



Annual Report

12th May 2008

CHAIRMAN'S STATEMENT



Malta today is internationally recognised as a brand denoting excellence in financial services. It offers an attractive cost- and tax-efficient base for financial services operators looking for an EU-compliant, yet flexible domicile. FinanceMalta came into effect at a critical time, just as Malta was entering the Eurozone.

The financial services sector is now a major force in the country's economy, and Malta has some significant strengths to offer the industry: a well-trained, motivated workforce; a low-cost environment and an advantageous tax regime backed up by over forty-five double taxation agreements. To these, we add a world-class ICT infrastructure, English as an official language, an enviable climate and our strategic location in the centre of the Mediterranean.

Above all, we offer a single, supervisory body, the Malta Financial Services Authority, which ensures full compliance with EU regulations but, at the same time, is accessible and able to act with speed, flexibility and the minimum of bureaucracy.

The Maltese economy is a very open one with foreign direct investment in many of its sectors being vital to its continued growth. The overriding climate is therefore one of encouraging and assisting inward investment particularly in key and targeted sectors such as financial services and related industries.

The 'Global Financial Centres Index', recently published by the City of London, has confirmed that Malta is doing extremely well in terms of competitiveness and growth prospects. Out of 66 jurisdictions, Malta ranked 4th as a '*centre that is most likely to increase in importance over the next few years*', and 5th in the ranking of the '*Top Financial Centres where organisations may open new operations in the next two to three years*'.

During its first year of operation, FinanceMalta has strived to get its staff, marketing tools, Expert Groups and policies in place, as well as to have the Foundation known at both the national and international level. To this end, the Board of Governors has met 7 times in 2007 and 4 times in 2008.

BOARD OF GOVERNORS

Chairman

Mr Joseph Zammit Tabona

Governors

Mr Alan Caruana
Prof Joe V. Bannister
Dr Michael Xuereb

Mr Kevin Valenzia
Mr Kenneth Farrugia
Mr David Curmi
Mr Tonio Depasquale /Mr Shaun Wallis/ Mr Alan Richards*

Secretary

Dr Bernice Gauci

FINANCEMALTA STAFF

Seconded from IFSP

Dr Bernice Gauci
Ms Lindsey Piccinino
Ms Lizianne Gauci

Seconded from MFSA

Mrs Mary Darmanin

** Mr Tonio Depasquale was Governor from 21/05/07 – 30/11/07; Mr Shaun Wallis was appointed Governor on the 02/01/08. Mr Alan Richards has substituted Mr Wallis as from today.*

