

ANNEX 3: EXPLANATORY NOTE



2011 PRELIMINARY DRAFT BUDGET AND DRAFT WORK PROGRAMME - EXPLANATORY NOTE

The Preliminary Draft Budget 2011 together with the Draft Work Programme 2011 represent EASA's initial assessment of the work it will undertake in 2011.

Both documents are in line with the workload identified in the Business Plan 2010-2014, adopted by the Management Board in December 2009, and the Staff Policy Plan 2011-2013, discussed in the Management Board in December 2009 and presented for decision at this Management Board.

In December 2009, the Commission requested EASA to organise the so-called "fast track" procedure to develop ATM Implementing Rules, part of the second extension of the remit. The main impact of this request is the need to change the Rulemaking programme for the second extension, transposing the existing regulations into EASA's regulation with minimum changes. The expected result of this procedure is that ATM related rules are adopted by the end of 2010. The implications of this procedure in terms of concrete activities for the Agency have not been taken into account neither in the 2011 Preliminary Draft Budget nor in the 2011 Draft Work Programme. The entry into force of the implementing rules and the length of the transition periods will be decided during the comitology process.

The preliminary analysis on the impact of the "fast track" procedure on workload indicates possible implications on the resource requirements in the field of Rulemaking, Organisation Approval, Standardisation and Product Certification. Further analysis will be necessary once the final decisions related to this procedure are known. The results from the analysis will be included in the final Work Programme and Budget for 2011.

The documents do not reflect the very recently proposed cuts in the EC subsidies by DG MOVE, as these need to be further discussed.



Revenue and expenditure:

The only notable change versus the business plan is the introduction of the fees and charges assigned revenue carried over from previous years: those essentially correspond to the anticipated payments received from the industry as a result of the new fees and charges Regulation entered into force in June 2007. They have been inscribed in both income and expenditure and are aimed at financing corresponding certification tasks in the following year.

TOTAL EASA			
Amounts in thousands of €	2 nd Amending BUDGET 2009	Budget 2010	PDB 2011
<i>Income from Fees & Charges (Current Year)</i>	55.962	66.420	68.768
<i>Income from Fees & Charges (Carry over)*</i>	29.509	23.583	23.583
<i>Subsidy of the European Communities</i>	33.105	33.497	37.060
<i>Third countries contribution</i>	1.554	1.650	1.826
<i>Other Income</i>	1.906	1.353	1.078
Total Income	122.036	126.503	132.314
T1 Staff	48.158	56.557	62.077
T2 Buildings equipments	13.041	14.082	14.752
T3 Operational	36.225	31.609	31.537
T4 Special programmes	1.030	673	365
T5 Provisions**	23.583	23.583	23.583
Total Expenditure	122.037	126.504	132.314
* F&C assigned revenues carried over from previous year			
** This appropriation is intended to cover expenditures funded by assigned revenue from F&C			



Headcount evolution:

	Establishment Plan 2009	Authorised 2010	PDB 2011
Total Temporary Agents	506	570	574
Thereof:			
100% Subsidy financed	145	168	168
100% Fee financed	223	245	245
Support	138	157	161
Support paid by Subsidy	57	59	59
Support paid by Fees and charges	81	98	102
Total Subsidy Financed	202	227	227
Total Fees and charges financed	304	343	347

Fees and Charges financed Activities

FEES AND CHARGES financed activities			
Amounts in thousands of €	2 nd Amending BUDGET 2009	Budget 2010	PDB 2011
<i>Income from Fees & Charges (Current Year)</i>	55.962	66.420	68.768
<i>Income from Fees & Charges (Carry over)*</i>	29.509	23.583	23.583
Total Income	85.471	90.003	92.351
T1 Staff	27.947	33.482	36.593
T2 Buildings equipments	7.729	8.628	9.044
T3 Operational	26.212	24.310	23.131
T4 Special programmes	-	-	-
T5 Provisions**	23.583	23.583	23.583
Total Expenditure	85.471	90.003	92.351
* F&C assigned revenues carried over from previous year			
** This appropriation is intended to cover expenditures funded by assigned revenue from F&C			



Subsidy financed activities

SUBSIDY financed activities			
Amounts in thousands of €	2 nd Amending BUDGET 2009	Budget 2010	PDB 2011
<i>Subsidy of the European Communities</i>	33.105	33.497	37.060
<i>Third countries contribution</i>	1.554	1.650	1.826
<i>Other Income</i>	1.906	1.353	1.078
Total Income	36.565	36.500	39.964
T1 Staff	20.211	23.075	25.484
T2 Buildings equipments	5.312	5.454	5.708
T3 Operational	10.013	7.299	8.406
T4 Special programmes	1.030	673	365
T5 Provisions**	-	-	-
Total Expenditure	36.566	36.501	39.963
** This appropriation is intended to cover expenditures funded by assigned revenue from F&C			

These 2011 Preliminary Draft Budget and Draft Work Programme will be the basis for the preparation of the next iteration of the Business Plan, which will cover the period 2011-2015.

A final 2011 Work Programme will be presented to the Management Board for the June 2010 meeting for discussion and for the September meeting for decision. A draft final budget will be presented to the Management Board for its December 2010 meeting for decision, once the EC budgetary process has been completed.