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Malta's Financial Sector Grows Steadily as MFSA Sharpens Oversight and Protection

The Malta Financial Services Authority (MFSA) has published its 2024 Annual Report, outlining a year of regulatory progress, strategic reform, and close collaboration with stakeholders both locally and internationally. The report highlights the Authority's efforts to bolster market oversight, support a growing financial services sector, and place consumer protection at the heart of its operations.

Against the backdrop of an evolving economic landscape, Malta's financial services sector continues to demonstrate resilience. The industry now accounts for 8.2% of the country's real Gross Value Added (GVA), a 0.2 percentage point increase over the previous year. Employment in the sector has also expanded steadily, with 14,745 individuals employed as of October 2024—5.1% of Malta's total gainfully employed population. Since 2020, the sector's workforce has grown by 21.6%, a sign of ongoing demand and investor interest.

At the regulatory level, 2024 was marked by increased supervisory engagement, with supervisory interactions rising by 33% year-on-year. The Authority took 134 enforcement actions, issuing €926,485 in penalties, alongside 49 public warnings and 5 consumer notices, underlining its proactive approach to upholding market integrity.

Guiding the Industry and Informing the Public

Throughout the year, the MFSA stepped up efforts to safeguard consumer interests, identifying emerging risks early and guiding firms toward fairer, more transparent practices. Regulatory expectations were clearly communicated across the industry through regular stakeholder engagement. In 2024, the MFSA, hosted eleven industry conferences and workshops, issued 119 circulars, and published 15 "Dear CEO" letters.

Consumer education remained a key priority. Campaigns focusing on topics such as financial scams, greenwashing and bond investments helped simplify financial products for retail users, empowering individuals to make better-informed decisions.

Investing in People and Talent

The Authority reinforced its position as a forward-thinking employer by investing significantly in training and professional development. Over 24,600 training hours were delivered via the Authority's Financial Supervisors Academy. In 2024, the MFSA also collaborated with the University of Malta to launch a Postgraduate Diploma in Financial

Regulation and Compliance, which is now running for the second year, with applications closing on 23 July 2025.

Strengthening International and Local Ties

International engagement remained a priority in 2024. MFSA officials participated in over 150 international forums and held high-level meetings with global standard setters including the European Banking Authority, the European Securities and Markets Authority, the European Insurance and Occupational Pensions Authority, and the European Commission. Meetings were also held with other foreign regulators to exchange best practices.

On the domestic front, partnerships with the Financial Intelligence Analysis Unit (FIAU) and the Central Bank of Malta (CBM) contributed to a more harmonised approach to regulatory reporting aimed at further reducing administrative burden on the industry, as well as financial crime prevention, and systemic risk mitigation.

A Vision for the Future

Reflecting on the achievements of the past year, MFSA Chief Executive Officer Kenneth Farrugia commented:

"In 2024, the MFSA made significant strides in enhancing supervision, aligning with international best practices, and strengthening consumer protection. Our people remain at the heart of our strategy, and we are proud of the culture of excellence we continue to build. Our focus remains on regulatory agility, operational resilience, and ensuring that the financial system remains fair, transparent, and future-ready."

The full MFSA Annual Report 2024 is available for download at www.mfsa.mt/annual-report-2024/.

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.

