

CRYPTO-CURRENCIES AND BLOCKCHAIN

Implications for financial crime,
money laundering and tax evasion

IoD and MIM
members €50

Non-members
€75



IoD

INSTITUTE OF
DIRECTORS – MALTA

IN CONJUNCTION WITH

MFSA

MALTA FINANCIAL SERVICES AUTHORITY



MALTA

INSTITUTE OF MANAGEMENT



WITH MALTA BEING POSITIONED AS 'BLOCKCHAIN ISLAND', IT IS VITAL THAT FORA SUCH AS THESE RUN IN PARALLEL WITH THE GROWTH OF THE SECTOR.

A MESSAGE FROM IoD Malta Chairman and Communications Director, Edwin Ward

More and more regulators are worrying about criminals who are increasingly using cryptocurrencies for illegitimate activities like money laundering, terrorist financing and tax evasion. The problem is significant: even though the full scale of misuse of virtual currencies is unknown, its market value has been reported to exceed €7 billion worldwide. IoD Malta's event focuses on the legal, regulatory and industry perspectives. A key issue to be addressed is the anonymity surrounding cryptocurrencies. This anonymity, varying from complete anonymity to pseudo-anonymity, prevents cryptocurrency transactions from being adequately monitored, allowing shady transactions to occur outside of the regulatory perimeter and criminal organisations to use cryptocurrencies to obtain easy access to "clean cash". Anonymity is also the major issue when it comes to tax evasion. When a tax authority does not know who enters into the taxable transaction, because of the anonymity involved, it cannot detect nor sanction this tax evasion. The fifth revision of the directive on money laundering and terrorist financing, AMLD5, is in the final phase of being adopted. AMLD5 includes a definition of virtual currencies and subjects virtual currency exchange services and custodian wallet providers to customer due diligence requirements and the duty to report suspicious transactions to financial intelligence units. The information obtained, can also be used by tax authorities to combat tax evasion. Even more appropriate is the international level, as crypto activity is not

limited by the European border. International collaboration is crucial to successfully impose and enforce rules on combating money laundering, terrorist financing and tax evasion. As regards blockchain, it would be too blunt to associate blockchain with money laundering, terrorist financing or tax evasion. Blockchain has numerous applications throughout the whole lawful economy. It would not be wise to discourage future innovations in this respect by submitting blockchain and fintech's exploring its use cases to burdensome requirements, simply because of one of the applications using blockchain technology, cryptocurrencies, is used illicitly by some. We look forward to the inputs from some of Europe's leading experts on these subjects, and to hearing from Jamy Nigri how the industry is dealing with regulatory challenges. I sincerely hope that this IoD-inspired event will get all the key stakeholders talking about these issues in greater detail and resolving how to encourage business development while ensuring that the fight against money laundering, terrorist financing and tax evasion continues. With Malta being positioned as 'Blockchain Island', it is vital that fora such as these run in parallel with the growth of the sector. We anticipate the audience will be composed of legal practitioners, accounting professionals, corporate service providers, academics and some high-level industry representatives, all of whom are charged with the responsibility for managing Malta's reputation in this high-growth sector.



Professor Robby Houben
Chair of company and financial law
University of Antwerp

Professor Robby Houben specialises in company and financial law. As of 2017 he holds the chair of company and financial law at the University of Antwerp and became a counsel at Baker McKenzie. Robby Houben regularly teaches abroad, including at Toulouse 1 Capitole in France, Universidad Autonoma de Madrid in Spain and at Uppsala Universitet in Sweden. He acted as independent expert for the Panama Inquiry Committee of the European Parliament. In that capacity, he authored the study "The mandate of the Panama Inquiry Committee. An Assessment". In January 2018, Robby Houben joined the academic board of the European Banking Institute, a leading international academic institute on banking regulation located in Frankfurt. He is co-author of the European Parliament's study "Cryptocurrencies and blockchain: Legal context and implications for financial crime, money laundering and tax evasion".



Dr Christopher P. Buttigieg
Head Securities and Markets Supervision
MFSA

Dr Christopher P. Buttigieg is the Director of the Securities and Markets Supervision Unit of the Malta Financial Services Authority, which Unit is responsible for work in the field of policy, regulation and supervision of securities and markets and is composed of 30 officials. He joined the Authority in 2000 as a manager in the Investment Services Unit and has gained professional experience in different areas of financial regulation and supervision, and the investigation and enforcement of market misconduct and malpractice. Dr Buttigieg was responsible for implementing various pieces of EU legislation in the field of securities and markets and has led various regulatory and supervisory teams within the Authority. He is a member of the Authority's Supervisory Council and represents the MFSA at various European Fora on financial regulation and supervision. He is the MFSA's alternate on the ESMA Board of Supervisors.



