

THE MBR'S NEWSLETTER

The Official Newsletter of the Malta Business Registry



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BUSINESS
REGISTRY

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FOREWORD BY THE REGISTRAR AND CHIEF EXECUTIVE OFFICER

Dr. Geraldine Spiteri Lucas



The past quarter has set the tone for MBR's mission, which is ensuring that CSPs and practitioners are provided with the necessary knowledgeable tools that enhance their work. The Companies Act Framework is constantly evolving to strengthen Malta's competitiveness and adapt to an ever-changing scenario. At the end of last year, the new Insolvency Framework introduced the concept of warning signs for businesses to avoid the insolvency process, an act that regulates practitioners within this field, and lastly an amendment that seeks to reduce pressure on our courts while allowing practitioners to proceed better in insolvency cases.

Following this Malta, together with the rest of the EU member states transposed the Mobility Directive. Spearheaded by the Ministry for the Economy, EU Funds and Lands, this will aid both public and private limited liability companies incorporated in one EU Member State to conduct a cross-border mobility operation to or with any other EU Member State and through the Maltese national initiative, it will also encourage the freedom of establishment of limited liability companies formed or registered in accordance with the law of other recognized jurisdictions outside of the EU to carry out the same cross-border mobility operations available within the EU's Single Market.

Our mantra is 'Education is Key', and during this quarter we welcomed over 200 practitioners who attended the accredited training seminar on the Incorporation of Companies. Such a response reflects the need for constant training, and it was of great pleasure that such an initiative was supported by key stakeholders. Following this, we pursued an information session for non-registered associations and another accredited training seminar on Mobility Directives. This paved the way for a series of training seminars throughout the upcoming year. Complimenting our own mantra, earlier this year the MBR signed a Memorandum of Understanding with the Department of Commercial Law within the University of Malta. The aim of the MoU is to provide a basis for cooperation which includes research material and information related to the study units or dissertations organized or taking place under the supervision of the Department of Commercial Law. Additionally, this cooperation aims at identifying new opportunities and strengthening skills among students.

Moreover, preparations are in full swing in relation to the Corporate Registers Forum Annual General Conference from the 17th to the 20th of October themed 'Together – Building Bridges, Sharing Experiences' which shall gather over 70 registers across the globe to discuss the challenges and the future of registers. This is once in a lifetime opportunity since Malta was chosen as a host following a rigorous process at the CRF Executive Committee. For more information, one may visit www.crfmalta2023.org.

We look forward to your participation and to being part of our initiatives.

FURTHER COLLABORATION BETWEEN THE UNIVERSITY OF MALTA AND THE MALTA BUSINESS REGISTRY



The Department of Commercial Law within the University of Malta and the Malta Business Registry (MBR) have signed a collaborative agreement that shall provide a holistic framework of cooperation and enhance the exchange of information to their mutual benefit.

The aim of the MoU is to provide a basis for cooperation which includes research material and information related to the study units or dissertations organized or taking place under the supervision of the Department of Commercial Law. Additionally, this cooperation aims at identifying new opportunities and strengthening skills among students.

“The signing of the present Memorandum of Understanding marks the beginning of a long-term partnership between the MBR and the Department of Commercial Law which will strengthen our cooperative efforts, academic pursuits, and professional achievements,” said Dr Tiziana Filletti Head of the Commercial Law Department within the University of Malta.



The Malta Business Registry's Chief Executive Officer and Registrar Dr Geraldine Spiteri Lucas remarked that in the past few years, the Commercial Law went through a significant overhaul, yet it proved its resilience and ensured its quick adaptation to challenging scenarios. 'We believe that the University of Malta plays a significant role to encourage research in this sector. Commercial Law is the essence of the MBR's work when safeguarding the best interest of the Maltese jurisdiction and this agreement replicates the one signed last year with the Accountancy Department which has proved beneficial in extending the involvement and talents of our students. The Malta Business Registry believes that through the guidance that is committed to providing according to the parameters established through the law, this agreement shall pave the way in ensuring that Malta stays at the forefront in this thriving sector' said Dr. Spiteri Lucas.

Minister for the Economy, EU Funds and Lands Silvio Schembri said that the FATF experience has brought up significant changes within this sphere; from establishing an accurate and up-to-date Beneficial Ownership Registry to the enhancement of due diligence in relation to compliance. 'This agreement meets our own aspirations as a government, that is to keep on building bridges between the industry and the educational aspect. It is noticeable the significant interest amongst students who seek to have hands-on experience and to have direct involvement in the progress of our nation. The enhancement of research plays a crucial role in bolstering innovation that ensures Malta's competitiveness globally' said Minister Schembri.



