

1 December 2020

MFSA consults on the updated CSP rules

The MFSA today launched a [Consultation Document](#) focusing on specific new areas of the proposed updated Rules for Company Service Providers. The updates follow the amendments made to the Company Service Providers Act (Cap 529 of the Laws of Malta), which was passed by Parliament as [Act No. L of 2020](#) and published on 13 November 2020. The Act will be brought into force through a legal notice by the Minister of Finance and Employment in the coming months.

Once the amendments to the Company Service Providers Act are in force, they will introduce categorisation of company service providers into classes depending on the services offered and remove the exemption for warranted persons offering Company Service Provider services by way of business. There will be a move from the concept of registration to authorisation for all company service providers.

In light of these amendments, the MFSA is undertaking an overhaul of the Rules for Company Service Providers. The Rulebook, as revised by the Authority, is fully aligned with the Act and ensures that the proportionality principle is applied. It also establishes detailed rules on governance systems, core functions and capital requirements expected of Company Service Providers as well as transitory periods, where applicable. The Rulebook outlines the criteria for those classes considered as 'under threshold' where a proportionate regulatory approach will apply in line with the [Feedback Statement](#) to the [Consultation Document](#) issued in April 2020. The updated Rulebook is being published with the Consultation Document before it is brought into force, in order to give stakeholders time to familiarise themselves with its requirements.

Stakeholders are invited to provide feedback to the questions raised in the Consultation Document about the updated Rulebook until 15 January 2021 by sending an email to cspframework@mfsa.mt.

The Consultation Document can be accessed [here](#).

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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