



**MINUTES OF THE MEETING OF THE
EASA MANAGEMENT BOARD**

HELD ON

01 JUNE 2010 (MB 02/2010)

AND SUMMARY OF DECISIONS TAKEN

SUMMARY OF DECISIONS

At its meeting held on 01 June 2010, the Management Board:

- Formally adopted the Agency's 2010 Amending Budget;
- Formally adopted the Decision concerning the appraisal of the Executive Director;
- Formally adopted the Decision renewing the term of office of the Board of Appeal;
- Formally adopted the Agency's 2009 Annual General Report.



0. List of Attendees – Please see ANNEX 1

The Chair opened the meeting and welcomed all participants, especially the new representatives from Italy and Serbia.

1. Adoption of the Agenda

The Agenda was adopted as presented.

2. Adoption of the minutes of the previous meeting

The draft minutes of the MB 01/2010 meeting were adopted as presented. The Chair said that a comment raised by Austria regarding the set-up of Rulemaking Focal Points had been discussed with the Agency's Rulemaking Director and that the minutes on p.7 would be updated accordingly. Following a question by the Chair of the FABS Committee, the Board agreed that there is no need for distributing the minutes of the FABS Committee meeting held on 18 May 2010, as the FABS Committee Report (WP06) provided sufficient information.

3. Comments from the Chair

The Chair confirmed that the optional MB 03/2010 meeting will be held on 21 September 2010.

He said that he had participated in the High Level Conference on SES II implementation in Brussels. Two main topics had been discussed here: (a) volcanic ash and (b) cooperation between EASA and EUROCONTROL.

The Chair also reported on a meeting between MB Chairs of 14 EU Agencies held on 31 May 2010. Most notably, the meeting agreed on Terms of Reference (ToR) and elected the MB Chair of EMA to chair the group's meetings. He said that a representative of the European Commission Secretariat General was present at the meeting to follow-up on the outcome of the evaluation of EU Agencies. The Commission is currently running an internal task force to consolidate their position for the inter-institutional working group (Commission, Parliament, Council). A Progress report will be given at the group's next meeting. The Chair also reported that the meeting had discussed the need for contact with the group of Executive Directors of EU Agencies to exchange views on this important subject. It was noted that due to the wide range of EU Agencies it would be difficult to find a unified approach, but it might be possible to identify broad categories of EU Agencies.



4. Report of the Executive Director

The ED presented his report on developments since MB 01/2010 (WP03b). He underlined inter alia the following elements of the report:

- Certification of Airbus A 330-203 MRTT and Airbus A330-200F;
- SIB on Flight in Airspace with a low contamination of Volcanic Ash;
- 2nd extension: first phase opinions ("fast-track");
- Active cooperation EASA-EUROCONTROL;
- BASA with Brazil;
- 2nd EASA International Cooperation Forum (ICF);
- New process to track Volcanic Ash related occurrence reports;
- Support to EC proposal for new European Regulation on Civil Aviation Accident Investigation;
- Budget commitment level 78% and payment level 20% by 30/04/2010;
- Staffing figures amounting to 488 TAs by 30/04/2010.

The ED pointed out that for the first time the ED Report contains a list of indicators. The Board welcomed this approach.

In discussing the ED report, the following points were made:

- Finland and France underlined the importance of the study on "Risk Assessment for Public Transport Operations using Single Turbine Engine at Night and in IMC", in particular for NAAs (e.g. re national exemptions). The ED explained that the final results of all research studies carried out by the Agency are published on the official website as soon as they are available. Copies of specific reports will be made available on request by the Agency's Safety Analysis & Research Department;
- UK asked for clarification regarding the budget transfer envisaged for research projects planned for 2010, as this was not mentioned in the budget tables. The ED explained that when funds are made available in the last quarter due to delays in forecasted activities, these are used for prepared research projects;
- Italy asked whether inspections to third countries under the framework of Regulation (EC) 2111/2005 (e.g. the mission to Egypt) are covered by the EU subsidy; The ED explained that these activities are carried out at the request of the Commission and expenses are paid from the EC subsidy;
- UK asked for further information regarding the stakeholder meeting on the new Fees & Charges Regulation held on 13 April. The Agency's Finance and Business Services Director explained that the meeting was attended inter alia by representatives from EAB, small industry, US, Canada and Brazil. The main issue discussed was the fees foreseen for general aviation which were considered as being too high. In



consequence, these fees have been kept strictly at their current level and a new fee table has been provided to the working group for comments.

The ED introduced the report on Fees & Charges Performance Information (WP03b), covering the period of 01 July to 31 December 2009. The Board took note of this report.

5. Role of EASA on Volcanic Ash issues

The Chair introduced the subject, underlining that everybody had been taken by surprise by an un-precedent situation. Considering that the effects of the volcanic ash crisis have been the biggest interruption to civil aviation in Europe so far, the topic is of utmost importance for the Management Board.

The ED presented the Agency's involvement in "ash" issues, focusing on past actions, present situation and action plan.

Regarding past actions he said that during the crisis period (16-20 April), EASA had been present and active when invited. Via teleconference, inter alia with manufacturers, EASA had tried at an early stage to identify acceptable figures regarding the ingestion of volcanic ash to aircraft engines. However, as scientific data was missing, it was difficult to come up with some immediate technical advice. A first SIB was published on 23 April with recommendations to the operators of turbine-powered aeroplanes and helicopters operating into airspace that is known or suspected to be contaminated with volcanic ash. A teleforum on volcanic ash threat was held on 11 May with representatives from EASA, Commission, manufacturers and NAAs to discuss a common approach towards volcano ash avoidance. On 17 May a High Level Meeting with the Commission and EUROCONTROL was held. As a result, the Agency published on 21 May a new SIB, providing operation advice in the different flight zones.

Regarding the present situation the ED pointed out that improvement in the VAAC model had been achieved, but that this is not yet accurate in predicting the pockets of ash. Moreover he said that airborne measures are still at the national level and that coordination between national institutions and links with VAAC need to be improved. He also highlighted the good coordination between the Commission, EUROCONTROL and EASA. He mentioned as well the continued request from operators to follow the traditional approach to volcano ash avoidance.

