Cayman Islands seeks ‘qualified jurisdiction status’

By Editorial Staff *Tue, Jun 2, 2026*

'QJS would formally recognize the Cayman Islands’ reinsurance regulatory framework within the NAIC process and further align it with U.S. supervisory expectations. About 90% of the jurisdiction’s business is U.S.-facing,' the Cayman Island Monetary Authority said.

The Cayman Islands intends to submit its application to receive Qualified Jurisdiction Status for its reinsurance sector from the National Association of Insurance Commissioners by the end of the second quarter, according to AM Best. The process is driven and managed by the Cayman Islands Monetary Authority and is coordinated in the U.S. with the NAIC.

Receiving the distinction allows insurers to get credit for reinsurance from a non-U.S.-domiciled company, according to NAIC documentation on the process. Another major advantage of receiving Qualified Jurisdiction Status is lower reinsurance collateral requirements, NAIC documents say.

“If granted, QJS would formally recognize the Cayman Islands’ reinsurance regulatory framework within the NAIC process and further align it with U.S. supervisory expectations, reflecting the fact that approximately 90% of the jurisdiction’s business is U.S.-facing,” the Monetary Authority said in an statement.

The Cayman Islands has a CRT-2 country risk rating from AM Best, with low levels of economic and political risk and moderate levels of financial system risk, according to a Best’s Country Risk Report. The approval timeline can vary due to the need for ongoing engagement throughout the review cycle. QJS status is expected to apply to specific license classes in Cayman, and some of the benefits might not apply automatically.

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