

Review of the Fees and Charges system

European Union Aviation Safety Agency

Response to the stakeholder feedback
February 2019

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1 Stakeholder feedback on the proposed amendments to the F&C regulation

The European Union Aviation Safety Agency (EASA) is in the process of reviewing the fees and charges (F&Cs) it levies on its applicants for issuing certificates and approvals and providing services.

The proposed amendments are important in order to:

- modernise the F&Cs system so that it is fit for dealing with the latest innovations and emerging technologies, and is in line with EASA's extended scope of activities according to Regulation 2018/1139;
- ensure that EASA continues to have the necessary resources to fulfil its mission and meet the growing needs of both applicants and the travelling public for high-quality certification and approval services, in the context of an increasingly competitive aviation industry; and
- constantly improve the application of the F&Cs system to reduce its administrative burden on both EASA and its applicants.

In this context a survey was sent to 3200 existing applicants, 40 potential future applicants for the certification of remotely piloted aircraft systems (drones), and a number of advisory groups (A4A, IATA, European Regions Airline Association, ASD, CANSO, EHA, GAMA, and FNAM) to allow the stakeholders to comment and express their views on the proposed amendments.

621 responses to the survey were received in the course of data collection as well as additional letters from stakeholders.

The conclusions of the stakeholder feedback were largely positive regarding the majority of the proposed amendments, with some items requiring further reflection. These include:

- Introducing a yearly price adjustment mechanism;
- Increasing the level of F&Cs for loss-making activities; and
- Charging for issuance of third country operator (TCO) authorisations.

The extent of the fee increase is questioned by some sectors (design, production and maintenance organisations, third country operators) and the General Aviation community. General Aviation is, however, only impacted by the fee increase to a very limited extent.

Respondents emphasised the need for F&Cs rises to be countered by efficiency gains and cost control mechanisms.

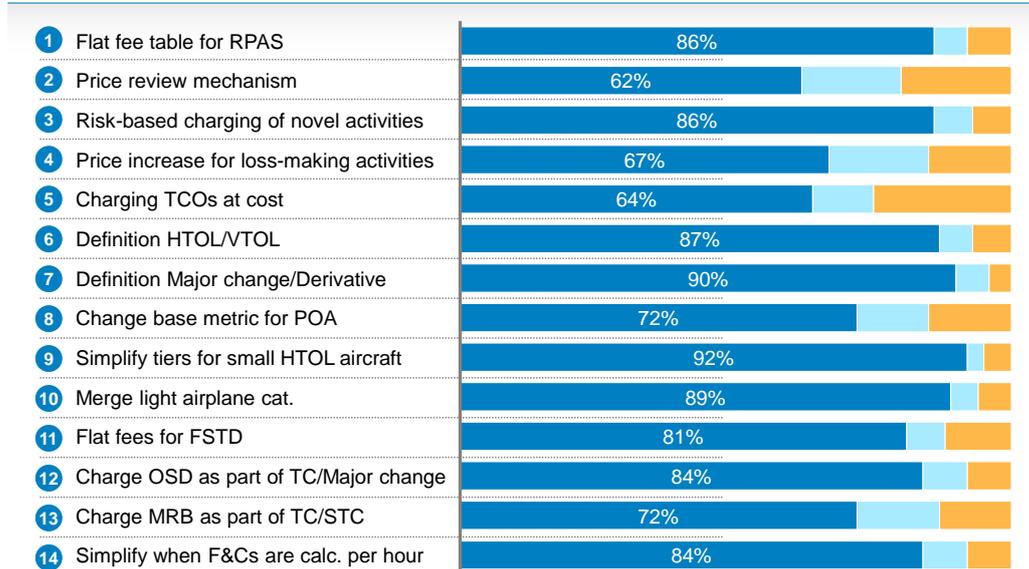
EXHIBIT 1

Consultation indicates that applicants are rather supportive of the proposals



■ Favourable and indifferent
 ■ Somewhat unfavourable
 ■ Very unfavourable

Are you in favour of the proposal?



SOURCE: Analysis by EASA Fees & Charges Review Team based on EASA stakeholder survey

115

2 First category of proposed amendments: Adopt F&Cs to new technologies and to the future extended scope of responsibilities of EASA

2.1 NEW FEE STRUCTURE FOR REMOTELY PILOTED AIRCRAFT SYSTEMS (RPAS)

The proposed amendment aims to:

- Introduce flat fees for the issue of certificates and continued airworthiness of remotely piloted aircraft systems (RPAS);
- Structure the flat fees around RPAS use cases, in line with technical requirements for their certification; and
- Set fees such that they are cost-reflective.

Questions asked:

- Are you in favour of the proposal? (n=238 respondents)
- Do you agree that 'use cases' is an appropriate way to set fees for RPAS? (n=211 respondents)
- Do you believe that the proposed fees for the certification of RPAS are too high, too low, or just right? (n=153 respondents)

Key results:

44% of respondents were indifferent towards the newly proposed fees and the previous approach of charging hourly fees and 14% viewed the proposal unfavourably. 42% of the respondents are in favour of the new fee structure. Of these only 5 are currently active in the production of RPAS. However, some of the respondents comment that the use cases are not distinct enough, potentially complicating classification of the applicants. Others share a concern that 'use cases' might lose relevance in a rapidly-developing market.

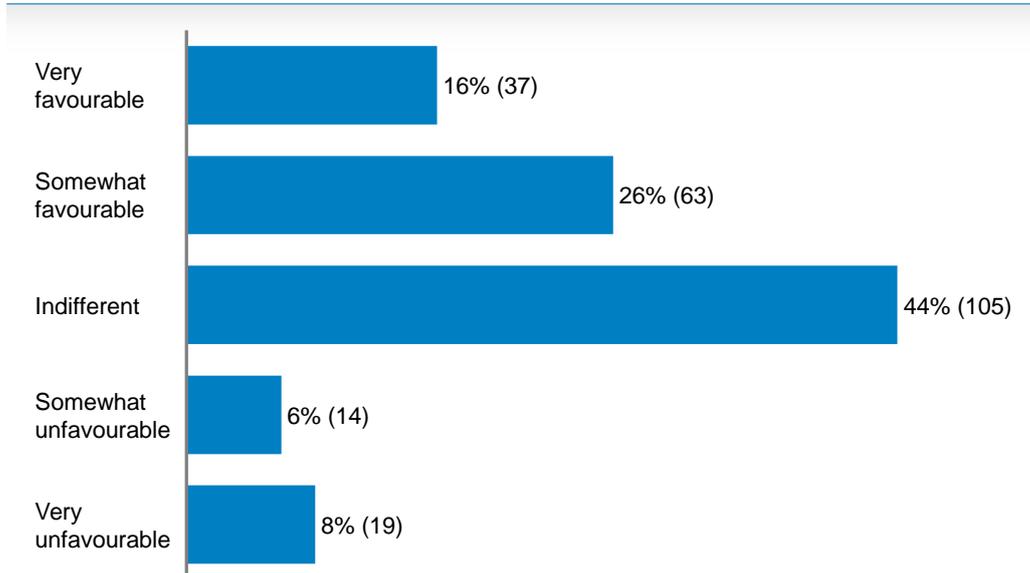
When it comes to the proposed fees, only 35% are considering the fees as just right, with 39% considering them as somewhat high and 22% considering them as too high.

EXHIBIT 2

Are you in favour of the proposal to introduce a new fee structure for remotely piloted aircraft systems (RPASs)?



Percent of respondents, n=238 (out of total 621 respondents)



SOURCE: Analysis by EASA Fees & Charges Review Team based on EASA stakeholder survey

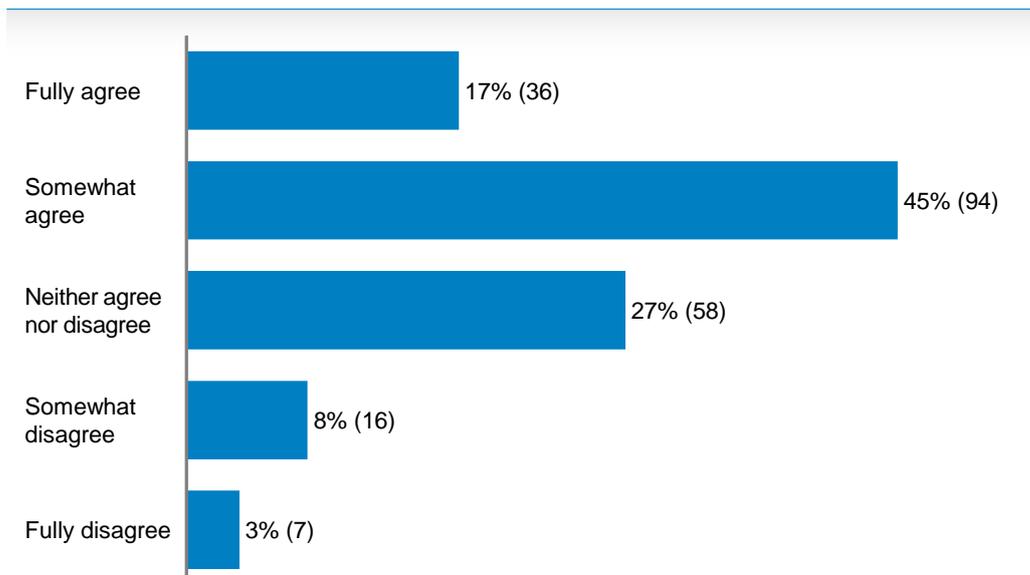
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EXHIBIT 3

Do you agree that 'use cases' is an appropriate way to set fees for RPASs?