Regarding the action plan, the ED highlighted the following 4 priorities: (1) to enhance communications with all actors, (2) to organise research institutes, MET offices and other equipped a/c owners coordination in flight testing, (3) to continue discussion with the operators to improve the SIB and (4) to propose an engine ground test plan to study the effect of ash on engines and identify engine limits. Other actions taken by the Agency included



participation in the European Aviation Crisis Coordination Cell, providing guidance to NAAs on operator oversight, issuing improved TC holder Instruction for Continuing Airworthiness (ICA) and participating in both the Multidisciplinary International Volcanic Task Force and the EUR/NAT Volcanic Ash Task Force.

The ED concluded that the implementation of the action plan would require a considerable amount of time as well as intensive coordination work.

Iceland noted that the two major issues regarding the volcanic eruptions are the precise forecast of contamination combined with measurements e.g. by aircraft of the actual ash concentration and the gathering of scientific information and measurement, in order to precisely determine the beginning of an eruption. Specific rules might be required for Iceland as it would always be in the "buffer-zone" during an eruption.

Members commended the follow-up actions presented by the ED but agreed that lessons should be learned from the recent crisis in order to improve in the future. The Board noted that EASA had not been very proactive in the early stages of the ash crisis while some Member States, most notably the UK, contributed significantly in providing practical solutions. At the same time, members recognised the difficulties facing the Agency in setting-up appropriate methodologies and underlined that good progress has been made by the Agency in the meantime. Members also took note of the political dimension of the ash crisis, requiring pragmatic solutions.

Acknowledging the importance of national reflects, the ED explained that during the crisis the Agency had not been contacted directly by Member States for information or opinion. The ED pointed out that the figures provided as thresholds (2mg/4mg) were solely based on literature or extrapolation but not verified by scientific input (e.g. test results). In view of the risks involved, the figures could not simply be validated by EASA.

Given that the Volcanic Ash issue is an unprecedented situation, the Commission underlined the role of EASA in ensuring continuous airworthiness (e.g. by establishing roles on proper measurement) in order to prevent catastrophic events and to avoid negative impacts on industry. EASA should specifically focus on a review of (a) the certification procedures and (b) existing certification specifications in order to find the right way for developing engines that are more resistant to volcanic ash. In view of the complexity of the volcanic ash problem and the workload of EASA, the Commission stressed that the ED should provide frequent reports to the MB and encouraged all Members to work in close partnership with the Agency.

Members shared the view that the recent crisis made visible the difficulties in finding a coherent approach, mainly due to the various responsibilities (e.g. EC, EASA, EUROCONTROL, NAAs). The Board agreed that the Agency should



take initiative/leadership alongside NAAs, EUROCONTROL and METs. Considering the Agency's key role in providing technical guidance in aviation safety matters across Europe, Members underlined the importance of EASA's role in providing support to NAAs in managing the crisis and in providing clear guidance on decision-making. A high level strategic discussion would be required in this context.

Several members raised concern on the relationship between Airworthiness (EASA) and ATM (EUROCONTROL) that the ash crisis had revealed. In order to avoid confusion on "who is doing what", improved coordination between the ATM and Airworthiness side would be required. The gathering and sharing of information was seen of core importance here.

Finally, Members agreed that reflection on the relationship between EASA and NAAs in terms of safety strategy is necessary. Several Members raised concern as regards the imbalance of expertise within EASA and NAAs due to the sharing of tasks. Because the responsibility for certification of the majority of European aircraft lies solely with EASA, most NAAs do not have adequate resources and expertise to respond to such events despite their national significance. A problem was also raised as regards the communication between NAAs and stakeholders. While EASA is in charge of TC holders, NAAs only have limited access to the relevant information. The Board agreed that good sharing of data and information is essential here. It was also seen essential to maintain expertise at the national level in order for Member States to take informed decisions. However, EASA should be at the forefront of gathering relevant information and of developing a common solution. Mutual trust would be required in order to establish an efficient working relationship. Members suggested setting-up a focal point within EASA who is responsible for managing and circulating data from TC holders.

Members agreed that Europe needs to be prepared for a similar situation in the future. This would require actions on (a) long term (global) level and (b) short term (temporary) level.

As regards the long term action, the Board saw a need for a structured testing programme (e.g. ground test plan) in order to establish adequate certification standards. It was also noted that, in the long run, a sustainable technical solution would only be achievable at the international (ICAO) level. Members also saw a need for proper risk assessment in order to reduce as much as possible the area of high threat, using technical data (e.g. from test flights, manufacturers) and MET data. Finally, some delegations noted that manufacturers could be more active, in particular as regards conducting ground tests to define valid limits/thresholds for ash concentration and identifying engine limits.



EAB supported the idea of more accurate ash dispersion modelling and underlined the importance of continued discussion with operators. A clear roadmap on the way forward should be developed. As regards testing, EAB said that, from the perspective of manufacturers, so far there had been no need to have a detailed analysis on technical impacts of volcanic ash on aircraft operation, as ATM had provided sufficient information to avoid safety impacts. In order to develop a common strategy on the international level, one should look at experience available across the world on how to operate in such situations. Industry of course would be willing to provide experts to support such activities. EAB also noted that measurement, e.g. the determination of actual ash concentration in the atmosphere, could be even more important than analysing the impact on engines.

On a short term level, Members shared the view that a concrete action plan would be needed in order to maintain operations and to reduce the impact on economy to enable "business is usual". In addition, all involved should be carefully aware of the effects on aviation.

The ED acknowledged that the Agency will take lessons learnt from the recent crisis. On the Agency's action plan, he said that due to the variance of volcanoes and different types of ash it would be difficult to establish a common solution. Theoretically, it would be necessary to develop certification specifications for each individual case. Coordination on the international level and the development of international standards is required here. For the intermediate action, tests on the impact of volcanic ash on engines would have to start with the Icelandic volcano; results however, would not be representative for all kinds of volcanoes.

