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## Positive Results Seen by MFSA in Fighting Money-Laundering

The integration of Anti-Money Laundering / Combatting the Financing of Terrorism (AML/CFT) into the supervisory priorities of the Malta Financial Services Authority (MFSA) has yielded positive results, its Deputy Head of Financial Crime Compliance, Matthew Scicluna, said recently.

Mr Scicluna was addressing a webinar organised by the MFSA's Financial Supervisors Academy and the US Federal Reserve on the topic of AML/CFT, which brought together representatives from three different Federal Reserve Banks in the United States and the MFSA.

The webinar, opened by MFSA Chief Officer Supervision Dr Christopher P. Buttigieg, was also an opportunity for representatives from European and international institutions as well as National Competent Authorities to be briefed about various aspects of conducting AML examinations by the US Federal Reserve, providing an overview of supervision during and post-pandemic, high-risk areas, enforcement actions and navigating an ever-increasing sanctions regime.

Mr Scicluna and FCC Analyst Eric Micallef explained that the MFSA's strategy on AML/CFT had been updated in 2021, reflecting its role as the "gateway for all financial services business". As a result, AML/CFT has been more fully integrated into the Authority's operations, not only at the point where an entity is authorised but also on an ongoing basis through its supervision to ensure that business models and controls outlined at the initial stages are working on a practical basis.

Jay Repine, Director and Staff Manager, and Margarita Peralta-Tuckey Senior Examiner, Federal Reserve Bank of Atlanta, covered current themes related to Bank Secrecy Act (BSA) / Office of Foreign Assets Control (OFAC) supervisory activities including developments in crypto-assets space, changes in BSA-related supervisory guidance, and updates on U.S. sanctions recently issued by OFAC. They also discussed the impact of the COVID-19 pandemic on supervisory activities, the need for increased hybrid operations, establishing a new normal by developing hybrid working models, and outlining in their speech how technology would be increasingly leveraged in future supervision.

Furthermore, Crystal Fernandes, Senior Enforcement Action Associate, Federal Reserve Bank of New York commented on the types of enforcement actions, their monitoring and termination, and George Morales, Lead Examiner, Federal Reserve Bank of Chicago, explained what was involved in the examination of a foreign-owned bank, based on a rating of the risk management, operational controls, compliance, and asset quality, using a case

study to indicate the various stages from suspicious activity monitoring to enforcement and remediation.

The Financial Supervisors Academy expresses their gratitude to the US Federal Reserve for their collaboration efforts and contribution by sharing their knowledge and insight to their supervisory work and policy making.

*For more information about the wide range of webinars being offered by the FSA in 2022, please click [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. The MFSA licenses over 2,000 entities to operate in the financial services sector.



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