Percent of respondents, n=211 (out of total 621 respondents)



SOURCE: Analysis by EASA Fees & Charges Review Team based on EASA stakeholder survey

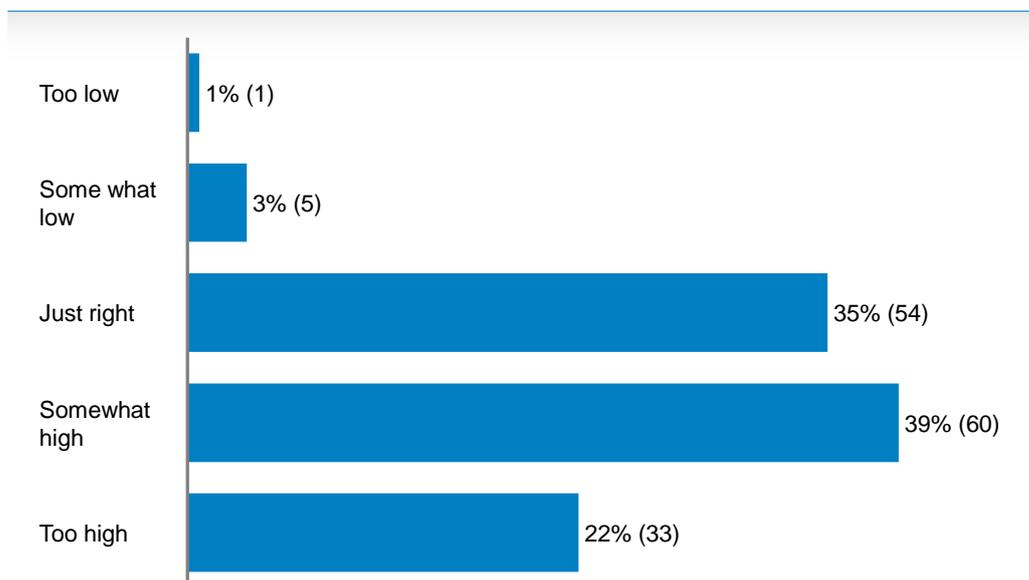
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EXHIBIT 4

Do you believe that the proposed fees for the certification of RPASs are too high, too low, or just right?



Percent of respondents, n=153 (out of total 621 respondents)



SOURCE: Analysis by EASA Fees & Charges Review Team based on EASA stakeholder survey

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Conclusions and implemented changes. Given that only 5 RPAS related organisations responded, no conclusions could be drawn based on the stakeholder feedback alone. Due to EASA’s strong commitment to supporting new technologies such as RPAS, an additional review of the proposed fee table was initiated to ensure that the fee structure in the new F&C regulation is reflective of the industry developments. This revised fee structure will be presented for feedback to RPAS-related organisations in Q1 2019.

2.2 REDEFINE ‘FIXED-WING AIRCRAFT’ AND ‘ROTORCRAFT’ FEE CATEGORY DEFINITION

The proposed amendment aims to:

- Amend the definition of the ‘fixed-wing’ category for ‘horizontal take-off and landing (HTOL) capabilities’; and
- Amend the definition of the ‘rotorcraft’ category for ‘aircraft with vertical take-off and landing (VTOL) capabilities’.

Question asked:

- Are you in favour of the proposal? (n=309 respondents)

Key results:

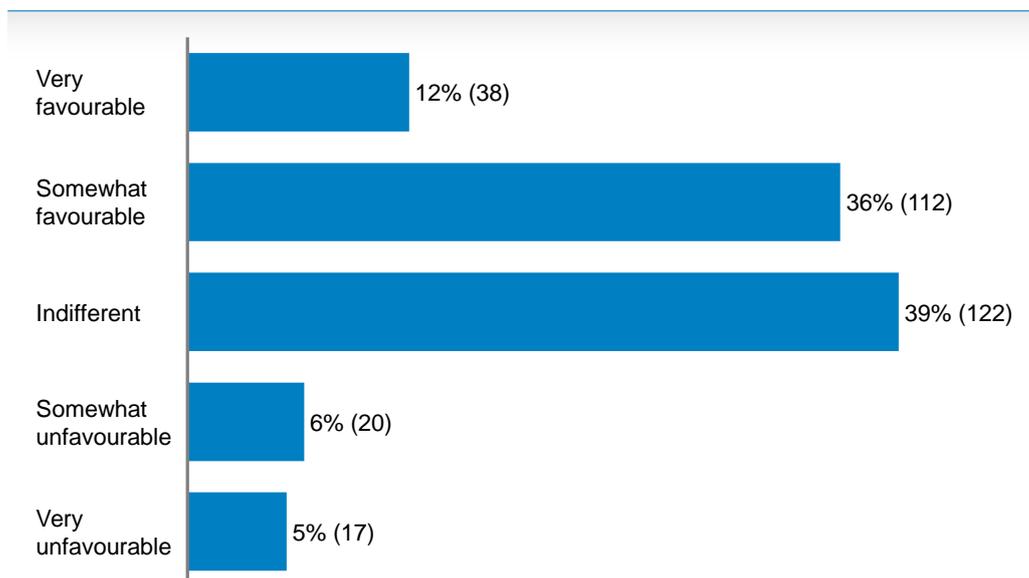
48% are in favour of the proposal to clarify the definitions, with additional 39% indifferent and only 11% unfavourable to the proposal. Results remain largely the same when looking at each of the impacted categories separately.

EXHIBIT 5

Are you in favour of the proposal?



Percent of respondents, n=309 (out of total 621 respondents)



SOURCE: Analysis by EASA Fees & Charges Review Team based on EASA stakeholder survey

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Conclusions and implemented changes:

Based on the overall positive stakeholder response, the decision is to retain the proposal to change the ‘fixed-wing’ category to ‘aircraft with horizontal take-off and landing (HTOL) capabilities’ and the ‘rotorcraft’ category to ‘aircraft with vertical take-off and landing (VTOL) capabilities’.

2.3 ADOPT A FLEXIBLE RISK-BASED FEE-SETTING MECHANISM FOR NOVEL PRODUCTS AND ORGANISATIONS

The proposed amendment aims to:

- Introduce a flexible risk-based approach to setting certification fees for novel products and organisations, along with definitions of such products and organisations; and
- Introduce a “pre-assessment phase”, during which EASA would determine the flat fee, based on estimation of risk level – resulting in one flat fee determined for the entire initial certification of a novel product, and two flat fees determined for novel organisations one for initial approval and one for continuous oversight.

Questions asked:

- Are you in favour of the proposal? (n=290 respondents)
- Do you agree that the proposed definition of 'novel products' and 'novel organisations' is appropriate? (n=251 respondents)
- Are you in favour of using a pre-certification or pre-approval assessment phase to determine the fee to certify or approve novel products or organisations? (n=287 respondents)
- Do you think the fee levied for the pre-certification or pre-approval assessment phase is too high, too low, or just right? (n=223 respondents)

Key results (selected questions reported):

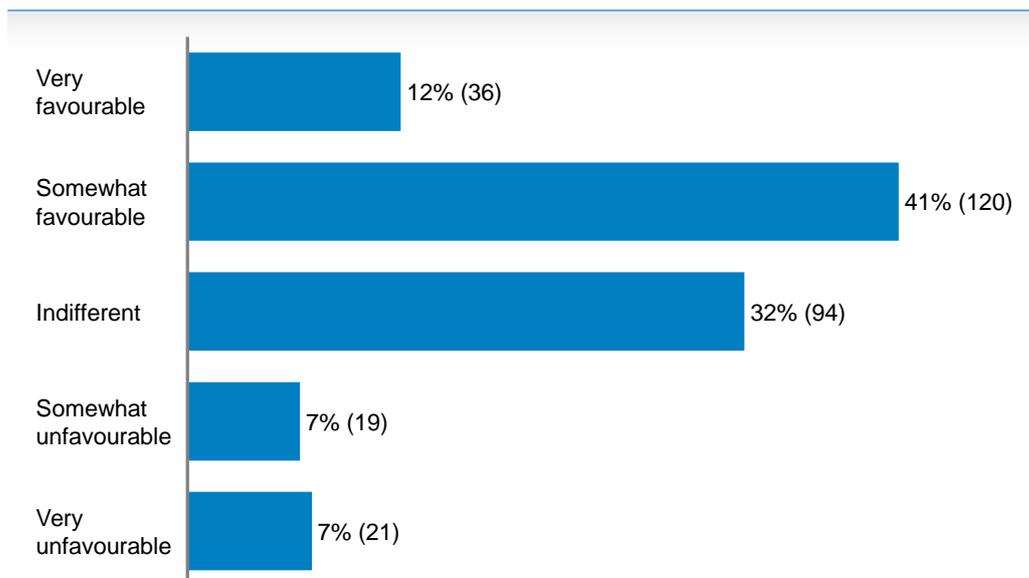
53% of the respondents are in favour of the proposal to adopt a flexible risk-based fee setting mechanism for novel products and novel organisations. Additional 33% are indifferent towards the proposal while 14% view it unfavourably. Comments highlight the need for clearer definition of novel products and organisations.

