



**TERMS OF REFERENCE OF THE
ADMINISTRATIVE AND FINANCIAL ADVISORY COMMITTEE (AFC)
OF THE EUROPEAN GRAVITATIONAL OBSERVATORY**

as approved by the Council in its meeting on February 16th, 2024.

SCOPE AND OBJECTIVES

1. The Administrative and Financial Advisory Committee (the "AFC") is established as an advisory Committee of the Council under Article 20 of the EGO (the "Organization") Statutes (the "Statutes"). It is charged with the general responsibility of advising the Council on all matters of administrative and legal issues and of financial management.
2. The AFC shall in particular:
 - a. examine the annual budget, in-year actuals, the medium-term financial estimates, overall financial estimates and any supplementary or revised estimates, comment thereon and make recommendations to the Council;
 - b. make recommendations on the format of budget reporting to the AFC and the Council;
 - c. examine the annual accounts and the auditors' report and make recommendations to the Council in respect of approving the final accounts and discharging the Director of EGO of his responsibility for implementing the budget;
 - d. examine and make a proposal regarding Internal Financial Regulations, including a system of internal financial and budgetary control, to the Council for approval;
 - e. report to the Council on the financial implications of the admission of new Members;
 - f. consider any financial or accounting points to which attention has been drawn by the auditors;
 - g. review, if and when necessary, the duties of the auditors;
 - h. propose to the Council special topics to be audited by the external auditors;
 - i. undertake any other duties and responsibilities attributed to it by the Statutes and the Financial Rules.

For the fulfilment of these tasks, the Organization provides the AFC with the necessary documents and information notably concerning the budgets, the medium- and long-term planning, staffing, purchases and cooperation agreements.

COMPOSITION AND COMMITTEE MEMBERSHIP

1. Each EGO Consortium Member participating in the Council shall be represented in the AFC by up to two delegates (the "Delegates"). The Delegates are nominated by the Consortium Members and the names communicated to the President of Council and the AFC Chair. Any changes in the composition of the Committee shall be duly notified.
2. Each delegation may be accompanied by one (1) expert, depending on the issue to be addressed. The accompanying expert shall have no voting right.
3. The AFC may, subject to approval by the Council, consult independent experts relevant to specific issues that need to be addressed. The consulted independent experts shall have no voting right and shall adhere to these Terms of Reference

of the AFC. As a general rule, cross membership between AFC, Council, STAC, CRC is not recommended.

4. In accordance with art. 20 (2) the Chair of the AFC shall be nominated by the Council. The Chair shall be assisted by a Vice-Chair who supports the Chair in his/her activities, and acts on their behalf upon request.
5. The length of the Chair and Vice-Chairmanship shall be for a term of two years. It may be extended, consecutively once, if deemed necessary, subject to approval by the Council. The Chair and the Vice-Chair shall not belong to the same Consortium Member's country.
6. The Organization shall provide a meeting secretary for the AFC meetings.
7. The Chair shall attend the Council meetings and present reports, recommendations and opinions of the AFC.
8. The AFC delegates shall not have voting right at the Council meeting.

RULES OF PROCEDURE

Meetings

1. The AFC will normally meet every six months and approximately four weeks prior to Council meetings but may meet more frequently as needs dictate. Additional meetings can be requested by the Chair together with the Organization, or by at least two delegations.
2. The AFC meetings taking place in preparation of a Council meeting should be scheduled so as to allow enough time for the outcomes of the AFC meeting to be duly communicated to the Council.
3. The location for the meetings shall, as a general rule, be the Organization's premises in Cascina. The Chair may decide to hold meetings by teleconference to reduce travel and to maximize participation in meetings.
4. The working language of the AFC shall be English. All working documents will be provided in English.
5. The Organization shall draft the agenda and send it to the Chair for approval.
6. The invitation to a meeting of the AFC shall be sent out by the Chair not less than four weeks in advance of the meeting and shall include the draft agenda.
7. Preparatory documents for AFC meetings shall normally be made available two weeks before the meeting.
8. The AFC can, when necessary, appoint a working group, consisting of AFC Delegates and experts as appropriate, to explore and prepare complex issues for further discussion by the AFC. Such working group shall also adhere to these Terms of Reference of the AFC.

Documentation and organization of information

1. All AFC documentation (preparatory documents, recommendations, minutes etc.) shall be made available and accessible for the AFC delegates on a dedicated intranet portal. The Chair and the Delegates of the Council shall also have access to the dedicated intranet portal.

2. The Organization will provide said portal and be responsible for the contents related to it.
3. The meeting secretary shall circulate a summary of recommendations and actions, approved by the Chair, to the AFC delegates within ten working days after each meeting.
4. The minutes of each meeting, giving the substance of the discussion, are to be sent to the Chair for approval within two weeks after the meeting. The minutes will then be approved by the AFC at the following meeting.
5. Documents, recommendations and actions from AFC meetings will be sent to the EGO Director, the President of the Council and to the Delegates of AFC.

Conflict of Interest

1. Delegates of the AFC shall declare whether any proposal or topic to be discussed affects their personal affair or the affairs of the institution or official body they are affiliated to, whether directly or indirectly.
2. In case of conflict, or the risk of such conflict, the affected delegate of the AFC may refrain from participating in any discussions or decisions concerning the relevant proposal or topic or may possibly be asked to leave the meeting by the Chair.

Written procedure

1. In case a recommendation is needed in between meetings, this may be done through written procedures. The meeting secretary shall, after approval by the Chair and the EGO Director, distribute to the AFC Delegates the issues to be addressed, including instructions on how to respond, as well as coordinate the responses received.

Quorum and Recommendation

1. Any AFC meeting shall only be quorate if delegates of at least 50% of all Member Countries are represented.
2. All recommendations shall be documented, and minority opinion shall be noted in the minutes.
3. If a vote is required, then the same voting rules as for the Council will be used.

Protection of personal data

1. The processing of personal data by the AFC shall be in conformity with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC (General Data Protection Regulation).

VALIDITY AND INTERPRETATION

1. These Terms of Reference are to be reviewed by the AFC at least once every five years. Any changes or amendments to these Terms of Reference require the approval of the Council by qualified majority according to Art. 16 of the Statutes. The

AFC can also request to the Council amendments to the Terms of Reference not associated with a review.

2. Changes and/or amendments deemed necessary by the Council may be made as and when required.
3. The Council shall be the sole authority for the interpretation of these rules.