

Regulatory Compliance Update

Q3 2026

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Introduction

Our Mamo TCV Regulatory Compliance Quarterly Update is intended to keep Maltese regulated entities informed of regulatory changes and developments taking place mainly in the local financial services space.

In this issue, we focus on the sector-specific and cross-sectoral regulatory updates relating to investment services, asset management, insurance, credit institutions and company service providers.

Mamo TCV's regulatory and compliance team assists authorised persons and their compliance functions in meeting their obligations in an evolving regulatory landscape.

Get in touch with us to learn more about how we can assist.

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SECTOR SPECIFIC REGULATORY UPDATES

1.0 INVESTMENT SERVICES

1.1 Third-Party Execution and Research Services – Amendments to the Conduct of Business Rulebook

On 1 July 2026, the MFSA issued a [circular](#) concerning Commission Delegated Directive (EU) 2026/374, which amends the MiFID II delegated framework governing third-party execution and research services, and provides for its transposition into the Conduct of Business Rulebook applicable to investment firms.

The revised framework provides greater flexibility regarding the manner in which investment firms may pay for execution services and third-party research, including through joint payments, subject to the applicable organisational, disclosure and client-protection safeguards. Investment firms that make use of third-party research should review their research payment arrangements, client disclosures, internal policies and conflicts of interest controls to ensure alignment with the revised Conduct of Business Rulebook.

1.2 Amendments to Subsidiary Legislation for the Partial Transposition and Implementation of Directive (EU) 2024/927

On 20 July 2026, the Malta Financial Services Authority ("MFSA") issued a [circular](#) outlining amendments to Maltese subsidiary legislation introduced as part of the partial transposition and

implementation of the Alternative Investment Fund Managers Directive II ("AIFMD II") and UCITS VI. The amendments cover, among other matters, the marketing of Undertakings for Collective Investment in Transferable Securities ("UCITS") and alternative investment funds ("AIFs"), the UCITS management company passporting framework and the regulatory treatment of third-country AIFs and alternative investment fund managers ("AIFMs").

The amendments to the Investment Services (Marketing of UCITS) Regulations strengthen cooperation and information exchange between the MFSA, other European competent authorities, the European Securities and Markets Authority ("ESMA") and, where applicable, the European Systemic Risk Board ("ESRB"). They also introduce notification and coordination requirements relating to the use of liquidity management tools, including cooperation between the UCITS' home and host competent authorities.

The Investment Services Act (UCITS Management Company Passport) Regulations now require UCITS management companies, including European management companies managing Maltese UCITS, to report periodically on their trading activities, liquidity management arrangements, risk profiles, delegation arrangements and cross-border marketing activities. The MFSA may also request additional information for supervisory or systemic-risk monitoring purposes.

The Marketing of Alternative Investment Funds Regulations have been amended to permit AIFMs to market certain employee savings and employee

participation AIFs domestically and on a cross-border basis. Non-Maltese AIFs marketed to employees in Malta may not be subject to requirements additional to those applicable in the AIF's home Member State. The amendments also strengthen cross-border supervisory cooperation and information sharing under the AIFMD framework.

The conditions applicable to third-country AIFs and AIFMs have also been aligned with the EU anti-money laundering and tax-governance frameworks. References to the Financial Action Task Force ("FATF") list have been replaced with the EU list of high-risk third countries and authorised third-country AIFMs must take remedial measures where their home jurisdiction subsequently becomes high risk or is placed on the EU list of non-cooperative jurisdictions for tax purposes.

1.3 Transaction Reporting – Outcomes-Based Supervision Questionnaire

On 21 July 2026, the MFSA issued a [Dear CEO Letter](#) addressed to firms subject to the MiFIR transaction-reporting obligation under Article 26 of Regulation (EU) No 600/2014 and the related MiFID II framework. The communication forms part of the Authority's outcomes-based supervision of transaction reporting.

Relevant firms should ensure that responsibility for transaction reporting is clearly allocated and that processes are supported by appropriate review, reconciliation and escalation controls. Errors or omissions should be identified and corrected promptly, including where reporting is outsourced or delegated to a third party.