EXHIBIT 6

Are you in favour of the proposal?



Percent of respondents, n=290 (out of total 621 respondents)



SOURCE: Analysis by EASA Fees & Charges Review Team based on EASA stakeholder survey

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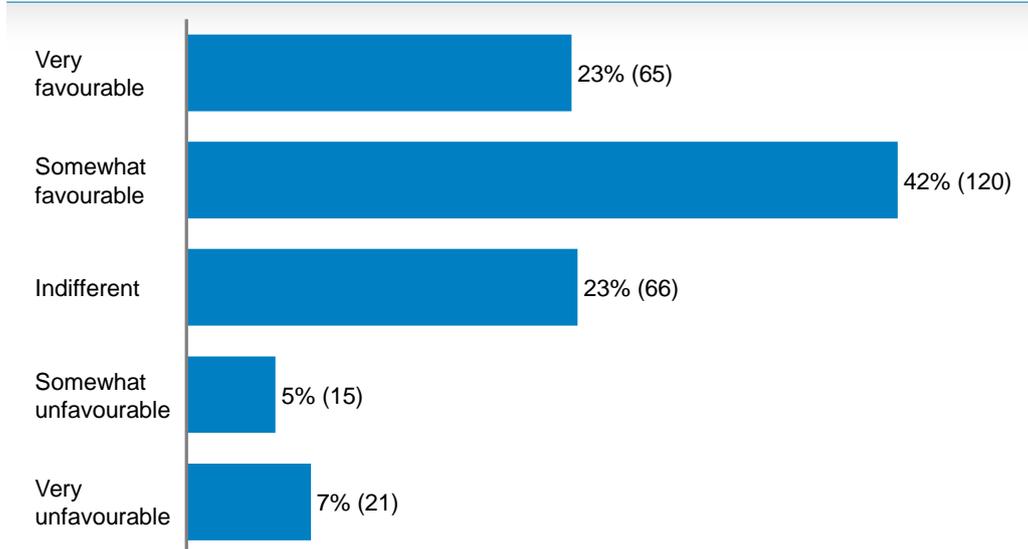
Respondents are even more strongly in favour of introducing a pre-approval or pre-assessment phase to determine the fee for certification, with 65% supporting this proposal. An additional 23% are indifferent while 12% view the proposal unfavourably. Comments suggest using the existing possibility of opening a Technical Advisory Contract (TAC) instead of a pre-assessment phase as in the currently proposed amendment.

EXHIBIT 7

Are you in favour of using a pre-certification or pre-approval assessment phase to determine the fee to certify or approve novel products or organisations?



Percent of respondents, n=287 (out of total 621 respondents)



SOURCE: Analysis by EASA Fees & Charges Review Team based on EASA stakeholder survey

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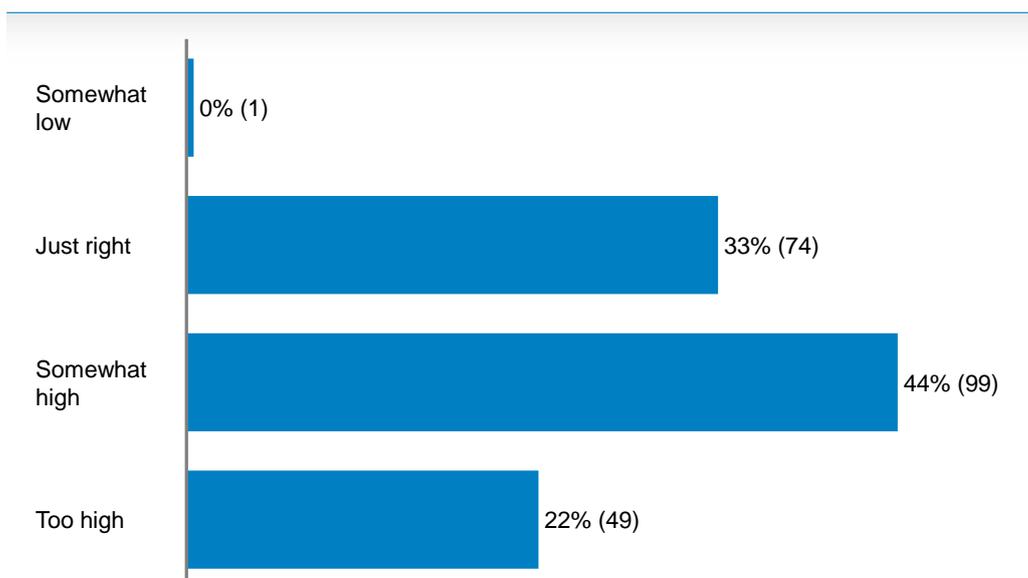
When it comes to the level of fees, 66% find that the fees levied for the pre-certification or pre-approval assessment phase are high. However, the remaining 33% consider the fees to be just right. Comments highlight the risk that high fees will reduce innovation.

EXHIBIT 8

Do you think the fee levied for the pre-certification or pre-approval assessment phase is too high, too low, or just right?



Percent of respondents, n=223 (out of total 621 respondents)



SOURCE: Analysis by EASA Fees & Charges Review Team based on EASA stakeholder survey

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Conclusions and implemented changes:

It has been decided to keep the new pricing mechanism for new products and organisations, with certain adjustments to the original proposal and further clarifications to address stakeholder feedback and further strengthen the robustness of the approach.

As already described in the current proposal, the definition of novel will apply to all products and organisations that are novel to EASA. Following stakeholder feedback, the applicability of this pricing mechanism has been extended to other potential cases for which, not being novel, no flat fee tables exist in the Regulation.

The pre-certification or pre-approval phase charged at a fixed rate will be replaced by a Technical Advisory Contract (TAC) or a similar contract charged by the hour. The technical details of the project will be discussed with the applicant to assess the level of risk and workload estimated for the certification or approval and a fixed price will be quoted based on this estimation. This addresses the view regarding fee levels for pre-certification & pre-approval phases being too high, given that the applicants will be charged an hourly rate for the technical analysis needed to estimate the price. Furthermore, the analysis undertaken during the assessment phase will be a basis for actual certification/approval activity.

3 Second category of proposed amendments: Ensure present and future cost-reflectivity of F&Cs

3.1 ADJUST THE FEES FOR LOSS-MAKING ACTIVITIES

The proposed amendment aims to:

Increase the fees for the following activities to ensure all services cover their full costs:

- Supplemental Type Certificates (STCs);
- Major changes (incl. derivatives);
- Minor changes;
- TC continued airworthiness and removal of rebate for holders of TCs in identical categories;
- Design Organisation Approval (initial);
- Design Organisation Approval (continuous);
- Product Organisation Approval (initial and continuous): various adjustments through changes in fee structure (see proposal #8 below);
- Maintenance Organisation Approval (initial); and
- Maintenance Organisation Approval (continuous).

Questions asked:

- Are you in favour of the proposal? (n=317 respondents)
- Do you agree that the proposed increases in fees are needed? (n=311 respondents)
- Do you agree that the proposed increases in fees are reasonable? (n=305 respondents)

Key results (selected questions reported):

Around 41% of respondents are in favour of the idea of adjusting fees for loss-making activities. Additionally, 26% are indifferent towards the idea, while 34% are unfavourable towards it.

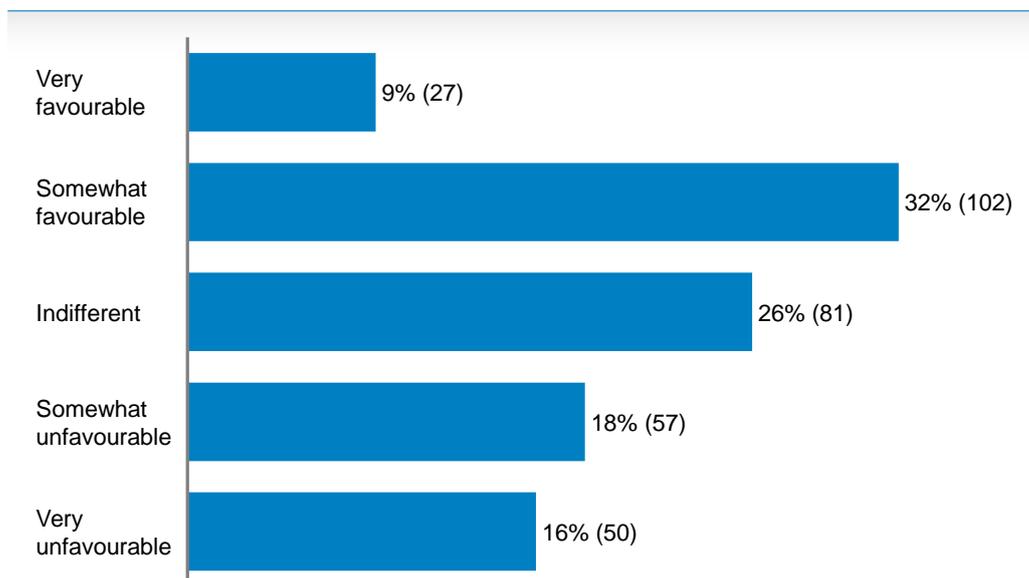
Respondent comments suggest that the increased fees should be counterbalanced by efficiency gains at EASA, instead of all increasing costs being absorbed by the applicants. Other comments emphasise the need for greater transparency from the EASA side on how and why the fees are being increased.

