European Aviation Safety Agency
Business Plan 2012-2016

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Strategic elements

EASA's Vision

"Ever safer and greener civil aviation"

EASA's Mission

"Our mission is to foster and provide efficiently for the highest common standard of civil aviation safety and environmental protection, through a total system approach, in Europe and worldwide"

EASA's Strategic objectives

European aviation safety system

To be the centre of the European aviation safety system, combining and deploying expertise (know-how) and resources to establish an efficient and effective safety regulatory system

EASA and Stakeholders

To work in partnership with aviation authorities and organisations across Europe using their knowledge and capacity, while working as a credible partner in the aviation community worldwide

EASA image

To be recognised as the centre of European excellence and to take the lead in finding solutions to emerging safety challenges

EASA risk based safety management system

To identify, analyse and mitigate safety and environmental risks, in particular through improved data collection and data sharing and to set priorities accordingly

EASA resources

To be a responsive learning organisation which values its staff, manages its resources within budget while demonstrating efficiency and value for money, and which is ready to take on additional tasks when beneficial to the EU aviation system as a whole

EU regulatory framework

To maintain a coherent up to date regulatory framework based on robust transparent principles, including a total system approach to the aviation safety chain

Safety standards

Through EASA standardisation, technical assistance and related activities drive up safety standards both inside and outside the EU

1 Introduction

1.1 Strategic drivers of the Business Plan

The current business plan has been developed starting from the mission of the Agency "*To foster and provide efficiently for the highest common standard of civil aviation safety and environmental protection, through a total system approach, in Europe and worldwide missions*". In order to accomplish this mission the following strategic drivers have been considered:

- Systemic approach to safety: all activities are, as much as possible, integrated and part of a unique system that should generate synergies and efficiencies.
- Risk based approach: several activities developed a sufficient set of information that can be used as the basis for a risk based approach. This methodology contributes to the generation of more effective and efficient processes keeping high standard of safety.
- Development of monitoring activities: an appropriate level of continuing airworthiness and oversight is considered as one of the key elements of the Agency evolution. The efforts done in developing of the Occurrence Reporting activities and in strengthening Research constitute a significant element of the safety risk mitigation.

The strategic drivers complement the current strategic objectives of the Agency. Currently, a medium term strategy review is on-going and if the results will be ready, the impact on the strategic objectives and drivers will be incorporated in the next Business Plan.

EASA is at the heart of the European Aviation Safety System, with the key task of driving and facilitating a consistent application and evolution of the new European level aviation safety regulatory system. In this context the Agency carries out its tasks in full coordination and close collaboration with the European Commission, in order to secure full consistency of its work programme and its implementation with the overall strategy and priorities of the European Union's aviation safety policy, notably as regards the link with associated provisions contained in the 2011 'White Paper on Transport'[1].

1.2 Purpose of the business plan

The fulfilment of the Agency mission requires an appropriate level of resources and stability in funding.

This business plan illustrates what the challenges are for the next 5 years, the resources needed for Fees & Charges funded activities and available for Subsidy financed activities and how they will be financed.

EASA Business Plan is updated annually at the request of the Executive Director and presented to the Management Board at the December meeting. The Business Plan serves as framework for all other planning documents in the Agency. After consultation with the Agency's stakeholders, the structure of the Business Plan has been reviewed this year, leading to a more streamlined and clearer output.

In times of increasing financial constraints, the Agency paid specific attention during the development of the business plan to resources optimization and finding the right balance between operational and support expenses. The cost increase described in the plan due to the extension of the activities of the Agency is accompanied by a decreasing weight of costs for support activities over the years.

Due the current economic situation, the Agency has also developed a sensitivity scenario (Annex 2) in order to assess the impact of the staff reduction and the pension contributions to be paid in F&C activities currently under discussion by the Budgetary Authority. These are in line with Commission proposals currently under discussion with the EP and the Council.

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[1]   COM(2011) 144 final of 28.3.2011 'White Paper: Roadmap to a Single European Transport Area – Towards a competitive and resource efficient transport system'

2 Enlarged competencies

The original Agency's responsibilities, given by Regulation 1592/2002 (repealed by Regulation 216/2008) include: expert advice to the EU for drafting new legislation; inspections, training and standardisation programmes to ensure uniform implementation of European aviation safety legislation in all Member States; safety and environmental type-certification of aircraft, engines, parts, appliances and continuous monitoring of their airworthiness; approval of organisations involved in the design of aeronautical products, as well as foreign production, maintenance and training organisations; coordination of the European Union programme SAFA (Safety Assessment of Foreign Aircraft) regarding the safety of foreign aircraft using European Union airports; data collection, analysis and research to improve aviation safety. EASA took up successfully the challenge to set up an organisation able to provide a high level of services.