FINANCEMALTA

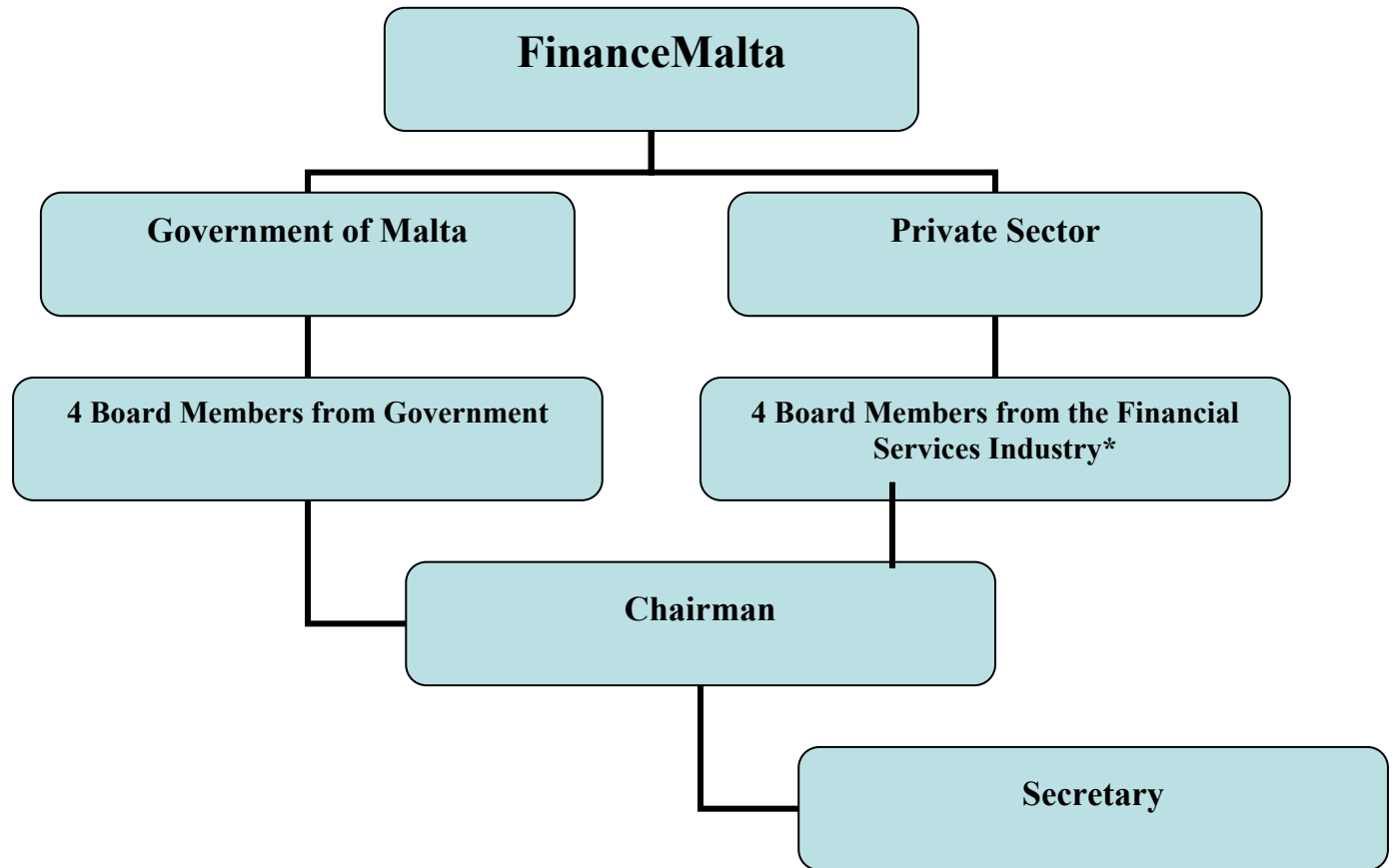
FinanceMalta, a non-profit public-private initiative, was formally set up as an autonomous Foundation on the 21st May 2007 with the scope of promoting Malta as a financial services centre, both within, as well as outside, its shores. It brings together, and harnesses, the resources of the industry and 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 Investment Funds Association, the Malta Association of Fund Managers and Administrators, 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 represent the financial services industry in Malta.

Since its launch, four expert groups have been set up with the scope of providing the Foundation with the necessary expertise.

The Board of Governors, together with the four expert groups, its members and staff are committed to promote Malta as a centre of excellence in financial services and international business.

ORGANISATION CHART



***Board Members from the Financial Services Industry represent the following Associations:**

- 1) Mr Kenneth Farrugia represents:
Malta Investment Funds Association [MIFA]
Malta Association of Fund Managers [MAFMA]
College of Stockbroking Firms [CoS]
- 2) Mr Alan Richards represents:
Malta Bankers Association [MBA]
- 3) Mr David Curmi represents:
Malta Insurance Association [MIA]
Association of Insurance Brokers [AIB]
- 4) Mr Kevin Valenzia represents:
Institute of Financial Services Practitioners [IFSP]

EXPERT GROUPS

The financial services industry through FinanceMalta has identified the need to develop a platform of “Expert Groups” led by industry professionals. Despite the growth achieved in the Financial Services industry since 2004, it is becoming increasingly fundamental for the industry’s players to be proactive rather than reactive.