EXHIBIT 9

Are you in favour of the proposal?



Percent of respondents, n=317 (out of total 621 respondents)



SOURCE: Analysis by EASA Fees & Charges Review Team based on EASA stakeholder survey

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Respondents are more divided on the specific fee adjustments proposed, with responses being relatively evenly distributed between those that agree with the proposal to adjust the fees for loss making-activities (37%), those that are indifferent towards this proposal (30%) and those that disagree (34%).

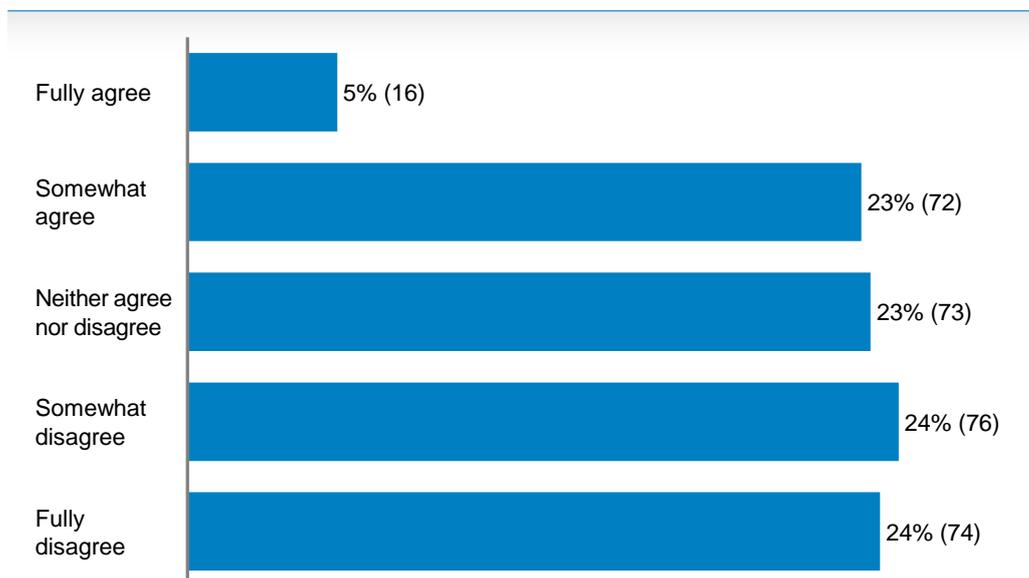
The extent of the fee increase is not fully accepted by the most impacted sectors (design, production and maintenance organisations, third country operators) and General Aviation, which, however, is impacted to a very limited extent.

EXHIBIT 10

Do you agree that the proposed increases in fees are needed?



Percent of respondents, n=311 (out of total 621 respondents)



SOURCE: Analysis by EASA Fees & Charges Review Team based on EASA stakeholder survey

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Conclusions and implemented changes:

While EASA recognises that the increase of fees and charges is not fully embraced by the industry, EASA also needs to adhere to Regulation 2018/1139, which states that F&Cs must be set at a level which allows EASA to cover its costs.

Fees have been reviewed where feedback has been received and certain changes have been implemented. Specific changes include adjusting minor change and simple major change fees to ensure consistency with the required effort, and charging separate flat fees for the Maintenance Review Board (MRB) reports instead of including them in the flat fee for design certificates.

To address concerns about cost increases being absorbed solely by the industry, EASA will increase the efficiency of its internal operations and will commit to agreed efficiency targets within the price review mechanism (see 3.3 below).

3.2 INTRODUCE A FEE FOR THE AUTHORISATION AND CONTINUOUS MONITORING OF THIRD-COUNTRY OPERATORS (TCOS)

The proposed amendment aims to:

- Levy a flat fee for the authorisation and continuous monitoring of TCOs; and
- The flat fee would be determined on the basis of the total fleet size (<10, 10–50 or >50) and the category of aircraft the TCO flies ('large' if at least one aircraft in the airline fleet has an MTOW greater than 45.5 tonnes, or if at least one aircraft can carry at least 20 passengers).

Question asked:

- Are you in favour of the proposal? (n=337 respondents)

Key results:

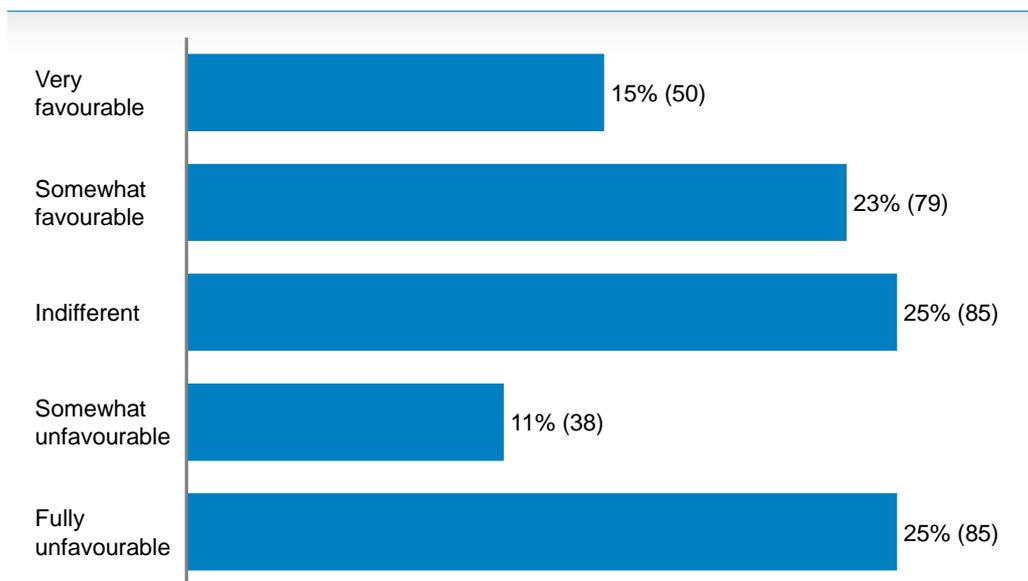
38% of the respondents are in favour of the idea of introducing a fee for the authorisation services provided by TCOs. Another 25% are indifferent towards the proposal while 36% view the proposal unfavourably.

EXHIBIT 10

Are you in favour of the proposal?



Percent of respondents, n=337 (out of total 621 respondents)



SOURCE: Analysis by EASA Fees & Charges Review Team based on EASA stakeholder survey

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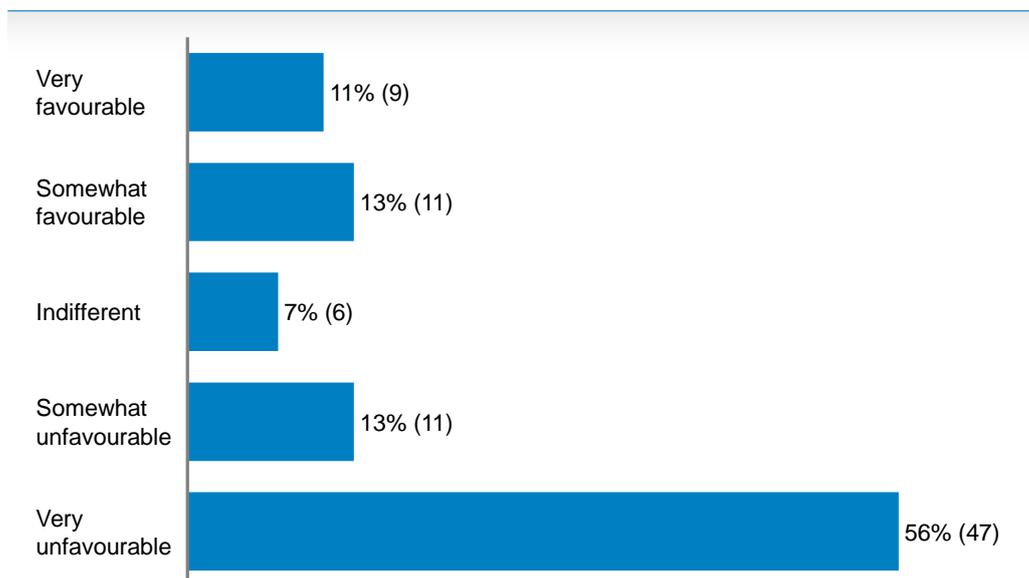
Operators view the proposal clearly less favourably, with 56% seeing it as fully unfavourable. The rest of the responses are distributed between very favourable (11%), somewhat favourable (13%), indifferent (7%) and somewhat unfavourable (13%).

EXHIBIT 12

Are you in favour of the proposal?



Percent of respondents, n=84 (out of 107 total operators)



SOURCE: Analysis by EASA Fees & Charges Review Team based on EASA stakeholder survey

16

Conclusion and implemented changes.

Based on the stakeholder feedback, the proposal to charge Third Country Operators at full cost has been reviewed. The current proposal is to charge only technical meetings and on-site visits performed for a limited number of Third Country Operators requiring deeper assessment according to Part-TCO.

