

21 November 2023

## MFSA Engages with Banking Sector on Crisis Preparedness in Case of Bank Failures

The Malta Financial Services Authority (MFSA) hosted a workshop on crisis preparedness in the banking industry. The workshop, which brought together key players from the banking sector, aimed to provide a comprehensive overview of the Resolution Framework, a crucial yet often overlooked aspect of banking operations.

This event marks a significant step in promoting transparency, collaboration, and preparedness in the banking industry, setting the stage for a resilient and robust financial future.

Christian Buttigieg, Head of Resolution at the MFSA, gave a glimpse of upcoming plans, outlining the Authority's Resolution priorities for 2024. These priorities include further development of the resolution framework, resolvability assessments, testing through simulations, and the implementation of SRB and EBA guidelines. Efforts will also be made in terms of strengthening cooperation with European authorities and local stakeholders, as well as participating in discussions related to the Crisis Management and Deposit Insurance.

"Our resolution priorities are driven by the Authority's strategy, in line with the work plans of other European Authorities, especially the Single Resolution Board. We remain committed to transparency and collaboration throughout this process," he said.

Tuija Taos, Board member of the Single Resolution Board, who participated in a panel discussion on recovery and resolution with a focus on cooperation between Authorities and the industry's view, said: "This conference is very useful to help cement relations during peacetime between the key players in the Maltese banking industry. Building strong, solid relations is vital to the success of the SRB's mission of promoting financial stability while protecting taxpayer's hard-earned money."

The agenda covered several other topics, including the role of the Resolution function within the MFSA, as well as insights into EU and Non-EU bank failures from Francisco Estrela Jimenez, Partner at EY Spain. Additionally, Chris Mifsud Bonnici, Senior Manager at PwC explored the development of a Bank Administrative Insolvency Framework.

## 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 Strategic Statement, 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.