One of the key needs and challenges summarized in the National Strategic Reform Framework is: *‘the need to improve Malta’s international competitiveness in its key economic sectors’* which include the promotion of indigenous investment and facilitating the attraction and consolidation of foreign direct investment, and to facilitate the development of the knowledge intensive economic activity in existing and new economic sectors. The setting up of the Expert Groups is intended to provide the impetus for attracting FDI and for further developing the financial services sector.

This project will also provide the necessary framework for financial services institutions to be aware and responsive to changes in the global marketplace. Moreover, the Expert Groups will ensure that the Maltese financial services practitioners will keep abreast of international developments and will also be in a position to instill changes to maintain a competitive advantage.

Since FinanceMalta’s launch, four expert groups with a special focus on pensions, insurance, investment funds and tax have been set up with the scope of providing the Foundation with the necessary expertise.

A call for nominations to participate in the expert groups had been sent to all the members of the Founder Associations. The chairpersons of the expert groups were confirmed by the Board of Governors which then left it up to each Expert Group chairperson to select its team of members from all nominations that had been received by FinanceMalta. The Board intends to review the selection process so as to be more fair and transparent with all practitioners.

The Expert Groups on tax, insurance and pensions have met a couple of times to establish their terms of reference and to discuss any required legal amendments which would place Malta in a better position vis-a-vis other financial services centres. To date, the investment funds expert group has not met. This was mainly due to a change in the chairperson who had been first appointed due to a heavy workload which did not allow her to start off the Group meetings.

Below is a list of the composition of each expert group:

Expert Group	Member	Company/Position
1. Pensions	Stuart Fairbairn <i>Chairperson</i>	Pensions Consultant MSV
	Elaine Bonello	Financial Planning Services
	Matthew Brincat	Ganado & Associates
	Rueben M. Buttigieg	Managing Director, Erremme Business Advisors
	Richard Philip Jones	Managing Director, HSBC Life Assurance (Malta) Ltd
	Jonathan Kemp	MSV Life Actuary
	Tonio Fenech	Fenech & Fenech Advocates
2. Insurance	AnneMarie Tabone <i>Chairperson</i>	General Manager, International Insurance Management Services Ltd
	Juanita Bencini	Partner, KPMG
	Ray Schembri	Deputy Head of Insurance, HSBC Life Assurance (Malta) Ltd
	John Tortell	Managing Director of Jatco Insurance Brokers
	Matthew Bianchi	Ganado & Associates
	James Bannister	Galea Salomone & Associates
3. Taxation	Stephen Attard <i>Chairperson</i>	Partner, Ganado & Associates
	Robert Attard	Director Tax Services EY
	Austin Demajo	Partner, Grant Thornton
	Ramona Piscopo	Loyens and Loeff
	Geraldine Schembri	EMCS
	Chris Curmi	Deloitte & Touche
	Rosanne Bonnici	Fenech & Fenech Advocates
	Bernard Attard	PWC
	Paul Pace Ross	KPMG
4. Investment Funds	Louis DeGabriele <i>Chairperson</i>	Partner, Camilleri Preziosi Advocates
	Joe Agius	HSBC
	Andre Zerafa	Ganado & Associates
	Juanita Bencini	KPMG
	Laragh Cassar	Camilleri Preziosi Advocates
	Max Ganado	Ganado & Associates
	Neville Gatt	PWC
	Claudia Rausi	Valletta Fund Services Limited

The Expert Groups' Role

Briefly expert groups are expected to:

➤ Help Malta maintain a competitive advantage

It is of paramount importance that the industry maintains its key competitive advantage which is ultimately not about being better at what it does but rather being different at what it does.

Within this context, a review of Malta's success factors that have contributed to the growth of the industry reveals the presence of the following key, and in some instances unique, factors:

- A highly skilled workforce;
- A comprehensive legal and regulatory framework (which is however becoming increasingly homogenous);
- An accessible and pro business regulator;
- A cost competitive jurisdiction; and
- An attractive tax framework as well as a comprehensive network of double tax treaties.