3.3 INTRODUCE A YEARLY FEE ADJUSTMENT MECHANISM THAT ACCOUNTS FOR THE EXPECTED EVOLUTION OF EASA COSTS, INCLUDING EFFICIENCY GAINS

The proposed amendment aims to:

- Replace the yearly fee adjustment mechanism by one that captures all relevant EASA costs, allowing EASA to agree on a 3-year budget of costs and investments with its governing body, including the European Commission, Member States and aviation industry, and to then adjust its fees yearly in line with these costs, including a commitment to achieve predetermined efficiency gains.

Questions asked:

- Do you agree that the proposed mechanism is needed? (n=414 respondents)
- Are you in favour of the proposal? (n=444 respondents)

Key results:

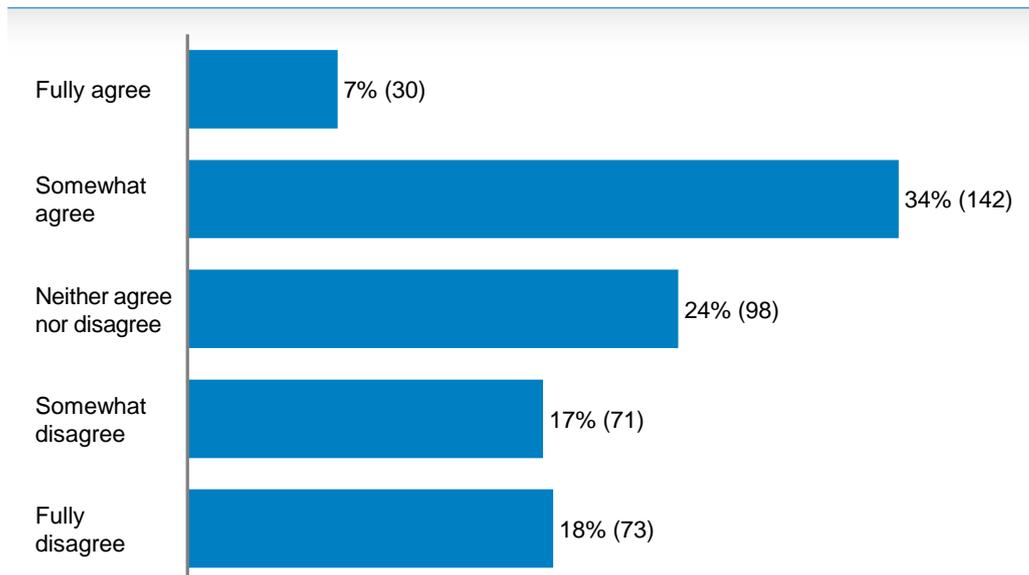
41% of the respondents agree that the proposed mechanism is needed, another 24% are indifferent towards the proposal, while 35% disagree.

EXHIBIT 11

Do you agree that the proposed mechanism is needed?



Percent of respondents, n=414 (out of total 621 respondents)



SOURCE: Analysis by EASA Fees & Charges Review Team based on EASA stakeholder survey

18

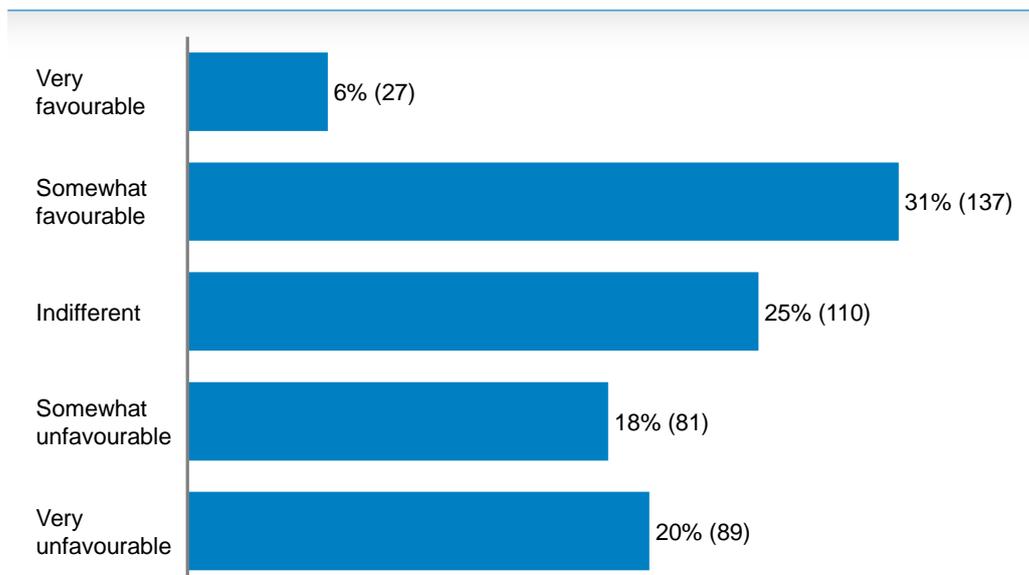
When considering the specific proposal, the responses are slightly more negative with 37% in favour, 25% indifferent and 38% unfavourable towards the proposal.

EXHIBIT 12

Are you in favour of the proposal?



Percent of respondents, n=444 (out of total 621 respondents)



SOURCE: Analysis by EASA Fees & Charges Review Team based on EASA stakeholder survey

17

Some respondents emphasised that price increase should be limited through an efficiency program at EASA that would limit costs. Others underscore that prices should remain predictable and justifiable to the applicants. One respondent also suggests that the industry should be involved in approving the annual fee increases.

Conclusions and implemented changes:

EASA has reviewed the proposal to take into account feedback from the industry. A governance system will be established to ensure the appropriate degree of control over the mechanism through existing governance bodies, notably the Management Board. A performance plan will be established for a 3-year reference period. The fee level will be defined for the period of 3 years, setting a maximum level above which EASA will not be able to propose increases. That way EASA will bear the risks of not achieving the efficiency targets it committed to and applicants will be assured of predictability regarding the fee level.

4 Third category of proposed amendments: Introduce various other amendments to improve the overall efficiency and application of the F&Cs system

4.1 DEFINE THE SCOPE OF WHAT CONSTITUTES A ‘MAJOR CHANGE’ VERSUS A ‘DERIVATIVE’

The proposed amendment aims to:

- Clarify the definition of a ‘derivative’ and ‘major change’ in line with technical requirements.

Question asked:

- Are you in favour of the proposal? (n=351 respondents)

Key results:

62% of the respondents are in favour of the proposal to provide clear definitions of a ‘derivative’ and a ‘major change’, 28% are indifferent and remaining 9% are unfavourable towards the proposal.

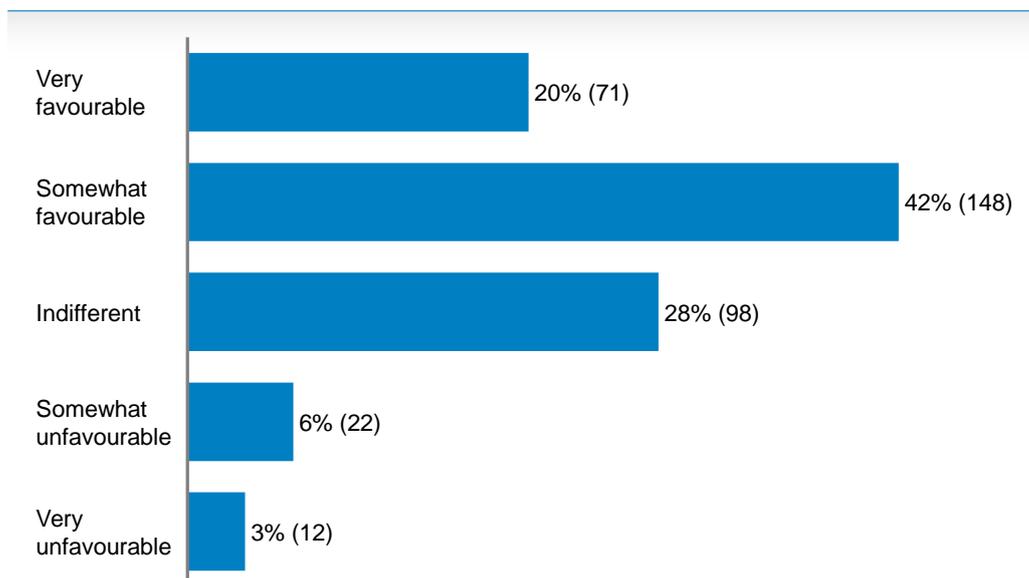
Respondents point out that the definitions should leave no room for interpretation and should be clear at the beginning of the certification process as well as reflect EASA’s level of effort.

EXHIBIT 13

Are you in favour of the proposal?



Percent of respondents, n=351 (out of total 621 respondents)



SOURCE: Analysis by EASA Fees & Charges Review Team based on EASA stakeholder survey

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Conclusions and actions taken:

The initially proposed amendment is being reviewed based on stakeholder feedback. Please see the updated memorandum.

