



PARLIAMENTARY QUESTION NO. 22
Answered on 15th October, 2025
Second Meeting 2025-2026 Session - First Sitting

PARLIAMENTARY QUESTION
ASKED BY

HON. KENNETH V. BRYAN, MP – DEPUTY LEADER OF THE OPPOSITION
ELECTED MEMBER FOR THE
CONSTITUENCY OF GEORGE TOWN CENTRAL

TO

THE HON. NICKOLAS DACOSTA, MINISTER OF DISTRICT ADMINISTRATIONS &
HOME AFFAIRS

QUESTION:

Can the Honourable Minister say if the Government has examined the effects of the recent tariff policies by the Trump Administration and if so, has it seen or examined any effects?

ANSWER:

The Government has been examining the potential effects of tariff measures introduced by the current United States Administration, particularly those applied to steel, aluminium and a wide range of Chinese-origin goods.

It is important to clarify that these tariffs are imposed only when such goods are imported into the United States. Currently, the US does not impose tariffs on goods exported from its territory. Accordingly, the exposure to the Cayman Islands of these measures depends largely on the structure of our supply chains. For example:

- Where local suppliers purchase goods through US importers or distributors, those goods are likely to carry additional tariff costs, which may then be reflected in higher prices to local consumers.
- Where goods are purchased directly from US manufacturers and suppliers, and shipped directly to the Cayman Islands, US tariffs currently do not apply. This represents the majority of imports into our jurisdiction.

- Where goods are purchased directly from foreign manufacturers and shipped to the Cayman Islands without entering US commerce, currently, no US tariffs apply.
- In cases where goods transit through US ports, the outcome depends on whether the shipment fully entered into US consumption or kept in transit or bonded storage.

In summary, the Cayman Islands' potential exposure to the effects of the tariffs is determined more by the logistics of how goods are shipped than by the tariffs themselves.

Thus far, Government's monitoring suggests that the overall effect on the Cayman Islands economy has been limited, with broader inflationary pressures arising mainly from global energy costs and supply chain constraints. However, to properly identify and assess any ongoing or future effects, the Government will continue to monitor and evaluate developments using local and regional data, and through collaboration with stakeholders such as the Ministry of Financial Services and Commerce, the Economics and Statistics Office and the Chamber of Commerce.

This collaborative approach will allow us to highlight and address any potential negative impacts to the Cayman Islands economy in a timely and measured manner. The Government remains vigilant and committed to safeguarding consumers of these Islands and businesses from external shocks in the everchanging global trading system.