1.4 ESMA Publishes Its Common Supervisory Action ("CSA") for 2026

On 22 July 2026, the MFSA issued a [circular](#) concerning ESMA's 2026 Common Supervisory Action ("CSA") which focuses on the risk management function of UCITS management companies and alternative investment fund managers, including self-managed structures. The exercise forms part of ESMA's supervisory convergence work and focuses on whether fund managers have established an effective, appropriately resourced and independent risk management function.

The MFSA is participating in the CSA, and selected management companies are required to complete a self-assessment questionnaire and provide supporting documentation. Fund managers should review their governance arrangements, risk-management policies, reporting lines, resources and evidence of ongoing oversight against the applicable AIFMD and UCITS requirements.

1.5 ESMA Results of the CSA on MiFID II Sustainability Aspects

On 3 August 2026, the MFSA issued a [circular](#) drawing attention to ESMA's findings from the Common Supervisory Action on the integration of sustainability requirements within suitability assessments and product governance arrangements under MiFID II.

The findings identify areas requiring enhancement, including the collection and explanation of clients' sustainability preferences, product categorisation, matching products to client preferences, governance and record-keeping. Investment firms providing investment advice and/or portfolio management should carry out a gap analysis against

the findings and review their suitability processes, product-governance arrangements and related controls.

1.6 Amendments to the Investment Services Rules for Investment Services Providers

On 6 August 2026, the MFSA issued a [circular](#) amending Section 13 of Part A and Section 7 of Part BI of the Investment Services Rules for Investment Services Providers.

Investment firms should review the amendments and assess whether updates are required to their governance documents, policies, internal control arrangements or ongoing regulatory documentation. Any resulting changes should be reflected consistently across the firm's compliance framework and regulatory submissions.

1.7 Outcomes-Based Review of Outsourcing by Fund Managers

On 18 September 2026, the MFSA issued a [Dear CEO Letter](#) setting out the findings of an outcomes-based review of outsourcing arrangements used by fund managers, including self-managed AIFs, UCITS and PIFs. The review covered critical functions such as investment management, risk management, valuation, compliance, AML and internal audit.

The MFSA identified shortcomings in pre-appointment due diligence, the delineation between in-house and outsourced functions, conflicts-of-interest management, reporting to governing bodies and the proportionality of outsourcing arrangements. The Authority reiterated that outsourcing must not result in a fund manager

becoming a "letter-box" entity and that the governing body remains accountable for outsourced activities.

Fund managers are expected to maintain effective oversight of service providers, ensure that outsourcing arrangements are supported by robust due diligence and governance, and provide governing bodies with sufficient information on the performance and risks of outsourced functions. The MFSA encouraged fund managers to conduct a gap analysis against the findings and address identified weaknesses.

2.0 INSURANCE

2.1 Circular on the Fitness and Properness Assessment of Cell Committee Members of Captive Cells of Insurance Undertakings Protected Cell Companies ("PCCs") and Cell Committee Members of Insurance Brokers PCCs and Insurance Managers PCCs

On 9 July 2026, the MFSA issued a [circular](#) regarding the fitness and properness assessment process for Cell Committee Members of captive cells of insurance undertakings structured as Protected Cell Companies ("PCCs"), as well as Cell Committee Members of Insurance Brokers PCCs and Insurance Managers PCCs.

With immediate effect, such Cell Committee Members will no longer be subject to a fitness and properness assessment by the MFSA. Only the Chair of the relevant Cell Committee will remain subject to the Personal Questionnaire process. The change is intended to streamline the authorisation process and reduce the administrative burden on licence holders, while

maintaining appropriate governance standards.

Licence holders remain responsible for ensuring that proposed Cell Committee Members satisfy the applicable fitness and propriety requirements. They are expected to carry out appropriate due diligence and suitability assessments prior to appointment, and to conduct ongoing assessments throughout the individual's engagement, having regard to the MFSA's Guidelines to the Personal Questionnaire.

Licence holders must also retain adequate records evidencing the assessments carried out and make these available to the MFSA promptly upon request. Compliance Officers should ensure that the authorised entity's Corporate Profile remains accurate and up to date to reflect any changes in appointed Cell Committee Members.

