EU MEMBERSHIP PROVIDED THE CRUCIAL CATALYST IN THE DEVELOPMENT OF MALTA’S FINANCIAL SERVICES INDUSTRY

WHAT MAKES MALTA DIFFERENT

>> UNIQUE SUCCESS FACTORS

Over the past decade, Malta has distinguished its role as an international financial services centre. A robust yet flexible regulatory framework, a pro-business and accessible regulator and cost competitive highly skilled human resources have contributed to enable Malta set its mark as a reputable European fund domicile. PETER PEROTTI words

Undoubtedly EU membership provided the crucial catalyst in the development of Malta’s financial services industry. Accession brought the EU stamp of approval to Malta’s financial legislation establishing passporting rights for UCITS certified funds. Today, Funds registered and licensed in Malta and structured as UCITS may be freely distributed throughout other EU countries without the need of seeking approval of another EU regulator thereby placing Malta as a serious contender for cross-border business. Over the past few years fund management and fund administration grew at an exceptional rate. The net asset value of funds domiciled in Malta today stands at €6.4 billion up from €1.0 billion in 2004. As at 30 June 2009 a total of 112 non-UCITS Retail Schemes and 51 UCITS Retail Schemes were registered in Malta while the number of locally registered Professional Investor Funds stood at 268 for the same period.

Malta’s boasts other key benefits including a comprehensive legal and regulatory framework for investment funds covering both UCITS III Schemes as well as Professional Investors Funds. Notwithstanding the financial turmoil and economic crisis faced by the international financial community, Malta’s financial services sector has proven to be relatively resilient with the Malta Financial Services Authority’s 2008 annual report highlighting encouraging financial sector growth statistics for 2008 showing practically year on year growth in all the core sectors of the financial services industry. Peter Perotti, Malta Funds Industry Association

NOTWITHSTANDING THE FINANCIAL TURMOIL AND ECONOMIC CRISIS FACED BY THE INTERNATIONAL FINANCIAL COMMUNITY, MALTA’S FINANCIAL SERVICES SECTOR HAS PROVEN TO BE RELATIVELY RESILIENT