

Ladies and Gentlemen, it gives me great pleasure to be here to address the 8<sup>th</sup> Annual Conference organised by Finance Malta.

The theme of this year's conference is Malta's Financial Services Industry: Building on Success, Reaching New Horizons.

First of all let me congratulate Finance Malta for their efforts in organising such a professional conference. This event brings together leading operators and practitioners, with the aim of addressing the various developments that are taking place in the international financial services industry and Malta's positioning in this respect.

Malta is a hub for the financial services. Our aim is to enhance this further by introducing cutting edge initiatives. We must continue to be one of the leading countries in Europe.

The fact that this conference has attracted such a good number of participants (over 300), including some 20 exhibitors, confirms the importance of our position as a leading centre of financial services.

It also proves the government was right to increase its financial support to FinanceMalta.

Finance Malta is doing a good job and I – as the person responsible for the promotion of the financial services industry – am very proud of your commitment.

Today we are reaping the fruits of the decision to increase funding by to Euro 550,000.

I believe that Finance Malta is one of the best examples where the Government and industry work hand in hand to achieve a common objective. On behalf of the Government, may I reiterate the message that we are committed to maintaining our support.

Finance Malta is a success story.

This story of success is the result of commitment by all relevant players including the Government, the Regulator, FinanceMalta and the industry itself.

During this address , I wish to speak about Malta's Vision for the Financial Services Industry and the Wider Economy and in this presentation I will focus on the following four points:

- **The Growth of the Industry**
- **The Competitiveness of the Industry**
- **Government Support; and**
- **The Entity.**

Malta's financial services industry is an area which has been truly successful and this is a result of a commitment by all relevant players – Government, the Regulator, FinanceMalta and the industry itself.

This economic sector has more than 10,000 employees. With some 27 credit institutions 33 financial institutions, 59

insurance undertakings, 34 retirement schemes, 139 investment services providers and 27 recognised fund administrators, and 142 authorisations in terms of the Trusts & Trustees Act, Malta is truly developing into a diverse financial services hub in the Euro-Mediterranean region. It is also pertinent to note that in 2014 there were 123 new collective investment scheme licenses and 1,376 new registrations with the Registry of Companies.

This level of growth is also attributable to other strengths, including a stable macroeconomic environment, and efficient taxation and financial infrastructure. Once again, it is my Government's role to ensure that the right environment for growth is sustained.

Investment is central to making Malta competitive. Throughout the years we have invested in the infrastructure and we have ambitious plans to improve this even further.

The nation's economic stability and human resources remain our strength, and we will do our utmost to ensure that these resources are strengthened. We plan to continue investing in education to ensure the sustained availability of skilled resources, and in this regard, I commend FinanceMalta for

organising regular educational clinics, as well as entering into discussions with relevant organisations with a view to ensure that skills gaps are addressed.

It is only through this process that we can sustain and strengthen the growth of the Industry.

Please do appreciate that Malta's financial services industry has come a long way over these past twenty years, following the overhaul in the legal and regulatory framework which took place in 1994.

The industry has evolved and opened up opportunities in a number of areas, such as insurance, wealth management, asset management, pensions and other financial services sectors.

The Multiplier effect of this industry is equally important for the economy in view of the demand for legal, audit, directorships and other corporate service requirements that such businesses needs and more importantly this has created high value employment with increasing demands for academically prepared workers to service the needs of the industry

**The Competitiveness of the Industry:**

It is Important to ensure that the industry remains competitive and relevant to the needs of international investors and this depends on the efforts put forward by all stakeholders including government. Innovation plays an important role and as a Government, we welcome the contribution of the industry to put forward its proposals in this regard. Innovation plays an important role and the Regulator, Government and the Industry should work together to ensure that Malta's competitiveness is sustained through a clearly delineated innovation led programme.

### **The Government Support:**

Government, previous and current, were and will remain supportive of FinanceMalta and last year's increase in the subvention, as announced during the last budget, will enable FinanceMalta to sustain its promotional initiatives in Europe and also widen its promotional coverage to new areas of business and new markets such as the US and the Gulf.

Government will strive to sustain its unwavering support for the industry and maintain an open dialogue with stakeholders aiming to improve its competitiveness.

## **The entity - FinanceMalta**

FinanceMalta's annual report reveals a significant number of initiatives were organised in 2014 which have contributed to the sustained growth of the industry. It is important that these initiatives are sustained to ensure Malta's value proposition is communicated to the main stakeholders of each industry sector.

I would like to thank FinanceMalta, led by chairman Kenneth Farrugia, for their work in bringing Government and the industry together in a common front to promote Malta's financial centre with one common brand.

7 years of promoting Malta's financial centre has resulted in our country being included in foreign companies' business considerations. I am also pleased to note that for the second consecutive year, Malta has been coveted with Europe's Most Favoured Domicile award at the European Hedge Funds Awards, held recently in London.

FinanceMalta is one of the best examples where the Government and the industry work hand in hand to achieve a common objective, which benefits all stakeholders.

I again reiterate that my Government is committed towards supporting FM even further in the coming years.

I would also like to thank you, members from the industry, for supporting FinanceMalta's various initiatives and contributing, both intellectually and financially, to ensure that the financial services industry continues to grow even further.

I wish you the best for the future.