2.2 The Quality of Data in Regulatory Financial Returns

On 3 September 2026, the MFSA issued a [Dear CEO Letter](#) addressed to the CEOs, CFOs and Compliance Officers of authorised (re)insurance undertakings setting out supervisory findings and expectations concerning the quality of data submitted in regulatory financial returns. The letter follows supervisory inspections focusing on Quarterly Management Accounts, National Specific Templates ("NSTs") and Quantitative Reporting Templates ("QRTs"), as well as the underlying data flows, IT systems, internal controls and reporting processes.

The MFSA identified a number of areas requiring enhancement, including ensuring consistency between different

regulatory returns, reducing excessive reliance on spreadsheets, implementing documented preparer-reviewer controls and the four-eye principle, and formalising internal checklists and record-keeping arrangements. Undertakings are also expected to ensure that declaration forms are submitted on time, the latest NST templates are used, and finance procedure manuals remain up to date, subject to appropriate version control and approval. The MFSA further expects regulatory reporting processes and data quality to be included within future internal audit cycles.

The Authority also highlighted recurring data-quality issues, particularly inconsistencies between NSTs, QRTs, management accounts and audited financial statements, as well as incomplete cross-border reporting. Undertakings should allocate sufficient resources to ensure that regulatory submissions are timely, accurate, complete and internally consistent.

2.3 Circular on the Salient Amendments Proposed by the Solvency II 2020 Review

On 11 September 2026, the MFSA issued a [circular](#) following its consultation on the salient amendments arising from the Solvency II 2020 Review. The revised framework implements Directive (EU) 2025/2 and introduces material changes to the Solvency II regime, including a strengthened proportionality framework and changes affecting governance, reporting, sustainability, liquidity, macro-prudential and cross-border risks.

A key feature is the introduction of the Small and Non-Complex Undertaking ("SNCU") classification. Undertakings

satisfying the relevant criteria may benefit from specified proportionality measures. Insurance and reinsurance undertakings should assess the impact of the revised framework on their governance, risk-management, reporting and disclosure arrangements, and consider whether they may qualify for available proportionality measures.

2.4 Thematic Review on Member Statements and Pension Benefit Statements

On 29 September 2026, the MFSA issued a [Dear CEO Letter](#) setting out the findings of its thematic review of member statements issued by personal retirement schemes and pension benefit statements issued by occupational retirement schemes.

The review focuses on whether disclosures to members are clear, accurate, comparable and compliant with the applicable regulatory requirements. Pension schemes and service providers should review their statement templates and production processes against the MFSA's findings and remedy any deficiencies identified.

3.0 CREDIT INSTITUTIONS

3.1 Consumer Credit Intermediaries (Admission) Regulations, 2026

On 3 July 2026, [Legal Notice 178 of 2026](#), titled the Consumer Credit Intermediaries (Admission) Regulations, was published in the Government Gazette. The Regulations are issued under the Banking Act and the Financial Institutions Act, and transpose the relevant provisions of Article 37 of Directive (EU) 2023/2225 on credit agreements for consumers (CCD II). The

new framework establishes the regulatory regime applicable to consumer credit intermediaries and empowers the MFSA to issue further rules governing their admission and conduct. The Regulations will come into force on 20 November 2026.

The Regulations introduce a formal authorisation and supervisory framework for persons carrying out credit intermediation activities in relation to consumer credit agreements. These activities include presenting or offering consumer credit agreements, assisting consumers with preparatory or pre-contractual work, and concluding consumer credit agreements on behalf of creditors. The Regulations clarify the role of the MFSA as the competent authority and provide the basis for the issuance of dedicated Credit Intermediaries Rules. Creditors and firms involved in the distribution of consumer credit products should assess whether their business models, governance arrangements and distribution networks will be impacted by the new intermediary regime and any subsequent MFSA rulemaking.

3.2 Banking Act (Consumer Credit) (Amendment) Regulations, 2026

On 3 July 2026, [Legal Notice 179 of 2026](#), titled the Banking Act (Consumer Credit) (Amendment) Regulations, was published in the Government Gazette.

This Legal Notice amends the Banking Act (Consumer Credit) Regulations to transpose Directive (EU) 2023/2225 on credit agreements for consumers (CCD II). The amendments broaden and modernise the consumer credit framework through revised and expanded definitions, changes to the scope of exempted credit agreements, clarification that creditor obligations

generally extend to credit intermediaries, and the introduction of a framework for advisory services.