The Commission commended the Agency on the action plan established and encouraged its implementation as soon as possible. Considering that the development of CS would take a considerable amount of time, the Commission recommended to develop some provisional guidelines /figures to work on. Of course this would require active cooperation by manufacturers.

The ED assured that the Agency will take continuous action on this issue and said that the Agency is reachable via a special crisis phone number 24/7. In addition a specific EASA crisis cell composed of J. Vincent, F. Copigneaux and E. Sivel had been established. The Board requested to make this information available to MB Member as soon as possible.

The Chair summarized the discussion as follows:

1. The Board agreed that everybody had been taken by surprise by an unprecedented situation; during the crisis, across Europe aviation safety became a political issue requiring a pragmatic solution;



2. The view was shared that several problems had to be faced at the beginning of the volcanic ash crisis, but that the Agency can be commended on the way it has reacted since then;
3. The Board agreed that the volcanic ash crisis should be considered as lessons learnt for the Agency, requiring further reflection on the following issues (1) the future/long-term role of EASA, (2) the relationship between Airworthiness (EASA) and ATM (EUROCONTROL) in safety issues in view of a total system approach, and (3) the issue where expertise in the EU aviation system has to reside (EASA or NAAs);
4. The Board noted that Europe needs to be prepared for a similar situation in the future. This would require actions on (a) long term (global) level and (b) short term (temporary) level;
5. The Board agreed that the Agency should take initiative/leadership alongside NAAs, EC, EUROCONTROL and METs;
6. The Board welcomed the Agency's action plan but noted that there is also need for a structured testing programme;
7. As an immediate issue, the Board requested that the Agency ensures proper communication, e.g. by distributing the EASA crisis phone number and contact persons;
8. The Board asked the ED to provide a follow-up report to all Members via a letter to be send to the MB by end of July;
9. A strategic discussion should take place at MB 04/2010 on what the crisis could reveal about the future roles of the Agency and the NAAs in the EASA system.

6. Rulemaking in the context of the extension of Community competences

The Agency's Rulemaking Director introduced WP04, providing a summary of EASA rulemaking activities on the 1st and 2nd extension since MB 01/2010.

As regards the 1st extension, he underlined that work on OPS/FCL and TCO is in progress. Inter alia, he mentioned that various review group meetings were held and reported on new review group meetings to be held in the coming months. He said that no final position has been taken yet on how to present the proposals. Regarding the transition period he said that for CAT COM/Aeroplane and Helicopters in principle there will be none (except for 1 year to adapt operator manuals) while 2 years are foreseen for CAT Aerial Work and Sailplanes and 1 year for NCC. The Rulemaking Director also provided a summary on the content and planning of all CRDs related to the 1st extension.

Regarding the 2nd extension, the Rulemaking Director highlighted that the "fast-track" is progressing as planned. EASA had continued the urgent work on 3 key ATM rulemaking tasks (transposition of SES rules) including the



requirements on ANS provision (ATM.001), ATCO licensing (ATM.;003) and Requirements on competent authorities (ATM.004). The two ATM Opinions 2010/02 (ATM.001 & ATM.004) and 2010/03 (ATM.003) were published on 28 May 2010. A conference will be held in Cologne on 24 June at which the two opinions will be presented.

The Rulemaking Director also said that the ATM implementing measures for the 2nd phase shall be developed in accordance with the amended Basic regulation in view of a total system approach (horizontal structure). The timescale will be 2012 and beyond. As regards SES II priorities, he said that the transposition of ICAO SARP's on ATM/ANS services will be included in the rulemaking programme. The Agency has participated actively in the drafting of the new ATM Performance Regulation and has initiated the work related to FAB rules and to the safety oversight of ATM network management functions. In addition, the Agency is ready to support SESAR, including work on the SJU/EASA MoU (expected) and safety assessment methodology.

Finally, the Rulemaking Director said that in the field of Aerodrome Safety Regulation, EASA prepared Terms of Reference (ToR) for the three fundamental aerodrome rulemaking tasks, which were launched for consultation through AGNA and SSCC.

Discussion on 1st extension

Members welcomed the report given by the Rulemaking Director, noting that the Agency is making good progress and following a structured approach.

Several Members asked for further clarification on how the different packaged planned for the 1st extension would be dealt with during the Comitology process. Considering the number of different CRD on the OPS side, questions were raised as to whether there will be only one "cover regulation" or whether there will be several proposals. Concern was also raised on the transitional arrangements and its impact on the publication of opinions (e.g. AR/OR before FCL). It was suggested to have a global overview on how everything fits together, including an indication on timelines for application of rules ("what needs to be in place before something else comes in place"). Such transparency was considered of particular interest for industry.

The Rulemaking Director reminded the MB that priorities for the 1st and 2nd extension had been agreed with the Commission and supported by the Board. The overview provided on content and planning of all 1st extension CRD explains the relations between different parts. As regards the possibility of a cover regulation for OPS, he said that there will be one cover regulation for the OPS technical parts, but the CRD and Opinions will be separated as indicated in the scheme. On transition periods, he explained that each CRD



foresees such transition period. On FCL a discussion on the transition period took place in the EASA committee. The Rulemaking Director agreed that a global overview on timelines would be provided.

Noting that the MED opinion is planned to be published before the OPS opinion, EAB asked whether the requirements for medical certification of cabin crew would be part of MED or OPS. In the same context, Austria raised concern on whether there is a mandate in the Basic Regulation for issuing requirements for medical fitness of cabin crew. The Rulemaking Director reminded the MB that the medical requirements for cabin crew had been a compromise agreed by the European Parliament. However, as the Basic Regulation refers to "attestation" there is an obligation for EASA. The Agency is currently analysing this issue and will come up with a concrete proposal in context of the MED CRD to be published in June. The EASA Committee will be informed in the July meeting. In any case, the task will not be carried out in a "fast-track" but ensure proper consultation.

