



8th October 2026

MFDC/OPS/1/2026

To: Permanent Secretaries

Re: Revised Annex II and Minor Amendments to Annexes I and Ia of Circular OPS/OPM-EES/1/2025 – Conflict of Interest and Action against Fraud and Corruption

Further to Circular **OPS/OPM-EES/1/2025**, issued on 14 April 2025 concerning Conflict of Interest and Action against Fraud and Corruption, attention is once again drawn to the obligations incumbent upon Line Ministries and Beneficiaries in relation to the prevention, identification and mitigation of conflicts of interest, as well as measures aimed at preventing and addressing fraud and corruption throughout the implementation of EU-funded projects.

As part of ongoing efforts to strengthen governance arrangements and promote a consistent approach in the implementation of conflict-of-interest checks on EU-funded projects, Annex II has been further revised to refine and strengthen the explanatory note and checklists previously issued with Circular OPS/OPM-EES/1/2025. The amendments are intended to assist Line Ministries and Beneficiaries in applying the required checks in a more consistent, documented and proportionate manner. In addition, minor amendments have also been introduced to Annexes I and Ia (Conflict of Interest Declarations).

The revised Annexes I and Ia, together with Annex II, are being issued through this communication and should be read in conjunction with Circular OPS/OPM-EES/1/2025.

The observations raised repeatedly by national and European audit bodies continue to underline the need for robust and well-documented controls in this area. The updated Annex II should therefore be utilised proactively to strengthen existing systems and ensure that conflicts of interest, fraud and corruption risks are identified and addressed effectively at the earliest possible stage.

The continued importance of ensuring that appropriate conflict-of-interest checks, including checks relating to Ultimate Beneficial Ownership where applicable, are carried out and documented throughout the entire project lifecycle is reiterated. Furthermore, Fraud Risk Registers and associated risk assessments are to be maintained, reviewed regularly and utilised, as necessary, to mitigate identified risks.

Kindly ensure that the contents of this communication, together with the updated Annex II, are brought to the attention of all officers involved.

Continued cooperation in upholding the highest standards of integrity, transparency and accountability in the management of EU funds is appreciated.

Yours sincerely,

Jonathan Vassallo
Permanent Secretary
Ministry for EU Funds, Social Dialogue & Consumer Protection