

31<sup>st</sup> May, 2021

MA Circular 02/2021

To: Directors Programme Implementation implementing Cohesion Policy projects in Malta

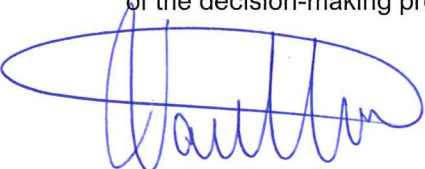
**RE: Preventing and Managing Conflicts of Interest**

By means of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union (FR), the rules governing conflicts of interest have been strengthened. Since its entry into force on 2 August 2018 such rules have now been explicitly extended to Member States' authorities (regardless of the Member States' internal governance arrangements) and any person implementing any of the EU funds under shared management.

As part of the drive by this Division to raise awareness on good governance, all DPIs are being reminded and advised, by means of this Circular, of their obligation to prevent and/or manage conflicts of interest appropriately when they occur, in line with article 61 of the above-mentioned FR, and to bring such obligation to the attention of the respective Project teams of projects falling under their portfolio.

For a uniform interpretation of these rules, the organisations should refer to the Commission Notice C(2021) 2119 issued on the 7<sup>th</sup> April, 2021 *Guidance on the avoidance and management of conflicts of interest under the Financial Regulation*<sup>1</sup> and take appropriate steps to ensure the application of these rules on avoidance of conflicts of interest. It is of paramount importance that adequate information is also disseminated to the various stakeholders acting within the Cohesion policy structures.

By means of this communication, DPIs are encouraged to set up detailed policies and rules on the avoidance and management of conflicts of interest, together with a solid monitoring system to ensure the observance thereof. Such measures are deemed to be an essential part of good governance and is crucial for upholding the transparency, reputation and impartiality of the public sector and the credibility of the decision-making processes that serve the general interests.



Jonathan Vassallo,  
Head - Managing Authority

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<https://eufunds.gov.mt/en/Operational%20Programmes/Useful%20Links%20and%20Downloads/Documents/Guidance%20on%20the%20avoidance%20and%20management%20of%20conflicts%20of%20interest%20under%20the%20Financial%20Regulation.pdf>