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MFSA Marks the Successful Conclusion of the EU TSI Multi-Country Project on Sustainable Finance

The Malta Financial Services Authority (MFSA) participated in the closing event of an EU Technical Support Instrument (TSI) multi-country project aimed to enhance supervisory capacity in sustainable finance. The event, hosted by the Croatian Financial Services Supervisory Authority (HANFA), took place in Zagreb in September.

The MFSA was one of four regulatory authorities participating in this 20-month initiative, alongside the supervisory authorities of Croatia, Poland, and Romania. The project, which was funded by the European Union through the TSI, was implemented in cooperation with the European Commission's Directorate General for Structural Reform Support (DG REFORM).

The TSI project has been instrumental in significantly enhancing the MFSA's technical expertise in supervising sustainability disclosure and reporting. Over the course of the project, regulators, market practitioners, and experts exchanged knowledge, contributing to the development of a strong network across the participating countries. This collaboration has played a key role in promoting greater regulatory convergence across jurisdictions, particularly in the area of sustainability-related disclosures and reporting.

Through its participation in the TSI project, the MFSA has developed supervisory materials and tools that will bolster its ability to supervise sustainability reporting and disclosures more effectively. The project also supported the further integration of sustainability requirements into the Authority's supervisory processes.

As part of its deliverables under this project, the MFSA successfully organised several workshops focusing on the requirements emanating from the sustainability disclosure and reporting regime. These events included an exchange of best practices amongst experts from European supervisory authorities; a session aimed at guiding listed entities on the transition from the Non-Financial Reporting Directive (NFRD) to the Corporate Sustainability Reporting Directive (CSRD); and a workshop tailored for the asset management and insurance sectors specifically on the Sustainable Finance Disclosure Regulation. These initiatives were vital in ensuring that market operators and stakeholders remain informed of evolving regulatory obligations and supervisory expectations.

MFSA's Head of Strategy, Policy and Innovation Clare Farrugia stated, "Through this initiative, the MFSA has reaffirmed its commitment towards contributing to both national and EU sustainability goals. The insights, knowledge and tools that the Authority has

acquired through this participation are the foundation upon which we intend to build further, thereby ensuring that our regulatory frameworks and practices evolve to meet the challenges of a sustainable future, and that our industry is better prepared for such developments.”

The MFSA remains committed to strengthening its capabilities in sustainable finance supervision, in line with EU regulatory requirements. It will also continue working with both domestic and international stakeholders to drive transparency and accountability in sustainability reporting across the financial services sector.

More on the EU TSI Project

The TSI Project seeks to contribute to institutional, administrative, and growth-sustaining structural reforms in the four participating jurisdictions, by assisting national authorities to improve their capacity to design, develop and implement reforms. This is done specifically by enhancing supervisory capacity in the field of sustainable finance, while supporting supervisory convergence among competent authorities in the implementation of this framework.

About MFSA

The Malta Financial Services Authority (MFSA) is the single regulator of financial services in Malta, covering banks, insurance companies, investment services, trusts and pensions. In 2018, the MFSA became the first European regulator to develop a framework to regulate virtual financial assets. The MFSA’s mission, as enshrined in its Strategic Statement, is to enhance its position as an independent, proactive and trustworthy supervisory authority with the main purpose of safeguarding the integrity of markets and maintaining stability within the financial sector, for the benefit and protection of consumers. The MFSA licenses over 2,000 entities to operate in the financial services sector.

