

Malta's Financial Services Industry



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November 2023



FinanceMalta is the public-private initiative set up to promote Malta as an International Financial Centre.



A member-based foundation with over 200 member firms.



Over 400,000 interactions via social media until 30th September 2023, and the Foundation participated in 39 promotional initiatives during 2023.



Mission

"To increase the visibility of Malta as an International Financial Centre, thereby enhancing business opportunities for our members by which the industry can sustain its growth traction."



About FinanceMalta

The image shows the Parliament of Malta building at dusk. The building is a large, modern structure with a facade of light-colored stone blocks. A prominent feature is a large, illuminated staircase on the right side. The sky is a deep blue, and the building's interior lights are visible through the glass entrance. The overall atmosphere is serene and architectural.

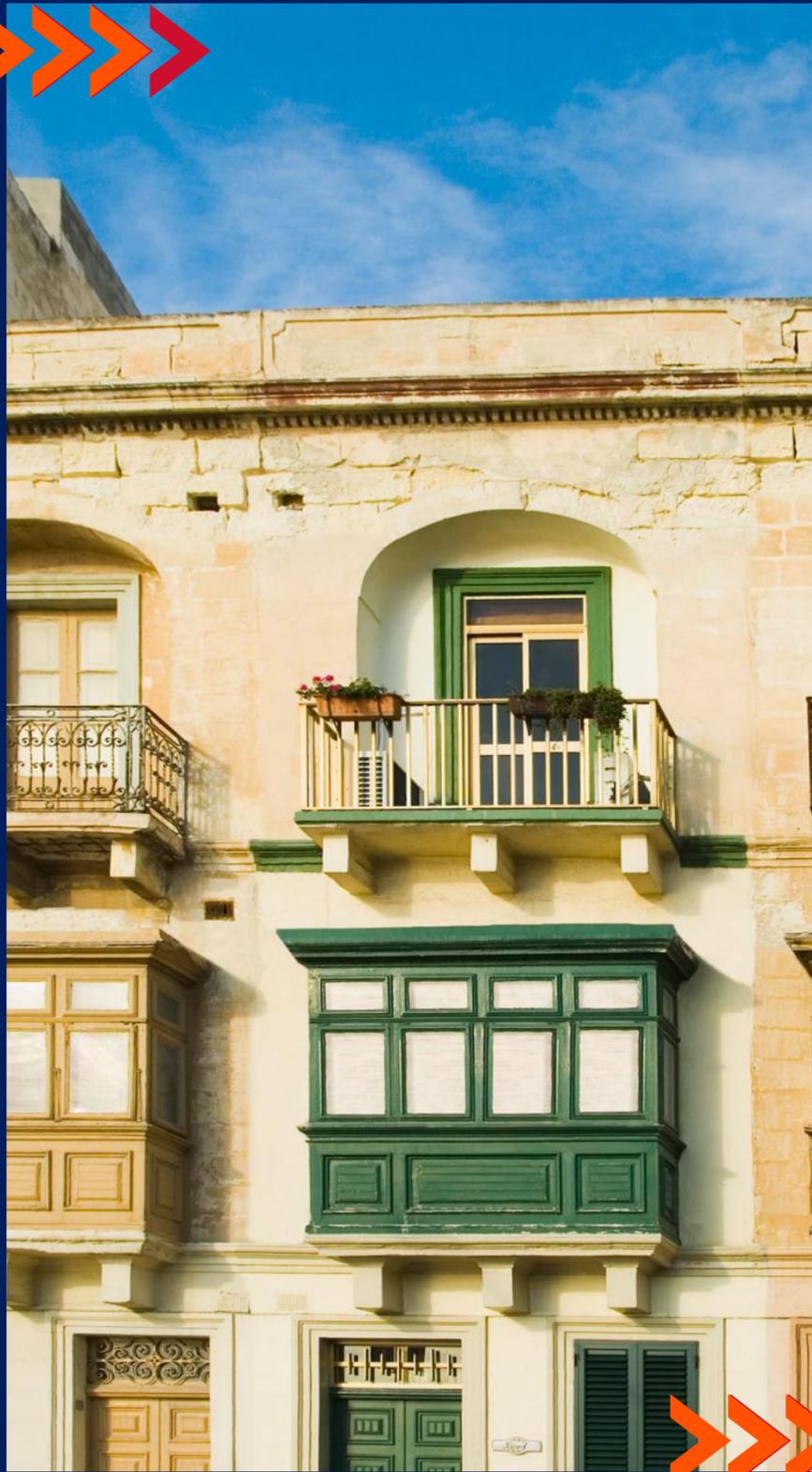
Malta's value proposition

Picture: The Parliament of Malta



MALTA





Population & Area

Population: **542,051**
Area: **316 sq.km.**



EU Member State

Malta joined the EU in 2004 and is part of the Schengen area.



Currency

On 1 January 2008, the Euro became legal tender in Malta.



Official Languages

Malta has two official languages: **Maltese and English.**



Double Taxation Agreements

Malta offers an OECD and EU-approved fiscal framework and has a network of over **80 DTAs.**



Time Zone

Central European Time (**CET**).