In addition, Regulation 216/2008 entered into force on 8 April 2008 and extended the competencies of the Agency to air operations, pilot licensing and authorisation of third country operators. In particular: Standardisation inspections for air operations, flight crew licensing and flight simulators, to be carried out according to Regulation 736/2006; Certification of foreign synthetic training devices, pilot training organisations and aero medical centres; Certification tasks linked to the Authorisation to third country operators.

On 7 September 2009, the Council adopted the regulation extending EASA's competencies to cover the safety of aerodromes, air traffic management and air navigation services. In particular, EASA's new tasks cover rulemaking and standardisation inspections. In addition, as far as safety and technical issues are concerned, it will be necessary to coordinate the common rules with the new Single European Sky regulation and the related implementing rules.

The first and second extensions will introduce new areas for certification (except for Airports). Consequently, the fees and charges regulation will have to be modified to take this into account. The following table illustrates the key milestones for the agency in the period 2012-2016.

3 Key milestones 2012-2016

The Business Plan 2012-2016 will be based on the following activities:

ACTIVITY	2012	2013	2014	2015	2016
Strategic Safety	Roll out Internal Occurrence Reporting System (IORS) to top reporting organisations: to be done in **2012;** in **2013** develop an efficient feedback system.		Adapt Occurrence Reporting Systems to new legislative framework. Adapt safety data bases to new technology.		
	Consolidate new generation of ECCAIRS safety data bases and related tools, develop new data warehouse for production data	Implementing a new Safety Information Publication System by end **2013**			
	Implement comprehensive support to PRB (e.g. performance plans review). Implementing KPIs for first reference period **(2012-14)**, adapt safety data bases to ATM reporting. Develop safety data infrastructure for performance monitoring			Implementing KPIs for second reference period **(2015-2019)**	
Regulation	Maintain the rules taking into account the high regulatory demand from stakeholders, the accident investigation safety recommendations, urgent safety needs (e.g. volcanic ash issues), SESAR, ICAO				
	EC adoption of last implementing rules on 1st extension initial package				
	Follow up phase: Rule development for subjects not addressed in the initial rules and Safety priorities	Maintenance of rules and new developments (SESAR, ICAO)			
	1) Continue the development of implementing rules for ATM/ANS implementing the Basic Regulation in its entirely 2) **EC adoption in 2012 and onwards**				

			1) Maintenance of rules 2) new developments (e.g. SESAR developments and SES II) 3) ICAO SARPs alignment 4) Safety recommendations		
Regulation - Environmental Protection	Implementing rules for aerodrome safety **to be developed and adopted by end 2013** (Requirements for aerodrome operators and competent authorities; aerodrome operations; and aerodrome design)				
		Development of implementing rules on heliports, aerodrome equipment and apron management	Maintenance of rules and new developments		
	Finalise implementation of CAEP/8 Amendments				
		Implementation of CAEP/9 amendments			
					Start of the implementation of the CAEP/10 amendments
		Start review ENV protection essential requirements (resources permitting)			
Product Safety Oversight	Conduct certification activities and associated services with industry and stakeholders within current remit responsibilities; support IORS and further enhance continued airworthiness activities; provide additional expertise and resources in support of rulemaking, technical training and accreditation; support NAAs according to their demand within current remit activities. Product Certification will be enhanced by new mandatory OSD elements				
	Possible development as result of 1st EXT implementation: acceptance of foreign non-ICAO compliant aircraft entering EU airspace				
	Conduct MRB and OEB activities according to industry demand within current remit activities				
	II Quarter 2012: entry into force of the new regulation - implementation of mandatory OSD activities as part of the TC process Conduct non-mandatory OEB activities according to industry demand within 1st extension of remit activities Approve Flight Simulation Training Devices (FSTD)				

	ATM/ANS : Launching, support and follow up of investigations (initial, following changes) and oversight of the systems used to provide pan-European services within ATM/ANS activities Provide expertise and support for SESAR Provide safety advice			
Organisations Approval	Conduct Organisation Approval activities within the current remit responsibilities			
	Flight Crew Licensing Organisations - Expected start certification activities on Flight Crew Licensing Organisation with the approval of foreign TRTO, FTO, FSTD and AeMC			
	Air Traffic Management Organisations - Approval and oversight of Pan European ANS providers and foreign ATCO training facilities in 2011. Oversight of the Network Management Function in 2012.			
Inspection of Member States	**II Quarter 2012: entry into force of the new regulation** - standardisation oversight of the NAAs will be carried out on the new regulations replacing EU OPS and the JARs, in line with the applicability of the implementing rules			
	Standardisation in the ATM/ANS field will start in 2012 as part of the 2nd extension implementation			
		Aerodromes: following the issuing of the implementing rules at the latest end December 2013 the standardisation activity will start with proactive standardisation measures before implementing rules become applicable		
Third Country Operators	Preparation of new remit's implementation (cont.)			
	II Quarter 2012: entry into force of the new regulation - authorisations to Third Country Operators wishing to fly to the EASA states			

