Credit & Financial Institutions
The Hallmarks of Malta’s Banking Industry

Built on solid fundamentals, Malta’s banking system is internationally renowned as one of the soundest in the world.

A member of the European Union and with euro as its currency, Malta has proven to be attractive to an increasing number of banks providing retail, private, investment, and commercial banking, trade and project finance, syndicated loans, treasury and e-money services.

Malta’s strategic location between Europe and North Africa means banks and financial institutions in Malta have easy and convenient access to two of the largest markets in the world.

In addition, banks operating out of Malta benefit from the strengths endowed by the island’s highly dependable, effective and robust regulatory regime and legal framework - Malta’s banking system was ranked as the 12th soundest in the world in the World Economic Forum’s Competitive Index 2012 – 2013.

more information on:
www.financemalta.org
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FinanceMalta, a non-profit public private initiative, was formally set up on the 21st May 2007 with the scope of promoting Malta’s international financial centre, both within, as well as outside, its shores. It brings together, and harnesses, the resources of the industry and government, to ensure that Malta maintains a modern and effective legal, regulatory and fiscal framework in which the financial services sector can continue to grow and prosper. The founding associations are: the Malta Funds Industry Association, the College of Stockbrokers, the Malta Bankers’ Association, the Malta Insurance Association, the Association of Insurance Brokers, and the Institute of Financial Services Practitioners. These associations, together with the Malta Insurance Management Association which is also affiliated with FinanceMalta, represent the financial services industry in Malta.

Malta Financial Services Authority (MFSA) Chairman: Joseph Bannister

The Malta Financial Services Authority (MFSA) is the single licensing and supervisory authority for all financial services activity. The Authority is an autonomous public institution set up by law. The sector overseen by the MFSA includes banks, investment firms, insurance companies and financial intermediaries who provide a wide range of products and services on the domestic and international markets. The regulation of the Malta Stock Exchange also falls under the responsibility of the MFSA. The MFSA is further responsible for consumer education and consumer protection in the financial services sector. It also manages Malta’s Registry of Companies.

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Banking Domicile at a Glance

All figures are quoted as at December 2012 unless otherwise indicated.

Located in the centre of the Mediterranean, two to three hours flight time from most European centres, the Maltese government and the industry are committed to putting Malta on the map as the foremost centre for international financial services in the Euro-Med region.

### Sunshine:
300 days of sunshine a year

### Temperature:
Winter 12°C Summer 31°C

### Rain:
Annual rainfall 600mm

### Population:
417,617 (2012)

### Currency:
Euro

### Time:
1 hour ahead of GMT

### Real GDP Growth Rate

<table>
<thead>
<tr>
<th>Year</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>5%</td>
</tr>
<tr>
<td>2008</td>
<td>4%</td>
</tr>
<tr>
<td>2009</td>
<td>3%</td>
</tr>
<tr>
<td>2010</td>
<td>2%</td>
</tr>
<tr>
<td>2011</td>
<td>1%</td>
</tr>
<tr>
<td>2012</td>
<td>-0.3%</td>
</tr>
</tbody>
</table>

#### Malta
EU 27: +1.2%

EU 27 average: -0.3%

*forecast - Source: Eurostat, December 2012

### Banking Sector

- **Total Assets**: €50.7 billion (end of 2011)
- **Net Loans**: 45%
- **Net Securities other than shares**: 31%
- **Money Market Assets**: 20%
- **Other**: 4%

### Sovereign Rating

- **Fitch 2011**: A+
- **Standard & Poor’s 2013**: BBB+/A-2
- **Moody’s 2012**: A3

### Sovereign Rating

- **316**: The total area in square kilometres of the Maltese Islands

### 62 Double Taxation Treaties

### Banking Centre

- **12%**: Contribution to GDP
- **58,000**: Companies
- **10,000**: Employees
- **7 DAYS**: Time to start a business
- **IFRS**: Accounting Standards
- **27**: Licensed Credit Institutions (January 2013)
- **137**: Bank Offices and Branches (December 2011)
- **€40.6bn**: Deposits (October 2012)
- **24**: Financial Institutions (January 2013)

### 59 Insurance Companies
- **26 Fund Administrators**
- **137 Trust and Fiduciary Companies**

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- **12%**: Contribution to GDP
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### Inflation rate in Malta
- **2011**: 6.9%
- **2012**: 2.8%

### Unemployment rate in Malta
- **2011**: 6.9%
- **2012**: 2.8%

### Total GDP (2011)
- **€6.5bn**: GDP per capita

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International Finance Centre

Malta, a small island state at the heart of the Mediterranean, has quietly emerged as one of Europe’s most stable and innovative finance domiciles. Malta’s decisions to join the European Union in 2004 and the eurozone in 2008 have proved pivotal to its development as a major finance and business centre. Today, Malta has strong banking, insurance, fund and wealth management sectors that have attracted investment from the world’s leading financial institutions, blue-chip multinationals and high-net-worth individuals.

Country

An English-speaking nation

With a history stretching back thousands of years, Malta is the European Union’s smallest member state. However, the country’s size is no barrier and Malta has positioned itself as a hub for international business.

Depth and breadth. As a small nation, flexibility, innovation, competitiveness and adaptability have been elements of Malta’s development since the country began to fend for itself after independence from Britain in 1964. In the past few years, Malta has attracted record volumes of new business to its shores. Financial services have been identified as a key priority area for economic growth.

Easy communication. Inherited from the British, English is to this day the joint official language with Maltese, and is universally spoken and written. It is the language of legislation, education and business.

Central base. Malta’s capital city, Valletta, built by the Knights of St John in the 1500’s, is the main business centre and the administrative heart of the country.

Full parliamentary support. Malta’s political leaders have a pro-business attitude and are committed to further assisting the finance sector to grow and encouraging foreign investors to establish operations in Malta.

Knowledge Economy

One of Europe’s top performers

In recent years, Malta has been ranked among the strongest EU economies in terms of GDP growth. Services underpin the Maltese economy, accounting for 75 per cent of GDP, while industry accounts for 23 per cent and agriculture for just 2 per cent.

A holistic vision. Malta is establishing itself as the number one knowledge-based economy in the Mediterranean region. ICT, life sciences, education and financial services are only some of the areas the country is targeting and which have successfully reshaped Malta’s economic landscape in recent years.

Last in, first out. The country’s economy was one of the least affected by the recent financial crisis and experienced one of the shortest recession periods in the EU.

Recording growth. Unlike many other European countries, Malta has been recording economic growth in the past years. After the economy contracted in 2009, Malta was able to post GDP growth of 3.7 per cent in 2010 and of 2.1 per cent in 2011. The country is expected to end 2012 with a GDP growth of 1.2 per cent which is predicted to rise to 1.6 per cent in 2013. At 6.9 per cent, Malta has one of the lowest unemployment rates in Europe. Unemployment in the EU stood at 10.7 per cent in November 2012.

Aiming for more. The development of the finance sector is part of long-term economic plans to increase its contribution to GDP from the current 12 per cent to 25 per cent in the coming years.
Market Access
A region of opportunities
Situated within two to three hours direct flight time from Europe’s major cities, EU membership and with it, the subsequent introduction of passporting rights, has accelerated growth in all sectors of Malta’s finance centre.

Wide range of market places. Malta offers instant access to an internal market of over 500 million people encompassing the 27 EU economies.

Good relationships. Malta has excellent relationships with its neighbouring Mediterranean countries and due to its geographic location, Malta is also an ideal stepping stone to the emerging markets of North Africa and the Middle East.

Post-crisis order. In a changing regulatory landscape with tighter requirements, Malta offers a safe EU location with a firm but flexible regulatory framework.

Follow the sun. Malta lies in a convenient time zone for doing business across the world: one hour ahead of GMT, meaning office hours coincide with Asia in the morning, Europe throughout the day and the US in the afternoon.

Infrastructure
A platform for business
Substantial investments in infrastructure and telecoms networks have created a highly sophisticated business environment.

Cutting-edge systems. Malta has overcome its geographical limitations by building up a state-of-the-art telecoms infrastructure. International connectivity is ensured by two satellite stations and four submarine fibre-optic links to mainland Europe.

Growing industry cluster. Malta’s finance industry is today made up of about 600 regulated entities, up from 180 at the end of 2004. In addition, around 11,500 other non-regulated entities operate in Malta and service international clients, offering legal and other support services.

Connected Marketplace. Malta’s excellent air and sea infrastructure and long-standing trade links with major ports in Europe, North Africa and Asia provide for a network of worldwide connections.

Affordable office space. Office space can be found all over Malta and rents are reasonable.

Finance Centre
A fully-fledged domicile
Malta’s resilience in the face of financial turmoil, economic recession and debt crisis has strengthened its position as a global financial services centre. Former niche industries have become pillars of the country’s economy.

Prepared for cross-border interaction. The country’s fund industry is booming as more and more fund managers recognise the island’s potential to serve as a springboard into Europe. The Net Asset Value of funds administered in Malta just broke the 10 billion euro mark.

Setting an example. The country’s banking system now consists of Maltese and international banks and is one of the soundest in the world. Bank of Valletta, the largest financial services provider on the island, passed the 2012 EU stress test with a strong capital buffer.

Growing wealth management location. The availability of a wide range of investment vehicles, among them also trusts and foundations, has made Malta a natural hub for wealth management and family offices in the region.

International expansion. From 2004, the insurance sector grew from 8 insurance companies servicing the local market to more than 15 insurance companies with business in other countries.

Competitiveness
A credible challenger
Malta regularly receives high rankings in benchmarking reports. In 2011, the European Commission viewed the competitiveness of Malta’s economy in terms of labour productivity as above average in an EU-wide comparison, while the country has improved its ranking in the Global Competitiveness Report 2012-2013 of the World Economic Forum, climbing from 54th place to 47th (out of 144 countries).

Tier 1 reputation. As an EU and eurozone member, Malta offers a regulatory framework that is fully harmonised with EU and OECD rules, yet offers a sophisticated and flexible platform for the financial services industry.