It is certain that some of the abovementioned factors may become rapidly nullified and for this reason, the Industry must ensure that it continuously nourishes a set of unique success factors, which will ultimately contribute to its competitive advantage.

Another fundamental requirement is that of a well-articulated strategy as to how and to what extent Malta's legal and regulatory framework can be distinctly different from that of its competitors in the marketplace. The strategy to proceed forward should be to build advantages on the basis of the strong legal and regulatory framework which has been developed over the past ten years.

Moreover, SMEs in Malta have mostly focused on the domestic market. Typical examples are insurance brokers, smaller domestic banks, stockbrokers and financial advisors. Since Malta joined the EU this situation has been changing dramatically however SMEs looking for internationalization are still experiencing a lack of resources. Resources are required to enable SMEs to develop effective marketing strategies based on research, product development and presentation techniques.

In this respect the Expert Groups will be proposing areas of development which would provide a competitive advantage for Malta and this would enable the country to become more innovative in the sector. This can only be achieved by:

- addressing these market deficiencies and gaps by pooling in knowledge and expertise which would be made available to the whole financial services sector
- continuous targeted market research which will help the industry in overcoming insular disadvantages; improve the level and quality of service; and identify potential growth areas within the sector.

➤ **Provide the required Consultation**

The Expert Groups, as consultative entities, have the role of providing expert insight into various competitive issues related to the development of the legal, administrative and support infrastructure which is an essential requisite of a dynamic financial services environment.

It is a known fact that in securing a sound knowledge base for better policies, the deliverables arising out of a collection of expert knowledge far outweigh individual efforts. The reason for this lies in the breadth of expertise that such Expert Groups are expected to have. In certain instances however, where the knowledge required becomes increasingly technical and highly specialized, Expert Groups may necessitate a call upon external specialists in their respective fields to feed their advice.

FinanceMalta will also be commissioning external experts to prepare reports on particular areas which would require in-depth knowledge for the eventual consultation and consideration by Government and other regulatory bodies. These reports will be discussed at Expert Group level and also circulated to the industry through FinanceMalta member associations. The project will therefore be providing the industry with insight on the business areas to tap into and also the areas which would be economically viable for the whole sector.

Expert Groups will be working on a wide range of issues and their advice might contribute to the Government/Regulator's work on issues pertinent to the Industry.

➤ **Assist in attracting FDI**

The Expert Groups are to ensure that Malta has a clear vision, a well articulated strategy as well as concerted effort in order to maintain and attract further FDI in the financial services sector as well as to move towards a competitive knowledge economy in their respective field.

The networking environment will encourage further inward FDI and will also provide opportunities for industry players to expand their businesses beyond Malta's shores.

➤ **Network and represent Malta at European/ International Meetings**

By representing Malta at European/ International meetings and seminars, the Expert Groups will be able to interact with their peers in other Member States and enhance their knowledge on the ongoing developments in the industry, which, in turn, would be shared with all members of FinanceMalta. They would also be able to lobby in favour of change in the local and European legislative infrastructure as well as test and introduce new ideas and knowledge into the local scenario.

➤ **Encourage affiliation of local Associations with pan-European Associations and Industry Groups**

The affiliation with pan-European associations and industry groups particularly in Brussels will encourage further dialogue with financial services peers within Europe. The latter will be instrumental in maintaining Malta's competitive advantages as an international financial services centre through the stimulation of recommendations for further development. Experts' participation in international fora will provide the necessary updates to the industry on trends and developments taking place in the international market place.

Members of Expert Groups participating in international meetings will also be required to prepare detailed reports for the benefit of the whole industry.

Participation in international fora will also result in ascertaining a competitive edge for the country. Industry members cannot work in an insular environment but they require the interaction and discussion with European peers.

Such national clustering and networking also aims at improving base and reducing costs by aggregating economies of scale to enable the industry to position itself better to compete in both the domestic and foreign market. This would be particularly useful for SMEs which, most of the time, do not possess the necessary resources to compete fairly.