Some members underlined the importance to have a clear definition of "CAT operation". The Rulemaking Director said that this issue had been extensively discussed in AGNA meetings, where it was recognised that the subject was difficult.

The Commission commended the Agency on progress made in the field of rulemaking. On the question whether the Comitology process will be carried out "one by one" or grouped, the Commission explained that interrelating issues might be grouped together if feasible, in order to carry out just one process. Noting the EC rulemaking process is rather long, any possible delay should be avoided. Regarding the 1st extension, the Commission said that the FTL NPAs will be published later than October 2010.

Discussion on 2nd extension

The Chair noted that the Agency is facing a tremendous range of work regarding the implementation of the 2nd extension rulemaking tasks.

Considering the importance for Member States to have a good knowledge of the 2nd extension rules, some delegations asked for better coordination at the Agency level, in particular between rulemaking groups e.g. on ATM and Aerodromes. The Rulemaking Director noted that EASA has a well coordinated approach in place but will seek continuous improvement.

Several members reminded the MB that the ATM/fast-track should involve only minor deviations from existing rules. The Chair explained that there should be no substantial deviations and the use of a fast-track process will continue to be an exception. The Rulemaking Director added that the fast-track involves mainly a copy and paste action; all changes would be indicated.



Members underlined that making use of resources available in EUROCONTROL is essential for the whole process of work on the 2nd extension and asked whether this is ensured for the future. The Chair reminded the MB that the High Level Meeting on SES II had underlined again the importance of sharing resources between EASA and EUROCONTROL. The Rulemaking Director explained that he had indicated to the Commission the required necessary resources in the field of EASA tasks starting this year.

Regarding EASA Opinions 2010/02 and 2010/03, Austria noted that consultation of Opinion No 03/2010 of the European Aviation Safety Agency of 28 May 2010 for a new Commission Regulation on the licensing and medical certification of air traffic controllers would need to be carried out via the EASA Committee and not via the SES Committee.

The Chair concluded that considering the immense workload for the Agency on the 2nd extension, close follow-up of the related activities need to be ensured during forthcoming MB meetings. The Board agreed that the Agency would circulate the respective arrangements recently agreed between Commission, EASA and EUROCONTROL.

7. EASA Research Activities

The Head of the Agency's Safety Analysis and Research Department introduced the report on EASA research activities (WP05). He said that the purpose of launching research projects and studies primarily is to develop and maintain a knowledge basis for the Agency's activities and to provide the scientific grounds for evidence-based decision-making. In addition, research shall enable EASA to react fast on safety issues and to get precise answers to very specific issues. This ensures the independence and impartiality of the Agency in developing its approach and policy.

The presenter underlined the importance of identification and prioritisation of the Agency's research needs and projects, in line with most urgent safety and regulatory development needs. He said that coordination and prioritisation of research activities is carried out EASA internally via an Internal Research Committee (IRC). Externally, coordination is ensured by cooperation with the European Commission, Member States and others via the European Research Partnership Group (EARPG), as well as on a global scale e.g. via a Trilateral Research Cooperation Committee TRCC (EASA/FAA/TCCA).

The presenter highlighted that within a relatively short period, considerable results had been achieved, e.g. by research projects like "Evaluation of Strength Degradation of Fabric particularly used for Cargo Nets" or "Runway Friction Characteristics Measurement and Aircraft Braking". Finally he said that the dissemination of research results is carried out via EASA internal



presentations internal, via workshops with broader audience/stakeholders and by final reports published on the EASA website.

In conclusion, the presenter explained that the internal and external driving factors for research are (1) safety recommendations, (2) rapid technological development and (3) required amendment of rules and standards. He stressed that only the Agency's own research and studies assure its high level of competence and independence and pointed out that demands and expectations can only be fulfilled by adequate resources.

Members welcomed the Agency's paper, noting that for the first time a comprehensive picture was given on the Agency's research activities.

The Chair noted that the development of the Agency's research budget, in particular the balance between available budget and the demands upon it, is worrying. He also noted that more European research activities in the field of aviation safety were carried out before the creation of EASA.

Members agreed that for the Agency as a technical body, research activities are of utmost importance. The allocation of adequate resources for these activities thus is vital. Consequently, the present deficiency in the Agency's research budget would need to be addressed immediately in two ways (1) by making best possible use of existing resources and (2) by addressing directly with the European Commission the scope for allocating additional funds, for example via Research Programmes funded by the European Commission such as the 7th Framework Programme.

Members underlined the importance of partnership and cooperation with other organisations involved in research activities e.g. within Member States or industry. Cooperation agreements within Europe (e.g. EASA-NAAs) and at a global level (e.g. EASA/FAA/TCA TRCC) would be beneficial in order to avoid duplication of work and to make use of synergies. Austria suggested creating links with other states (e.g. China). To that end, it would be helpful for the NAAs to have a full picture of projects planned/performed by the Agency. The Head of Safety Analysis & Research Department explained that the EARPG has been established as forum for coordination between NAAs and the Agency. As regards China, first contact has been made with Beijing University.

The Board noted the importance of setting clear priorities for the Agency's research needs and projects proposals. This should be reflected explicitly in the Agency's Annual Work Programme. Question was raised as to how this is currently being coordinated within the Agency, who is taking the final decisions, and how the efficiency of the activities is ensured. The Head of Safety Analysis & Research Department explained that internal processes exists within the Agency to coordinate the various demands across Agency's



Directorates and develop a list of activities. The final decision on priorities is made by the Internal Safety Committee.

EAB noted that EASA's research activities are purely related to safety regulatory research and should not be confused with competitive research carried out by e.g. the industry. EASA's research competence should thus cover areas (1) where new technology is not covered by certification standards, (2) where a problem in service results in a safety issue, (to determine the necessary course of action), and (3) where improved methods of compliance need to be developed. EAB underlined that EASA should be provided with adequate resources to carry out research activities and said that industry should also be consulted when defining priorities for the Agency's research needs and projects.