High performance. While global finance centres around the world struggled, Malta’s finance sector not only withstood the effects of the recent economic and financial downturn but posted year-on-year growth. Despite the international turmoil, Malta’s finance sector has expanded between 20 and 30 per cent annually.

Low risk environment. Malta is a European Union member and has a long-established and strong democratic tradition. Economic policies are liberal and the country is committed to an open business environment.

Quick start up time. A company can be incorporated in a couple of days. Malta’s regulator, the MFSA, has set timelines for the approval of licence applications for financial services such as investment funds or insurance vehicles, with the option of fast track applications for certain vehicles and service providers.

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**Sound regulatory framework and accessible regulator**

The country’s legislation is in line with EU law and built on best practices from other finance centres. It caters for the regulation of investment funds, banking and insurance business, as well as investment service providers and trustees.

**Efficient regulator.** All financial services fall under one regulator, the Malta Financial Services Authority (MFSA). Companies benefit from streamlined procedures, reduced bureaucracy and lower regulatory fees.

**Working in partnership.** The regulatory framework is recognised as serious, while one of Malta’s most appreciated advantages is the accessibility of the MFSA, which establishes constructive working relationships with companies investing in Malta.

**Tailored approach.** The level of regulation depends in many areas on the experience and knowledge of the market player and the specific set-up.

**The right tools.** The possibility of re-domiciling companies into and out of Malta provides the option of preserving the continuity of a company’s legacy, reputation and financial track-record.

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**The highest standards of living at the heart of the Mediterranean**

Lying at the centre of the Mediterranean Sea, between Europe and North Africa, Malta offers a refreshing change from other chaotic and high-cost finance centres.

**Sun and sea.** As a small Mediterranean island, Malta offers unrivalled, easy access to beautiful beaches where the sea and the sun can be enjoyed in equal measure.

**So much more.** The island boasts a diverse range of shopping, cultural and leisure activities in addition to well-equipped public and private hospitals and clinics. Malta’s educational system is excellent, and all personal needs – from private banking to tax planning – are catered for.

**Relaxed atmosphere.** Malta is renowned for its well-balanced work life rhythm. The country’s small size – it takes just 45 minutes to cross Malta – reduces commuting time and increases leisure time. With a very low crime rate, the country is also a safe place for families to live.

**Exclusive living.** The property market features a variety of top-of-the-range homes, including apartments, townhouses and villas, as well as excellent office space at reasonable rents.

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**Cost-competitive environment**

Cost is one of the key drivers behind today’s business decisions. When compared to mainland Europe, Malta offers significant cost-advantages as a finance centre, making it a competitive alternative.

**Facilitating business.** Companies in Malta can benefit from the country’s extensive network of double taxation treaties as well as from a number of business promotional incentives.

**The bottom line.** Legal and accounting fees are lower than in most other European jurisdictions, as are other operational costs and salaries which are 20-30 per cent lower than those prevailing in the more established centres.

**International Rankings**

- 1st in both Online Sophistication and Full Online Availability (eGovernment Benchmarking Report, European Commission, December 2012)
- 1st in the timely implementation of EU Internal Market rules into national law (World Economic Forum’s Global Competitiveness Report 2011-2012, report 2011)
- 3rd place for overall quality of life and 1st place for best climate (International Living, 2011, report 2011)

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**Part of global networks.** Most of the country’s law firms are affiliated to international networks and many lawyers have post-graduate degrees in finance. Together with the big four accountancy firms, as well as many other accountancy and auditing practices, they service international clients.

**Multilingual services.** Ingrained with a British-influenced work ethic, most Maltese speak at least three languages – Maltese, English and Italian. Many also have knowledge of another language, usually French or German.

**Pool of support**

Malta’s workforce is multilingual and highly educated. Employment in the financial service sector has doubled during the period 2004 to 2012. Some 10,000 people are now employed in the sector.

**Established service providers.** Malta’s professional service firms have been at the forefront of the finance centre’s growth. At the same time many consultants and advisors have also gained experience overseas.

**International excellence.** Employees and service companies are quick, efficient and have developed expertise in niche areas such as captive insurance, funds, trusts and wealth management. 66 per cent of Maltese students continue to further education.

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Credit & Financial Institutions in Malta

The Maltese banking sector has changed significantly over the last 15 years, having been transformed from a tightly controlled publicly owned sector into one of liberalisation and foreign ownership.

The Maltese banking landscape has developed from four retail banks serving the local population to an EU-compliant industry sector of world-class sophistication, with 27 foreign or privately-owned credit institutions providing banking services. Bank assets surged from about €20 billion in 2004 to more than €50 billion today. In addition, 24 financial institutions, including 15 payment institutions and 9 e-Money institutions, which are not allowed to take deposits but offer other financial services, complement the sector.

Malta’s retail banking sector is one of the most consistently profitable sectors of the Maltese economy. Domestic deposits account for some €11.4 billion. The domestic banking landscape in Malta is dominated by Bank of Valletta and HSBC Malta. Each of them has a network of around 50 branches and offices across the Maltese Islands and together they account for around 90 per cent of the local market. In addition to HSBC and BOV, the Maltese banking sector includes APS Bank, which is owned by the local Catholic Church, and Lombard Bank, whose largest shareholder is Marfin Bank from Cyprus, both of which operate a small number of branches on the island. The Portuguese Banif Bank also has a significant presence on the island, while the Austrian banks Volksbank and Sparkasse have small operations. FCM Bank is the newest Maltese bank that joined the local retail market in 2012 seeking to attract customers from the local saving and investing community.

Malta’s international banking centre has been gaining considerable ground in establishing itself as a finance hub in the Mediterranean region. Fast growing and dynamic, Malta-based banks currently hold total international deposits of €29.2 billion. This has drawn some of the most highly respected names in institutional finance to establish operations in Malta and use the country’s strategic location as a springboard for future expansion into Europe, Africa and the Middle East. Of the 27 banks 23 are foreign owned. 16 of the foreign credit institutions are from EU member states, seven are from non-EU countries and another two are branches from non-EU countries.

Credit and financial institutions in Malta

Credit & Financial Institutions

A stable macroeconomic environment
EU and eurozone location
Flexible regulatory framework
Growing numbers of fresh graduates specialising in financial services
Lower operational costs
A reputable stock exchange
Easy access to key stakeholders due to the size of the island
English-speaking country with a pro-business government
Convenient European timezone
A stepping stone to the markets of Europe and north Africa

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Who is here already?

### Credit Institutions

- AgriBank plc
- Akbank T.A.S.
- APS Bank Limited
- Banif Bank (Malta) plc
- Bank of Valletta plc
- BA WAG Malta Bank Ltd
- CommBank Europe Limited
- Deutsche Bank (Malta) Limited
- Erste Bank (Malta) Limited
- FCM Bank Limited
- Ferratum Bank (Malta) Limited
- FIMBank plc
- Fortis Bank Malta Ltd
- HSBC Bank Malta plc
- IIG Bank (Malta) Ltd
- Investkredit International Bank plc
- Izola Bank plc
- Lombard Bank Malta plc
- Mediterranean Bank plc
- NBG Bank Malta Limited
- Nemea Bank Ltd
- Raiffeisen Malta Bank plc
- Saadgroup Bank Europe Limited*
- Sparkasse Bank Malta plc
- Turkiye Garanti Bankasi A S
- VoiceCash Bank Limited
- Volksbank Malta Limited

### Freedom of Services and Establishments - Exercise of the right of establishment in Malta

#### Credit Europe Bank NV Malta Branch

#### Financial Institutions

- All Financial Services Limited
- Britannia Financial Services Limited
- Credokax (Malta) Limited
- EFT Global Limited
- EnterCash Ltd
- Eurochange Financial Services Limited
- Fexserv Financial Services Limited
- Finance House plc
- Fraport Malta Business Services Ltd
- Global Capital Financial Management Limited
- HSBC Merchant Services Limited
- Insignia Cards Limited
- International Transaction Payment Solutions (Malta) Limited
- LB Factors Limited
- Michael Grech Financial Investment Services Limited
- Northway Broker Ltd
- Northway Financial Corporation Ltd
- Papaya Limited
- PDK Financial Services Ltd
- RJ Rapid Ltd
- Secure Trading Financial Services Ltd
- Syspay Limited

### Payment Institutions

- All Financial Services Limited
- Credokax (Malta) Limited
- EFT Global Limited
- EnterCash Ltd
- Eurochange Financial Services Limited
- Fexserv Financial Services Limited
- HSBC Merchant Services Limited
- Insignia Cards Limited
- International Transaction Payment Solutions (Malta) Limited
- PDK Financial Services Ltd
- RJ Rapid Ltd
- Secure Trading Financial Services Ltd
- Syspay Limited
- W and J Coppini and Co
- Western Union Business Solutions (Malta) Limited

### Electronic Money Institutions

- Credokax (Malta) Limited
- Insignia Cards Limited
- Papaya Limited
- Syspay Limited

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* Licence Suspended

Source: Malta Financial Services Authority (January 2013)
On the Frontier of International Markets

Key Reasons for Malta’s Success

Tougher regulation, higher capital requirements and lower interest rates – the financial crisis has reshaped the banking sector. Costs are now key to growth and today’s banks need to generate revenue in new ways, while raising capital and reducing risk have become the new priorities. In this climate, Malta offers credit and financial institutions new avenues for growth.

Malta’s banking sector is one of the strongest and healthiest in Europe and indeed in the world. It is rated as the 14th soundest banking system by the World Economic Forum’s Competitiveness Index 2012-2013 (out of 142 countries). Analysts point to the sector’s continued robustness during the financial crisis of 2008-2010 as being a key indicator for the future performance of the industry. The country’s banking industry suffered no systemic shocks or banking failures. This is partly due to the fact that Malta has a deep-rooted conservative approach to banking. Bank funding in Malta depends on retail deposits, not wholesale borrowing and has over the years stuck to the conventional banking approach, based on old-fashioned intermediation between retail depositors and borrowers. The banks maintain substantial liquidity, adequate capital and prudent lending policies. In fact, Bank of Valletta and the parent banks of domestic subsidiaries – such as HSBC – always successfully passed the EU-wide stress test in the past years.