4.2 CHANGE THE METRIC USED AS BASIS FOR PRICING THE APPROVAL AND SURVEILLANCE OF PRODUCTION ORGANISATIONS TO THE NUMBER OF STAFF AND THE PRICE OF MOST EXPENSIVE PRODUCTS

The proposed amendment aims to:

- Introduce a new fee table that is based on the number of staff and the highest priced product.

Question asked:

- Are you in favour of the proposal? (n=320 respondents)

Key results:

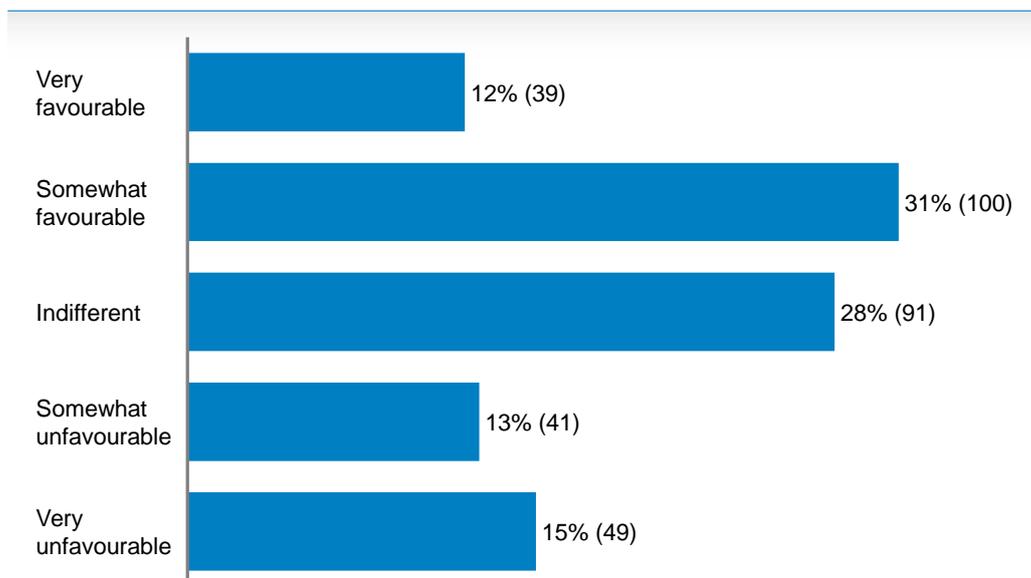
43% of the respondents were in favour of the proposal to change the metric; 28% were indifferent and 28% were unfavourable towards the proposal.

EXHIBIT 14

Are you in favour of the proposal?



Percent of respondents, n=320 (out of total 621 respondents)



SOURCE: Analysis by EASA Fees & Charges Review Team based on EASA stakeholder survey

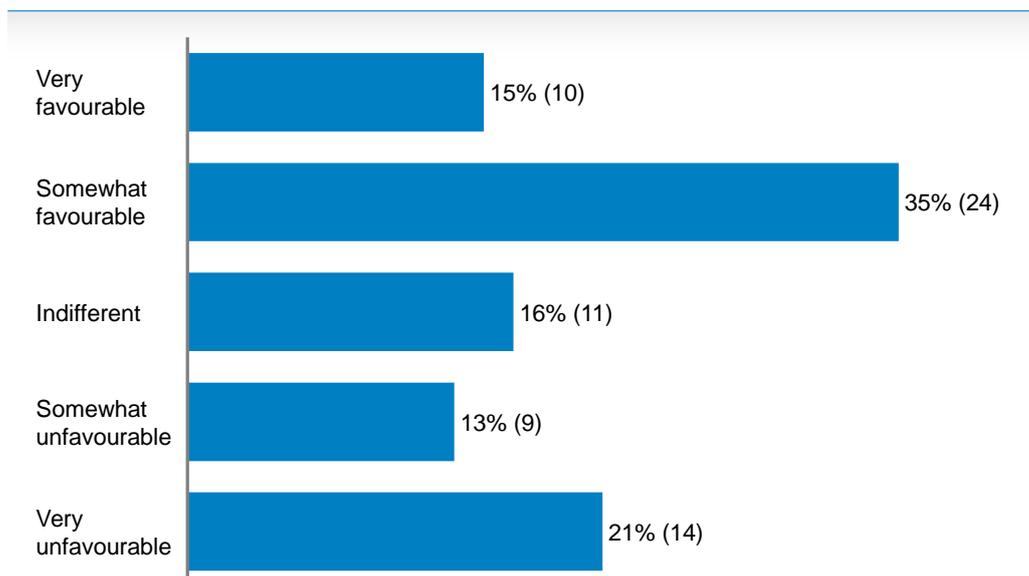
20

Among production organisations, 50% of the respondents were in favour of the proposal to change the metric; 16% were indifferent and 33% were unfavourable towards the proposal.

Are you in favour of the proposal?



Percent of respondents, n=68 (out of total 96 Product Organisations)



SOURCE: Analysis by EASA Fees & Charges Review Team based on EASA stakeholder survey

21

Some respondents expressed a view that the number of staff and particularly the price of most expensive products are not adequate proxies, since the marketing efforts heavily impact the product price. A view is also expressed that there is lack of clarity as to which price exactly will be considered. It is also pointed out that the increase in F&Cs would be disproportionate for some applicants.

Conclusions and actions taken:

EASA has reviewed the responses carefully and revisited the analysis, trying to find an alternative, more adequate and measurable proxy for the complexity of the product. However, it has come to conclusion that the rationale for this proposal still stands and that the number of staff and price of the most expensive product is the most appropriate metric.

4.3 SIMPLIFY THE MTOW FEE TIER STRUCTURE FOR THE CERTIFICATION OF SMALL FIXED-WING AIRCRAFT (NOW HORIZONTAL TAKE-OFF AND LANDING (HTOL) AIRCRAFT)

The proposed amendment aims to:

Adopt the following simplified fee tier structure:

- > 150 tonnes;
- 50 to 150 tonnes;
- 22 to 50 tonnes;
- 5.7 to 22 tonnes (including HPA);
- 2.73 to 5.7 tonnes (except HPA);
- 1.2 to 2.73 tonnes; and
- < 1.2 tonnes.

Questions asked:

- Are you in favour of the proposal? (n=224 respondents)

Key results:

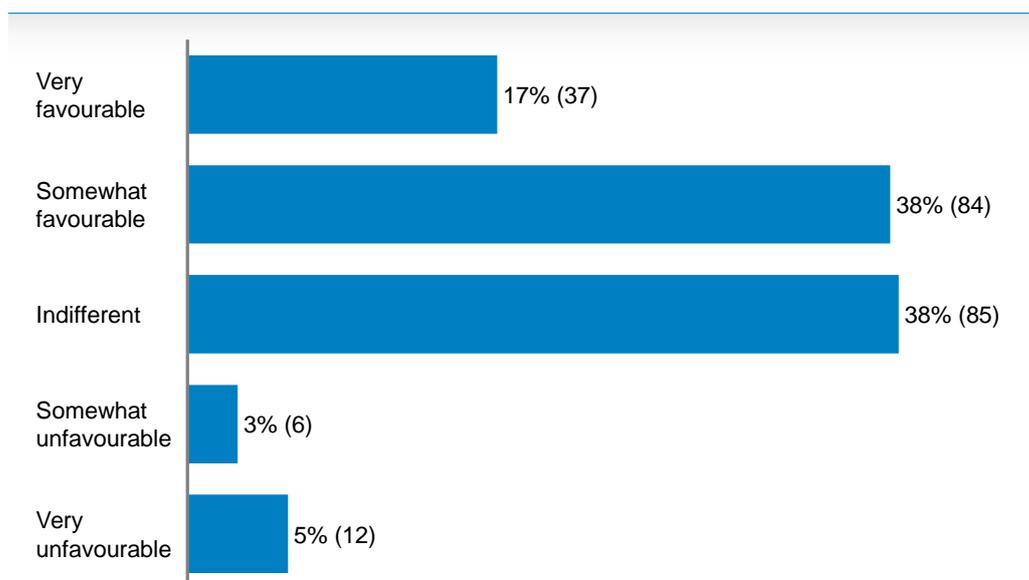
55% of the respondents are in favour of the proposal to adjust the tier structure, additional 38% are indifferent and only 8% are unfavourable to the proposal.

EXHIBIT 16

Are you in favour of the proposal?



Percent of respondents, n=224 (out of total 621 respondents)



SOURCE: Analysis by EASA Fees & Charges Review Team based on EASA stakeholder survey

22

Conclusions and actions taken:

It has been decided to retain this proposal.

4.4 ADJUST THE FEES FOR CERTIFICATION ACTIVITIES FOR AIRCRAFT WHOSE MTOW IS BETWEEN 2.0 (CURRENTLY 2.73) AND 5.7 TONNES TO REDUCE THE DRASTIC INCREASE OF FEE LEVELS

The proposed amendment aims to:

- Reduce certification fees for fixed-wing aircraft whose MTOW is between 2.0 (currently 2.73 tonnes as per above recommendation) and 5.7 tonnes (see Appendix A for exact proposed fees).

Questions asked:

- Are you in favour of the proposal? (n=229 respondents)

Key results.