The European Commission fully supported the view that research is an important activity of EASA and agreed that research investment is needed for achieving safety objectives, at the same time underlining that research is not a core function of the Agency. The Commission said that from the discussion the following points should be considered in particular: (1) prioritisation (which was missing in the presented document), (2) avoid duplication, and (3) clear identification of research types/topics and resources allocated to it (budget and staff). The Commission advised coordinating with the respective EC services in order to evaluate whether there is a possibility to make use of other EU research funds, e.g. the Framework Programme. The MB Chair noted that the Framework Programme is primarily dedicated to larger strategic projects but that research related to the volcanic ash issues could potentially be covered.

The Chair summarised the discussion as follows:

1. Members agreed that for an organisation like EASA, research is of paramount importance;
2. The Board took note of the fact that the current budget available is not adequate;
3. The Board noted that the main issues are (1) prioritisation, (b) avoid duplication and sharing of information (3) review of resources and check possibility of additional funding;
4. The Board noted that a small group (e.g. an EARPG subgroup) could be used as a forum to further address the research issue in order to come up with concrete solutions for improving the current situation for the Agency. A report should be provided to the Management Board.

8. Finance and Business Services Committee

Members were presented with a report from the Chair of the Agency's Finance and Business Service (FABS) Committee (WP06) including



information on the 2009 Annual Accounts, the 2010 Amending Budget, the Proposal for amendment of the 2011 Preliminary Draft Budget, the 2011 Work Programme, the Basic assumptions for the Business Plan 2011-2015 as well as the FABS KPI Working Group. The Board took note of the report and agreed that the FABS Committee Chair would provide the relevant information during the discussion on Agenda items 9 to 14. The FABS Committee Chair said that two new members from Poland and Italy had recently joined the FABS Committee.

9. 2010 Amending Budget

The Agency's Finance and Business Services Director introduced the Agency's 2010 Amending Budget for adoption. He explained that the requests for amending budget cover both the Subsidy and the Fees & Charges related activities. On Subsidy related activities he highlighted that assistance to rulemaking activities had been increased to 790.000€ in order to continue the development of the CQB framework contract and to advance the activities on Environment Protection, as well as an increase for International Cooperation to 637.000 €. Regarding Fees & Charges activities he mentioned the revision of the budget for Certification outsourcing to NAAs with an increase of 7.622.000 € as well as an adjustment of T5 (Provision for F&C funded expenditures) for 39.000€ due to the difference between the amount inscribed as carry over and the Working budget facility.

The Chair of the FABS Committee reported that the FABS Committee had advised the MB to adopt the 2010 amending budget as presented by the Agency. Moreover, she said that the FABS Committee had invited the MB to discuss the possible work to be undertaken on volcanic ash, as the amending budget 2010 does not include any specific provision for this work.

Considering the increased funding for the development of the CQB database, France underlined the importance of this database for the image of the EASA system. To take due consideration of this, a database manager is required and the confidentiality of questions contained in the database must be ensured. France also noted that the current level of pilot exams in Europe is too complicated. In order to be competitive with e.g. the US system, a global simplification of EU exams would be needed. The ED agreed with the importance of having a central question database for Pilot Exams and said that money had been earmarked for the review of this database. The Rulemaking Director added that the CQB framework contract is for a 4-year period so as to undertake a complete review of questions. On the question of whether the EU approach for Pilot Exams is competitive the ED said that this is a strategic question, which would need to be addressed separately.

UK asked for clarification on whether a 2nd Amending Budget would be required to provide additional funds allocated to activities related to the



volcanic ash issue. EASA explained that as no additional funds are available, the funds need to be derived from the current budget.

The European Commission clarified that the table on the increase of funds allocated to international cooperation activities is a one-off.

The Management Board formally adopted the 2010 Amending Budget.

10. 2009 Annual Accounts

The Agency's Finance and Business Services Director introduced the 2009 Annual Accounts, comprising the financial statements and the report on the implementation of the budget.

On the financial statements, he explained that the overall 2009 economic outturn for the year is 2.28 Million € positive, albeit the net result is significantly less than in the previous year (17,2 Million €). Nevertheless the Agency's overall finances are still in equilibrium. As regards operating expenses, he highlighted that staff and related expenses are 7.2 Million (+19,3 %) higher reflecting a 17% increase in FTEs and the salary increase. The Agency had increased the number of hours spent on CAW and also recruited to reduce the significant number of overtime noticed in previous years. Finally, he underlined the assigned revenues for F&C of 2.6 M vs. 12.0 in 2009, which shows that the big surplus in F&C was a one-time effect while the Agency is now on cruising speed.

On the 2009 Budget Implementation, he underlined that the budget implementing rate is at a very satisfactory level of 98,89%. He also noted that the subsidy outcome for regulatory activities is 1.08 Million €; this mainly explained by the cancellations of the 2008 appropriations automatically carried over and will be paid back to the Commission.

Denmark raised a question on the increase of hours dedicated to continuing airworthiness to 40.400 hours in 2009. EASA explained that these figures represent hours worked by EASA and NAAs.

Considering the formal procedure to be followed in order to close the accounts, the Chair noted that the formal report from the Court of Auditors has to arrive before the Management Board can officially give its opinion. The Board will have to explicitly agree the 2009 Accounts in a written procedure in advance of 1 July 2010.

The Board adopted in principle the 2009 Annual accounts and decided to finalise the formal process by written procedure.



11. Preliminary Draft Budget 2011

The Agency's Finance and Business Services Director presented a proposal for the amendment of the 2011 Preliminary Draft Budget (WP09). He recalled that the Agency had been requested by the European Commission to reduce the PDB by 2.8. M €. Following this request, the Agency had reviewed all its activities for 2010 together with the related budget lines and recommended savings that are presented in 3 categories:

1. Savings that will have a general operational impact on the Agency;
2. Savings that will have an impact on activities legally required to the Agency (core activities);
3. Savings that will have an impact on activities considered by the Agency as important but that are not mandatory.

