MALTA
FINANCIAL
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AUTHORITY

# Suppliers' Best Practice Guidelines

# FOREWORD

The objective of these Guidelines is to articulate the MFSA's approach to supplier payment practices and to set out, in a clear and transparent manner, the standards and expectations governing invoicing and payment processes. They are intended to support efficient and accurate payment arrangements, while promoting consistency, accountability and sound administrative practice in the MFSA's dealings with its suppliers.

Suppliers play an essential role in supporting the MFSA's operations and in contributing to the delivery of services in an efficient, ethical and sustainable manner. The effective functioning of payment processes relies on timely, accurate and compliant invoicing practices. Accordingly, suppliers are expected to familiarise themselves with, and adhere to, the principles and requirements set out in these Guidelines, and to take appropriate measures to ensure that their invoicing and payment-related obligations are met throughout the course of their engagement with the MFSA.

Although these Guidelines are not intended to be legally binding, suppliers, prospective suppliers and other relevant stakeholders are encouraged to give due consideration to this document, both prior to and throughout the course of their engagement with the MFSA. Proposed sub-contractors or third parties involved in the performance of services are likewise encouraged to familiarise themselves with its contents.

This document is to be read in conjunction with all Applicable Laws, Regulations and Rules, and is not intended to derogate from, replace or otherwise affect the obligations that suppliers are required to fulfil under such Applicable Laws, Regulations and Rules, or any other binding instrument/s. It is emphasised that this document is intended solely to provide general guidance, and should neither be considered nor construed as advice, nor as a commitment on the part of the MFSA. In the event of any conflict between this document and the Applicable Laws, Regulations or Rules, the latter are to prevail.

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# Section 1: Scope & Applicability

This document sets out the MFSA's standard payment guidelines with the objective of promoting timely and accurate payments to suppliers. These Guidelines are intended to provide clarity on payment-related processes and expectations, support consistency in invoicing and payment practices, reduce the risk of delays or disputes and maintain strong supplier relationships.

These Guidelines apply to all suppliers submitting invoices to the MFSA for goods supplied or services rendered, and are intended to complement any applicable contractual arrangements.

The MFSA may review, update and/or amend these Guidelines from time to time, and suppliers are encouraged to ensure that they are familiar with the most recent version in force.

# Section 2: Definitions

1. "**Applicable Laws, Regulations and Rules**" means any law, regulation, rule or other binding requirement applicable in Malta and/or applicable to the MFSA and the Supplier;
2. "**Contract Number**" means the unique reference number given by the MFSA, used to identify and link all invoices and related documentation submitted by suppliers in respect of goods supplied or services rendered;
3. "**Data Protection Laws**" means Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC ("**GDPR**"), Chapter 586 of the Laws of Malta, and any other National or European Law related thereto, as may be amended from time to time;
4. "**MFSA**" means the Malta Financial Services Authority, as established by the Malta Financial Services Authority Act (Chapter 330 of the Laws of Malta);
5. "**Personal Data**" has the same meaning assigned to it under point (1) of Article 4 of Regulation (EU) 2016/679;
6. "**Purchase Order**" means a written authorisation issued by the MFSA to a Supplier, evidencing the MFSA's commitment to procure specified goods or services in accordance with the terms and conditions set out therein;
7. "**Supplier**" means any natural or legal person that supplies goods or provides services to the MFSA, including contractors and any other service providers.

In the event of any conflict between the definitions contained in these Guidelines and those stipulated in any of the Applicable Laws, Regulations or Rules, the definitions set out in the Applicable Laws, Regulations or Rules are to prevail.

## Section 3: General Payment Terms

Standard payment terms are those agreed to in writing between the Supplier and the MFSA.

The Period of Credit is to commence from the date of a valid invoice submitted in accordance with these Guidelines.

The invoice date should correspond with the date on which the invoice is received by the MFSA to ensure accurate processing and timely payment.

## Section 4: Invoice Requisites

In order to be processed without undue delay, invoices submitted to the MFSA should include, as a minimum, the following information:

- Supplier's full name and registered address;
- MFSA's name and address;
- Supplier's VAT number;
- MFSA's VAT number;
- Invoice number;
- Invoice date;
- Purchase Order Number or Contract Number;
- Clear, detailed and itemised description of the goods supplied or services rendered;
- Applicable currency;
- Amount/s quoted, exclusive and inclusive of VAT, together with the applicable VAT rate;
- Applicable Credit Terms; and
- Supplier's bank account details.

Invoices that do not contain all the required information set out in this Section are to be returned to the Supplier for correction. Payments are processed only upon receipt of a valid invoice by the MFSA that complies with these requirements.

## Section 5: Payment Methods

Payments will be effected by the MFSA by means of bank transfer.

Suppliers are responsible for ensuring that their bank account details are accurate, complete, and kept up to date, and that such details are clearly indicated on the relevant invoice. The MFSA should not be held responsible for any delays or failed payments resulting from inaccurate or incomplete payment information provided by the Supplier.

## Section 6: Deposits On Account

Deposits on account are to be made against the receipt of a valid invoice submitted in accordance with these Guidelines. Only in very exceptional circumstances may a pro-forma invoice be accepted for the purpose of effecting a deposit. In such case, the pro-forma invoice should clearly reflect the deposit amount, and the Supplier will be required to submit an official invoice for the corresponding amount promptly following payment.

The MFSA reserves the right to withhold payment of any deposit until such time as all invoicing requirements are satisfied and a valid invoice has been duly received.

## Section 7: Invoice Submission

Invoices are to be submitted electronically to the MFSA on invoices@mfsa.mt or by post at the MFSA's official address.

Suppliers are required to ensure that invoices are submitted once only. Duplicate invoice submissions should be avoided, as they may result in processing delays.

## Section 8: Changes to Supplier Details

Changes to:

- Bank Account Details;
- Legal entity name;
- Company Registration Number;
- Vat Number; and/or
- Registered address or contact information

are to be communicated in writing by the Supplier to the MFSA, and supported by the relevant documentation. The MFSA may also, where necessary, verify such changes prior to them being recorded or implemented, while suppliers remain responsible for the accuracy of all information provided to the MFSA.

## Section 9: Taxes & Compliance

Suppliers are responsible for ensuring that all invoices submitted to the MFSA comply with the applicable tax legislation, regulatory requirements, and any other relevant obligation/s in force at the time of invoicing.

Invoices that do not meet the applicable tax or regulatory requirements may be rejected, returned for correction and/or subject to delayed processing until such time as a compliant invoice is received by the MFSA.

## Section 10: Contact Information

For invoice or payment-related enquiries, suppliers are to contact the MFSA’s invoices team on invoices@mfsa.mt.

In those circumstances where the MFSA and the Supplier's relationship, with respect to a service, is already regulated by the terms of a written agreement entered into between the same, should there be any conflict between the said agreement and these Guidelines, the terms and conditions of the agreement are to prevail.

## Section 11: Data Protection

Personal Data included in invoices or related correspondence, such as names, contact details and bank account information, is to be processed by the MFSA solely for the purposes of supplier payment processing, accounting, audit and compliance with the applicable legal and regulatory obligations. Such processing is to be carried out in accordance with the applicable Data Protection Laws on the basis of the performance of a contract and/or compliance with legal obligations.

Suppliers are requested to ensure that only Personal Data which is strictly necessary for invoicing and payment purposes is to be provided. Further information on how Personal Data is processed is available in the MFSA Privacy Notice.