

17 November 2021

## MFSA Team Meets CSP Authorisation Deadline

The Malta Financial Services Authority on Tuesday issued 194 authorisations for practitioners to act as company service providers, nearly doubling the previously authorised population.

The concept of authorisation for company service providers was introduced by a law enacted in 2013. However, this had exempted practitioners such as lawyers and accountants and for de minimis providers.

As the sector evolved, the Government decided to remove these exemptions and a new law was enacted in November 2020. Individuals and entities involved were allowed to carry on offering the services under transitional arrangements once applications opened in March 2021, and were given two months in which to submit their applications for authorisation.

Once the application period closed in May 2021, the MFSA had six months in which to process the hundreds received, a project undertaken by the CSP Reform team set up for this reason.

The MFSA team, led by head of Conduct Supervision Emily Benson, was able to build up a holistic picture of the applicants' suitability, with a significant number being either turned down or deciding to withdraw. Larger applicants will have received a 12-month provisional authorisation during which they are expected to supply the MFSA with other information to prove that they meet all the due diligence criteria required for full authorisation, in order to ensure the highest standards. The MFSA will shortly be uploading a guidance note on its website to assist them with what this involves.

Smaller members of the sector are now fully authorised.

The 2020 law was one of the action points completed from the original Moneyval assessment of the Malta jurisdiction. However, the implementation of the project within the deadline is also an important milestone when it comes to the credibility of the jurisdiction – all of which will contribute to the lifting of Malta's greylisting by the Financial Action Task Force, Ms Benson said.

## 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. The MFSA licenses over 2,000 entities to operate in the financial services sector.

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