

Cayman Islands' Economy Bounces Back As a Premium Caribbean Yachting Destination

Contributed by Shannon DeFries

While the group of islands located just south of Cuba has been prone to serious tropical storms and hurricanes, the destructive 2005-hurricane season, Ivan in particular, almost swept the Cayman Islands off of the map. The Caymans' notoriety as one of the world's leading offshore financial centres has helped bring the economy back to life. Since 2005, the Cayman Islands have been experiencing a reconstruction and building real estate boom similar to Grand Bahama Island. This region has become home to a large international base of white-collar investors and professional experts dealing with clientele from around the globe.

The Cayman Islands financial services industry encompasses banking, mutual funds, captive insurance, reinsurance, vessel registration, companies and partnerships, trusts, structured finance and the Cayman Islands Stock Exchange. As of December 2005, just over 70,000 companies were incorporated on the Cayman Islands including 430 banking and trust companies, 720 captive insurance firms and more than 7,000 funds. The government distinguishes between local (or "ordinary" companies), doing business primarily with the local population, and "exempted" companies conducting business primarily with overseas entities.

The Cayman Islands have been recognized as a focal point for offshore finance and their economy is developing at a rapid pace. In addition to finances being protected in the Caymans, assets are also protected. Yachts of any size may be registered in the Cayman Islands.

A luxury yacht has been considered a safe tax haven for many corporations but has also been utilized by many for corporate yacht charters. Anything from corporate seminars, social events, fundraisers to team building trips throughout the Caribbean have originated from vessels registered in the Cayman Islands. While the many governments and groups have been formed to monitor financial laundering regimes in the Cayman Islands, the laws here have provided logical solutions for international commerce that numerous Caribbean economies have benefited from.

The Cayman Islands' shallow waters may not provide the optimum waters for a conventional Caribbean Yacht Charter but diving yacht charters, fishing yacht charters and several aquatic adventures are welcome. Its proximity to the U.S., just south of Cuba, has made importation for provisioning a breeze.

With past devastating hurricane seasons and the customs law changes for U.S.citizens traveling to the Caribbean Islands and Bahamas the region has taken an economic blow. However the U.S. governments and travel tourism groups are working together to make traveling within the Western Hemisphere as simple and hassle free as possible. Because of the Cayman Islands international business reputation, and the current real estate boom that is drawing serious American and European investors alike, the local economy has been able to stay afloat as tourism begins to thrive again!