He said that the Agency avoided touching planned recruitment in this review, as it considers the staff to be crucial to guarantee the continuation of its tasks. The Director explained in detail the proposed saving in the 3 categories, including potential impacts. In category 1 (savings with general operational impact) a total of 716.643 € was achieved. On the savings in category 2 (core activities), he highlighted the saving on Budget line 3400 (Organisation of Expert Meetings), where a full saving of 240.000 € could be expected in 2011, if the Management Board reviews the Agency's current approach on reimbursement of experts to cease all reimbursements to experts. On savings in category 3 (non-mandatory) a 50% reduction could be achieved with total savings of 626.300 €. In summary, all savings amounted to a total of 2.6 M €. The Agency would then need to look for the missing 0.2 M € saving necessary to reach the total of 2.8 M € requested by the Commission.

The Chair of the FABS Committee reported that the FABS Committee had analysed and discussed the reduction possibilities proposed by the Agency as well as other possibilities proposed by the Commission. As a result, the FABS Committee had advised the MB to agree on the adjustments detailed in WP06. In addition, the Committee had invited EASA and the MB to reconsider the decision taken in 2009 regarding the reimbursement of small and medium enterprises and non-profit organisations when participating in events organised by EASA within the framework of the Rulemaking process.

The MB Chair thanked the Agency for its efforts in developing the proposal for savings. He noted that the Board is not asked to take final decisions but to give clear directions to EASA on how to proceed.

The European Commission reiterated that the table provided by the Agency just summarises the various possibilities and that a final decision on the Agency's budget would need to be taken by the end of the year. While the Commission supported the approach taken by the Agency and agreed in



principle with the proposed savings, concern was raised on specific elements. The Commission underlined that reductions should be made only in areas which are not affecting the Agency's core activities. Instead, further assessment would be needed for possible savings in the administrative/support area and where efficiency gains could be seen. No support was given on potential cuts in the area of standardisation. As regards 500.000 € saving possibilities in translation costs, the Commission said that given legal obligation coming from the basic regulation this was not feasible.

The Board agreed that cuts would be unacceptable in areas such as (1) core activities (e.g. standardisation), (2) research (due to the already very limited resources). Instead, cuts should be sought with regard to support/administrative costs. A general review should be carried out in this respect in order to gain efficiency. UK suggested to also review costs of International Cooperation Activities in view of a possibility of additional support by the Commission for activities carried out by EASA at the Commission's request. France suggested carrying out a comprehensive review of all EASA support activities.

The ED explained that support activities are defined based on the ISO:9001 standards, stipulating the core processes within the Agency. Consequently, all activities not in core processes are considered as support activity. This means that by definition EASA has many support activities e.g. Legal Service, HR, Training, IT. It is nonetheless clear that Legal Service related to Rulemaking or Technical Training for instance are essential activities. The Agency's Finance and Business Services Director said that in any case it should be avoided that all support activities be deemed as unnecessary. He acknowledged, that for the next Business Plan a review of each budget line would be undertaken in order to identify possible savings and to gain efficiency in all processes. Additional savings would be assessed in the coming months before adoption of the 2011 Budget at MB 04/2010.

EAB asked for further explanations on the cuts re expert meetings and missions, in particular on how they would be implemented. Under no circumstances should such cuts have a negative impact on stakeholder consultation or generate overtime for staff. The UK noted that the savings proposed re expert meetings could be addressed also in the planned review of the Rulemaking Process and Working Groups. Austria noted that the saving proposed on workshops is not supported. EASA explained that the Agency would need to be creative, e.g. by using teleconferences or video conferences, without compromising the outcome. It is not intended to reduce the number of expert meetings but simply the costs for reimbursement. The Board saw a need to review the organisation of expert meetings and the Agency's current approach on reimbursement of participants.



The Commission reminded that it is easier to find savings in budget lines with larger amounts. Regarding black list assistance, the Commission said that a specific framework contract with EASA of around 350.000 € has been put in place.

The Chair summarised the discussion as follows:

1. The Board agreed to follow the advice from the FABS Committee and to allow the Agency to continue its work on the 2011 Budget based on the proposals made;
2. The Board agreed that cuts would be unacceptable in areas such as (1) core activities (e.g. standardisation), (2) research (due to the already very limited resources);
3. The Board saw a need to review the organisation of expert meetings and the Agency's current approach on reimbursement of participants.
4. The Board saw a need to analyse the possibility for further saving in the area of genuine support activities/ administration. The FABS Working Group on KPIs could develop benchmarking as regards Administrative staff levels;
5. The Board also saw a need to review whether there is a right balance as regards activities in International Cooperation;
6. The Board requested the Commission to come up with some clear solution regarding the potential savings in the area of translations;
7. The Board agreed to finalise the discussion on this issue at MB 04/2010 in December when the Business Plan and final Budget 2011 will be presented.

12. 2011 Work Programme

The Board was presented with an updated version of the Agency's Work Programme 2011 (WP10b). The Chair recalled that the Board had already formally adopted the Agency's Draft Work Programme 2011 at MB 01/2010 in March. Since then, the Agency had amended the Work Programme in order to reflect, in particular, the reductions in the 2011 PDB.

The Agency's Finance and Business Services Director provided an outlook on developments impacting the Work Programme in the next months, including:

- Cuts decided vs the PDB 2011;
- Applicability date of the rules related to the extensions of the remit (transition periods / opt-outs);
- Fast-track procedure.

Moreover, he said that the columns „Results 2009“ in the objectives and indicators item would be further completed before the MB meeting.



The Chair invited all MB Members to submit any comments on the 2011 Work Programme to the MB Secretariat by 15 June 2010 at the latest. EASA would then modify the Work Programme accordingly before sending it to the Commission for opinion. The Agency's Work Programme has to be adopted by the MB before 30 November after receiving the opinion of the Commission.