➤ **Formulate recommendations, issue position papers, prepare Guidance Notes and disseminate information to the public**

Expert Groups will be bound by reporting requirements in their respective field. These reports will generate a pooling of knowledge as they will be made available to all financial services practitioners through their respective associations and federations.

Such knowledge would constitute a good base for the Expert Groups to issue position papers and guidance notes which would be beneficial both to the internationalisation of Maltese firms and especially to their integration into the Single Market as well as to the development of the local legislative infrastructure which has to keep up with the pace of innovation. These Expert Groups would also disseminate and circulate information to the general public in a bid to raise awareness as to the importance of the industry and to the need to sustain its continuous evolution.

The Expert Groups' main objective is that of stimulating an ongoing dialogue between the various public and private institutions in the sector as well as with other industry experts.

On identifying areas of potential growth as well as weaknesses in the sector, the Expert Groups should be able to provide objective, expert and impartial advice in the formulation of recommendations on policies, regulations, amendments to existing legislation, proposals for new legislative developments and administrative measures.

Application for EU Funding under the European Regional Development Fund (ERDF)

Notwithstanding the amount of time dedicated towards the preparation of the FinanceMalta application for Cohesion Policy 2007 – 2013 ERDF funding under Operational Programme I, FinanceMalta's application was deemed ineligible since the Project Selection Committee (PSC) found difficulty in concluding that the proposal meets all the gateway eligibility criteria. Following this response, FinanceMalta appealed from the PSC's decision but has to date not received a formal reply. The Permanent Secretary at the Ministry of Finance did however promise that he would assist FinanceMalta in seeking for alternative funding for these Expert Groups.

FINANCEMALTA MEMBERSHIP

Membership

Membership with FinanceMalta was launched in January 2008 for financial services corporate entities to be part of this dynamic national initiative to promote Malta and our growing financial services industry, both locally as well as overseas.

Members will benefit from regular updates by FinanceMalta and will be encouraged to use the FinanceMalta logo on their website as well as make use of any FinanceMalta material. Moreover they will be given the opportunity to participate, at a subsidized fee, in any event that is organized by the Foundation. Members will also have the opportunity to list their company details, together with a link to their corporate website, in the Business Directory on the FinanceMalta website, as well as to post articles or other information in the 'Members' Newsdesk'. Last but not least, members will be given access to the 'Registered User Area' which will have information exclusively available to FinanceMalta members.

To date, FinanceMalta has 92 members.

Sponsor Membership

FinanceMalta is currently working on another type of membership – the sponsor membership. This membership opportunity will be available to businesses that will be benefiting indirectly from the marketing done by FinanceMalta. This type of membership will be strictly done upon invitation as we want to market the best of what we have. Moreover, in this case, value lies with scarcity as the number of members in each relevant field will be limited. Examples of businesses to be targeted are: hotels, restaurants, health and beauty clinics, private schools, private means of transport and business in the field of leisure and entertainment.

The cost for both types of membership is €300 valid until 31st December 2008.

FINANCEMALTA ACTIVITIES

FinanceMalta has set up an exhibition stand and distributed its folders containing copies of the CountryProfiler, on the following occasions:

➤ **Malta Insurance Rendezvous**

The highlight event of the year was the first Malta Insurance Rendezvous organised by MFSA and the Risk Insurance Research Group (RIRG) on 13-14 November 2007. The conference brought the international insurance management industry together in Malta to discuss topical issues of interest to captive insurance operators and the insurance industry in general. Over 130 delegates attended the event. 14 service providers including captive insurance managers, rating agencies and FinanceMalta set up information stands around the event. The FinanceMalta folder which was distributed to participants also contained a copy of the Captive Review magazine of 2007 and a letter signed by the chairman entitled 'Malta – Your Premier EU Domicile for Captive and Alternative Insurance'.

➤ **YPO Chapter Inauguration**

60 top company executives from 17 countries were in Malta for the inauguration of the Malta Chapter of YPO, the Young Presidents Organisation. YPO, the world's largest network of peers, consists of some 20,000 business leaders in over 100 countries grouped into 300 chapters.