In the face of the recent turmoil such as the credit crunch or the European debt crisis it becomes apparent that the true value of Malta’s finance sector lies in sound policies and a robust regulatory regime that supports the strong banking sector. With the advent of the Single European Payments Area (SEPA), that removes the distinction between local and cross-border payments, institutions which are willing to fully exploit the opportunities of the Single European Market and Malta’s strategic location at the heart of the Mediterranean, can gain significant benefit by locating to Malta.

Malta is considered one of the EU front runners in terms of IT adoption and sophistication and provides a very favourable regulatory framework for e-money and payment institutions. The Banking Act gives licensed banks the scope to offer electronic banking under their banking licence. Stand-alone electronic money institutions are regulated by the Financial Institutions Act. The Act has been updated as a result of the EU directive on electronic money institutions which was transposed into Maltese legislation in 2011. The same applies to payment institutions. They are regulated by the provisions of the Financial Institutions Act, which essentially transposes into Maltese law the European Payment Services Directive. Malta’s professionals believe that there is strong potential to attract more e-commerce payment business and payment factory operations for trans-national corporations.

Malta’s strategic location at the centre of the Mediterranean, in close proximity to continental Europe and North Africa, allows credit and financial institutions to penetrate new markets. Institutions setting up in Malta can benefit from EU passporting rules, while Malta’s wide network of tax treaties facilitates access to around 60 countries worldwide.

Due to substantial investments in IT and telecoms infrastructure in past years, Malta is now one of the best locations for eCommerce and e-gaming activities. This has already attracted a number of payment institutions to the country, which have either established operations in Malta or passport from other member states. In addition, the country’s licence for e-money institutions offers the opportunity to start operations with a lower capital requirement compared to a full banking licence.

### Differences between banking institutions operating in Malta

<table>
<thead>
<tr>
<th>Difference between banking institutions operating in Malta</th>
<th>Allowed to take deposits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit Institutions</td>
<td>Yes</td>
</tr>
<tr>
<td>Financial Institutions</td>
<td>No</td>
</tr>
<tr>
<td>E-Money Institutions</td>
<td>No</td>
</tr>
<tr>
<td>Payment Institutions</td>
<td>No</td>
</tr>
</tbody>
</table>
Regulation & Oversight

Credit and financial institutions in Malta can benefit from a regulatory landscape characterised by reduced bureaucracy, an up-to-date legislative framework and prudential supervision.

Legal Framework

Banking institutions in Malta are regulated by the Banking Act, which is founded on European Union legislation and is compliant with the Basle Core Principles. The non-bank financial institutions are regulated by the Financial Institutions Act. While Malta has the same regulatory standards as other EU member states, the country’s framework allows for the flexibility necessary in a modern and dynamic financial environment, without imposing undue bureaucratic burdens on operators.

Malta is ranked first in the timely transposition of EU internal market laws into national law. In May 2010, the provisions of the Payment Services Directive, regulating payment institutions were transposed into Maltese law. This was followed by the EU Electronic Money Institutions Directive, regulating Electronic Money Institutions transposed in June 2011.

The Malta Financial Services Authority

Since 2002, the Malta Financial Services Authority (MFSA) has been responsible for issuing licences to credit and financial institutions and for the supervision of these institutions. Previously, the banking regulatory and supervisory function was one of the functions exercised by the Central Bank of Malta. Through this process the MFSA has become the unified regulator for all banking, investment and insurance businesses.

The MFSA's approach to regulation and supervision is based on principles rather than on elaborate rules. The country’s small size allows direct contact with all licensees, which gives the MFSA a good understanding of the soundness of the licence holders. Banks and other financial institutions are encouraged to meet with the regulator prior to applying for a licence to discuss their application.

Central Bank of Malta

Prior to 2002, the Central Bank of Malta was the regulator of banks and financial institutions. The primary aim of the Central Bank today is to maintain price stability. In terms of the Central Bank of Malta Act, the Central Bank may also require credit institutions carrying on the business of banking in Malta to maintain reserve deposits with the Central Bank and to submit information to it which is necessary for the Central Bank to discharge its duties under the Act.

European Passsporting Mechanism

Following Malta’s accession to the European Union, credit institutions authorised by an authority in the European Union, or the European Economic Area, can use their European passport to establish a branch in Malta, or provide cross-border services in Malta, without the requirement to obtain a separate licence from the MFSA. Some conditions need to be satisfied before this right may be availed of, including that the bank must notify its home state regulatory authority of its intention to establish a branch in Malta or to provide cross-border services in Malta.

In the case of a European bank operating in Malta through a branch or engaging an agent in Malta, the home state authority of the bank has the right, after having informed the MFSA, to conduct on-site verifications in Malta of certain information held by the banks. The foreign authority can also request the MFSA to carry out such verifications.

Secrecy, Data Protection and Anti-Money Laundering

Customer confidentiality is safeguarded by the provisions of the Banking Act, the Professional Secrecy Act and the Data Protection Act, whilst the 3rd EU Directive on Prevention of Money Laundering and Terrorist Financing has been fully transposed into Maltese legislation to guard against abuse of the financial system for criminal purposes.

Every credit institution licensed in Malta, including a branch of a credit institution operating in another country (subject to certain exceptions), has to participate in and contribute to the Deposit Compensation Scheme established by the Deposit Compensation Scheme Regulations. The statutory limit for the deposit guarantee scheme is currently €100,000 or its equivalent in any designated currency per depositor per institution.

Supervision & Compliance

The MFSA supervises credit and financial institutions continuously through off-site and on-site analyses. Amongst others, licence holders are required to submit statistical returns on a monthly and quarterly basis. The quarterly returns are more comprehensive since they include a detailed breakdown of assets and liabilities, off-balance items, profit and loss returns as well as liquidity, own funds, capital adequacy and large exposures returns where applicable.

The MFSA compiles monthly and quarterly reports on the institution using the CAMEL factors (capital, assets/liabilities, management, earnings, liquidity).

An important element of overall banking supervision is the evaluation, on an on-going basis, of the various risks to which a credit institution is exposed, the management of these risks and actions taken to mitigate them. This task is assigned to the on-site section of the MFSA which carries out periodical reviews of the activities and management of licence holders. The on-site inspection process is based on the following framework:

Risk Identification – an initial study of available information to identity the licence holder's risk profile.

Analysis and Examination – an analysis of the risk profile, followed by an on-site examination of the relevant area of operations, including review of risks and their management.

Communication and Reporting – discussion of identified risks with the licence holder’s management and drawing up a report on the inspector’s findings. This report will be sent to the examined institution.

Effectiveness – following up of recommendations and comments made on the findings to establish effectiveness of reported improvements through remedial action.
Malta welcomes foreign investors in the finance sector who are increasingly looking to Malta as a stepping stone to new markets. They have a number of opportunities to establish a presence in the country and to structure their operations.

Credit or financial institutions (including e-Money and payment institutions) are either set up with a head office in Malta, or as a branch or a subsidiary of a foreign bank. Foreign banks may also open a representative office in Malta for the promotion or assistance of banking business carried on overseas, while financial institutions can enter into agency arrangements with third parties. Both branches and subsidiaries operating in Malta are subject to the regulatory and supervisory authority of the MFSA.

Prior to setting up the representative office, foreign banks are required to give at least two months’ notice to the MFSA that they intend to establish such an office. The notice has to specify the name and address of the office, to which he will act as agent is licensed under the Act; a description of the internal controls applied by the agent; the name and address of the agent; the identity of the directors and management of the agent.

A person who is appointed as agent of a licensed financial institution can only act as agent:

- in respect of those activities for which the financial institution to which he will act as agent is licensed under the Act;
- to not more than one person licensed under the Act;
- subsequent to the verification by the competent authority of the information provided by the financial institution.

Corporate Structures

Credit or financial institutions located in another EU/EEA country outside Malta may exercise their passporting rights upon the fulfillment of the minimum criteria for authorisation are fulfilled if:

- the foreign supervisory authority informs the MFSA that it is satisfied with respect to the prudent management and overall financial soundness of the applicant, and
- the MFSA is satisfied as to the nature and scope of the supervision exercised by that country’s relative Authority.

The MFSA still exercises its own judgement on an institution’s suitability for authorisation. Thus, the Authority will examine the planned business of the proposed local branch of the applicant, its internal controls, accounting, and other records and personnel and management arrangements. The MFSA may also require information regarding directors, controllers and managers of the overseas institutions operating through branches in Malta, even though this may be less detailed than that required from institutions registered in Malta. The MFSA will only entertain applications from applicants intending to set up a branch or a subsidiary in Malta if the home countries are signatories to the Basel Concordat.

Agency in Malta

Financial institutions can enter into agency arrangements with third parties. In order to do so they require prior written approval from the MFSA. The following information must be communicated to the Authority:

- the name and address of the agent;
- a description of the internal controls applied by the agent;
- the identity of the directors and management of the agent.

Representative Office in Malta

Foreign banks may establish a representative office in Malta. The activities of such representative offices must be confined to the conduct of purely liaison activities and may not include the engagement in financial transactions or the execution of any documents relative thereto, except where necessary for and incidental to the maintenance of the office in Malta.

Head Office / Subsidiary in Malta

Credit or financial institutions locating their head offices or establishing a subsidiary in Malta can benefit from the country’s EU membership, an attractive tax regime, a wide network of tax treaties, as well as an excellent business environment.

Credit and financial institutions can usually be set up as private or public limited liability companies in Malta. They are regulated by the Companies Act which is in line with EU company law. The main difference between a public and private limited liability company is the fact that a private company must limit the number of its shareholders to 50 and it cannot offer its shares to the general public. The minimum share capital required to set up a private company is €1,164.69 with 20 per cent paid up and subscribed to by at least two persons, except in the case of single member companies, with restricted objects. In the case of a public company, the minimum share capital required is €46,987.47, with 25 per cent paid up and subscribed for by at least two persons.

