

# Malta

68

TOTAL (RE)INSURANCE  
UNDERTAKINGS

13

CAPTIVES

14

PROTECTED CELL  
COMPANIES

79

CELLS

\*Stats are from the end-of-year reporting in 2024

- ✓ Recognised as an established, versatile, & highly attractive onshore domicile for captive & cell solutions
- ✓ Go-to destination for companies seeking efficient EU risk coverage
- ✓ Only EU member state with protected cell company (PCC) legislation
- ✓ EU/EEA passporting rights
- ✓ EU/OECD-approved financial services framework
- ✓ Solid legal foundation, robust regulation, & efficient regulator
- ✓ Cost-effective solutions for a wide variety of insurance structures
- ✓ SRS Malta flexible offerings: captives, cells, & fronting solutions

## Regulation

**Regulator:** Malta Financial Services Authority (MFSA)

**Applicable Regime:** Solvency II

## Minimum Capital Requirement:

- 2.7 million EUR for an authorized undertaking carrying on direct general business, including captive insurance undertakings, except in the case where all or some of the risks included in any of the classes 10-15 are covered, in which case it shall be no less than 4 million EUR.
- 4 million EUR for an authorized undertaking carrying on direct long-term business, including captive insurance undertakings.
- 3.9 million EUR for an authorized undertaking carrying on business restricted to reinsurance, except in the case of a captive reinsurance undertaking, in which case the MCR shall be no less than 1.3 million EUR.

**Reporting Frequency:** Quarterly

**Intercompany Loans:** Possible (subject to prior regulatory approval, meeting of SII Prudent Person Principles & post-loan solvency adequacy)

## Licensing

**Process:** Presentation of Submission of Intent to the MFSA, followed by submission of formal Licence

Authorisation Application which includes, amongst other, the business plan, financial projections, Solvency Capital Requirement (SCR), & personal/corporate questionnaires.

**Timeframe\*:** (Re)Insurance Companies & PCCs: 6 months (reduced to 3 months in respect to the individual protected cells)

Captives: 3 months

*\*From the date of submission of completed application to the Authority*

#### **KYC Ownership/Control Thresholds:**

Qualifying Shareholder: 10% or more of share capital (or voting right)s

Beneficial Owner: 25% + of share capital (or voting rights)

## Governance

#### **Requirements for:**

**FTE Captives:** No (unless commercial (re)insurer)

**FTE Cells:** No

**Local Director Captives:** Yes

## ABOUT SRS

*SRS is the world's largest independent insurance company manager. With over 25 years' experience, SRS provides management and consulting services to a wide range of insurance company structures, from single-parent captives to complex commercial insurers and reinsurers. SRS has operations in North America, South America, Europe, Barbados, Bermuda, Canada, Cayman Islands, and South Africa.*

**Local Director Cells:** No

**Independent Director Captives:** Yes

**Independent Director Cells:** No

**Outsourcing:** Permitted (subject to governance & substance rules)

## Tax

**Corporate Tax Rate:** 35%

**Effective Tax Rate:** 5% (upon dividend distribution & application of 6/7th tax refund)

## Set-Up & Annual Costs

**Captives & Cells:** Competitive for domiciles with Solvency II regimes. Final costs dependant on various factors such as overall business plan, number of lines of business, countries of risk, & outsourcing requirements. Cell costs are reduced due to cost-burden sharing possibility within PCC structure. Contact us for cost indications.



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