Since 1950, YPO has transcended geographic and cultural barriers to inspire members, promote lifelong learning and address the challenges leaders face every day. Through YPO, members exchange ideas, pursue learning and share strategies to achieve personal growth and professional success.

The potential that Malta offers in terms of financial services was addressed by the Prime Minister, Dr Lawrence Gonzi during a dinner which was held on Friday, 25th April 2008.

FinanceMalta sponsored a small part of this event and set up its exhibition stand. The sponsorship included reference to FinanceMalta in YPO's welcome letter, and the inclusion of 'FinanceMalta' literature in the welcome pack that was given to each delegate on arrival.

➤ **FMBA General Assembly**

The General Assembly was held on the 8th of May at the Corinthia San Gorg. International delegates including 38 delegates from regional broker associations in France and Spain and from the national associations from Morocco, Italy, Greece, Lebanon, Egypt and Malta attended the meeting. Once again, FinanceMalta set up its exhibition stand and had two of its staff distributing its material to the participants.

Events organized by FinanceMalta:

During the past year, FinanceMalta organized an event in Madrid and Barcellona, and is currently organizing its First Annual Conference which is scheduled for the 30th May 2008.

In Spain

➤ **Madrid**

The FinanceMalta seminar in MADRID took place at the Madrid Chamber of Commerce, on the 4th December, 2007. The seminar started at 11.15am and closed at around 1400hrs followed by a networking lunch at the same premises.

The Madrid Chamber of Commerce boasts of 150,000 members and collaborates with more than 370,000 Madrid based companies covering various needs such as advice for the creation and development of businesses, promoting exports from the region, training human resources and developing initiatives to extend the culture of quality and innovation so that SMEs in the Region can tap the opportunities afforded by ecommerce.

His Excellency the Malta Ambassador for Spain, Mr. Gaetan Naudi was present for the Madrid Seminar. The Hon. Dr. Michael Frendo Minister of Foreign Affairs was scheduled to open the Seminar, but renounced at the eleventh hour owing to another official urgent engagement. The FinanceMalta Chairman Mr. Joseph Zammit Tabona, Dr. Tonio Fenech, Mr. Charles Borg, Mr. Kenneth Farrugia, Dr. Louis Degabriele, Mr. Mark Salmon, and Mr. Francis Vassallo spoke at the seminar. Topics covered were Legal and Regulatory aspects, Insurance, Trusts, Banking, Investment Funds and Fund Services, and International Activities in Malta.

Delegates were presented with FinanceMalta brochures including the programme and 'The Country Profiler', as well as with a Spanish translation by the courtesy of the Chambers of the Programme and other Information and statistics about Malta.

Since the number of Spanish delegates was twenty-six, 'ad hoc' changes to the contents of the presentations had to be made in order to tailor the seminar programme according to the audience. Besides the speakers, ten Maltese participants were present for this event.

The seminar was introduced by Ms. Elsa Salvadores Janssen, Foreign Trade Manager, who promised her cooperation and support for the benefit of both Maltese and Spanish Commerce.

Chairman of FinanceMalta, Mr. Joseph Zammit Tabona delivered the opening and closing addresses. H.E. Ambassador Gaetan Naudi delivered the closing address in Spanish and highlighted the benefits of the Malta Financial Services. The seminar was followed by lunch and networking at the Chamber's premises.

➤ **Barcelona**

In Barcelona, the FinanceMalta seminar was held at the Barcelona Chamber of Commerce, on the 5th December, 2007. The Seminar opened at 11.15hrs and closed at 13.20hrs followed by a networking lunch on the premises.

Since the Spanish delegates numbered around 20, ad hoc changes to the presentations were also made. Besides the speakers, the Maltese audience consisted of a delegation of 9.

The seminar was introduced by Mr. Josep Maria Cervera, International Area Manager of the Barcelona Chambers and Mrs. Elisabeth Coli-Vinent, International Support Service Manager of the Barcelona Chamber of Commerce International Area. Both Chamber of Commerce Officials promised their cooperation and support for the benefit of the Industry.

