

18 June 2019

FIAU and MFSA publish joint Guidance Document for Institutions opening accounts for FinTechs

Cognisant of the sector specific risks which may be brought about by FinTech, on the 27 March 2019, the Malta Financial Services Authority ('MFSA') and the Financial Intelligence Analysis Unit ('FIAU'), jointly conducted a [public consultation](#) exercise vis-à-vis a Guidance Document for Credit Institutions, Payment Institutions and Electronic Money Institutions (collectively referred to as 'Institutions') opening accounts for FinTechs. The consultation period closed on 30 April 2019. The MFSA and FIAU ('the Authorities'), jointly assessed feedback received and effected minor amendments to the document and the final version thereof is being published [today](#).

The Guidance Document is not intended to replace Institutions' internal procedures, nor as an obligation for them to modify their risk appetite, but rather to: [i] assist them in acquiring a better understanding of the sector-specific risks involved; and [ii] to complement their due diligence procedures, *inter alia* by providing guidance on which information and documentation may be requested in order to assist them in reaching decisions on whether to on-board a customer, or otherwise. This is in line with the risk based approach which Institutions have to implement in terms of the PMLFTR and the Implementing Procedures.

The document is solely intended for its users' general guidance and should neither be considered nor construed as advice or in any way a commitment on the part of the Authorities. Unless otherwise stated, the omission of any reference in the document to particular obligations emanating from applicable laws, regulations or rules is not to be construed as tantamount to the inapplicability of the same to the Institutions. Furthermore, should a conflict arise between this document and the applicable laws, regulations or rules, the laws, regulations or rules are to prevail.

It is equally important to note that the document is non-binding in nature and that Institutions may make use of information and/or documentation that is not referred to therein to inform their risk understanding and assessment of a (prospective) customer. Needless to say that any such other information and documentation would have to be sufficiently reliable so as to allow the Institutions to make an independent assessment of the ML/FT risks inherent in servicing a give (prospective) customer.