The University Rector, Prof. Alfred J. Vella said “I believe that this cooperation with the MBR will enable the Department of Commercial Law to facilitate and enhance the performance of its respective functions and ensure the success of our students.”

The Department of Commercial Law forms an integral part of the Faculty of Laws at the University of Malta. The Department runs holistic undergraduate and postgraduate study programmes aimed at developing highly talented achievers in the area of commercial law, able to serve the public interest and to lead today’s and tomorrow’s businesses.



The MBR personnel will provide guidance to UM students in choosing dissertation research questions, allow visits to the MBR and relevant assistance to the lecturers within the Department of Commercial Law, including for the exchange of information when necessary and other forms of collaboration.

MALTA TRANSPOSES THE MOBILITY DIRECTIVE

The Directive (EU) 2019/2121 of the European Parliament and of the Council of 27 November 2019 amending Directive (EU) 2017/1132 as regards cross-border conversions, mergers, and divisions, referred to as the “Mobility Directive” has been transposed into Maltese law on the 31st of January 2023.

The Mobility Directive is aimed at further enhancing the freedom of establishment of companies by creating a harmonized legal framework applicable to all Member States in the sphere of cross-border movement of limited liability companies, particularly cross-border divisions and conversions, which up until the coming into force of the Mobility Directive were largely dependent on fragmented national Member States’ legislation. This legal framework may result in an increased level of cross-border movement of limited liability companies, due to a reduction of costs in performing such mobility operations, especially SMEs, and also in the enhancement and further realization of advantages associated with the EU’s Single Market.

Spearheaded by the Ministry for the Economy, European Funds and Lands, three new Regulations under the Companies Act were put forward – the Companies Act (Cross-border Conversions of Limited Liability Companies) Regulations; the Companies Act (Cross-border Mergers of Limited Liability Companies) Regulations and the Companies Act (Cross-border Divisions of Limited Liability Companies) Regulations. To fully implement the transposition measures required as result of the Mobility Directive, the existing Cross-border Mergers of Limited Liability Companies Regulations (S.L. 386.12) are being repealed in order to be replaced by the new already referred to cross-border Regulations.

Through a national legislative initiative, the legal framework of cross-border mobility will, through the foregoing proposed regulations, equally apply to those limited liability companies which are formed in accordance with the law of other recognized jurisdictions outside of the European Union.

All in all, this will aid both public and private limited liability companies incorporated in one EU Member State to conduct a cross-border mobility operation to or with any other EU Member State, and through the Maltese national initiative, it will also encourage the freedom of establishment of limited liability companies formed or registered in accordance with the law of other recognized jurisdictions outside of the EU to carry out the same cross-border mobility operations available within the EU's Single Market.

The Mobility Directive has been an awaited legislative instrument in the sphere of company law. Its effects may very well enhance competitiveness, reduce costs and administrative burdens, especially for companies having limited financial resources, thus offering greater productivity advantages as a result of economies of scale, and above all, provide adequate protection to shareholders, workers, and creditors of the involved companies. This protection arises from the provisions of the Mobility Directive itself.

Malta Business Registry's Chief Executive Officer and Registrar Dr Geraldine Spiteri Lucas remarked that the new legal initiatives in place will encourage businesses to venture in the international markets whilst ensuring that the operation of the company and the employees are safeguarded throughout. 'In an ever-changing world, the algorithm of businesses is constantly changing, and the transposition of the Mobility Directive caters to this scenario; that is by ensuring a sense of flexibility when it comes to business operations, something that has long been the essence of Malta's Companies Act, and on the other hand, it ensures to safeguard employees' said Dr Spiteri Lucas.

Minister for the Economy, EU Funds and Lands Silvio Schembri remarked that 28 cross-border companies have been registered in Malta by end of 2022. The new regulations will encourage free movement, strengthen Malta's stance in mitigating money laundering, and most important voice employees' concerns when the company is considering a cross-border mobility operation whilst safeguarding their interests' said Minister Schembri.



TRAINING SEMINAR – INCORPORATION OF COMPANIES (CPE ACCREDITED)



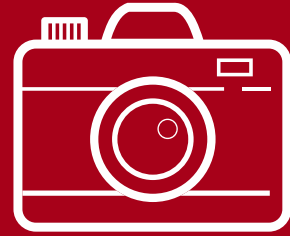
The Malta Business Registry's aim is to disseminate information and ensure that the business community, practitioners, and CSPs are provided with the necessary knowledge and tools that enhance the services provided to their clientele.