The Regulations also strengthen supervisory and governance requirements by introducing minimum knowledge and competence standards for relevant staff, expanding the MFSA's responsibilities as competent authority and revising the administrative penalties regime to align with broader financial services enforcement standards. Credit institutions engaged in consumer lending should assess the impact of the new requirements on their consumer credit, conduct, training and compliance frameworks.

3.3 Circular to Credit Institutions on Dividend Distributions

On 26 August 2026, the MFSA issued a [circular](#) to Credit Institutions on Dividend Distributions, providing guidance on the supervisory considerations applied when assessing proposed dividend distributions by credit institutions. The MFSA clarified that the Circular does not introduce any new regulatory requirements but is intended to provide greater transparency regarding its supervisory expectations and assessment process.

The Circular follows the removal of the restrictions on dividend distributions and share buy-backs that were introduced during the COVID-19 pandemic. The MFSA reiterated the importance of prudent capital planning, sound risk management and maintaining adequate financial resilience when institutions consider distributing profits to shareholders. Dividend distributions will continue to be assessed on a case-by-case basis, taking into account factors such as the institution's capital position,

risk profile, governance arrangements, capital planning framework and forward-looking resilience.

While not mandatory, the MFSA indicated that it considers it good practice for credit institutions to notify the Banking Supervision Function of any proposed dividend distribution sufficiently in advance of the intended distribution. Such notifications should be accompanied by the analysis and supporting documentation underpinning the proposal, including the information presented to the Board of Directors and any material that will ultimately form the basis of the proposal submitted to shareholders for approval. Institutions are also expected to promptly notify the MFSA of any material changes to their assumptions, financial projections or capital position that could impact the proposed distribution.

The Circular includes an indicative list of information that may be requested by the MFSA when assessing a proposed distribution. This includes details of the proposed dividend amount, the institution's capital position before and after the distribution, relevant prudential ratios and capital headroom, Board resolutions supporting the proposal, capital projections reflecting the impact of the distribution, and the institution's approved dividend policy or relevant governance and capital planning documentation. The information should be provided on both a solo and consolidated basis where applicable. Where dividend distributions are proposed at holding company level and there are material differences between the financial position of the institution and that of the holding company, equivalent information should also be submitted from the holding company's perspective.

Credit institutions should review their dividend distribution governance arrangements and ensure that adequate internal analysis, capital planning and Board documentation support any proposed shareholder distributions. Institutions may also wish to establish clear internal procedures for engaging with the MFSA at an early stage when considering dividend payments, particularly where distributions could have a material impact on capital resources or regulatory ratios. The MFSA also noted that the Circular is without prejudice to any supervisory measures that it may deem appropriate, including the imposition of restrictions on dividend distributions where necessary.

3.4 Compliance Outcomes-Based Supervision – ICAAP and Stress Testing Capabilities

On 3 September 2026, the MFSA issued a [Dear CEO Letter](#) setting out the findings of its thematic review of credit institutions' Internal Capital Adequacy Assessment Process ("ICAAP") and stress-testing capabilities.

The supervisory expectations focus on effective governance and Board oversight, the integration of stress testing into the ICAAP and risk-management framework, sufficiently severe and institution-specific scenarios, and clear documentation of assumptions, methodologies and management actions. Credit institutions should review their ICAAP and stress-testing frameworks and ensure that results feed appropriately into capital planning and decision-making.

CROSS-SECTORAL REGULATORY UPDATES

4.0 REGULATORY DEVELOPMENTS

4.1 MFSA and FIAU Circular on the introduction of the Harmonised Regulatory Reporting Framework

On 14 July 2026, the MFSA and FIAU issued a [circular](#) announcing the launch of the Harmonised Regulatory Reporting Framework ("HRRF"), a new framework intended to modernise and standardise domestic regulatory reporting. The HRRF will be implemented on a phased, sector-by-sector basis to allow regulated entities sufficient time to prepare and adapt.