Following the outcome of both seminars, as well as networking and talks with the officials of both Chambers in Spain, it resulted that the best way forward is to promote Malta as a Financial Services Centre would be to organise a series of one to one sessions with interested Spanish Companies/ individuals both in Spain and in Malta.

Considering this feedback, the Chairman extended invitations to the officials of both Chambers to visit Malta and find out the commercial and financial opportunities that exist on the Island.

In Malta

➤ The FinanceMalta Annual Conference

FinanceMalta is currently organizing its First Annual Conference which is being held on the 30th May 2008 at the Hilton Malta and which is mainly sponsored by the Malta Financial Services Authority. The Chairman will be chairing the Conference which will then be closed by the Minister Tonio Fenech.

Amongst the speakers of international repute who will be addressing the audience are Clive Briault (FSA, London), Carlo Comporti (CESR, Paris), Dominique Laboureix (Commission Bancaire, Paris), Evelyne Masse, (European Commission, Brussels), Piero Ugolini (IMF, Washington), Martin Roche (ARM, London) and Michel Aujean (Taj Advocats, Paris). Prof Joe V. Bannister will be speaking about the Skills Requirements by the Finance Industry.

All sectors in the financial services field will be addressed, covering recent developments in banking, insurance, securities, taxation, corporate governance and anti-money laundering. Also included are best retail practices, marketing, skills requirements and developments in taxation.

The fees for this event is €70 for members and €85 for non-members which fees include VAT, lunch and refreshments. The fees have been kept low with the aim of attracting a wider audience.

FINANCEMALTA PUBLICATIONS

Doing Business in Malta Guide and Industry Directory

On the 23rd January 2008, FinanceMalta signed an agreement with CountryProfiler, a limited liability company incorporated and existing in Canada, whereby the latter has been appointed as a contractor to undertake, on FinanceMalta's behalf, the delivery of a custom-designed FinanceMalta branded business guide and industry directory, subject to specified terms and conditions. This publication will provide essential, actionable information whilst also serving as an instrument for international promotion of the island. The agreement has been concluded for an original term of 3 years. It was agreed that FinanceMalta would receive 10% of Net Sales from the advertising revenue of this publication, and this, after advertising agency and sales commissions. Although according to the agreement the publication date was meant to be April 2008, there was a delay in this respect, and FinanceMalta expects to have this publication by the end of May to make it in time for its Annual Conference.

Publication of Advertisements

During this past year, FinanceMalta was inundated with different marketing offers by several marketing companies. After consultation with the Regulator as well as with the Industry, FinanceMalta sought to accept only those offers which it felt would be beneficial to Malta. Such choices had to be done on a case-by-case basis keeping in mind the limited budget. FinanceMalta has in fact published adverts and articles in the following three publications:

➤ Newswweek

FinanceMalta published a full page colour advert in the Newswweek Journal of the 24th March 2008. This advert had the objective of promoting Malta as a competitive and successful Financial Services Jurisdiction. An article entitled 'Malta – Much more then sun, sea and sand' was also included.

➤ Captive Review – Focus on Malta

Another full page advert was published in the back cover of the Captive Review journal which is published monthly by Pageant Media Ltd in London. Dr James Bannister, a member of the FinanceMalta Insurance Expert Group published an article entitled 'Reaping the Rewards' on behalf of FinanceMalta.

➤ **Cell Company Handbook**

A colour advert together with an article prepared by Dr Matthew Bianchi, who is also an Insurance Expert Group member, was also included in this publication which is due to be issued some time this week.

➤ **The Times of Malta**

Advertisements

Advertisements promoting membership with FinanceMalta, a vacancy advert for a Business Development Manager, as well as the number of adverts promoting the FinanceMalta Annual Conference have, besides reaching their particular objectives, kept FinanceMalta in the limelight on a local level.