Earlier in February, an accredited training seminar focusing on the incorporation of companies was organized by Malta Business Registry which was wholly welcomed by the industry. The response received showed how the need for a training seminar has been long felt and thus, after taking on board the feedback put forward by the industry this seminar will be one of many during this year. Besides, this served as an opportunity to shed light on the current work by the MBR and explain the new restructuring process within the Registry Unit aimed at increasing customer service excellence.

Several aspects were addressed from the Business Plan and preparations of documents, onboarding obligations, the CSP Regime, and procedures when registering a company that needs a license, foreign direct investment, and thorough details on the documents that need to be filed with the MBR.



MORE PHOTOS FROM THE SEMINAR



INFORMATION SESSION: NON-PROFIT ASSOCIATIONS NOT REGISTERED AS LEGAL PERSONS

It was of great pleasure for the Malta Business Registry to host representatives from various voluntary organisations during an information session that provided thorough details on the procedures in place that need to be followed. This served as an opportunity to shed light on the collaborative work with Office of the Commissioner for Voluntary Organisations.





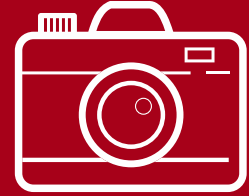
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TRAINING SEMINAR – MOBILITY DIRECTIVE (CPE ACCREDITED)



RESTRUCTURING REGISTRY UNIT

Our commitment at the MBR is to provide the highest level of service to our clients. Hence, why the Registry Unit is undergoing a fundamental restructuring to offer a more efficient and homogenous service with a more specialized structure. This restructuring process was triggered on Monday 6th February on which day the registry unit started operating in specialized teams.

A

Incorporations/ Dissolutions/ Shipping Companies

This team handles the incorporation of new commercial partnerships and the vetting of documents in relation to dissolutions and liquidation accounts. It handles documents submitted by companies for registration in terms of Merchant Shipping Regulations.



Natalie Farrugia

MBR Senior Manager at Registry Unit

B

Ongoing

The ongoing team will be handling the vetting of documents which are required to be filed and registered under the Companies Act, 1995.



Daniela Azzopardi Cauchi

MBR Senior Manager at Registry Unit

C

Ultimate Beneficiary Owners and other Transactions

This team will be handling the vetting of documents regarding public limited companies, partnerships, SICAVs, overseas companies (branches), mergers, divisions, and other transactions required to be filed and registered under the Companies Act, 1995. Besides, the team will also be handling any queries regarding the Ultimate Beneficial Owners.



Mark Schembri

MBR Senior Manager at Registry Unit

The above restructuring within the Registry Unit was intended to strengthen our supervisory functions to maintain an accurate and transparent register of basic and beneficial ownership information for all commercial partnerships. Such changes will continue to strengthen the MBR's position to work closely with competent authorities, subject persons, companies, foundations, and associations in defining acceptable standards undertaken by the MBR on its policies and procedures related to regulatory functions and to continue in its fight against money laundering and financing of terrorism.

FOR MORE INFO PRESS HERE

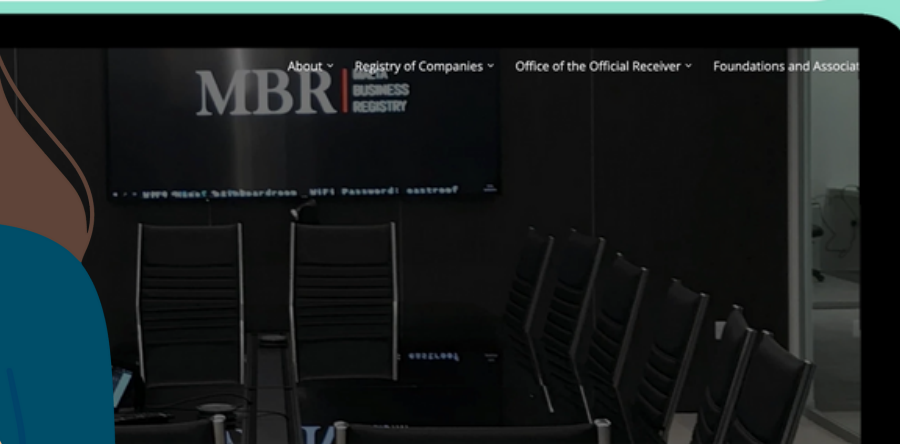


FORM Q INSTRUCTIONAL VIDEO

An instructional video, click on the play button to be redirected to the video



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download the document from the MBR site





IN AID OF



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FOOD AND
CLOTHES IN AID
OF TURKEY**



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