

26 May 2025

The MFSA Enhances Framework Regulating Company Directors and Secretaries

- Notifications to be submitted to the MFSA by 16 July 2025 -

The Malta Financial Services Authority has made enhancements to its current regulatory framework for Company Service Providers (CSPs), which covers the provision of directorship and company secretary services.

Following a consultation exercise held late last year, the MFSA has adopted a more proportionate regulatory approach in the finalised Rulebooks that have just been published, and which are to be followed by CSPs.

Past Reforms for CSPs

In 2019, the MFSA had already launched a major reform of the CSPs sector, guided by international standards from bodies like FATF and MONEYVAL. This included removing exemptions for professionals such as lawyers and accountants, making them subject to authorisation under a new law. CSPs are vital gatekeepers to Malta's financial system, helping prevent criminal misuse of legal entities. The reform aimed to improve governance and enhance risk management across the sector. As a result, the compliance culture among newly authorised CSPs has been strengthened, reinforcing the integrity of Malta's financial framework.

Further Enhancements to the CSPs Framework

Up until now, individuals acting as directors or company secretaries in no more than two entities were not required to obtain authorisation from, or register with, the MFSA. To gain greater oversight of this group and assess the potential risks they may pose to the jurisdiction, the new legislative framework now requires that such individuals submit a notification regarding the positions they hold. With this information, the MFSA will be able to carry out a risk assessment and determine appropriate mitigating measures in relation to these individuals. **Notifications must be submitted to the MFSA by 16 July 2025.** Further details are available on the Authority's website at www.mfsa.mt/notifications.

In keeping with the principle of proportionality, the MFSA has also introduced a separate enhancement for a specific category of CSPs currently offering directorship and company

secretary services to up to 10 involvements. Given the limited scope of activity permitted, a simplified and streamlined application process is being introduced, whereby certain requirements will no longer be deemed mandatory. Furthermore, the MFSA is adopting a more consolidated and efficient method of data collection for these 'Limited Company Service Providers, with a single annual return to be submitted for both the MFSA's and FIAU's purposes.

Commenting on these latest enhancements to the framework, MFSA's Head of CSPs Supervision Alison Cortis said, *"These changes form part of our ongoing efforts to strengthen oversight while maintaining a fair and proportionate regulatory approach. By introducing the Notification requirement and a simplified process for Registered CSPs, we are enhancing visibility and risk management across the sector without creating undue administrative burden. To support impacted individuals and entities, the MFSA is providing a comprehensive Guidance Note and [FAQs](#) which are available on our website. Our goal remains to safeguard the integrity of the financial system while supporting an informed and compliant market."*

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.