Branches of Credit or Financial Institutions from Outside Malta

Credit or financial institutions authorised in another EU/EEA country outside Malta, the MFSA may at its discretion, consider that the minimum criteria for authorisation are fulfilled if:

- the foreign supervisory authority informs the MFSA that it is satisfied with respect to the prudent management and overall financial soundness of the applicant, and
- the MFSA is satisfied as to the nature and scope of the supervision exercised by that country’s relative Authority.

The MFSA still exercises its own judgement on an institution’s suitability for authorisation. Thus, the Authority will examine the planned business of the proposed local branch of the applicant, its internal controls, accounting, and other records and personnel and management arrangements. The MFSA may also require information regarding directors, controllers and managers of the overseas institutions operating through branches in Malta, even though this may be less detailed than that required from institutions registered in Malta. The MFSA will only entertain applications from applicants intending to set up a branch or a subsidiary in Malta if the home countries are signatories to the Basel Concordat.

Branches of Credit or Financial Institutions from Outside Malta

Credit or financial institutions located in another EU/EEA member state that wish to establish a branch or provide services in Malta may exercise their passporting rights upon the fulfillment of the prescribed formalities. In this case they would be exempt from the licensing requirement under the Banking or the Financial Institutions Act. However, they are required to register the branch with the Maltese Registrar of Companies within one month from establishing a branch or a place of business in Malta.

Corporate Structure

<table>
<thead>
<tr>
<th>Corporate structure in Malta</th>
<th>Credit institution</th>
<th>Financial institution</th>
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</thead>
<tbody>
<tr>
<td>Head office</td>
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<tr>
<td>Branch</td>
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<tr>
<td>Representative office</td>
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<tr>
<td>Agency</td>
<td>x</td>
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</tr>
</tbody>
</table>

In the case of an institution whose principal place of business is in a country outside Malta, the MFSA may at its discretion, consider that the minimum criteria for authorisation are fulfilled if:

- the foreign supervisory authority informs the MFSA that it is satisfied with respect to the prudent management and overall financial soundness of the applicant, and
- the MFSA is satisfied as to the nature and scope of the supervision exercised by that country’s relative Authority.

The MFSA still exercises its own judgement on an institution’s suitability for authorisation. Thus, the Authority will examine the planned business of the proposed local branch of the applicant, its internal controls, accounting, and other records and personnel and management arrangements. The MFSA may also require information regarding directors, controllers and managers of the overseas institutions operating through branches in Malta, even though this may be less detailed than that required from institutions registered in Malta. The MFSA will only entertain applications from applicants intending to set up a branch or a subsidiary in Malta if the home countries are signatories to the Basel Concordat.

Agency in Malta

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- the name and address of the agent;
- a description of the internal controls applied by the agent;
- the identity of the directors and management of the agent.

A person who is appointed as agent of a licensed financial institution can only act as agent:

- in respect of those activities for which the financial institution to which he will act as agent is licensed under the Act;
- to not more than one person licensed under the Act;
- subsequent to the verification by the competent authority of the information provided by the financial institution.
Credit Institutions in Malta

Malta’s banking industry is diverse and offers a number of opportunities. Once a licence has been obtained, banks can engage in a wide range of business activities from commercial banking to providing wealth management and expat banking.

Retail Banking
The retail banking sector in Malta is mainly served by HSBC and BOV, as well as smaller banks such as APS and Lombard Bank. However, a number of international banks have set up operations in Malta in recent years and entered the retail market, for instance the Portuguese Banka Bemal. They service local, as well as international clients.

Why Malta for Retail Banking?
5 KEY REASONS

➊ With Maltese domestic deposits of some €50 billion for a population of 410,000, the Maltese are extremely cash-rich.

➋ High request for home loans. Purchasing property is considered as a popular, reliable and profitable investment. The country has a property owning culture with most people preferring to buy than to rent.

➌ Malta’s economy is performing well. The unemployment rates are low and the real estate market is stable.

➍ Malta’s small size potentially offers greater deposits, resulting from the opportunity of targeted offers that can be derived from better customer intimacy.

➎ Legislation allows online-only banks. Malta boasts a state-of-the-art telecoms infrastructure and a workforce with excellent IT skills.

Business Banking
Malta’s growing finance centre means that the demand for banking solutions is increasing steadily. The incorporation of foreign-owned companies, growth in the fund and insurance sectors as well as the high number of trusts that are established in Malta have created opportunities for the sector to expand, despite the limitations of a small domestic market. In addition, other sectors of Malta’s economy such as shipping, aviation or ICT are also doing well and require a vast range of often specialised services.

Why Malta for Business Banking?
5 KEY REASONS

➊ The country’s economy is one of the best performing economies in the EU.

➋ Malta is an established business and finance centre. More than 58,000 companies – many of them foreign-owned – are registered in the country. They require sophisticated business banking facilities and services.

➌ Besides financial services, other sectors of Malta’s economy are also expanding. The demand for specialised, sector-specific banking solutions is growing.

➍ Malta has a network of 64 double taxation treaties and as a result, easy access to a number of market places.

➎ Due to its strategic location, Malta provides easy access to the markets of Europe, North Africa and the Middle East.

Corporate Banking
As an old trading nation, Malta already hosts a number of institutions specialising in trade-related products such as structured trade finance, factoring and forfaiting. They service companies in the emerging markets of the Middle East and Africa, while others use Malta as a European project finance centre.

Why Malta for Corporate Banking?
5 KEY REASONS

➊ Strategic location makes the country ideal as an operational base. Malta can be used as a gateway to Europe, North Africa and the Middle East.

➋ The emerging economies of the region have a high demand for infrastructure development leading to opportunities in the area of infrastructure/project finance.

➌ The country’s legislation allows online-only banks. Malta boasts a state-of-the-art telecoms infrastructure and a workforce with excellent IT skills.

➍ Salaries and operational costs are 20-30 per cent lower than those in other European countries.

➎ Office space and housing are available at reasonable rents.
Investment Banking

The fund sector is one of the fastest growing sectors of Malta’s financial services industry. More than 500 funds are already licensed by the MFSA, a number which proves investment banking in Malta a fruitful business.

Why Malta for INVESTMENT BANKING?

1. Malta is an established business and finance centre. The growing number of funds domiciled in Malta provides opportunities for custodial services, fund administration and fund management.
2. The Malta Stock Exchange is gaining a reputation as a gateway for small cap and non-European issuers to tap into the wider EU capital market.
3. Significant wealth growth is expected in emerging markets across the Mediterranean and North Africa. These can be easily accessed from Malta.
4. The Maltese are a nation of savers and demand for equity-linked deposits is high.
5. Malta has become a hub for wealth management and family offices from Europe, North Africa and the Middle East.

Private Banking

Malta’s key location at the centre of the Mediterranean has made it one of the top locations for wealth management services and family offices of the region. Specialist wealth managers such as Mediterranean Bank are offering Swiss-style private wealth management, while foreign banks such as Sparkasse, Volksbank, RAWAG and Raiffeisen all offer management solutions.

Why Malta for PRIVATE BANKING?

1. Malta has a network of 64 double taxation treaties and residency schemes for high-net-worth individuals, retirees and professional expats to tap into the wider EU capital market.
2. Any interest earned by non-residents on deposits placed with local banking institutions is exempt from any form of taxation and there is no exit tax on either the capital, or the income generated.
3. With the growth of the finance centre and other sectors of the economy such as shipping or aviation, a large number of affluent foreigners have relocated to Malta.
4. The Maltese are a nation of savers and demand for equity-linked deposits is high.

Key Features of Credit Institutions

Legislation & Regulation

Banking Act
Banking Rules
Notices
Permitted Activities

In addition to banking, banks in Malta can carry out the following activities:

1. Financial leasing;
2. Payment services;
3. Issuing and administering means of payment (credit cards, travellers’ cheques and bankers’ drafts and similar instruments);
4. Guarantees and commitments;
5. Trading for own account or for account of customers in:
   (a) money market instruments (cheques, bills, certificates of deposits and similar instruments);
   (b) foreign exchange;
   (c) financial futures and options;
   (d) exchange and interest-rate instruments;
   (e) transferable securities.
6. Participation in securities issues and the provision of services related to such issues;
7. Advice to undertakings on capital structure, industrial strategy and related questions and advice as well as services relating to mergers and the purchase of undertakings;
8. Money broking;
9. Portfolio management and advice;
10. Safekeeping and administration of securities;
11. Credit reference services;
12. Safe custody services;

Licensing Requirements

- Own funds need to amount to not less than €5 million.
- There have to be at least two individuals who will effectively direct the business of the credit institution in Malta.
- The following requirements also have to be satisfied:
  - prudent conduct; fit and proper persons; integrity and professionalism; adequate flows of information; and the possibility of consolidated supervision.
- The MFSA may require the applicant to submit additional information as it may deem appropriate to determine an application for a licence.

Licence Application

Applications must be submitted to the MFSA on the appropriate forms. The application procedure consists of two processes – the analysis of the business plan (including financial projections) and the due diligence exercises on directors, senior managers and shareholders. Institutions need to submit the following documents:

- A copy of the Memorandum and Articles of Association of the institution;
- Audited financial statements for the last three years (if applicable);
- A business plan including the structure, organisation and management systems of the prospective bank;
- Identity of all directors, controllers and managers of the institution;
- Identity of all shareholders with qualifying shareholding, and
- Identity of the individuals who will be effectively directing the business of the prospective bank.

The MFSA may require the applicant to submit additional information as it may deem appropriate to determine an application for a licence.

Timeframe

The licence will be determined within six months of receipt of application or submission of any additional information that may have been requested by the MFSA.

Regulatory Fees

Application and processing one-time fee payable upon submission of an application: €4,500

One-time licensing fee payable once a licence has been granted: €18,000

Annual supervision fee: Equivalent to 0.000175% of its deposit liabilities as reported at the end of the preceding year, but in any case not less than €21,350 and not more than €500,000

Representative Office – Fee payable upon establishment and in each subsequent year: €3,600

Financial Institutions in Malta

Financial institutions in Malta are subject to strict regulation and supervision; however the requirements are less onerous when compared to those applicable to credit institutions. The legislation covers organisations of different size and scope, ranging from a currency exchange outlet to institutions that almost operate like banks.