Article

On the 13th March 2008, Ms Vanessa Macdonald published an article entitled 'Branding Malta' after interviewing the Chairman. This was a means of informing and updating the general public about FinanceMalta and its progression.

VISITORS & PROSPECTIVE INVESTORS

Although still in our first year, FinanceMalta has been successful in attracting prospective business to Malta. Meetings with the Regulator and the practitioners were arranged for the following foreign investors:

19th – 21st February 2008 Mr Kevin O'Connell - Chairman IFG Group plc

6th – 8th April 2008: Dr. Bernhard Götsch & Mrs. Barbara Partl - Triple Trade, Austria

Some lawyers from Spain and Portugal are planning to visit Malta on a fact-finding mission on the 15th and 16th May 2008 and on the 4th of June 2008.

THE FINANCEMALTA WEBSITE

The content which appears in the FinanceMalta website (www.financemalta.org) was prepared by M2Business in collaboration with the Board of Governors. This job involved a lot of research to ascertain that the information provided, including any statistics or rates are the most recently quoted by official sources. The technical development of the website is now being done by Mr Simon Zammit from the Malta Stock Exchange who is continuously liaising with Dr Bernice Gauci with the aim of providing our members with the maximum benefits. Moreover, the content of the website needs to be constantly updated.

The website guides online visitors on Doing Business in Malta. The FinanceMalta Newsdesk is a means of reporting important news to the public in general while visitors will soon be able to find the members' posted information in the Members' Newsdesk. The online business directory is a good means of promoting the members' details to prospective clients as well as to the locals who would be looking for a focal point of reference in the financial services sector. FinanceMalta has also been busy setting up an e-commerce system for payment for its Annual Conference, as well as creating a Members' Registered User Area which members would be able to access by means of a given username and password.

THE FINANCEMALTA MATERIAL

During this past year, much time was spent on branding FinanceMalta. This was considered to be extremely important and time well spent since FinanceMalta is, after all, a marketing body. FinanceMalta spent considerable time choosing its logo, issuing the logo standard guidelines, designing and printing the FinanceMalta folders, backdrops, different adverts (membership, recruitment and marketing Malta as a financial services centre), and its stationery.

OUR WAY FORWARD

It is evident that FinanceMalta has kept its Governors and staff very busy. During the coming year FinanceMalta aims at publishing its policies so as to be more clear, fair and transparent with its members. Some members have expressed their disappointment at the fact that FinanceMalta has declined their request for monetary sponsorship. Although it is FinanceMalta's main aim to market Malta as a Financial Services Centre and to assist its members, in particular SMEs, to promote our island to attract further business, FinanceMalta is definitely not a money-making or money-giving machine. Due to the number of requests for sponsorship, the Board has agreed that it would not sponsor requests received from companies during its first year of operation. Its approach was, in fact, to market Malta by means of adverts and marketing material for the benefit of all its members, and generally for that of all financial services practitioners.

The User Registration Area on our website will hopefully allow us to communicate better with our members. We also plan to hold regular meetings with our members – not only to update them with what the Foundation is doing, but also to obtain their views and recommendations on the best way forward. It is very important that this initiative be a concerted effort whereby the Regulator, on the one hand, and the Industry, on the other, supply information and give their feedback to FinanceMalta to be able to promote Malta in a better way.

It is for this reason that we encourage all financial services practitioners to enroll as a FinanceMalta member. We would hate to decline non-members' requests for any of our promotional material and benefits. Financial services practitioners as well as supporting businesses need to understand that we all stand to gain from this initiative.

Now that all FinanceMalta material is in place and our staff is on the increase, we are keen to roll up our sleeves for what we predict will be an even busier year. Special thanks goes to all the FinanceMalta Governors who have been extremely keen on taking this project forward. My thanks goes especially to Alan Caruana who has been an important link between the Industry, the Regulator and the Ministry of Finance; the Malta Financial Services Authority for sharing its vast experience in Business Development and providing us with information and statistics which are available to the public, and the IFSP for seconding its staff to FinanceMalta.

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