



OCCAR Management Procedure

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Record of changes

Date	Issue	Changes
19/05/05	1.1	Incorporation of document BoS 10/E dated 07/07/2000 as annex to the OMP 3. Amendments to paragraphs 3,7, 8 and 9. Editorial changes.
01/07/06	2	Converted to the OCCAR-EA graphical house style.
08/12/06	3	Complete revision by FTPC.
09/12/08	4	Description of the relationship with the ISS Committee. Minor cosmetic changes. Approved by 19th BoS on 28/11/08.
10/06/14	5	Overall structure modification and major revision taking into account all stakeholder inputs.
11/12/20	6	Update following the EC audit report regarding "Internal Controls" within OCCAR.
05/09/2022	7	Update to reflect the OCCAR-EA Director's authority to decide on staff contract extensions for Heads of Division and Programme Managers.

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List of acronyms/definitions/explanations

BoA	Board of Auditors
BoS	Board of Supervisors
CO	Central Office
FC	Finance Committee
FTPC	Future Tasks and Policy Committee
TDP	Technology Demonstrator Programme(s)
OMP	OCCAR Management Procedure
ToR	Terms of Reference

1. General

1.1 Future Tasks and Policy Committee Role

The Future Tasks and Policy Committee (FTPC) is established¹ by the OCCAR Board of Supervisors (BoS). The primary purpose of the FTPC is to advise / assist the BoS in the achievement of its functions in the areas of business and corporate management, policy and future tasks² and decide on any matter delegated to it.

1.2 Audit Committee Role

The FTPC also acts as the OCCAR Audit Committee and assist the BoS in fulfilling its legal obligations with respect to matters involving the accounting, auditing, financial reporting and internal control functions of OCCAR-EA.

In this role, the FTPC may investigate any matter within these Terms of Reference (ToRs) and, within its scope of responsibilities, to seek any information it requires and to ensure the attendance of management representatives at meetings as appropriate.

The FTPC has the authority to obtain outside legal or independent professional advice. The advisers may attend meetings as necessary and the cost of the advisers shall be borne by the OCCAR Member States.

2. Appointment and Membership

The FTPC comprise one nominated representative from each Member State. By nominating their representative, the Member State should ensure a "cooling off period" of at least one year for previous OCCAR-EA staff members before joining the Committee and vice versa.

The BoS representative of each Member State shall appoint their FTPC representative. Such appointment shall be issued in writing and provided to the other representatives and to OCCAR-EA. OCCAR-EA will act as the depository of such appointments.

The representatives from each Member State are nominated for a renewable period of three years.

In order to perform their role effectively, each representative should obtain an understanding of the detailed responsibilities of FTPC membership as well as the OCCAR business, operations, financial and regulatory environment. This includes an appropriate background, technical capacity and objectivity to provide adequate oversight.

Representatives in the FTPC will be granted and delegated all authority necessary to perform their functions as detailed in these ToRs.

3. Attendees

In addition to the members of the FTPC, the Head of Internal Audit Office shall be a standing attendee. Other staff from Member States, non-Member States and OCCAR-EA may also be invited to attend meetings.

¹ In accordance with Articles 12 and 17 of the OCCAR Convention.

² Future tasks comprise mainly three areas of activity: programmes [incl. Technology Demonstrator Programmes (TDPs)] not yet integrated into OCCAR, testing & trials and In-Service Support.

4. Chairperson

The BoS appoints the chairperson of the FTPC for a period of one year. The chairperson will be the representative of the nation that has the BoS chairmanship during that year.

The role of the chairperson is to organise and prepare the work of the FTPC, to chair its meetings, to record its decisions and to keep it informed of the action by OCCAR-EA following these decisions.

Nevertheless, the chairperson must account to the FTPC for the actions undertaken on its behalf.

5. FTPC Tasks

5.1 General

The BoS has overall responsibility for establishing the business objectives and targets of OCCAR and for the strategic direction and control of OCCAR's activities.

The FTPC is authorised, subject to the powers delegated to it, and subject to it reporting its decisions to the next available meeting of the BoS, to take such steps on behalf of the BoS as it considers necessary to further the strategy, business objectives and targets established by the BoS, in all regards taking into account the responsibilities and delegated powers of the OCCAR-EA Director. The latter may, whatever action or decision taken by the FTPC, reserve the right to directly refer any case or issue to the BoS for discussion or decision.

The FTPC should keep its activities, constitution and ToRs under review to ensure that it is operating at maximum effectiveness; and report to the BoS.

5.2 Policies, Strategies and Objectives

The FTPC is responsible for:

- Recommending objectives and strategy to the BoS in the development of OCCAR business, identifying potentially difficult issues and developing corporate risk mitigation and solutions, having regard to the interests of its customers, employees and stake holders;
- Recommending direction on policy priorities; assist OCCAR-EA in the development of the OCCAR Corporate Strategy and the OCCAR-EA Business Plan; oversee implementation of the OCCAR Business Plan; provide feedback to the BoS;
- Recommending direction and provide feedback to the BoS regarding policy priorities and OCCAR Corporate Strategy items; and
- Investigating and pursuing the opportunities for new programmes (including TDP) to be assigned to OCCAR and submit proposals to the BoS accordingly.

