

2nd April 2019

MFSA issues in-principle approvals for 14 VFA Agents

- An important milestone in the MFSA's effort at becoming a regulator of excellence in the field of the crypto asset regulation.
- VFA Agents will be assisting issuers and services providers under the VFA Act
- These will serve as first level of defence for market integrity and public interest

The MFSA has today issued the in-principle approvals for registration of fourteen VFA Agents, which applied for registration in November 2018.

VFA Agents will be assisting issuers and service providers under the Virtual Financial Assets Act, and will be making applications to the MFSA on their behalf.

The VFA agent will serve as a first line of defence for market integrity and public interest as these agents are required to evaluate their clients' business plans and fitness and properness prior to submitting an application to the MFSA. The VFA agents are also subject persons under the Prevention of Money Laundering and Funding of Terrorism Regulations.

The VFA agent will need to perform a thorough due diligence on their clients and would need to continue supporting the MFSA by providing the necessary information during post-registration supervision.

Dr Christopher P Buttigieg, Head of Securities and Markets Supervision, commented that "the issuance of these in-principle approvals is an important milestone in the MFSA's effort at becoming a regulator of excellence in the field of the regulation of crypto assets. We have worked actively since November 2017 when we started our regulatory journey in the field of crypto assets and today we have a complete framework that caters for all key areas of risk, being inter alia the risks to consumers, market integrity, financial crime and cyber security. We have now, seventeen weeks after receipt of the first set of applications, started to authorise entities in this sector."

Upon registration, a list of these approved entities will be made available on the MFSA Website.



@MFSA issues in-principle approvals for 14 #VFAGents

About MFSA

The Malta Financial Services Authority (MFSA) is the single regulator of financial services in Malta, covering banks, insurance companies, investment services, trusts and pensions. As of last year, the MFSA became the first European regulator to develop a framework to regulate virtual financial assets. The MFSA's mission, as enshrined in its Vision 2021, is to enhance its position as an independent, proactive and trustworthy supervisory authority with the main purpose of safeguarding the integrity of markets and maintaining stability within the financial sector, for the benefit and protection of consumers. Over 2,300 entities are licensed by the MFSA to operate in the financial services sector, which makes up 11% of Malta's Gross Value Added (GVA).