

Sean Moran, Business Development Manager, BDA

Alternative Investment Management Association (AIMA) Bermuda launch event

6–7:30pm, Thursday, March 3, 2016

City Hall & Arts Centre, Hamilton, Bermuda

Welcome to all – great to see such a big crowd.

For those that don't know me, I am the Business Development Manager with responsibility for the Asset Management pillar at the BDA, and I'm the leader of the BDA's Asset Management Working Group. I work closely with Jessel Mendes of EY who is our Asset Management-focused Board Director, and with Craig and several others in this room who participate, or who have participated in the past, on the Working Group or various subcommittees.

Just to remind you of what the BDA is and what it does: we are a public-private partnership that has been established to promote Bermuda as a jurisdiction for international business; to encourage more direct investment in Bermuda; and to help companies start up, relocate, or expand their operations in Bermuda.

This last part is important; we're not solely focused on attracting new business to the island, but also on helping existing companies retain business and grow their book. We've had some good successes to date, thanks in large part to the support of many in this room and your companies, and I want to thank you for the time, the sweat equity, and the financial support you've given the BDA to date.

The BDA's ultimate goal is to create opportunities for job creation and GDP growth in Bermuda.

To achieve this, specifically in relation to the asset management sector, we are focusing on four strategic priorities: raising Bermuda's profile and generating more fund-related business from (1) New York and (2) London (in the form of more Bermuda fund incorporations, and more fund management companies and service-providers establishing actual physical presence/"boots on the ground" here); (3) capitalising on the success we've had in the ILS Convergence space (getting more ILS managers here, and more onshore managers to consider Bermuda for their non-insurance needs); and lastly, (4) addressing some of the systemic issues in our local model—processes, procedures, regulation, legislation, etc—to ensure Bermuda is as competitive and effective a fund jurisdiction as it can be.

It's in relation to this last priority that we feel the Bermuda AIMA group will be an extremely valuable partner. The BDA Asset Management Working Group has over the past couple of years worked on a number of initiatives affecting our local funds sector with the BMA and government—issues like FATCA, CRS, CSP, and Bermuda's campaign for the AIFMD third-country passport—and we've had some good success.

But the increasing amount of regulation and reporting requirements across our industry is, as I'm sure you all know, making things a lot more complicated, and the experience and expert advice of our industry specialists is going to be vital to crafting legislation and rules that address global concerns but are still commercially sensible. So, we're excited that there is now an organisation that can represent all of you, who are in the trenches and dealing with these issues day-in and day-out—and that can, armed with the legitimacy and the globally recognised best practices of AIMA, provide you all with a voice and a platform to lobby for changes that will help ensure Bermuda maintains its position as a high-quality fund centre.

The AIFMD initiative is a very current and “live” example of an issue where some industry support will be needed, in order for the BMA to collect some vital data required by the European regulators as they assess Bermuda for the passport. A clear, complete and timely response to ESMA will give us a good chance of being recognised by the EU as AIFMD-compliant, and that recognition will set us apart from other jurisdictions—and, we hope, highlight Bermuda as a viable option for non-EU managers who want to market their hedge funds into Europe.

So, the BDA—with our mandate to grow the asset-management sector and create jobs—will work closely with AIMA Bermuda, in its role as the voice and advocate for the local alternative funds industry, to improve our local machinery. With all of you on board and engaged, I’m confident that, through our combined and coordinated efforts, we’ll achieve our overall mission of growing the asset-management industry here.

If I could ask you one additional thing, it is this: please think about ways you can leverage your and your firm’s global relationships for the benefit of Bermuda. All of you are connected to the asset-management world outside of this island; you have relationships with investment managers, law firms, prime brokers, due diligence consultants, investors, directors, etc. Keep your ears open for opportunities to drop Bermuda into the conversation, and if people express an interest in learning more about doing business in or with Bermuda, please reach out to me or one of my colleagues at the BDA and we’ll be happy to help. A lot of our recent success has come just from getting our name out there more, and being more visible in the asset management community, and then following up on leads and having conversations about what Bermuda has to offer. It’s working—and you can help. You are an integral part of our jurisdictional sales force.

So, on behalf of the BDA, I just want to thank all of you for your interest and your involvement. Craig, I look forward to working with you and the AIMA Bermuda group.