4 Business environment analysis

(Source: "Market Research and Analysis of the Aviation Industry and its Impact on EASA" study conducted by Cambridge Judge Business School in 2011)

The analysis of the macro-trends that drive the evolution in the aviation industry and a synthesis of the market outlook by several major players in this sector, revealed the following factors that will impact EASA during the 2011 to 2016 period:

- Annual increase in total world air traffic by 5.3%, with significant growth rates within Europe (4.1% p.a.), as well as between Europe and Asia-Pacific (5.6% p.a.) and Europe and the Middle East (6.0% p.a.);
- Increase in the global aircraft fleet;
- Development of more efficient, lighter and greener products;
- Strong tendency of outsourcing by maintenance and production organisations to Asian low labour-cost countries;
- Emergence of new products from design and production organisations in China and other emerging countries.

EASA's new competences in Flight Crew Licensing, Third-Country Operators certification and Air Traffic Management are affected by the macro-trends as outlined above as well as on:

- The uncertainty around the exact details of the implementing rules to be implemented;
- Lower cost services in third-countries may result in an increase of flight crew licensing organisations and aeromedical centres generating an increase of EASA's workload;
- The developments in the SESAR programme, which is a pan-European programme for the evolution of Air Traffic Management systems.

World air traffic growth is forecasted to recover from the financial crisis to 2007 levels towards the end of 2013. Beyond 2013, the continued growth in demand for air travel will require manufacturers to intensify production and increase delivery of planes. This is due to consistent historical investment in R&D which is expected to result in new products which will need EASA's certification.

Another factor that drives R&D investment is the increasing focus on efficiencies partly due to growing industry competitiveness and environmental concerns. Aviation industry stakeholders have to take new regulations and public aspirations into account through EU initiatives and the SESAR target in CO_2 emission reduction. Furthermore, environmental goals and efficiency improvements will further trigger technological advancements in the fields of fuels, engines, aircraft design and maintenance. Consequently, EASA's workload will increase as technological improvements in aviation products require EASA's certification.

As a result of globalisation and trade liberalisation, there is also clear evidence of relocation of maintenance and production organisations towards the Middle East and Asia Pacific. This may indicate a rise in demand for certification of these organisations and potential expansion of EASA's activities.

Furthermore, because of fast economic growth, Middle Eastern and Asian countries are heavily investing in improving their airport and airspace infrastructure. Consequently, there is high growth of air traffic from and to those countries and EASA Member States. Evidence also exists of the development of new aircraft models by Asian companies that are potential competitors in the single aisle segment. These trends may indicate the emergence of more third-country operators and products that will need to be certified by EASA.

The current financial crisis and its potential negative effects on the Agency will be continuously monitored by EASA. We recognise that in particular for recreational aviation the situation is a big challenge. Our contacts with the larger manufacturers however confirm the continuation of their strategy of certifying for new products in order to be ready when economic conditions will improve.

Conclusion for the BP: we take a conservative approach and consider the level of activities substantially stable.

5 Main assumptions BP 2012-2016

The business plan has been developed based on the following assumptions:

Non-used EU subsidy
The Business Plan 2012-2016 is developed on the basis that any eventual budget surplus is incorporated in the subsidy amount in the following year.

Allocation rules
The reviewed allocation rules, based on the study of Deloitte Consulting, were already applied during the development of the Business Plan 2011-2015 and are again applied.

Inflation
2% inflation rate is applied to all years.

Fees & Charges
The future Fees & Charges regulation is in preparation. The date of entry into force and the level of revenue have not yet been confirmed. Therefore, the BP 2012-2016 will consider the current F&C Regulation in force as a basis for the revenue calculation. The revenues generated by the activities falling under the new remits are assumed as "charged by hour". Only the revenues linked to TCO activities are estimated following the current F&C proposal.

Salary increase
2,2% yearly salary increase will be applied, according to the following assumptions:

Annual salary adjustment + changes in the weighting factor for Germany	2,0%
Seniority Step increase	2,1%
Promotion	0,6%
Vacancy Rate	-2,5%
Total	2,2%

Staff and budget
The assumption on the EC contribution is a flat amount increased only by the inflation rate and reflecting the post indicated in the MSPP 2012-2014. The following total amounts will be considered as EC contribution (already including 2% inflation), taking into account a 1% reduction on the originally proposed amount. As agreed during the previous BP exercise, the subsidy is in principle not allocated to one extension or title in particular.