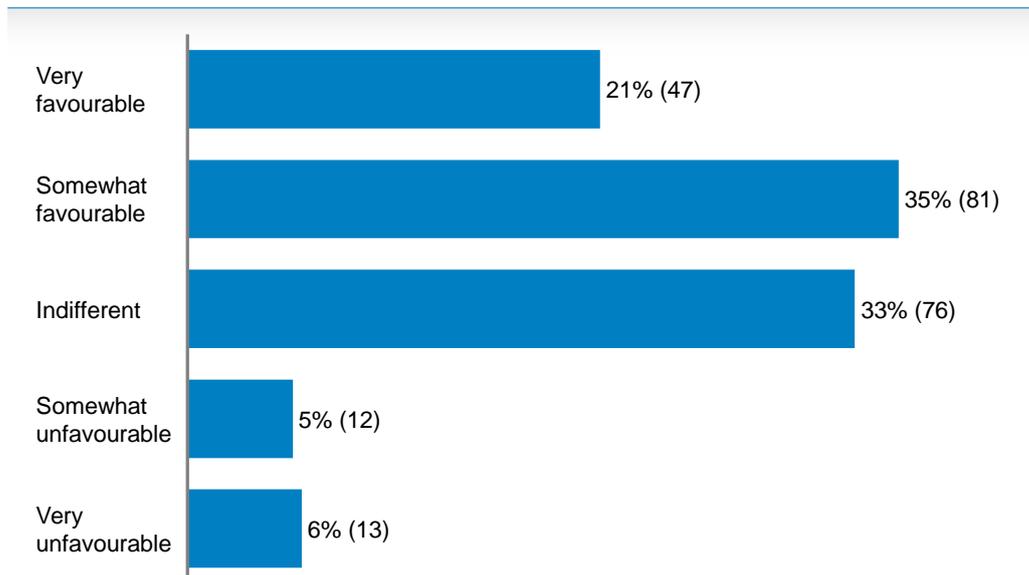
56% of the respondents are in favour of the proposal to adjust the tier structure, additional 33% are indifferent while only 11% are unfavourable to the proposal.

EXHIBIT 17

Are you in favour of the proposal?



Percent of respondents, n=229 (out of total 621 respondents)



SOURCE: Analysis by EASA Fees & Charges Review Team based on EASA stakeholder survey

23

Conclusions and actions taken:

It has been decided to retain this proposal.

4.5 INTRODUCE FIXED FEES FOR THE CERTIFICATION OF FLIGHT SIMULATOR TRAINING DEVICES (FSTD)

The proposed amendment aims to:

- Introduce new flat fees for the certification of Flight Simulator Training Devices, with different prices depending on whether the simulator is a Full Flight Simulator (FFS), a Flight Training Device (FTD) or a Flight and Navigation Procedure Trainer (FNPT).

Questions asked:

- Are you in favour of the proposal? (n=206 respondents)

Key results:

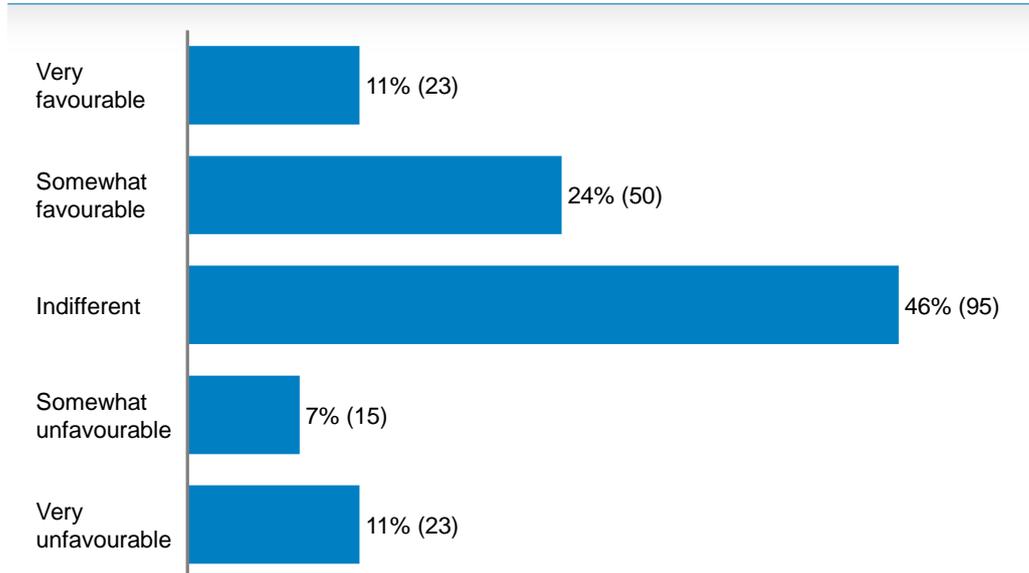
35% of the respondents are in favour of the proposal to introduce fixed fees, additional 46% are indifferent while 18% are unfavourable to the proposal.

EXHIBIT 18

Are you in favour of the proposal?



Percent of respondents, n=206 (out of total 621 respondents)



SOURCE: Analysis by EASA Fees & Charges Review Team based on EASA stakeholder survey

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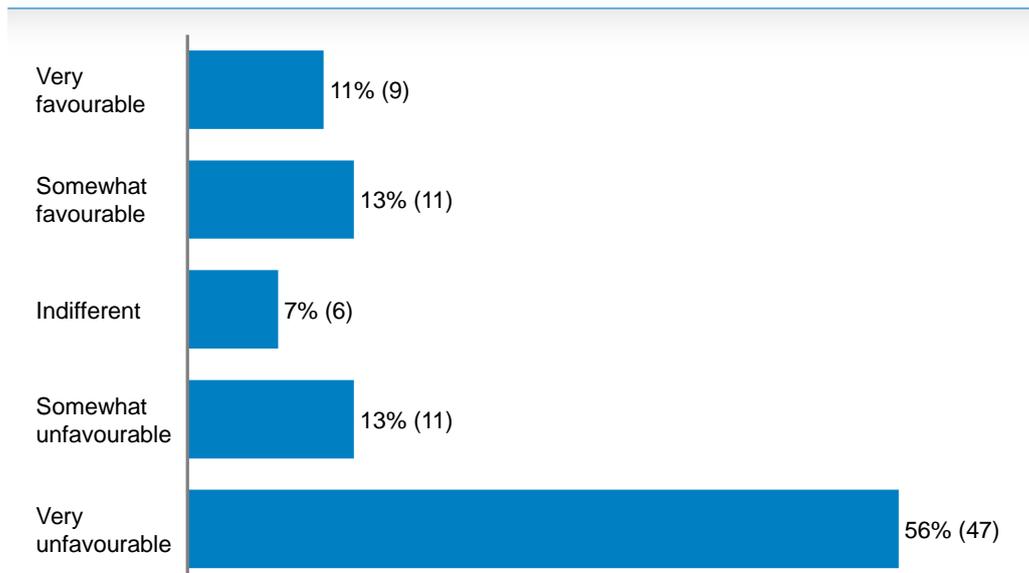
However, among the FSTD operators support is greater, with 67% in favour of the proposal, 6% indifferent and 28% unfavourable to the proposal.

EXHIBIT 21

Are you in favour of the proposal?



Percent of respondents, n=84 (out of 107 total operators)



SOURCE: Analysis by EASA Fees & Charges Review Team based on EASA stakeholder survey

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In general, applicants point out that the flat FSTD fees are acceptable as long as the costs remain similar. Flat fees are also considered more transparent by the respondents.

Conclusions and actions taken:

It has been decided to retain this proposal. Taking into consideration the stakeholders feedback and further impact assessment, especially in the low range, the fee structure and amounts initially proposed have been revised, introducing an annual fee and a complex/non-complex approach.

4.6 INCLUDE THE COST OF OPERATIONAL SUITABILITY DATA (OSD) CERTIFICATION AS PART OF RELEVANT EXISTING FLAT FEES

The proposed amendment aims to:

- Include the cost of OSD certification in the relevant existing flat fees, i.e. fees for type certificate, supplemental type certificate and major changes.

Questions asked:

- Are you in favour of the proposal? (n=240 respondents)

Key results:

36% of the respondents are in favour of the proposal to include the costs in the flat fees, additional 38% are indifferent while 16% are unfavourable to the proposal.

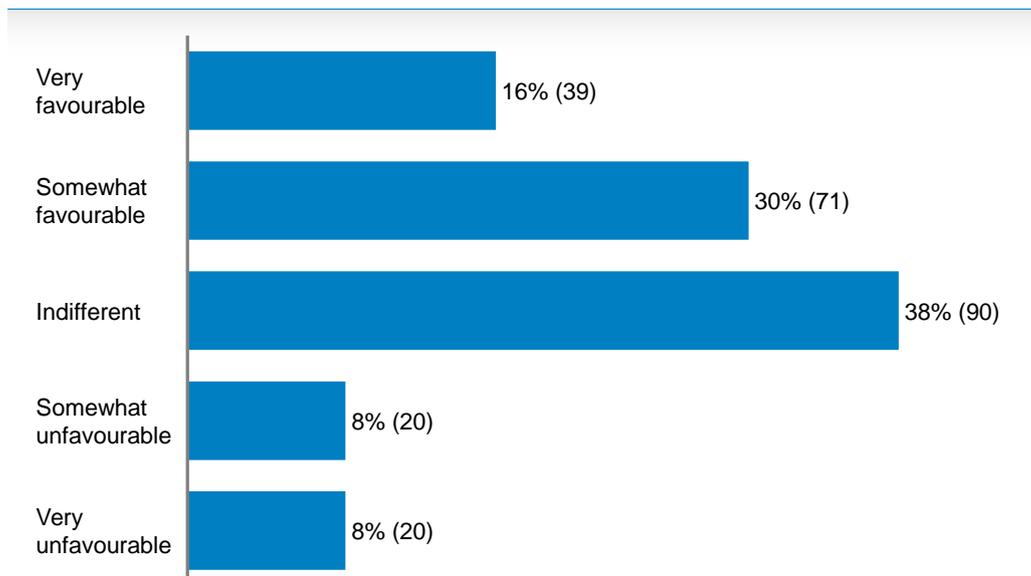
Respondent comments emphasise that the OSD should be only included in the cost of the approval where it is mandatory, and that it should be possible to apply for a standalone OSD.

