

30 October 2023

## MFSA Revamps Corporate Governance Manual for Directors of Collective Investment Schemes

In line with the Malta Financial Services Authority's ('MFSA') strategic priority of strengthening the overall governance, conduct and culture within the financial services sector, the Authority embarked on a long-term project aimed at strengthening the overall corporate governance framework of its authorised entities. To this end, in August 2022, a [Corporate Governance Code](#) was issued, establishing a comprehensive, principle-based and cross sectoral framework applicable to all financial sectors operators.

Whilst the Code captures almost all MFSA authorised entities, including Collective Investment Schemes ('CISs') within its scope, in view of the specificities of the funds sector, the Authority is of the view that a specific Corporate Governance Manual for Directors of Investment Funds complementing the principles and provisions set out in the MFSA Corporate Governance Code is merited.

To this effect, the MFSA is today issuing a revamped [Corporate Governance Manual for Directors of Collective Investment Schemes](#). This updates and seeks to align the Corporate Governance Manual for Directors of Investment Companies and Collective Investment Schemes with the general Corporate Governance Code, the Authority's supervisory expectations, regulatory developments and trends, as well as the renewed strategic orientation of the Authority.

The Manual introduces additional principles and best practices which are specific to the funds sector, promoting strong and effective governance, seeking to enhance compliance culture and ensure the continued stability, growth and soundness of the sector.

Whilst the guidance set out in this Manual is not intended to be exhaustive, CISs should use it to develop their own best corporate governance practices to fit their particular context.