



# **MIA'S Contribution in the form of Consultation Feedback**

# MIA's Contribution to the future of accounting: Consultation on the Renewed Sustainable Finance Strategy

In July 2020 the Malta Institute of Accountants (MIA) contributed to the European Commission's Consultation document through a Working Group composed of members nominated by the Financial Reporting Committee.

To achieve a renewed sustainable strategy several changes need to be made, starting with enshrining climate-neutrality into legislation. On 4 March 2020, the European Commission proposed to transform the political commitment of climate-neutrality by 2050 into a legal obligation.

The COVID-19 outbreak indicates that there is a critical need to strengthen sustainability and resilience in our society and in the way which our economies function. Many of the recent outbreaks including COVID-19, SARs, MERS and avian flu are linked to the following which causes and increases the spread of diseases:

- Illegal trade and consumption of endangered wild animals
- Degraded habitats and a warming climate

Therefore, we must improve such environmental conditions to be able to minimise the risks of similar health emergencies in the future. In order not to reach dangerous tipping points for a climate and biodiversity crisis such changes must happen within the next 5 – 10 years. The transition to a sustainable economy requires significant investment efforts across all sectors, both private and public to enable support for this policy direction. This will include investments in upskilling and reskilling of the labour force.

The ongoing COVID-19 outbreak highlights that companies should prioritise the long term interests of their stakeholders. Many companies in the EU have decided to prioritise the interests of key stakeholders, in particular employees, customers and suppliers, over short-term shareholder interest. These factors contribute to driving long-term returns as they are crucial in order to maintain companies' ability to operate.

The Renewed Sustainable Finance Strategy will predominantly focus on three areas:

- 1** **Strengthening the foundations for sustainable investment by creating an enabling framework, with appropriate tools and structures.** This means focusing on long-term development and sustainability-related challenges and opportunities vs short-term financial performance.
- 2** **Increased opportunities to have a positive impact on sustainability for citizens, financial institutions and corporates.** This means maximising the impact of frameworks and tools to “finance green”.
- 3** **Climate and environmental risks will need to be fully managed and integrated into financial institutions and the financial system as a whole.** This means reducing the exposure to climate and environmental risks will further contribute to “greening finance”.

The consultation emphasises strengthening the foundations of sustainable finance. It is crucial to have sufficient and reliable information from companies on their climate, environmental and social risks and impacts. Labelling tools, among other measures, can provide clarity and confidence to investors and issuers, which contributes to increasing sustainable investments.

## MIA's Contribution to the future of Gaming procedures: Suspicious Betting Reporting Requirements & Other Sports Integrity Matters

Back in May, the Malta Gaming Authority (MGA), issued a consultation paper on the topic of Suspicious Betting Reporting Requirements & Other Sports Integrity Matters. The objective of the consultation paper was to gather feedback from different stakeholders on the proposed measures which the Authority intends to implement as a commitment to safeguard the integrity of sports and sports betting. The paper disclosed the proposed measures categorised into areas such as:

- Suspicious Betting Reporting Requirements
- Designated Point of Contact
- Defining Suspicious and/or Irregular Activity
- Reporting Instrument
- Development & Assessment

- Request for Information
- Sharing of Information
- Industry Performance Return
- Policy
- Customer Disputes relating to Suspicious Betting
- The Prevention of Corruption in Sport Act, Chapter 593 of the Laws of Malta
- Participants Betting on their Own Sport
- Misuse of Inside Information
- Benefits of Operator Engagement with a Global Monitoring Body.

During the month of June, the MIA Gaming Committee as well as the working group established in 2020 and reporting to the said Committee, which focuses on Anti Money Laundering (AML) Considerations for Gaming practitioners, worked towards providing a detailed and constructive response to this paper.

The response, which was submitted by the deadline set on 15th July 2020, recognises the importance of the Sports Integrity Unit at MGA, established in August 2019. In general, the MIA Gaming Committee on behalf of the Institute, agrees with the overall content of the paper, however pertinent to certain specific sections, suggestions were made in relation to details and clarifications required. Moreover, appreciation of the opportunity to provide input as offered by the MGA was also recognised within the communication, before the bringing into force of the Suspicious Betting Reporting Requirements.