13. Business Plan 2011-2015

The Agency's Finance and Business Services Director presented the basic assumptions for the Business Plan 2011-2015 (WP11). He highlighted that intensive discussions had taken place with the Commission on the issue of staffing and budget in order to agree on the subsidy level. The new Business Plan will now foresee a subsidy of 33.497.000 €; the decrease corresponding to the adjustments proposed by the Commission for the 2011 Draft Budget and including for the subsequent years an adjustment of 2% inflation plus 4 additional subsidy staff in 2012 and 11 in 2013, in line with the SPP 2011-2013. It does not include the additional 8 subsidy staff in 2014 in the BP 2010-2014. He also noted that the resources that could be provided via the SES pillar would need to be identified.

Regarding additional tasks and the evolution of existing tasks, the Director underlined that there is an urgent need for operational meetings to take place on the BP assumptions between EASA and the Commission.

The Chair of the FABS Committee reported that the FABS Committee had advised the MB to endorse the basic assumptions, including the modifications proposed by the Commission with regard to the subsidy to be considered for the following years. The Board took note of the fact that those figures do not foresee any financing for the activities related to the implementation and resources of the ATM tasks derived from the fast track.

In response to a question from Austria on the responsibility of EASA for the verification of approvals for FTL schemes, the Agency's Rulemaking Director explained that this is covered by Art. 22 of the Basic Regulations but needs to be further discussed with the Commission.

The Board endorsed the basic assumptions as presented.

14. Fees & Charges Regulation

The Commission reported that the proposal for an amended Fees & Charges Regulation is currently with the Commissioner for Transport for review and further consideration. The Commission acknowledged that further information will be provided as soon as the review has been carried out.



EAB underlined that European industry will continue to lobby against the new Fees & Charges Regulation, as in their view it would create an imbalance between EU and non-EU industry and negatively impact small and medium sized industry.

15. Safety Strategy

The ED reported on the activities of the European Aviation Safety Advisory Committee (EASAC). He said that three Major Safety Themes had been identified by the Committee: (1) systemic issues, (2) specific safety issues and (3) emerging issues (future risks and opportunities). On systemic issues he pointed out that this includes States' ability to address SPP at State level as well as to implement SMS in the industry, the sharing of safety information and the implementation of "just culture". Regarding specific safety issues, he underlined the importance of supporting existing safety initiatives (e.g. ESSI) as well as gap filling with the list of TOP 5 safety concerns provided by NAAs, EUROCONTROL and industry. Specific safety issues also include pilot training and climate change impact. On emerging issues that need to be addressed, he listed systems (e.g. UAV, space vehicles), environment (e.g. volcano ash), human factors, regulatory change handling and next generation of aviation professionals.

The ED said that all 3 topics would need to be addressed in the coming months. A detailed plan with concrete proposals would then be available by the end of 2010.

Members commended EASAC on the work that it has carried out and the progress made so far. Considering the implementation of SMS for air operations in countries such as Denmark, some Members saw a need to include SMS in EU-OPS as soon as possible. The EASA Rulemaking Director acknowledged that the Agency will try to incorporate SMS.

Serbia underlined the need to establish a comprehensive database of occurrences reported by operators. The ED said that the Agency is getting good support from operators and that the distribution of information is important to improve the system. Italy asked whether non-EU states should be linked to the European Safety Strategy. An open discussion should be carried out here. The Commission noted that the Safety Conference that was originally planned in April 2010 but postponed due to the volcanic ash crisis, would have provided a good forum for discussion. A new date for the conference will be announced in due course.

16. Safety Report 2009

The ED introduced the Agency's Annual Safety Review 2009 (WP12) which presents statistics on European and worldwide civil aviation safety.



The following elements of the report were highlighted:

- A new chapter was added providing an initial view of data contained in the European Central Repository of occurrences (ECR);
- An overview is provided on aviation safety measures taken in the different EASA Directorates (with central chapters on rulemaking and standardisation)
- The rate of fatal accidents per 10mio flights per word region (p.7) shows the importance of EASA work in enhancing safety.

Members generally appreciated the report. Concern was raised regarding the comparison between the rate of fatal accidents in the US and in Europe. Members shared the view that EASA should continue to publish such information, but should be particularly careful regarding the presentation of such statistics, in particular when it is not clear which kind of reference data and parameters were used. The UK noted that no reference was made in the report to NAAs, which might create the impression that only EASA is active in developing aviation safety strategies and measures. Reference to national safety plans of Member States should be included in future reports. This report should be reviewed by EASAC

17. ENaCT Report

The ENaCT Chair presented a report on the ongoing ENaCT activities (WP13). The report included the following topics: (1) design occurrences reporting, (2) outsourcing study, certification strategy, qualified entities strategy.

On design occurrences reporting, he said that ENaCT had recognised that EASA is competent for AD issuance in cases of unsafe condition resulting from a deficiency in the approved design or from non-conformity with the approved design, that are due to a manufacturing or maintenance deficiency. In this respect, EASA's task would be facilitated when NAAs report design related occurrences. Noting at the same time that there is currently no obligation for such a report, NAAs may choose to report on a voluntary basis. In this case the ENaCT group has agreed on specific recommendations provided in WP 13. On point (2) the ENaCT Chair highlighted that ENaCT had started discussions related to outsourcing, based on the Steria Mummert study, on strategy papers proposed by the Agency (certification and qualified entities) and on a working paper submitted by NAAs. It was concluded that the Agency was in a situation to submit a proposal for an initial discussion at MB 03/2010 in September. Members thanked the EnaCT Chair for the report.

Commending the analysis carried out by ENaCT, the Commission underlined that the Board had been reminded several times to define a strategy on outsourcing/QEs in order to meet legal requirements. The Commission suggested the Board should reach a final decision in December.



The MB Chair noted that the overall certification strategy for the Agency would need to be in place before a decision on QEs can be taken and that an in-depth discussion on that strategy would be best held in December.

The ENaCT Chair acknowledged the need for discussing the strategy as early as possible. At the same time, he said that sufficient time would be needed to launch a tender, allocate tasks, etc. Considering that the term of the current contracts with NAAs would continue until 2013 and that the extension of EASA competences will only enter into force in 2012, the timeline foreseen for establishing a strategy would be fully acceptable.