5.3 Organisational Structure

The FTPC is responsible for assessing the need for change to the organisational structure of the OCCAR-EA Central Office outside of the scope of the authority delegated to the OCCAR-EA Director.

5.4 Oversight

The FTPC is responsible for:

- Exercising corporate oversight of OCCAR, monitoring its effectiveness, performance and development and making recommendations to the BoS as necessary;
- Actively supervising the development, implementation and successful execution of the BoS strategies, policies, procedures and other matters, the principles or policies of which have been specifically approved by the BoS. In particular, this item covers matters linked to the general management of all programmes (corporate level matters, topics relevant to all programmes, etc.); and
- Assisting OCCAR-EA in establishing and maintaining an effective state-of-the-art management system by adopting best practice.

5.5 Reporting

The FTPC is responsible for:

- Receiving and considering regular /annual corporate reports from OCCAR-EA so as to monitor and ensure improvements are driven through; and
- Assessing and keeping under review the adequacy of external reporting arrangements and the corporate effectiveness of internal control systems and risk management.

5.6 Other Matters

The FTPC is responsible for:

- Clearing all papers on topics which are not assigned to other committees (allowing for minor exceptions arising only as a result of practical difficulties) intended for consideration by the BoS in advance of circulation and make recommendations to the BoS if required;
- Establishing ad-hoc expert working groups;
- Expressing a view on decisions envisaged by the OCCAR-EA Director at his request and decide upon recommendations from the OCCAR-EA Director in accordance with its ToRs; and
- Preparing the agenda of each BoS meeting as well as the decisions to be taken.

5.7 Specific Delegations

In addition to delegations set out in the OMPs and in specific BoS decisions, in undertaking the above tasks, the FTPC is authorised to take decisions on issues within its competence and which have not been delegated to the OCCAR-EA Director. This includes but is not limited to the approval of:

- Business initiatives;
- Annual pay scales & allowances;
- Minor amendments to OMPs;

- Minor changes to the CO organisational structure; and
- Other matters as delegated by the BoS.

The FTPC cannot take policy decisions or decisions within the ambit of other OCCAR Committees or related to a specific programme or programmes. Decisions taken by the FTPC must be unanimous; if unanimity is not found then the issue must be referred to the BoS.

6. Audit Committee Tasks

6.1 General

Within the authorities delegated to it by the BoS, the FTPC is responsible for:

- Approving the annual OCCAR-EA Internal Audit programme;
- Assessing the effectiveness of the annual audit process;
- Monitoring the harmonization and timely implementation of actions arising from all types of audits (external and internal); and
- Monitoring the effectiveness of the relationship between the external and internal auditors.

6.2 Financial Reporting

With the support of the Finance Committee (FC), the FTPC shall monitor the integrity of the Financial Statements of OCCAR-EA, including its annual report relating to its financial performance, review significant financial reporting issues and judgements, which those statements contain, and take appropriate actions.

6.3 Internal Controls

The FTPC is responsible to:

- Review the effectiveness of the OCCAR-EA's internal control framework; and
- Consider management's response to any recommendations made by the auditors (external and internal) and review with the Head of Internal Audit Office any fraudulent or illegal acts, deficiencies in internal control or other similar issue, including reviewing the results of management's investigation and follow up of any fraudulent acts.

6.4 Internal Audit

The FTPC is responsible for monitoring and reviewing the effectiveness of the Internal Audit Function. In particular, the FTPC is responsible for:

- Endorsing the Internal Audit charter;
- Approving the annual Internal Audit programme, budget and resource plan;
- Requesting, where appropriate, that Internal Audit undertake specific work;
- Monitoring the significant Internal Audit findings, including management's response to them;

- Considering with OCCAR-EA the appointment and removal of the Head of Internal Audit Office;
- Ensuring that the function is independent, adequately resourced, and has the appropriate standing within OCCAR-EA;
- Reviewing the effectiveness and performance of the service provided by Internal Audit, including annual review.

6.5 Other Matters

The FTPC shall perform other oversight functions, as requested by the BoS.

7. Discharge of Functions

7.1 Meetings

The FTPC convenes, on the request of the chairperson, three times per year. In addition to regular meetings, further meetings may be called by the chairperson following:

- A decision by the BoS;
- A request by one of the members of the committee;
- A request by the OCCAR-EA Director.

For audit related activities, further meetings may be called by the chairperson following:

- A request by the Head of Internal Audit Office or
- BoA Representative.

7.2 Secretariat

OCCAR-EA Central Office provides the secretariat services.

The secretariat assist the Chairperson in the fulfilment of every activity related to the meetings, including:

- Invitations;
- Agendas;
- Briefing material;
- Decision Sheet;
- Action List.

7.3 Decision Sheet

The FTPC keeps decision sheets of its proceedings and makes these available to the BoS, FC, SC, BoA and OCCAR-EA.

Draft decision sheets are prepared by the secretariat. The decision sheets are approved and signed by the FTPC members at the end of the meeting. The

secretariat archives the decision sheets as well as all reports and documents, which were discussed.

7.4 Location

The meetings of the FTPC normally take place in OCCAR-EA Central Office.

7.5 Languages

The official languages of OCCAR shall apply, although the working language to be used for FTPC matters is usually English.