Jamy Nigri
CEO
BDXAlliance

Having founded 5 companies with 4 exits on 3 continents, Jamy sees the enormous potential blockchain provides to 'reimagine' business. With an eye on the future consumer, Jamy wants to solve the problems of everyday usage for the everyday person. The BDXAlliance uses blockchain to connect businesses & consumers. In his own words, Jamy believes that: "Blockchain continues to revolutionise Fintech and traditional asset classes to include everything from tokenised hedge funds to fractional real estate. Blockchain is proving to be a game changer for any company that wishes to broaden their base of investors globally with exciting new opportunities. In this session you can hear about real-world examples of real companies, with real customers and impressive revenue who are using blockchain to reimagine business."



Edwin Ward
Chairman and Communications Director
IoD Malta

Edwin Ward is Chairman of the Institute of Directors Malta, a CEO in the Ogilvy global network, as well as Chairman of the Paragon Group, its subsidiaries and all related business activities. The Paragon Group has business operations across Europe and is an important driver in key European policy areas. Edwin has considerable experience in corporate governance issues and serves as IoD Malta's representative to the European Confederation of Directors' Associations (ecoDa) Policy Committee, and is committed to change how Europeans think about public sector and private sector governance issues. He has 35 years of international experience in the successful creation and implementation of regional, pan-European and multinational brands as well as in the utilisation of innovation as an enabler in strengthening business.

CRYPTO-CURRENCIES AND BLOCKCHAIN: IMPLICATIONS FOR FINANCIAL CRIME, MONEY LAUNDERING AND TAX EVASION.

- 15:00 – 15:30** Registration
- 15:30 – 15:35** Welcome by James J. Satariano, Chairman Emeritus, IoD Malta
- 15:35 – 15:40** Introduction by Moderator, Edwin Ward
- 15:40 – 16:10** Keynote speaker, Professor Robby Houben, chair of company and financial law at the University of Antwerp
- 16:10 – 16:30** Dr Christopher P. Buttigieg, Head Securities and Markets Supervision, MFSA
- 16:30 – 16:50** Jamy Nigri, CEO, BDX Alliance
- 16:50 – 16:55** Moderator comments
- 16:55 – 17:15** Coffee break
- 17:15 – 18:00** PANEL Q&A



Venue:

Malta Financial Services Authority (MFSA), Thursday, November 22 from 15:00 to 18:00.

IOD MALTA

MAKING A DIFFERENCE

FOR MALTESE DIRECTORS

The Institute of Directors (IoD) is a business organisation for company directors, senior business leaders and entrepreneurs. It will celebrate its 60th anniversary in Malta next year under the spiritual leadership of James J. Satariano who was IoD Chairman in Malta for 21 years, together with current IoD Chairman Edwin Ward.

Under Mr. Satariano the IoD has become the foremost business organisation in Malta working on corporate governance education, events, workshops, training and has become the trusted partner of all key institutions on Corporate Governance issues – Ministry of Finance, MFSA, MSE, Central Bank, FinanceMalta, Chamber of Advocates, Malta Institute of Accountants, and many others. During 2017, IoD Malta organised and hosted the 20th European Corporate Governance Conference as part of the official Maltese EU Presidency programme.

The IoD's mission is free enterprise, entrepreneurialism, wealth creation and good corporate governance, and represents the views of businesses and IoD members in the media and with government. Members of the IoD come from companies of all sizes and from all industries in Malta. IoD gives them a voice on director issues and supported Malta's EU membership bid by hosting several key conferences as well as by becoming directly involved with ecoDa in more recent times. ecoDa represents around 55,000 board directors from across the EU. ecoDa's member organisations represent board directors from the largest public companies to the smallest private

firms, both listed and unlisted, with a mission to promote the role of directors, to develop professionalism and European governance standards.

With financial services having become a cornerstone of our economy with their contribution to Malta's GDP now over 20%, the Islands' financial services are in the spotlight like never before. A commitment to outstanding private sector corporate governance helps Malta to retain its place in the financial services world. When Mr Satariano started to outline why this area of business practice was important, there was little data, research or statistics providing proof that corporate governance was an effective business tool. Today, a growing number of research studies document the relationship between corporate governance and triple bottom-line performance.

IoD's current national council comprises Professional Development and Education Director Christian Vassallo, who is Strategy Director at Vassallo Builders Group of Companies; Treasurer Geraint Davies, a Partner at EY Malta; Marketing Director James Grech, who is a Director of Bank of Valletta; Honorary Secretary James A. Arrigo, Director at Marina Milling; Chairman Emeritus and Senior Advisor to Council James Satariano, the Chairman of Satariano Properties; and, IoD Chairman Edwin Ward, Chairman of the Paragon Group and CEO at Ogilvy Malta. In addition, Christian Vassallo represents IoD Malta in ecoDa's Education Committee while Edwin Ward represents Malta in the Policy Committee.

Those interested in joining the IoD will benefit from education, events, workshops, training and networking, as well as use of the IoD premises at 116 Pall Mall, a Grade I-listed building, opened in 1828, designed by John Nash. For further information or booking please contact Charisse Mifsud on (+356) 21336507 or email: ssl.personnel@gmail.com