Financial institutions are regulated by the Financial Institutions Act, which is considered as being an ‘offshoot’ of the Banking Act. Their activities include factoring, money transmission services, issuing and administering means of payments, guarantees and commitments as well as foreign exchange. While many of these activities are also carried out by credit institutions, financial institutions are not allowed to take deposits or other repayable funds from the public to fund their business.

Benefits of Financial Institutions in Malta

Malta has a wide network of tax treaties and offers easy access to a wide range of market places.

Licence fees for financial institutions are low in Malta compared to other financial centres.

Financial institutions enjoy less stringent licensing and regulatory requirements than credit institutions.

Key Features of Financial Institutions

Legislation & Regulation

Financial Institutions Act
Financial Institutions Rules

Permitted Activities

Financial institutions are precluded from taking deposits or other repayable funds from the public to fund their activities. Their activities can include the following:

- Lending (including personal credits, mortgage credits, factoring with or without recourse, financing of commercial transactions including forfeiting);
- Financial leasing;
- Venture or risk capital;
- Payment services;
- Issuing and administering means of payment (e.g. credit cards, travellers’ checks and bankers’ drafts);
- Guarantees and commitments;
- Trading for own account or for account of customers in:
  a) money market instruments (checks, bills, certificates of deposits etc.);
  b) foreign exchange;
  c) financial futures and options;
  d) exchange and interest rate instruments;
  e) transferable instruments;
- Underwriting share issues and the participation in such issues; and
- Money broking;
- Issuing of electronic money.

Licensing Requirements

- Own funds requirements are dependent on the activities which the financial institution proposes to provide.
- There have to be at least two individuals who will effectively direct the business of the financial institution in Malta.
- The following requirements have to be satisfied: prudent conduct; fit and proper persons; integrity and professionalism; adequate flows of information; and the possibility of consolidated supervision.

Licence Application

Applications must be submitted to the MFSA on the appropriate forms. The application procedure consists of two processes – the analysis of the business plan (including financial projections) and the due diligence exercises on directors, senior managers and shareholders. Institutions need to submit the following documents:

- Programme of operations;
- Proposed level initial capital;
- A copy of the Memorandum and Articles of Association of the institution or the deed of partnership;
- Audited financial statements for the last three years and the identity of statutory auditors and audit firms (if applicable);
- A business plan including the structure, organisation and management systems of the institution (plan needs to include financial information which enables the MFSA to set the own funds requirement);
- Identity of all directors, controllers and managers of the institution;
- Identity of all shareholders with qualifying shareholding or partners;
- Identity of all shareholders with qualifying the ownership of the business of the prospective institution, and
- Applicant’s legal status and the address of his head office.

The MFSA may require the applicant to submit additional information as it may deem appropriate to determine an application for a licence.

Timeframe

The licence will be determined within three months of receipt of application or submission of any additional information that may have been requested by the MFSA.

Regulatory Fees

Application and processing one-time fee payable upon submission of an application: €1,200

One-time licensing fee payable once a licence has been granted: €1,800

Annual supervision fee: Equivalent to 0.000175 of the total of the items in the balance sheet, but in any case not less than €2,500 and not more than €50,000 (equivalent to a percentage of its deposit liabilities)
e-Money Institutions in Malta

Malta was one of the first EU member states to allow standalone e-Money institutions. Recent amendments to the law, including the reduction of the initial capital required have even further increased the attractiveness of this business model.

Having one of the most advanced telecoms networks in the EU, Malta has pursued the set-up of e-Money institutions for a number of years now. e-Money institutions also fall under the scope of the EU electronic money institutions Directive regulating e-Money institutions into Maltese law. As a result, the required initial capital has been lowered from €1 million to €350,000. This offers a unique opportunity to newcomers and smaller operators to access the market. Malta has already issued four e-Money institution licences.

Benefits of e-Money Institutions in Malta

E-Money institutions can benefit from a reduced capital requirement compared to credit institutions. More than 250 eGaming companies are established in Malta which require payment services. With its state-of-the-art telecoms infrastructure, Malta is also attracting other eCommerce companies.

Operational costs such as salaries and office rents are lower than in most European countries.

Key Features of e-Money Institutions

**Legislation & Regulation**

- Financial Institutions Act
- Financial Institutions Rules

**Permitted Activities**

In addition to issuing electronic money, e-Money institutions are entitled to engage in the following activities:

1. The provision of certain payment services;
2. The granting of credit related to certain payment services. Provided that any such credit shall not be granted from the funds received in exchange of electronic money and held in accordance with the prescribed safeguarding requirements;
3. The provision of operational services and closely related ancillary services, in respect of the issuing of electronic money or to the provision of payment services referred to above;
4. The operation of payment systems;
5. Business activities other than the issuance of electronic money, with regards to the applicable law regulating such activities.

**Licensing Requirements**

- Initial capital need to amount to €350,000;
- There have to be at least two individuals who will effectively direct the business of the e-money institution in Malta;
- The following requirements have to be satisfied: prudent conduct; fit and proper persons; integrity and professionalism; adequate flows of information; and the possibility of consolidated supervision.

**Licensing Requirements**

- Proposed level initial capital;
- A copy of the Memorandum and Articles of Association of the institution or the deed of partnership;
- Audited financial statements for the last three years;
- A business plan including the structure, organisation and management systems of the institution;
- Description of the internal control mechanisms;
- Description of the structural organisation;
- Measures concerning safeguarding of funds where applicable;
- Where applicable the identity of the statutory auditors and audit firms;
- Identity of all directors, controllers and managers of the institution;
- Identity of all shareholders with qualifying shareholding or partners;
- Identity of the individuals who will be effectively directing the business of the prospective institution;
- Applicant’s legal status and the address of his head office.

The MFSA may require the applicant to submit additional information as it may deem appropriate to determine an application for a licence.

**Timeframe**

The licence will be determined within three months of receipt of application or submission of any additional information that may have been requested by the MFSA.

**Regulatory Fees**

Application and processing one-time fee payable upon submission of an application: €1,200

One-time licensing fee payable once a licence has been granted: €1,800

Annual supervision fee: Equivalent to 0.000175 of the total of the items in the balance sheet, but in any case not less than €2,500 and not more than €30,000 (equivalent to a percentage of its deposit liabilities)
Payment Institutions in Malta

Building on the country’s reputation as an eGaming and eCommerce location, payment service providers establishing operations in Malta can benefit from a wide customer base. In addition, Malta’s tax regime, in combination with passporting rights to other EU countries, makes Malta an attractive location for payment institutions.

Payment institutions (PIs) licensed in Malta provide global services to companies and merchants. They are regulated under the Financial Institutions Act. In 2010, the country also implemented the European Payment Services Directive. Like other financial institutions, PIs are not allowed to receive deposits or other repayable funds from the public and must use funds exclusively to provide payment services.

Benefits of Payment Institutions in Malta

More than 250 eGaming companies are established in Malta and the country is also attracting other eCommerce companies. All of them require payment gateways.

Payment institutions enjoy less stringent regulatory and supervisory requirement than other credit or financial institutions.

Malta has a state-of-the-art telecoms infrastructure, but at the same time operators can benefit from lower operational costs such as salaries and office rents.

Malta’s multilingual workforce is ideal for staffing contact centres and customer care.

Key Features of Payment Institutions (PI)

Legislation & Regulation
Financial Institutions Act
Financial Institutions Rules

Permitted Activities

- Services in relation to a payment account which enable cash to be deposited in or withdrawn from a payment account, or the execution of payment transactions by direct debits, through a payment card (or similar device) or a credit transfer;
- Issuing and/or acquiring payment instruments;
- Money remittance;
- Execution of payment transactions where the consent of the payer to execute a payment transaction is given by means of any telecommunication, digital or IT device and the payment is made to the telecommunication, IT system or network operator. However, the operator must act only as an intermediary for the payment services user.

A PI is also allowed to provide ancillary services and may operate payment systems and business activities other than the provision of payment services.

The primary difference between a PI and credit institutions or electronic money institutions is that PIs are not allowed to receive deposits or other repayable funds from the public and must use funds solely to provide payment services.

Licence Application

Applications must include a business plan (including financial projections) and the due diligence exercises on directors, senior managers and shareholders. Institutions need to submit the following documents:

- A copy of the Memorandum and Articles of Association of the institution or the deed of partnership;
- Audited financial statements for the last three years (if applicable);
- A business plan including the structure, organisation and management systems of the institution (plan needs to include financial information which enables the MFSA to set the own funds requirement);
- Description of the internal control mechanisms;
- Description of the structural organisation; measures concerning safeguarding of funds where applicable;
- Where applicable the identity of the statutory auditors and audit firms;
- Identity of all directors, controllers and managers of the institution;
- Identity of all shareholders with qualifying shareholding or partners; and
- Identity of the individuals who will be effectively directing the business of the prospective institution.

The MFSA may require the applicant to submit additional information as it deems appropriate to determine an application for a licence.

Timeframe

The licence will be determined within three months of receipt of application or submission of any additional information that may have been requested by the MFSA.

Regulatory Fees
Applicants pay one-time registration fee payable upon submission of an application: €1,200

One-time licensing fee payable once a licence has been granted: €1,800

Annual supervision fee: Equivalent to 0.000175 of the total of the items in the balance sheet, but in any case not less than €2,500 and not more than €50,000 (equivalent to a percentage of its deposit liabilities)
Exchange Listing & Depository Services

The major sectors of the Maltese economy are represented on the lists of the Malta Stock Exchange.

The Malta Stock Exchange

The Malta Stock Exchange has been operating for over 20 years, and now has a market capitalisation of over €8.5 billion, excluding the listed investment schemes. Despite its relatively young age, the Exchange offers the benefits of a well regulated, transparent and business oriented jurisdiction, with the added advantage of offering a personalised and swift service. Besides offering a viable alternative to traditional sources of raising finance, the Exchange operates an efficient secondary market trading platform for the listed instruments. Apart from admission and trading, the Exchange also offers a comprehensive range of back-office services including maintenance of share and bond registers, clearing and settlement and custodial services.