The framework applies to domestic regulatory returns, templates and reporting formats issued by the MFSA and/or FIAU for national supervisory purposes. These domestic reporting obligations remain separate from reporting requirements arising from the European Supervisory Authorities or other supranational frameworks. The Circular also notes that revised AML/CFT data points, intended to align with the Regulatory Technical Standards to be issued under Article 40(2) of Directive (EU) 2024/1640, will be incorporated into the new reporting format.

The HRRF is intended to reduce duplication across domestic returns, streamline data requirements, improve consistency in definitions, and minimise operational burden and data errors through a standardised reporting ecosystem. To support implementation, the MFSA will provide a JSON-format conversion tool, allowing authorised persons and their service providers to complete domestic returns in spreadsheet format and convert them

into the required JSON format for submission.

Implementation will take place in two waves. Wave 1 will apply to company service providers, registered trustees of family trusts, financial institutions and CASPs, with formal submissions in the new JSON-based format becoming mandatory from January 2027. Preparatory milestones include the publication of technical data taxonomies, reporting specifications and JSON schema definitions between July and August 2026, an industry testing phase between August and October 2026, and sector-specific industry seminars in September and October 2026. Wave 2 will cover investment and securities, insurance and pensions, and remaining trusts and fiduciaries, with further timelines and testing details to be communicated in due course.

Affected entities, particularly those falling within Wave 1, should assess their internal reporting readiness, allocate appropriate technical resources, review data governance arrangements and prepare for the August to October 2026 testing period. Firms should also monitor further MFSA and FIAU communications regarding documentation, testing access and seminar registration.

4.2 Frontier Artificial Intelligence Models and the Evolving Cyber-Threat Landscape

On 5 August 2026, the MFSA issued a [circular](#) to all licence holders drawing attention to the evolving cyber risks associated with frontier artificial intelligence models ("FAIMs"). The Circular refers to recent publications by the ESRB, ECB and the European Supervisory Authorities and notes that increasingly capable AI models may

accelerate the discovery and exploitation of cyber vulnerabilities.

The MFSA did not introduce separate FAIM-specific requirements. Licence holders are instead expected to consider these developments within their existing governance, ICT-risk and operational-resilience frameworks, including vulnerability and patch management, security monitoring, incident response, digital operational resilience testing and third-party risk. For entities within scope, DORA remains the principal framework for digital operational resilience.

5.0 COMPANY SERVICE PROVIDERS

5.1 Thematic Review on Adequate Oversight when Arranging for Other Persons to act as Directors and/or Company Secretaries

On 17 July 2026, the MFSA issued a [Dear CEO Letter](#) setting out the findings of a thematic review on the oversight exercised by Company Service Providers when arranging for natural persons to act as directors and/or company secretaries. The review covered a risk-based sample of 50 Class B and Class C CSPs providing arranging services.

The MFSA noted that most CSPs carried out fitness and propriety assessments and some form of ongoing oversight. However, it identified deficiencies in the definition and documentation of arranging services, the adequacy of oversight and reporting, and the assessment of the time commitment and availability of arranged persons.

The Authority reiterated that arranged persons must be natural persons who are officers or employees of the CSP. Where persons within another group company

are arranged, the arrangement must be notified to the MFSA and supported by an appropriate resource-sharing agreement. CSPs must also clearly document arranging services in their internal policies, procedures and client agreements.

The MFSA further emphasised that the CSP remains responsible for the service provided and should receive the remuneration for the arranging service. CSPs must conduct documented fitness and propriety assessments both before appointment and on an ongoing basis, covering competence, reputation, conflicts of interest, independence of mind and time commitment. Reliance solely on an assessment previously carried out by the MFSA is not sufficient.

CSPs are also expected to maintain effective ongoing oversight of arranged persons, including monitoring their attendance, level and quality of participation, understanding of the client's business and contribution to decision-making. Arranged persons should provide documented reports on their activities at least annually, with more frequent and event-driven reporting where appropriate. The MFSA stressed that arranged persons must not operate as passive, nominee or "letterbox" directors or company secretaries.

The assessment of time commitment must be both qualitative and quantitative, and should consider the individual's overall workload, the nature and complexity of each appointment, the risk profile of the client, and the individual's actual level of engagement. CSPs should also maintain appropriate escalation and business continuity arrangements.