Figures as at November 2023



Malta's Key Strengths

-  Diversified and dynamic economy
-  A Comprehensive legal and regulatory framework
-  9.7% nominal GDP growth – mostly from services
-  Accessible and pro-business single regulatory body
-  Strong focus on innovation
-  Political and Economic Stability – a Safe Jurisdiction
-  Accessible and pro-business decision-makers
-  Cost competitive environment
-  Highly-educated and cosmopolitan workforce



Key Strengths



	RATING	DATE OF REVIEW
FITCH	'A+' with a Stable Outlook	SEP 2023
STANDARD & POOR'S	'A-' with a Stable Outlook	SEP 2022
DBRS MORNINGSTAR	'A (high)' with a Stable Trend	OCT 2023
MOODY'S	'A2' with a Stable Outlook	MAY 2023



Not only business



Millennia of history and heritage



Central location, between Europe and North Africa



Mediterranean lifestyle



Comprehensive health system



Diverse educational offering



Extensive flight network



Thriving cruise port



Not only business

Building on a solid foundation to define a new direction for the future



Ground-breaking legislation

A regulatory regime ensuring consumer protection without stifling innovation.



Robust regulatory framework infrastructure



A joint effort between all stakeholders



Constantly seeking responsible growth in this sector

The country is focused on being an attractive and effective domicile across multiple verticals in financial services.



Financial Services:
An overview

The Main Financial Sectors



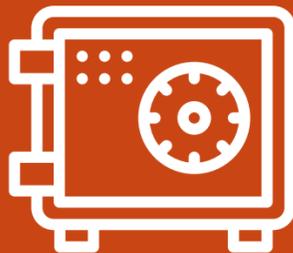
**INVESTMENT FUNDS &
ASSET MANAGEMENT**



**CREDIT & FINANCIAL
INSTITUTIONS**



**INSURANCE &
REINSURANCE**



**FAMILY OFFICES &
PRIVATE WEALTH**



FINTECH



**CAPITAL
MARKETS**



**Financial Services
Sector**



A small country punching above its weight



Among the top 20 global financial centres

The Smart Centres Index 7 Report. Published by Z/Yen Group 2023.



Among the top performers FinTech ecosystems

Europe's Fintech Opportunity Report. Published by McKinsey, October 2022.



6th in Digital Economy & Society Index

DESI Report, 2022

Category	Descriptors	Rank
Human Capital	Digital Skills	7th
Connectivity	Network Coverage	16th
Technology	Digital Adaptation	5th
Public Services	eGovernment	3rd



Global Performance
Benchmarks



01

11%

Contribution of Financial Services to GDP.

02

51

Financial Institutions (March 2023).

03

2,122

Authorised Entities (December 2022).

04

21

Credit Institutions (March 2023).

05

+3.7%

Real GDP Growth for 2023 (Forecasted Growth).

06

2.5%

Unemployment rate (June 2023).

Sources: National Statistics Office (NSO), Malta Financial Services Authority (MFSA) & The European Commission.



Economic Facts and Figures

Malta's Financial Centre Key Milestones



Malta's Financial Services History

Overhaul of Malta's financial, legal and regulatory framework. 'Onshore Malta' response to globalisation & future EU membership.

EU Membership: Malta's legal and regulatory framework aligned with EU standards.

The launch of the National Strategy for Financial Services, prepared by the Malta Financial Services Advisory Council (MFSAC).

1988



Introduction of international corporate & trusts legislation.

1994



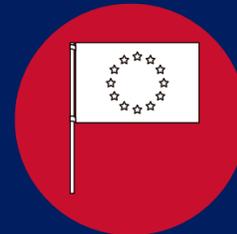
Overhaul of Malta's financial, legal and regulatory framework. 'Onshore Malta' response to globalisation & future EU membership.

2002



Malta Financial Services Authority established as regulator of the financial services sector, with bipartisan support.

2004



EU Membership: Malta's legal and regulatory framework aligned with EU standards.

2008



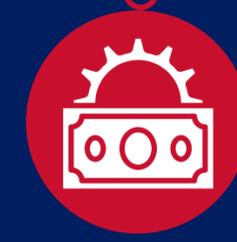
Adoption of the Euro.

2023



The launch of the National Strategy for Financial Services, prepared by the Malta Financial Services Advisory Council (MFSAC).

Future



Financial services industry seen as a strong economic enabler.

Malta adopts multi-year strategy for financial services



Prepared by the Industry and backed by the government of Malta



Key Drivers behind the strategy:

- ▶ Speed
- ▶ Standards
- ▶ Simplification
- ▶ Specialisation
- ▶ Sustainability



175 action points will tackle sector from legislation to innovation



The Malta Financial Services Advisory Council (MFSAC) Strategy For Financial Services. Published in 2023.



MFSAC Strategy

Six strategic objectives guide the implementation plan and the core transformational initiatives



**STREAMLINE
REGULATION**



**STANDARDISE
PAYMENTS**



**CONSOLIDATE
IDENTITY**



**MODERNISE
TAXATION**



**REFORM
FINANCIAL LAW**



**BUILD
TALENT**



MFSAC Strategy

Core focus areas for the first 18 months

TRANSFORMATIONAL INITIATIVES	CENTRALISED IDENTITY MANAGEMENT	DIGITAL PAYMENTS HUB	REGULATORY PROCESS INTEGRATION AND DIGITISATION	LAW REFORM AND HARMONISATION
NEW OPPORTUNITY AREAS	FINTECH	AIRCRAFT LEASING	FAMILY OFFICES	EMPLOYER PENSIONS
SUPPORTING REQUIREMENTS	TAXATION	HUMAN RESOURCES AND EDUCATION	SUSTAINABLE FINANCE	



Thank You >>>>

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Follow us on



Malta: a global financial services platform



**Join us at
the Guildhall, LONDON**

MONDAY, 4TH DECEMBER 2023

18:00 – 21:00

More information:

www.financemalta.org