International connectivity is made possible due to the fact that on the operational side, the MSE makes use of the Xetra trading platform, which is operated by Deutsche Bourse, while on the settlement and custodial side, it has a link with Clearstream Banking which facilitates international investor access.

Why list on the Malta Stock Exchange?

- An excellent regulatory framework.
- A high level of transparency.
- Very competitive listing and administration fees.
- Fast listing process. Simplified process in respect of secondary listing. No further admission process or additional disclosure requirements imposed by the MSE.
- Skilled and professional staff, with a personal approach due to the small market size.
- Constantly reviewed rules that are geared to reflect the developments in the market and the needs of the industry.

Why consider using the Malta Stock Exchange’s Central Securities Depositary (CSD)?

- The MSE CSD already has significant experience and capacity, and has a very strong reputation in this area of operations. Registers held within the MSE CSD are the authenticated register of a security.
- The close link with the MSE trading arm makes it a logical choice for listed funds and other securities to be domiciled at the CSD.
- The CSD enjoys a link with Clearstream which provides international access to securities and is conducive to increasing the level of liquidity of the assets on the market.
- Companies can obtain a competitive advantage through the use of the MSE’s low cost CSD operations and its listing (and trading) platforms whilst still enjoying access to international markets through its Clearstream link. More information can be found on the MSE website.

Market Access & Distribution

As an EU member state with an extensive network of tax treaties and regulatory agreements, Malta provides access to a wide range of marketplaces.

European Union

Malta offers access to the European Union’s internal market of over 500 million people. As such, the country has become a platform for banks to launch their banking activities into Europe. Passporting rights entitle Maltese institutions that are licenced by the Malta Financial Services Authority (MFSA) to establish branches or to provide cross-border services in all the states of the EU or the EEA, with minimal formalities.

International Markets

Malta’s strategic location at the centre of the Mediterranean has always been one of the key advantages of doing business in or from Malta. As an EU member state, businesses in Malta can passport their services to all other member states while the growing markets of North Africa and the Middle Eastern countries bordering the southern coast of the Mediterranean basin are easily accessible. The MFSA is also a signatory to almost 30 Memoranda of Understanding (MoU) with foreign regulators in order to provide a smooth trading environment for the financial services sector.

Malta also has a vast network of double taxation treaties. The country is a signatory to 62 agreements, among them China, India and the USA.
Professional Services

Malta’s professional service providers are internationally renowned for the excellence of their service and are well positioned to offer meaningful support and strategic guidance to credit and financial institutions planning to set up in Malta.

Legal Services:
Malta’s legal profession is long-established, and a large number of law firms operate on the island. They are regularly listed in Chambers, Legal 500, and other directories. All the leading international firms have a presence in Malta through associate links with local law firms. Many legal firms have specialised in assisting international commercial and financial operators looking at doing business with or locating operations in Malta. Most lawyers have post-graduate degrees in various practice areas, including financial services, and furthered their studies at major institutions overseas. They can assist foreign organisations with the structuring of their operations and licence applications.

Accountancy and Audit:
Credit and financial institutions in Malta are strongly supported by a large range of accounting and auditing practitioners ranging from small boutique practices to the global big four accountancy firms. There are also many consultants providing business advisory services. Professional services costs are generally lower than in other Western European locations.

Accountancy and Audit:

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<th>Top accountancy networks with a presence/correspondents in Malta</th>
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Professional Services

Real Estate

Malta offers a wide range of commercial and residential property for rent or outright purchase. One of the advantages of Malta’s small size is that commuting time between Malta International Airport and an office is rarely greater than 20 minutes, and journeys are seldom longer than 40 minutes.

Commercial Property
Given Malta’s small geographic area, there are few restrictions on where a business setting up in Malta can choose to establish its operations. In effect, the final choice will depend upon preferences and relative cost related to the quality and suitability of the property concerned.

Type of Office Space
Office space is available in purpose-built office blocks, in converted houses, flats or within some of the new, large mixed-use developments. Malta offers enviable locations with sea views and marinas as well as prestigious landmark office complexes within easy commuting distance of residential areas.

Rental Costs
Overall, rentals are around two-thirds to half of those charged for comparable commercial spaces in continental Europe.

Costs of Commercial Space

<table>
<thead>
<tr>
<th>Type of Office Space</th>
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Locations

Vallletta: Malta’s capital city is the administrative centre of the island. The Malta Stock Exchange and the Central Bank of Malta are in Valletta. Office space is usually offered in prestigious townhouses or century-old palazzos. A number of offices have also been opened at the Valletta waterfront.

Sliema/St. Julian’s: Sliema and St. Julian’s are located on the peninsula to the north of Valletta. Office space is available in smart blocks, with sea views or without. The Portomaso Business Tower is St. Julian’s is one of the prime corporate addresses in Malta.

Other areas/types: Office space is available practically all over the island. A number of business centres also offer ready-to-move into offices. They usually include fully equipped offices that are available on demand with flexible terms, meeting rooms and a receptionist service.

Residential Property

In the past few years, Malta has become one of the most sought after locations in Europe for foreign nationals seeking to purchase homes as an investment or for relocation purposes. A wide range of residential property can be found in Malta, ranging from apartments, penthouses, townhouses to villas, with or without a pool. Developments in recent years include marina and coastal complexes at the top-end of the market. The rental market is steady and the property market looks positive for the future, making investing in property an interesting opportunity. Gozo’s property tends to appeal to the holiday rental or second home market and is dominated by rustic style farmhouses and modern apartments.

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Communications

Malta's telecoms network is reliable, stable and secure. As the infrastructure has opened up to market forces, access rates have increased and tariffs have lowered.

A Dynamic Cluster

Malta's ICT industry is a versatile and mature cluster, and the country hosts more than 200 IT companies, including international giants such as Microsoft, Oracle and Cisco. Telcom of Dubai has chosen Malta as the location in which to build a European ICT and media city on the models developed in Dubai, while Microsoft is currently setting up an innovation centre focused on cloud computing. Malta's top-level telecoms infrastructure has also turned the country into a centre for the processing of online payments and has attracted more than 250 eGaming companies as well as outsourcing business such as disaster recovery, data processing, data storage and database management. With 100 per cent of public services for citizens and enterprises accessible via processing, data storage and database management. With 100 per cent of public services for citizens and enterprises accessible via computing. Malta's top-level telecoms infrastructure has also opened up to market forces, access rates have increased and tariffs have lowered.

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Human Capital

Banks or financial institutions choosing to set up operations in Malta benefit from low labour costs. A university with an excellent reputation and a number of other training institutes prepare people for a career in financial services, making it easy to find the right personnel.

Diligent, highly educated and multilingual, the Maltese workforce is the country’s greatest strength and most valuable asset. The key reasons are:

Multilingual. Maltese speak at least three languages, Maltese, English and Italian, in addition to another language, usually French or German.

Educated. Some 60 per cent of students (18-24 year olds) continue in further education in some 85 institutes.

Skilled. While many financial services professionals in Malta were educated or gained professional experience in the UK, the University of Malta also offers degree courses in financial services and provides a fresh stream of graduates every year. In addition, staff working across all sectors of the industry are trained at the Malta College of Arts and Technology (MCAT), the Institute of Financial Services Practitioners and the Malta International Training Centre, an educational centre that was specifically established to support the financial services industry through the provision of technical training.

Value for Money. Labour costs in Malta are two thirds of those in other Western European jurisdictions.

ICT Rankings

<table>
<thead>
<tr>
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Taxation in Malta

Malta has a strong international treaty network and its tax system has been approved by the EU and the OECD.

Corporate Tax

Malta offers a highly efficient fiscal regime which avoids double taxation on taxed company profits distributed as dividends. Malta companies are taxed at a rate of 35 per cent. However, a full imputation system applies to the taxation of dividends, whereby the tax paid by the company is imputed as a credit to the shareholder receiving the dividend. Following the distribution of a dividend, shareholders are also entitled to claim a tax refund of 6/7ths of the relevant tax paid in respect of trading income and 5/7ths of the relevant tax paid in the case of passive interest and royalties. The refund is reduced to 2/3rds where the distributing company claims double taxation relief.

Income and gains from a participating holding (where a company holds directly at least 10 per cent of the equity shares of a non-resident company, or meets certain other criteria) are exempt from tax. Alternatively, instead of claiming this exemption, a company can choose to pay tax at the normal tax rate and then receive a full refund of the tax paid upon a distribution of dividends.

Malta’s tax system has been deemed by the European Commission to be compliant with EU non-discrimination principles and has also gained approval from the OECD.

Basis of Taxation

A company incorporated in Malta is considered to be ordinarily resident and domiciled in Malta and is subject to tax on its worldwide income and capital gains.

A company incorporated outside Malta is considered to be resident in Malta if its management and control is exercised in Malta. But as the company is not domiciled in Malta, it is subject to tax on income arising in Malta and on foreign income (but not capital gains) that it receives in Malta.

A company that is not incorporated or managed in Malta is subject to income tax only on income and capital gains arising in Malta

Taxation of Key Vehicles

Banks and Financial Institutions: Banks and financial institutions are taxed like all companies registered in Malta.

Insurance Companies: Special provisions apply to the determination of total income from the business of insurance.

Insurance Managers: Insurance management companies are taxed like all companies registered in Malta. Each cell in a PCC or an ICG is treated as a separate company for tax purposes.

Fund Managers / Fund Administrators: Fund managers and fund administrators are taxed like all companies registered in Malta.

Investment Funds: Malta domiciled funds are, as a general rule, exempt from Maltese income and capital gains tax as long as they do not have over 65 per cent of their assets situated in Malta.

Trusts: When all the beneficiaries of a trust are not domiciled/resident in Malta and where the trust assets are situated outside Malta, no Maltese income tax (or transfer duty) is payable.

Foundations: A foundation may be treated as a Maltese company and benefit from Malta’s full imputation system. Foundations may also opt to be taxed in the same manner as a trust.

Retirement Schemes: Licensed retirement schemes are exempt from tax on income and capital gains but this does not apply to immovable property situated in Malta.