All CSPs within scope, and not only those included in the thematic review, are expected to carry out and document a gap analysis against the findings and recommendations in the letter. The gap analysis should be retained and made available to the MFSA upon request, and any corrective measures should be implemented on a proportionate basis.

6.0 DIGITAL FINANCE

6.1 New Q&As Available

On 10 July 2026, ESMA published the following questions and answers in relation to the Markets in Crypto-Assets Regulation (MiCA):

- Authorised CASP for providing custody and administration or transfer services for crypto-assets in relation to other crypto-assets being issued after the offer to the public
- Perimeter of advice under MiCA compared to MiFID II
- Crypto-Asset lending services under MiCA

6.2 Event Contracts and National Product Intervention Measures on Binary Options

On 3 August 2026, the MFSA issued a [circular](#) drawing attention to ESMA's public statement on the application of national product intervention measures for binary options to certain event contracts and prediction-market products.

ESMA clarified that the commercial label applied to a product is not determinative. Event contracts whose outcome depends on a specified future event may

constitute derivatives and, where they have the characteristics of binary options, may fall within national measures prohibiting the marketing, distribution or sale of binary options to retail clients. Firms should therefore carry out an appropriate legal classification and review their product-governance and target-market arrangements.

7.0 SUSTAINABLE FINANCE

7.1 New Q&As Available

On 10 July 2026, ESMA published the following questions and answers in relation to the EU ESG Ratings Regulation (ESGRR):

- Consulting activities to investors or undertakings
- Application of two working day notification period
- Scope of two working day notification period
- Access to dataset for factual error review
- Notifications without a designated contact
- Obligation to consider issuer feedback
- ESG ratings used for internal purposes or in-house financial services
- Exemption for SPO providers

8.0 ANTI-MONEY LAUNDERING LEGISLATION

8.1 AMLA Public Consultation: Draft ITS under Article 69(3) of the AMLR on format for reporting suspicions and providing transaction records

On 6 July 2026, the FIAU issued an [update](#) to announce that AMLA had launched a public consultation on the

draft Implementing Technical Standards (ITS) under Article 69(3) of the Anti-Money Laundering Regulation (Regulation (EU) 2024/1624) (AMLR) concerning the format for reporting suspicions and providing transaction records.

Currently, suspicions are reported differently across EU Member States, which can complicate the exchange of information in cross-border situations. In view of this, through this draft ITS, AMLA is introducing a harmonised set of data points to create a consistent approach across Member States while still allowing some discretion to cover sector-specific needs. Reporting entities will need to fill in only the relevant data points, tailored to their type of activity and type of suspicion reported. This ensures more structured and comparable information, especially when reporting across borders.

The format and level of detail of transaction records also vary across Member States and among subject persons (obliged entities), creating challenges for cross-border financial analyses. Accordingly, this draft ITS also introduces standardised templates for the provision of transaction records by credit and financial institutions.

8.2 AMLA Draft RTS on Risk Profiles of Non-Financial Obligated Entities

On 15 July 2026, the FIAU drew attention to AMLA's public consultation on draft Regulatory Technical Standards under Article 40(2) of Directive (EU) 2024/1640 concerning the assessment of inherent and residual ML/TF risk profiles of obliged entities in the non-financial sector. The draft RTS proposes a harmonised supervisory methodology, sector-

specific data points, and review frequencies, with proportionality corporations for smaller entities. Non-financial subject persons should monitor the final standards and assess the potential impact on the information they will need to maintain and provide to supervisors.

8.3 AMLA Direct Supervision – Eligibility Data Collection

On 21 July 2026, the FIAU announced the launch of AMLA’s data-collection exercise to identify obliged entities that may be provisionally eligible for direct AML/CFT supervision from 2028. The FIAU is coordinating the exercise in Malta and collecting eligibility information from relevant entities, financial institutions and groups operating across multiple EU Member States. Entities contacted by the FIAU should ensure that information regarding their cross-border presence and group structure is complete and accurate.

