

10 September 2020

“Compliance is not a burden but an investment in a more sustainable future” - MFSA Outlines Practical Implications of Money Laundering Risks Associated with Trustees and Company Service Providers during Industry Webinar

As part of a series of digital events which the MFSA is organising throughout September, the Authority today organised a webinar aimed at outlining the practical implications of Money Laundering Risks associated with Trustees and Company Service Providers. The webinar brought together the perspective of all the different local entities with a role to play in mitigating money laundering risks, including the National Coordinating Committee on Combating Money Laundering and Funding of Terrorism (NCC), the Financial Intelligence Analysis Unit (FIAU), and the Malta Business Registry (MBR).

In his welcome address, MFSA Chief Officer Supervision, Christopher Buttigieg, reminded participants of the MFSA Vision launched in 2019, which outlines the Authority’s journey towards higher standards in regulation and supervision. Since then the Authority has come a long way. It has implemented a new organisational structure, invested heavily in capacity building, implemented a detailed development programme aimed at upskilling its employees, more than doubled onsite inspections and strengthened enforcement actions. These results are a clear testimony that “action is being taken to raise standards and to strengthen Malta’s position as a jurisdiction of choice for good business and serious players in the field of financial services.”

During the webinar, Helga Buttigieg Debono, Head – NCC, outlined the key results of the sectoral based risk assessment on legal entities and legal arrangements led by the NCC, stating that these results “will help the competent authorities to prioritise efforts and resources, as well as to better address the private sector through appropriate outreach techniques.”

Joseph Farrugia, Registrar – MBR detailed the initiatives taken by the Registry based on the MONEYVAL recommendations. “We have established a Compliance Unit that is in charge of carrying out physical onsite inspections on companies in order to verify that the Beneficial Owner information submitted to the Registrar mirrors that held by the company itself.”

In her concluding remarks, Emily Benson, Head of Conduct Supervision at the MFSA noted that “Compliance is not a burden but an investment in a more sustainable future. I truly believe that if it is run and regulated well, the Company Service Providers sector will have a great future. But we need to be in this together. We need you as a sector to understand the risks that you face, and work with us to mitigate them.”

Other speakers included Petra Camilleri and Alison Cortis from the MFSA, Clara Borg Bonaci and Carmela Loredana Umbro from the FIAU, and Geraldine Spiteri Lucas and Andrew Schembri from the MBR.

The challenges of the new reality posed by the ongoing pandemic have not hindered the MFSA's outreach and engagement with stakeholders in the financial services industry. In fact, the webinar saw a strong virtual attendance of nearly 200 participants.

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. In 2018, 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 2,200 entities are licensed by the MFSA to operate in the financial services sector, which directly account for 6% of the economy total.



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