Personal Income Tax in Malta

Individuals are charged on their income at progressive tax rates up to a maximum rate of 45 per cent. However, Malta will reduce the top rate of income tax over the next three years to 25 per cent for those who earn up to €60,000. Tax liability in Malta is based on the following conditions:

<table>
<thead>
<tr>
<th>Rate</th>
<th>Single Computation (€)</th>
<th>Joint Computation (€)</th>
<th>Parental Computation (€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0%</td>
<td>0 - 8,500</td>
<td>0 - 11,900</td>
<td>0 - 9,300</td>
</tr>
<tr>
<td>25%</td>
<td>8,501 - 14,500</td>
<td>11,901 - 21,200</td>
<td>9,301 - 17,800</td>
</tr>
<tr>
<td>35%</td>
<td>14,501 - 19,500</td>
<td>21,201 - 28,700</td>
<td>15,801 - 21,200</td>
</tr>
<tr>
<td>31% (2013)</td>
<td>19,501 - 60,000</td>
<td>28,701 - 60,000</td>
<td>21,201 - 60,000</td>
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<td>29% (2014)</td>
<td>19,501 - 60,000</td>
<td>28,701 - 60,000</td>
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www.inlandrevenue.gov.mt

Individuals are taxed on the following basis:

A person who is ordinarily resident and domiciled in Malta is subject to tax on his worldwide income and capital gains.

A person who is resident but not domiciled in Malta is taxed on income and capital gains arising in Malta and on foreign income (but not foreign capital gains) received in Malta.

Non-resident individuals are subject to tax on income and capital gains arising in Malta.

Residence will be based on where a person effectively lives and has a home. The Department of Inland Revenue will consider individuals who have spent in the aggregate more than 183 days in a tax year in Malta as residents of Malta.

Highly Qualified Professionals

To attract highly qualified personnel to the financial services industry, Malta has introduced a new incentive scheme in 2011 targeting well-paid foreign executives.

- Individuals who have their domicile outside of Malta and who are employed in senior positions with a company that is licensed or recognised by the Malta Financial Services Authority to conduct financial business in or from Malta, can benefit from a flat personal income tax rate of 15 per cent on income up to €5 million per year.

- Any income over €5 million will be tax-free.

- To qualify for this tax incentive the employee must earn a minimum of €75,000 per year, amongst other criteria.

The Highly Qualified Persons Rules 2011 apply to the following executive positions, amongst others: Chief Executive Officer, Chief Risk Officer, Chief Financial Officer, Chief Operations Officer, Chief Technology Officer, Portfolio Manager, Chief Investment Officer, Senior Trader/Trader, Senior Analyst (including Structuring Professional), Actuarial Professional, Chief Underwriting Officer, Chief Insurance Technical Officer, Head of Marketing and Head of Investor Relations.

EU nationals can benefit for an unlimited period from the reduced tax rate, EEA and Swiss nationals for a period of five consecutive years, while third-country nationals for four consecutive years. These periods commence in the year in which the recipient of the benefit the professional first becomes liable to tax in Malta.
Travel & Living

Malta’s mild climate and sparkling blue seas make for a business environment that is second to none: compact but cosmopolitan, sophisticated but stress-free. In today’s hectic world, Malta offers the perfect balance between work and relaxation. Long sunny days and beautiful surroundings provide for an enviable outdoor lifestyle, and with its short distances, you can wave goodbye to long commuting hours and enjoy the friendly company of a growing expat community.

Globally Connected

It just takes two to three hours flying time from most European cities to reach Malta International Airport (MIA), the island’s only airport. Regular flights are provided by Air Malta, Malta’s national airline, as well as other airlines such as Lufthansa, Emirates, Air France, Aerovit, Alitalia, Austrian Airlines, Scandinavian Airlines, Ryanair, Easyjet and Spanair.

Five-star Luxury

International hotel chains such as Hilton, Radisson, Corinthia and Intercontinental are present in Malta. Superior accommodation is also offered at the Palace Hotel, the Phoenicia Hotel, the Westin Dragonara Resort or the five-star boutique hotel Xara Palace Relais & Chateaux. The main tourist centres are Sliema and St. Julian’s as well as Bugibba and Qawra.

Flavours of the Mediterranean

There are many restaurants in which to enjoy a pleasant Mediterranean evening: from smart city restaurants in Baroque palaces to family-run trattoria-style places or seafront fish restaurants, the choice is wide. Bacchus Restaurant in Mdina and Barracuda Restaurant in St. Julian’s are two of Malta’s best establishments.

Markets and Malls

Most international chains and brands have a presence in Malta. Exclusive boutiques also sell designer wear at relatively low prices. The main shopping districts are Sliema and Valletta, where one can also find shopping complexes and street markets. Shops are usually open from 9 am – 1 pm and 4 pm – 7 pm and most are closed on Sundays.

Best Climate in the World

Malta enjoys more than 300 days of sunshine during the year. The magazine ‘International Living’ has rated the country’s climate the best in the world. Summers are dry and warm and winters are mild with daytime temperatures usually above 12 degrees. Even in winter Malta enjoys an average of 5 to 6 hours of sunshine and more than 12 hours a day in summer.
Living Heritage
With 7,000 years of history and many remains visible to this day, Malta has been described as an open-air museum. Megalithic temples, medieval towns and massive bastions have all been declared as UNESCO World Heritage Sites. They regularly provide the backdrop for events listed in Malta’s packed cultural calendar such as concerts, plays or art exhibitions.

Short Distances
Malta has a road network of 1,500 kilometres, however, it only takes 45 minutes to cross the island. The public transport system has recently been overhauled and is now operated by German-owned Arriva Group. A new network of routes and a new fleet of modern buses provide an extensive service across Malta and Gozo. A train service does not exist in Malta.

Low Crime Location
Malta offers a stable, secure environment for families with young children. Crime is almost non-existent. Children play on the streets and there are still some areas where people leave their doors unlocked at night. Foreigners find it easy to integrate with the local community. The Maltese are a sociable bunch and make every visitor feel welcome.

English-Speaking Destination
English is one of Malta’s official languages, Maltese the other. English is the main language of business while laws and regulations are published in both languages. Many Maltese are also fluent in Italian and some even speak another language, mainly German or French.

Morning News and Evening Shows
Malta’s bilingual culture is also reflected in the media landscape and half the newspapers are published in English. Foreign newspapers can be purchased easily due to Malta’s orientation towards tourism. In addition to satellite TV, two private cable-TV providers offer most international channels and favourite programmes.

Value for Money
The cost of living in Malta is one of the lowest in Europe, yet banking, taxation, insurance, social security, utilities and communications services are sophisticated, professional and reliable, often surpassing those offered in many European nations.

First Class Healthcare
Malta has one of the best health services in the world. EU nationals resident in Malta are eligible to receive free medical treatment at public hospitals and clinics. The main general hospital is Mater Dei Hospital in Msida, while many towns and villages have their own medical clinics. Malta also has several private hospitals located around the island, such as the renowned St. James Hospital in Sliema.

High Quality Education
Malta provides an excellent standard of education. Children can be educated in one of the private international schools such as St Michael’s School in Pembroke or enrolled in the local state, church or independent schools. Kindergarten facilities are also available. Tertiary education is offered through the University of Malta and other institutes and private colleges.

A Home in the Sun
There is a wide range of properties available to rent or purchase, from furnished apartments to farmhouses, villas with pools, and even palaces, all at competitive prices. A number of five-star developments have recently been built on the island, including Portomaso and Tigne Point, which offer luxury apartments surrounded by commercial, health, fitness and leisure facilities.

10 reasons why expats enjoy living in Malta
Fabulous all-year round weather with 300 days of sunshine and a crystal clear sea.
Short distances between destinations save commuting time.
Friendly and hospitable local population.
No communication problems with English and Maltese as official languages, while Italian is widely spoken, as well as German and French within the tourism sector.
Low cost of living while all goods are easily available.
Family-friendly country with a low crime rate.
Excellent social life for all ages, with bars, clubs and restaurants to suit all tastes and budgets and a thriving cultural scene with big name concerts, weekly outdoor festivals and many theatres and cinemas.
Good medical services with a recently built state-of-the-art government hospital and many private clinics.
Above UK-average schooling in English-speaking schools, and a respected university.
A wide variety of property is available in all price ranges.
Personal Financial Services

As a sophisticated finance centre, Malta offers a wide range of services and insurance and investment products for the personal needs of executives and managers moving to Malta. The country’s banks operate a strong network of ATMs and branches across the islands. All major cards are accepted. Malta is also part of SEPA, the EU’s Single Euro Payments Area.

Perfect Spots for Sports

Water sports are popular in Malta. The conditions for scuba diving and snorkelling are excellent, particularly as the sea temperature never drops below 15 degrees C (59 degrees F), even in winter. Malta has one golf course, located at the Royal Malta Golf Club. Gyms and football or water polo clubs can be found all over the island. Boating excursions are offered by Hera Cruises and Malta Yacht Charters Company.

Buzzing Entertainment Hub

The sea, cafés, restaurants, clubs, cinemas, theatres, sports clubs or gyms are almost always within walking distance of office complexes or residential areas. There are a wide range of festivals celebrated in Malta, the biggest one being the annual Carnival. In addition, every town or village in Malta celebrates the feast of its patron saint with a big outdoor festival.

Visa-free Travel in the Schengen Zone

Malta’s immigration laws are in line with EU policies. The country is part of the Schengen zone. EU nationals are free to work and live in Malta. Non-EU citizens can find details about visa-exempt countries and visa application procedures on the website of the Ministry of Justice and Home Affairs at www.mjha.gov.mt. Third-country nationals also require work permits to work in Malta.

Powering the Finance Centre

Energy and water supplies are stable. The energy and water requirements are catered for by Enemalta and the Water Services Corporation respectively. Oil is so far the only type of energy used for electricity generation, while recent years have also seen a move towards alternative sources. The electricity is 240 volts AC, 50 Hz, and plug types are the three-pronged British model.
FinanceMalta investor guide series credit & financial institutions

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BAKER TILLY SANT

Baker Tilly Sant is a firm of accountants, auditors, taxation and business advisors providing services for businesses operating in all spheres of the economy both locally and overseas. Baker Tilly Sant is an independent member of Baker Tilly International, a worldwide association of leading accounting practice operating in 131 countries around the world, ensuring that our clients can be drawn to professional advice on any aspect of their international affairs. The philosophy of the firm is based on the concept of providing creative forward thinking and planning, architected to offer an independent and innovative service in support of clients’ business goals.