The Board agreed that an initial discussion would take place in September, followed by an in-depth discussion in December.

18. 2009 Annual General Report

The Board was presented with the Agency's 2009 Annual General Report (WP14b). The Chair noted that according to the Basic Regulation the Board will have to formally adopt the Annual General Report and forward it to the EU Institutions and Member States by 15 June 2009. He asked members to provide comments to the report to the MB Secretariat within one week following MB 02/2010. Moreover he announced that a public version of the report would be produced by EASA Communications later this year.

The Board formally adopted the report subject to any written comments.

19. Appraisal of the Executive Director

Members were presented with a Draft MB decision on the ED appraisal procedure (WP15a). The Chair noted that the Board had already considered this issue at MB 04/2009 in December and that in the meantime the draft had been submitted to the European Commission under Art. 110 of the Staff Regulations. Following agreement by the Commission, the decision is now re-submitted to the MB for adoption. The Board formally adopted the Decision.

The Chair noted that two reporting officers would need to be appointed by the Management Board according to Art. 3a of this decision. Mr. Z. Kazatsay (European Commission) and M. Coffin (France, Vice-Chair of the MB) were proposed as possible candidates, with the MB Chair acting as Appeal Assessor. The Board agreed these proposals.

20. Appointment of the EASA Board of Appeal

The Board was presented with a Draft MB Decision renewing the term of office of the EASA Board of Appeal (WP16). The Chair said that the current term of office of the Agency's Board of Appeal (BoA), as established by MB Decision 08-2005 of 14 June 2005, would come to an end in June. The



Agency had approached the current members of the BoA, via its Chairman who had told the Agency that all current Members are willing to continue for another term. The Commission had also been consulted and agreed on this approach.

The Board formally adopted the MB Decision renewing the term of office of the EASA Board of Appeal.

21. MB Meeting Calendar 2011

The Board adopted the MB Meeting Calendar 2011 (WP17) as presented.

22. AOB

The Chair closed the session thanking all participants for a fruitful meeting.



ANNEX 1: List of Attendance

Members

	MEMBER	ALTERNATE	EXPERT
AUSTRIA	Karl Prachner		Walter Gessky
BELGIUM		Benoit Van Noten	
BULGARIA		Eleonora Dobрева	
CYPRUS		Andrea Paspilades	
CZECH REPUBLIC		Vítězslav Hezký	
DENMARK		Per Veinberg	
ESTONIA	Koit Kaskel		
FINLAND	Kim Salonen		
FRANCE	Maxime Coffin		Genevieve Eydaleine
GERMANY	Gerold Reichle	Josef Schiller	
GREECE			Georgios Sourvanos
HUNGARY			
ICELAND*	Petur Maack		
IRELAND	Ethna Brogan		Kevin Humphreys
ITALY	Salvatore Sciacchitano	Benedetto Marasa	Carmine Cifaldi
LATVIA			
LIECHTENSTEIN*			
LITHUANIA		Kestutis Auryla	
LUXEMBOURG	Claude Waltzing	Claude Wagener	
MALTA			
NETHERLANDS	Ellen Bien	Jan-Dirk Steenbergen	
NORWAY*	Heine Richardson	Oyvind Ek	Karl Koeford
POLAND		Tomasz Kadziolka	Dariusz Gluszkiewicz

* Members without voting rights



	MEMBER	ALTERNATE	EXPERT
PORTUGAL		Anacleto Santos	
ROMANIA		Tudorei Roman	
SLOVAK REPUBLIC			
SLOVENIA		Jozef Slana	
SPAIN		José M. Ramírez Ciriza	
SWEDEN	Lena Byström Möller		Magnus Molitor
SWITZERLAND*		Werner Bösch	
UNITED KINGDOM	Michael Smethers (Chair)		Pat Ricketts Susan Hamilton
EUROPEAN COMMISSION	Zoltan Kazatsay	Eckard Seebohm	Nathalie Vande-Velde

Observers

	MEMBER	ALTERNATE	EXPERT
EASA ADVISORY BOARD¹	Vincent De Vroey	Claude Schmidt	Thomas Loeff Mick Sanders
ALBANIA¹			
BOSNIA AND HERZOGOVINA¹			
CROATIA¹	Mladen Stepanic		
FORMER YUGOSLAV REPUBLIC OF MACEDONIA¹			Zoran Angelovski
MONTENEGRO¹			
SERBIA¹		Goran Jovicic	Dragan Tesla
U.N. MISSION IN KOSOVO¹			

¹ Observers without voting rights.



ANNEX 2: Action List

Action number	Description action	Action holder	Deadline
# 03/MB 03/08	Amend & resubmit the proposed Procedure for the Selection of EASA Directors following submission to the Commission	EASA	Awaiting response from Commission
# 01/MB 01/10	Review of MB RoPs re voting procedures in the light of the recommendations from the IAS audit	EASA/MB	MB 04/2010
# 01/MB 02/10	Distribute EASA crisis phone number and EASA contact persons (ash issue) to MB Members	EASA	a.s.a.p.
# 02/MB 02/10	EASA to provide follow-up report on volcanic ash issue to MB Members	EASA	End July 2010
# 03/MB 02/10	Distribute text of arrangements between EC/EASA/EUROCONTROL to MB Members	EASA/Commission	a.s.a.p
# 04/MB 02/10	Progress report on rulemaking in the context of the extension of Community competences	EASA/Commission	MB 03/2010
# 05/MB 02/10	Progress report on EASAC activities	EASA	MB 03/2010
# 06/MB 02/10	Status report on Fees & Charges Regulation	EASA/Commission	MB 03/2010
# 07/MB 02/10	Adjusting the work programme before sending to the Commission for final opinion.	EASA	End June 2010
# 08/MB 02/10	Prepare further options for reducing the budget, for consideration at the next FABS meeting and for inclusion in final Budget 2011	EASA	MB 04/2010
# 09/MB 02/10	Submit paper on EASA certification strategy	EASA	MB 03/2010