

<b>Document Type:</b> <i>Rule of procedure</i>	<i>EFSA/LA/OCT/RULOP_007_2022</i>
<b>Effective date:</b> 06/10/2022	<b>Supersedes:</b> Decision of the Management Board mb161214-a4 adopting the Charter of the Audit Committee of the EFSA Management Board of 01/01/2017

EUROPEAN FOOD SAFETY AUTHORITY

## ***Charter of the Audit Committee of the EFSA Management Board***

<b>Name</b>	<b>Action</b>	<b>Sign</b>
Bernhard Url	Approve	Endorsed on 20/10/2022
Management Board	Approve	6/10/2022



<b>Scope of document</b>
Article 16 of the Management Board Rules of Procedure establishes the Audit Committee as a standing sub-group of the Management Board. The present Charter describes the role, composition and responsibilities of the Audit Committee.
<b>Description</b>
The present Decision revises the Charter of the Audit Committee to give account of the modified setting of the Management Board of EFSA.
<b>References</b>
Financial Regulation of EFSA and rules implementing EFSA Financial Regulation

### Document history

Plain technical changes to this document (e.g. reference or adaptation to a revised organizational structure; reference to new or modified regulatory documents; corrections not modifying the substance of the document; etc.) are summarized in the following table in chronological order.

**Any change in the substance of the document requires the adoption of a new document by the accountable body/entity superseding the document at stake.**

Revision No.	Date	Description of Changes
01	14/12/2016	Main changes to existing Charter are as follows: <ul style="list-style-type: none"> <li>▪ Empower the Audit Committee to request EFSA to procure external audit services to additional audit needs;</li> <li>▪ Redesign the responsibilities of the Audit Committee including its interaction with external providers;</li> <li>▪ Provide for standing invitations to attend Audit Committee meetings for a representative of Internal Audit Service of the Commission.</li> </ul>
02	6/10/2022	Main changes to existing Charter are as follows: <ul style="list-style-type: none"> <li>▪ Adapt the composition and organisation of meetings to the evolved structure of the EFSA Management Board.</li> </ul>

## CHARTER OF THE AUDIT COMMITTEE OF THE EFSA MANAGEMENT BOARD

The Charter establishes the role, the composition and organisation, responsibilities and reporting arrangements of the Audit Committee.

### 1. ROLE

Without prejudice to the accountability of the Management Board, the Audit Committee assists the Management Board by advising in areas of assurance, legality and regularity, quality and performance, health, safety, security and environment. This includes ensuring that the recommendations of the Internal Audit Service of the European Commission (IAS), of the European Court of Auditors (ECA) and of external audit services providers are taken into account by the Management Board and the Executive Director and receive appropriate follow-up. The Audit Committee advises the Board on financial (e.g. annual accounts), planning (e.g. single programming document), reporting (e.g. annual activity reports) and monitoring issues (e.g. digital cooperation roadmap).

### 2. COMPOSITION

1. The Management Board appoints the members of the Audit Committee. Members of the Audit Committee are appointed as individuals and participation in the Committee meetings may not be delegated.
2. The Audit Committee should comprise at least five and no more than thirteen members or alternate members of the Management Board of whom at least one is a representative of the Commission and one is a representative of civil society and food chain interests.
3. The Executive Director, the Head of the Management Services Department and a representative of IAS will hold standing invitations to attend the meetings of the Committee.
4. The Audit Committee shall be composed of members with professional experience covering a variety of appropriate backgrounds (such as auditing, governance, EFSA's operational areas and/or IT).
5. The Audit Committee appoints the Chair and the Vice-Chair from among its members for a term of two years renewable. The appointment of the Chair and of the Vice-Chair is made by show of hands or declarations, unless one third of the Committee members request a secret ballot. The Chair and the Vice-Chair are elected provided that each of them receives the majority of votes of the Audit Committee members with the right to vote. EFTA representatives do not have the right to vote and cannot stand for the position of Chair and Vice-Chair.

### 3. ORGANISATION AND MEETINGS ATTENDANCE

1. The mandate of the Audit Committee members will have a term of two years and may be renewed twice.
2. Meetings shall be held at least twice a year or more frequently as

circumstances require.

3. The quorum to hold a meeting shall be two-third of the Audit Committee members.
4. The Audit Committee decides on a consensus basis. Decisions may be taken by written procedure. In case of lack of consensus, members may express their opinions in writing, and these will be reported by the Chair to the Management Board.
5. Secretariat to the Audit Committee shall be provided by EFSA.
6. The Committee may invite members of EFSA (Management Team or other staff members) or external experts to attend meetings where it considers this is necessary.

#### 4. RESPONSIBILITIES OF THE COMMITTEE

1. The responsibilities and tasks of the Committee shall be to:
  - Monitor and advise senior management and the Management Board on EFSA's assurance and performance framework, and more generally on EFSA's integrated management system.
  - In conjunction with the Executive Director, consider the three-year IAS strategic internal audit plan prepared by IAS in relation to EFSA, and annual audit updates to these plans; make requests to IAS to carry out audits not included in those plans where a particular need is perceived.
  - In case an audit need is identified, of which IAS informed EFSA that it cannot be included in its audit plan, request EFSA to activate the framework contract for audit services to respond to this need through the procurement of external audit knowledge and expertise, while ensuring that IAS is kept fully informed about the services requested and delivered.
  - Monitor action taken by EFSA in response to recommendations of internal and external auditors and/or evaluators. Consider and review with the EFSA senior management significant findings and opportunities for improvement and their response thereto, in the form of adopted action plans.
  - Follow-up on the implementation of action plans aimed to address the audit and/or evaluation recommendations.
  - Keep the Management Board informed of reports resulting from audits and evaluations (IAS, ECA and other external party audits) and the Authority's response thereto.
  - Advise EFSA senior management about significant risks or exposures and evaluate the steps taken to minimise such risks.
  - Monitor EFSA's budget expenditure.
  - Review the EFSA annual accounts and monitor that the Authority's assets and interests are properly accounted for and safeguarded.
  - Review EFSA's single programming document, annual activity report and integrated management systems report.
  - Monitor that EFSA defines and implements the anti-fraud strategy in

conformity with central guidance and follow-up any fraud or suspected fraud in application of EFSA's anti-fraud strategy.

- Monitor the implementation of the EFSA digital cooperation roadmap.
  - Review and assess the adequacy of the Audit Committee charter, requesting the Management Board approval for proposed changes.
  - Perform any other tasks delegated by the Management Board.
2. The Audit Committee is not responsible for the implementation of audit recommendations which rests fully under the ultimate responsibility of the Executive Director.

### 5. REPORTING

1. The Audit Committee shall update the Management Board during each Management Board meeting on its work and bring to the Board's attention any issues arising at the Committee.
2. The outputs of the Audit Committee will be, as appropriate, reported by the Chairman at the Public sessions of the Management Board, or at the Private sessions where there are confidential aspects.
3. The Secretariat shall provide copies of the minutes of Audit Committee meetings to the Management Board.

Adoted in Parma on 6/10/2022

For the EFSA Management Board

### **SIGNED**

Aivars Bērziņš

Chair of the Management Board