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W: www.bakersant.com
Contact: Mr. Donald Sant - Managing Partner and Head of Audit

BANFI BANK (MALTA) PLC

Banfi Bank (Malta) plc is a key Maltese Bank offering a full range of innovative products and high quality commercial banking services for personal and business clients. In just 5 years, Banfi has experienced a rapid growth and now boasts a network of nine branches in Malta and Gozo complemented by a Corporate and Business Banking Unit, a trading room and e-banking. Its achievements have been commended by World Finance by selecting Banfi as Best Banking Group in Malta in 2010 and 2011. Banfi is committed to keep expanding its network and investing in its core operations, while supporting community initiatives.

Speak to us and you will be pleasantly surprised

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Contact: Mr. Charles Mast - Head of Unit, Image & Communications

BANK OF VALETTA PLC

Bank of Valletta is the leading financial services provider in Malta, offering investment banking, private banking, fund management, business assurance, stockbroking and range of trusts services. The Bank serves its clients via an extensive national network of branches, with an International Corporate Centre and Business Centres catering for its business clients, and a Wealth Management Department. The Bank’s Centres offering take-over services to those wishing to invest. Representative Offices in Milan, Brussels, Tripoli and Melbourne liaise with clients who have interests in these countries. The Bank’s services are available on a 24/7 basis via internet, telephone and mobile.

Mr. Charles Borg - Chief Executive Officer

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Contact: Mr. Romeo Cutajar – Chief Officer

BAWAG MALTA BANK LTD

BAWAG Malta Bank Ltd. is a 100% subsidiary of the Austrian Banking Group BAWAG P.S.K. Located in the heart of Sliema, it is the springboard of the group in the Mediterranean and North Africa. In the domestic Maltese market, it is specialised in traditional commercial banking in the upper market and in project financing, in particular for the public sector. In addition, it is also a partner for syndicated and structured finance transactions.

Mr. Otis Kanarek - Managing Director

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Contact: Dr. Otis Kanarek - Managing Director

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Mr. Matthew Camilleri - Managing Director

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David Grisciti & Associates is a law firm highly focused on the financial services industry, with a market emphasis in securities, credit institutions and other financial institutions. The firm assists and advises banks, asset managers, financial and other financial intermediaries to structure, establish and licence AIFs and UCITS. AFM and UCITS managers, fund administration offices, credit institutions, other financial institutions and other investment service firms. Post-licensing, the firm offers full legal, corporate and tax advisory services, compliance and anti-money laundering services, company secretarial and executive boards services, as well as other supplementary back-office administrative services.

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Ernst & Young is a global leader in assurance, tax, transactions and advisory services. Our 167,000 people are united by our shared values, which inspire our people worldwide and guide them to do the right thing, and our commitment to quality, which is embedded in who we are and everything we do. Ernst & Young is committed to doing its part in building a better working world for our people, for our clients and for our communities.

Mr. Ronald Attard - Country Managing Partner

FIMBANK PLC

FIMBANK is an international trade finance specialist with an established reputation as a dynamic and customer-driven provider of trade finance solutions to government banks and individuals worldwide. Through its strong correspondent banking network and offices located across the globe, FIMBANK’s-based Bank offers a unique environment in which trade finance opportunities are identified, innovatively structured and successfully executed. FIMBANK’s product range includes structured commodity finance, counter/barter trade facilities, syndicated/ club finance, receivables factoring, forfaiting, currency and term deposit accounts, SWIFT payments and other financial intermediaries.

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FINANCEMALTA GROUP

FinanceMalta Group is a leading financial services provider in Malta, offering services in the areas of banking, insurance, assurance, fund management, fund administration, FOREX and corporate services. FinanceMalta Group is a world-class provider of financial services to the region's leading businesses and institutions.

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Managing Director & CEO
Raymond Busuttil
Head of Business Development
Bruno L’ecuyer

FXDD Malta is a leader in online Forex trading dedicated to providing innovative trading technology, superior customer service, and reliable streaming liquidity. We provide services to individual and institutional traders, hedge funds, commercial entities, banks, and firms, and money managers around the world. FXDD is at the forefront of MetaTrader 4 technology, having built one of the first proprietary platforms. Our trading solutions provide 24-hour Forex trading with competitive pricing, fully automated execution, sales and support in 13 languages, servicing clients in over 200 countries.

HSBC COMMERCIAL BANKING
HSBC Commercial Banking is a leading provider of business financial services. A purpose-built Business Banking Centre in Gzira brings together one of the most experienced teams of relationship managers and business specialists, all trained to service businesses thus making it a service centre of excellence. The wide range of specifically designed products and services operating on the operational side, the MSE makes use of the Xetra trading platform, whilst on the custodial side, it has a link with Clearstream Banking which facilitates international investor access.

MALTA STOCK EXCHANGE PLC
The Malta Stock Exchange is located in a well-regulated, cost-efficient and reputable jurisdiction. It provides a structure for admission of financial instruments to its recognised lists which may subsequently be traded on its transparent and orderly secondary market. The Exchange also offers a comprehensive range of clearing and settlement and custody services. International connectivity is made possible due to the fact that on the operational side, the MSE makes use of the Xetra trading platform, whilst on the custodial side, it has a link with Clearstream Banking which facilitates international investor access.

MEDITERRANEAN BANK PLC
Mediterranean Bank plc was established in June 2004 and became a fully licensed Maltese credit institution, regulated by the Malta Financial Services Authority (MFSA), as from July 2005. In July 2009, the Bank was acquired by new shareholders - AvaxCap Financial Partners LLP, a UK private equity firm, and was rebranded. Today, Mediterranean Bank plc is a specialist savings bank with a focus on clearing and settlement and custody services. It offers a comprehensive range of financial services to the business and retail sectors. The Bank’s ethos is built on promoting inward investment, internationalising business and supporting potential strategic partners in Malta.

PKF MALTA
PKF Malta is a fast growing, progressive firm that provides services to a list of prestigious clients and enjoys an excellent reputation which stems from our professionalism, enthusiasm and the quality of the services we provide. Our team consists of young and experienced staff and is always ready to exceed our clients’ expectations by providing a high quality service at competitive rates and in a timely fashion.

PKF Malta has extensive experience in the administration of foreign investment companies, and is well placed to offer a full range of services, both for clients who are new to Malta and those who have experience of operating in Malta.

MALTA ENTERPRISE
Malta Enterprise (ME) is the national economic development agency focused on promoting inward investment, internationalising business and supporting enterprises. It acts as a point of contact for all enterprises and provide assistance to business development and exporting activities. ME provides a comprehensive incentives package to local and international investors setting up operations in Malta, including pre-investment support, start-up assistance, and a range of post investment services. ME also offers trade promotion services aimed at assisting local companies access new markets, set up partnerships with foreign businesses and introducing foreign companies to suitable manufacturers, service providers, suppliers and strategic partners in Malta.
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PwC
PwC is the leading and largest professional services organisation in Malta providing industry-focused assurance, tax and advisory services. The Malta firm forms part of the PwC network where more than 189,500 people in 158 countries share their thinking, experience and solutions to develop fresh perspectives and practical advice. PwC has a solid and dynamic association with the banking industry through a dedicated banking practice that relies on professionals with a history of achievement and credibility in the sector. PwC professionals within the banking team include auditors and tax specialists with deep industry experience, as well as dedicated regulatory advisory experts that provide solutions across a broad range of industry-related matters.

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Fabio Axisa
Partner

QGen Limited
QGen is a unique Business Process Outsourcer, providing a one stop shop for risk management and back-office solutions. QGen's core services include the first truly global KYC solution by providing electronic and document verification solutions for both individual consumers and corporate clients; a 24/7 fraud monitoring service and full call centre services; chargeback processing; multilingual customer support functions; and a wide range of risk related and payments consultancy services. With an impressive global client list and with a management team with years of experience in financial services, QGen provides expertise, competency and quality, with a global reach to support your business in customer acquisition and retention.

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Damian Mifsud
CEO

Sparkasse Bank Malta PLC
The Bank forms part of the Austrian Savings Banks and the Erste Group Bank AG network. From Malta the Bank provides Private Banking, Wealth Management and Fund Custody solutions. Fund custody is a core business for the bank and its experience in the field allows for flexible and practical workable solutions. The Bank provides custody services to UCITS, AIF and PPFs offering a personal, tailored and seamless banking, execution and settlement solution.

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Paul A. Mifsud
Chief Executive Officer

Vodafone Malta Limited
Vodafone Malta is proud to be the local provider of choice for high-speed broadband, co-location services and international private leased lines. With its very own submarine cable and a high capacity link on another 3rd party subsea cable, Vodafone provides a resilient connection to mainland Europe where multiple international carriers route all traffic to anywhere around the world. Vodafone Malta also operates a state-of-the-art carrier grade co-location facility serving an ever-growing number of mission-critical businesses operating out of Malta. Vodafone guarantees 24x7 technical support, multiple carrier connectivity and an outstanding level of service that is synonymous with the Vodafone brand.

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Balaiah Sharma
Chief Executive Officer

ZeTa
ZeTA is a privately held independent group of firms based in Malta offering tailored services which include but are not limited to: Family Office; Transaction Structuring; Company Incorporation; Corporate Administration & Management; Trusts, Foundations & Nominees; Insurance Advisory & Management. ZeTA is committed to exceeding client expectations and building a satisfying long-term relationship whilst retaining its primary focus, your business and family success. Whether you're entering or already operating in this European markets, seeking to enhance your family wealth, Malta has a favourable business jurisdiction infrastructure where ZeTA can assist you in providing comprehensive solutions to complex and cumbersome issues.

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David Zanetti
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FinanceMalta is the public-private initiative set up to promote Malta’s International Financial Centre
Malta

The culture of getting things done

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