8.4 FATF Publication on Public-Private Partnerships and Data Protection Arrangements

On 22 July 2026, the FIAU drew subject persons’ attention to a FATF report on information sharing to combat illicit finance and the operation of public-private partnerships within AML/CFT frameworks. The report considers how competent authorities and private-sector entities can exchange relevant knowledge, typologies and, where appropriate, actionable intelligence, while observing applicable data-protection and confidentiality requirements. Subject persons should consider the report when reviewing

governance and information-sharing arrangements.

8.5 FATF Updates on Virtual Assets and VASPs

On 24 July 2026, the FIAU highlighted two FATF publications concerning money laundering and terrorist financing risks in the virtual-asset sector. The publications address implementation of FATF standards for virtual assets and VASPs, including risks associated with decentralised finance, stablecoins, unhosted wallets and other emerging technologies. Subject persons should consider the publications in light of their own business models, customer relationships and transaction-monitoring arrangements, particularly where they have direct or indirect crypto-asset exposure.

8.6 AMLA Survey on Central Contact Points and 2027 Eligibility Reporting Framework

On 7 August 2026, the FIAU highlighted two developments relating to AMLA’s future supervisory framework: a survey on the operation of Central Contact Points for payment and electronic-money institutions, and the EBA’s draft data model and taxonomy for the 2027 eligibility data collection supporting AMLA’s direct supervision selection process. Relevant institutions should monitor the development of the reporting framework and assess the potential impact on their cross-border distribution models and future AMLA reporting.

8.7 FIAU AML/CFT Supervisory Plan 2026–2027

On 31 August 2026, the FIAU published its AML/CFT Supervisory Plan for 2026–2027, setting out the priorities and supervisory interventions for the third year of its five-year compliance-monitoring framework. The plan identifies sector-specific themes, including reporting obligations, risk-based controls, transaction monitoring, customer due diligence, source of wealth and source of funds verification, and Travel Rule obligations for CASPs. Subject persons should review the priorities against their own risk profile and compliance framework.

8.8 FATF Report on Professional Money Laundering, Underground Banking and Hawala

On 4 September 2026, the FIAU drew attention to a FATF report on professional money laundering, underground banking and the use of hawala and similar service providers. The report notes the increasingly sophisticated and cross-border nature of professional money-laundering networks and the growing use of digital tools, encrypted communications, mobile wallets and virtual assets. Subject persons should consider whether their risk assessments, customer due diligence and transaction-monitoring frameworks adequately capture these risks.

8.9 FATF Risk Indicators for Gaming and Gambling

On 14 September 2026, the FIAU highlighted FATF's report on emerging ML/TF/PF risks in gaming and gambling and the accompanying risk indicators.

The report considers vulnerabilities arising from increasingly digital and cross-border business models, including online gaming platforms, payment channels, illegal operators, e-wallets, mobile money and virtual assets. Subject persons with exposure to the gaming sector should consider the identified indicators when reviewing customer risk, source-of-funds information, transaction-monitoring scenarios and escalation procedures.

8.10 FIAU Settlement Agreement Transitional Period

On 28 September 2026, the FIAU reminded subject persons that the six-month transitional period introduced by Regulation 6 of the Prevention of Money Laundering and Funding of Terrorism (Amendment) Regulations, 2026, for requesting out-of-court settlement agreements in respect of administrative penalties subject to appeal would expire on 1 October 2026. Following expiry of the transitional period, the FIAU may no longer consider requests falling within that arrangement.

Future updates and events

Should you be interested in receiving our Quarterly Regulatory Compliance Update in relation to regulatory developments and/or joining future events organised by Mamo TCV on regulatory & compliance matters, we invite you to subscribe to our dedicated mailing list through the following link: [subscribe here](#).

Our Regulatory Compliance Services

Having a strong compliance culture is crucial and our multidisciplinary regulatory cross-sectoral compliance team assists our clients in having the required policies and procedures to remain compliant with the local regulatory framework, as well as providing advice with respect to any changes required to their business model to better comply with the relevant requirements. Our team also delivers tailor-made training sessions to staff of regulated entities.

Key Contacts

Do not hesitate to reach out to **Michael Psaila, Katya Tua, Edmond Zammit Laferla** or your usual contacts at Mamo TCV should you wish to discuss the contents of this Regulatory Compliance Quarterly Update or any other financial services regulatory compliance matters.

This document does not purport to give legal, regulatory, financial or tax advice.

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