Business Visitors (14 days maximum on any one visit); Temporary (up to 6 months); and Seasonal (8 months).

Employers are required to produce the usual due diligence documents in relation to prospective employees. Recently introduced policy directions provide that specified senior employees in the financial services sector should normally be issued with 3 year permits.

Temporary permits can be obtained in as little as 48 hours if needed. Seasonal permits are for obvious reasons of supply and demand only available within the tourism, water sports and hospitality industries.

Term limits, Key Employees and Permanent Residence with Employment Rights

On 31st December 2003, a limit of seven years was enacted as the maximum period of time that a non-Caymanian can work continuously on a work permit unless designated as a 'key employee'. At the completion of seven years a hiatus of at least one year is required before resumption of employment on a work permit.

The term limit of seven years has proved to be controversial and there is now debate as to whether the minimum hiatus period should be shortened to less than 12 months.

Applications can be made for key employee designation in cases of employees

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with, amongst other things, particular professional expertise in their field, involvement with the training of Caymanians, or because their absence would cause the employer serious hardship. Various presumptions now exist for key employee designation for certain categories within the financial services sector such as managing directors, partners, general managers and senior account managers.

Key employee designation allows a person to continue working after the term limit of seven years subject to a maximum of nine years of work permits. At year eight one becomes eligible to apply for Permanent Residence with an Employment Rights Certificate (RERC) which is generally successful if one has invested in real property in the Islands, has contributed to the community and has particular skills or expertise. A RERC is awarded with reference to a Points System with a minimum score of 100 points being necessary for a grant.

Retiring in the Cayman Islands

Residential Certificate of Independent Means

One can apply for a renewable Residential Certificate of Independent Means which allows a person to enter, remain and reside in the Islands for a period of 25 years. This certificate does not allow the holder to be gainfully employed as it is made on the basis that the holder has independent means. There is a difference in financial criteria depending on whether one seeks to reside on the larger more developed Grand Cayman or on one of the smaller Islands of Cayman Brac and Little Cayman. A common criteria however is the ownership of residential property.

Residential Certificate of Direct Investment

At the time of writing, the Government has just amended the Immigration Law (2009 Revision) to introduce a 25 year residential certificate of direct investment which we understand will be available to investors of high net worth who have invested in a business which employs a minimum number of Caymanians. Details are to be provided by way of regulations which have not yet been promulgated.

Acquiring British Overseas Territories Citizenship

A person who has possessed the right to be Caymanian or permanent residence for at least one year will be eligible to apply for a grant of naturalisation as a British Overseas Territories Citizen under the British Nationality Act, 1981. Eligibility is subject to strict residency requirements in the 5 year period immediately preceding the application which are similar to the relevant criteria for obtaining British citizenship. Grants are discretionary.

RITCH & CONOLLY

The firm and its affiliate corporate services entity, Foreshore Corporate Services Ltd is a well established legal and corporate services firm which has advised numerous domestic and international clients on immigration needs, business licensing and relocation to the Cayman Islands.

See www.rc.com.ky