EXHIBIT 19

Are you in favour of the proposal?



Percent of respondents, n=240 (out of total 621 respondents)



SOURCE: Analysis by EASA Fees & Charges Review Team based on EASA stakeholder survey

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Conclusions and actions taken:

It has been decided to retain this proposal due to OSD being a compulsory part of type certificates and supplemental type certificates.

4.7 INCLUDE THE COST OF MAINTENANCE REVIEW BOARD (MRB) ACTIVITIES AS PART OF RELEVANT EXISTING FLAT FEES

The proposed amendment aims to:

- Include the cost of MRB activities in initial and continuous TCs.

Question asked:

- Are you in favour of the proposal? (n=274 respondents)

Key results:

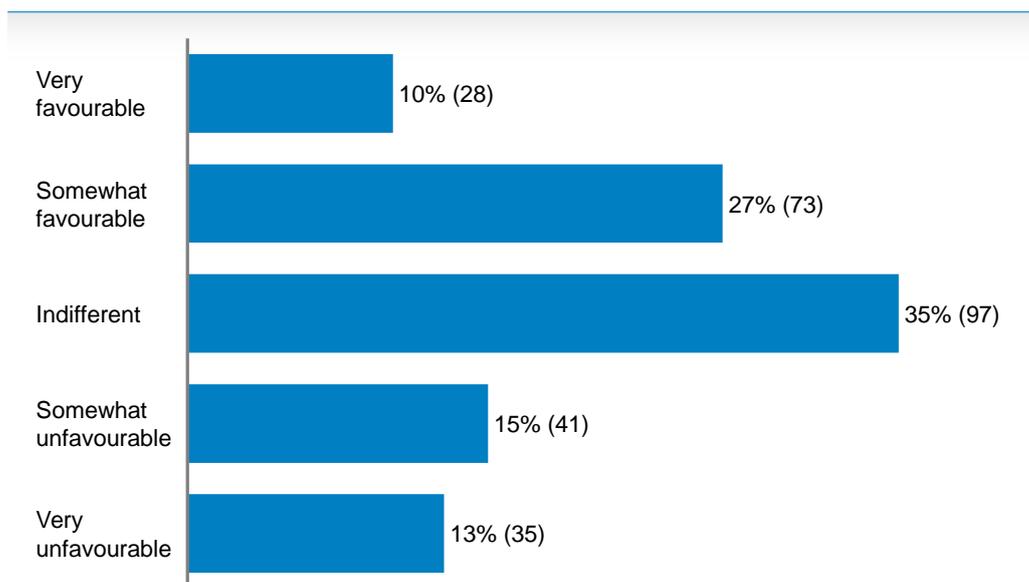
37% of the respondents are in favour of the proposal to include the costs in the flat fees, additional 35% are indifferent while 28% are unfavourable to the proposal. Maintenance organisations have largely the same view as respondents overall towards including MRB reports in the relevant flat fees.

EXHIBIT 20

Are you in favour of the proposal?



Percent of respondents, n=274 (out of total 621 respondents)



SOURCE: Analysis by EASA Fees & Charges Review Team based on EASA stakeholder survey

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Conclusions and actions taken.

The proposal elicited a relatively high share of resistance. This is likely because MRB reports, in contrast to OSD, are not mandatory. It has been therefore decided to not include the fees for MRB reports as part of the flat fees for initial and continuous design approvals. It is proposed that MRB reports will be subject to flat fees based on EASA's experience regarding effort required for MRB reports and revisions, according to the table below.

Table 1
Maintenance Review Board (MRB) – Initial Approval and revisions

	Initial MRB report	Revision of MRB report
All projects	350,000	
Low activity project		10,000
Standard activity project		90,000

4.8 SIMPLIFY THE CRITERIA DEFINING SITUATIONS WHERE ANNUAL FEES ARE CHARGED ON AN HOURLY BASIS INSTEAD OF USING A FLAT FEE

The proposed amendment aims to:

Charge continuous airworthiness fees on an hourly basis instead of using a flat fee (1) for aircraft of which less than 50 examples are produced or, (2) for aircraft that are out of production for more than 30 years.

The new rule will also clarify that, while it remains the responsibility of the applicant to demonstrate that such criteria are met, applicants will have no more than 1 year after an invoice is issued to make such demonstration in order for the invoice to be retroactively adjusted.

Finally, the new rule will provide that in no case the total fees charged for the period in question on an hourly basis can exceed the fees that would have been paid by the same applicant had the continuous airworthiness fees been calculated using a flat fee for that period.

Question asked:

- Are you in favour of the proposal? (n=259 respondents)

Key results:

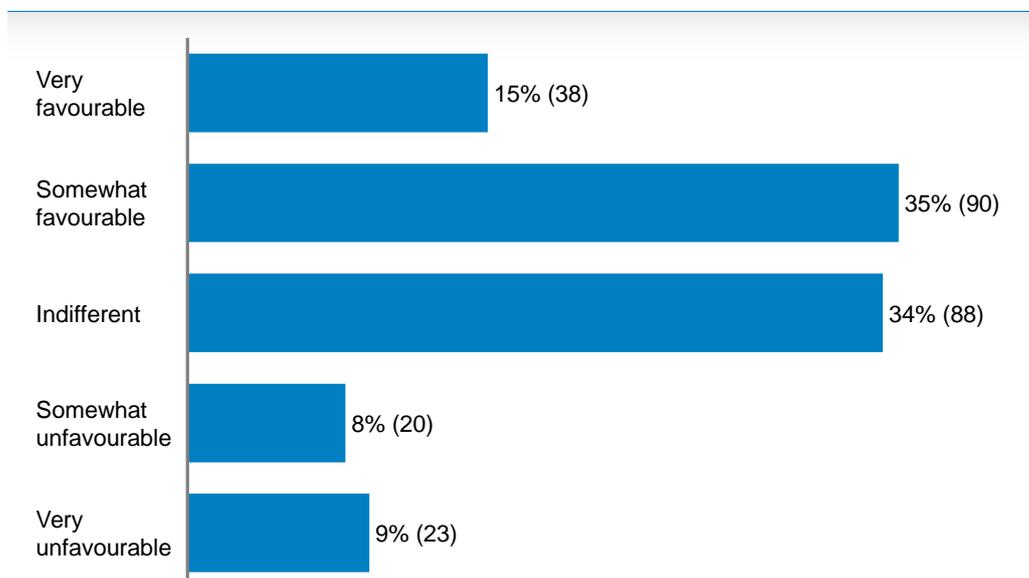
50% of the respondents are in favour of the proposal to include the costs in the flat fees, additional 34% are indifferent, while 16% are unfavourable to the proposal.

Among those seeing the proposal as somewhat or very unfavourable, the 50 aircrafts limit was seen as somewhat arbitrary. Another view expressed is that the fee should be proportional to the aircraft registered in EASA member states, arguing that this would better reflect EASA's actual workload.

Are you in favour of the proposal?



Percent of respondents, n=259 (out of total 621 respondents)



SOURCE: Analysis by EASA Fees & Charges Review Team based on EASA stakeholder survey

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Conclusions and actions taken:

It has been decided to retain the current proposal for small aircraft. This means that flat fees will be charged unless less than 50 aircraft have been produced worldwide or an aircraft has been out of production for more than 30 years, in which case hourly rates apply and these are capped at the flat fee level.

In addition, the criteria defining situations where “annual fees for holders of EASA Type Certificates and Restricted Type Certificates and other Type Certificates deemed to be accepted under regulation (EC) no 216/2008” (Continuous Airworthiness Fee) are charged on an hourly basis instead of using a flat fee, have been revised for the following categories:

- For engines and propellers: less than 100 produced or out of production for more than 30 years (capped at the flat fee);
- For European technical standard orders (ETSO): less than 200 produced or out of production for more than 15 years (capped at the flat fee).

EASA responsibilities include monitoring all aircraft, engine, propeller and ETSO types of which at least one is currently registered as operating in Europe. This means that in case of an issue with the safety performance of an aircraft outside the EU of a type of which at least one is registered in an EASA member state, EASA sends its experts to investigate the issue. Thus, the number of aircrafts globally, rather than only in EASA member states, is a better proxy of EASA effort. However, the metric of the number of aircraft produced rather than registered has been chosen given the limited availability of data on registered aircraft across all jurisdictions.