Euro '000	2012	2013	2014	2015	2016
EC Subsidy BP 2012- 2016	34.862	36.524	37.989	38.749	39.523

The recruitment of the Subsidy financed posts is within the limits set in the MSPP 2012-2014 and the associated budget. The Agency revised the staffing needs for the Fees and Charges activities according to the forecasted evolution of the activities and associated revenues.
It is acknowledged by the Agency that the Commission cannot commit itself to any figure that goes beyond the EU subsidy that will be granted in 2012 or to any increase in the staff for 2013 and subsequent years. The 2012 final figures for budget and staff are subject to the approval of the budgetary authority. The amounts and the number of staff foreseen for 2014 and following years are estimates made by the Agency and, as the financial programming for the period after 2013 is not yet approved by the Budgetary Authority, they do not represent, in any case, a commitment by the Commission. The Agency takes note of the Commission Communication of June 2011 on the Multiannual Financial Framework 2014-2020 - "A budget for Europe 2020", and will take its orientations into account when updating the Business Plan.

6 Activities of the Agency

6.1 Safety Assessment and Promotion

EASA is an essential component for the management of civil aviation safety risk. Applying rigorous processes, indicators of safety performance will be provided so as to measure the level of safety experienced by users of the European aviation system. Timely and reliable information of high integrity will be provided to support the decision making processes of the Agency and its partners.

The main activities in this domain are:

- Effective communication of the Safety Department output so that advantage may be taken of its findings;
- To be recognised as a fair, independent and objective source of safety knowledge;
- To be a centre of excellence for aviation safety:
    o safety data processing;
    o safety analysis;
    o publications;
    o corrective action;
    o research and
    o improvement;
- Work in partnership with the European States, the industry and those charged with aviation safety responsibilities worldwide.

Strategic Safety

The success of civil aviation depends on the achievement of a high level of safety. This transport system transcends borders, applies rapidly advancing technology and carries ever more passengers. Mechanisms are in place striving for continuous improvement by ensuring that lessons are learned from experience. Those mechanisms must be strengthened and applied rigorously across the aviation system.

Over time EASA aims to play its part in reducing the number of fatal accidents and fatalities irrespective of the volume of air traffic. Safety has to be managed. Safety management is anchored in EASA impacting all aspects of the organisations activities.

An integrated set of regulations is being built and will be maintained to meet the above objectives. Applying rigorous processes, indicators of safety performance will be provided so as to measure the level of safety. Timely and reliable information of high integrity will be provided to support the decision making processes of the Agency and its partners.

EASA is a key to the management of civil aviation safety. It works by acting on a clear plan in partnership with its stakeholders.

European Aviation Safety Programme (EASP) and Plan (EASp)

Europe is a pioneer in this endeavour as no other region in the world has a structure that turns safety management into action. The European Commission's Communication[2] on a Safety Management System at EU level sets out how EASA can facilitate the building of a pro-active safety management system for Europe. The simultaneous publication of the European Aviation Safety Programme (EASP) provides the European structure for the management of aviation safety using a total system approach, but is no more than the launch of a programme that will need to be regularly updated to reflect future developments in safety management at EU level. Within the framework described in the EASP lies the European Aviation Safety plan (EASp) which provides a detailed description of significant safety issues together with clear actions and deliverables to address the risks. These documents essentially provide the basis for the priority setting that the Agency must carry out in dealing with specific safety issues.

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[2] COM(2011) 670 final – Communication from the Commission to the Council and the European Parliament on 'Setting up an Aviation Safety Management System for Europe'

Safety Analysis

The acquisition and analysis of safety data continues to be a significant activity. During 2012, the transition from ECCAIRS 4 to ECCAIRS 5 system will be completed. Data repositories and their related tools will have been converted or modified. The number of notifications, safety studies and the level of service provided to the industry and the public are expected to increase. The proposal reviewing Directive 2003/42/EC on occurrence reporting is likely to be presented by the European Commission in mid-2012. This should enhance the usability of the European Central Repository (ECR) of reports paving the way for a more risk based approach to the work of the Agency. The new legislative framework should help to tackle data quality issues at source and could be complemented by training to Member States. Through a Network of Analysts aspect of safety performance will be monitored and results shared.

Safety

Continuous development of the Internal Occurrence Reporting Systems (IORS) will ensure the detection and follow-up of significant occurrences. Expansion will be managed to accommodate the extension of legislation including those which affect authorities as well as organisations. Secure mechanisms for sharing safety information with authorities and international organisations will be explored. Also, new means to provide feedback on the outcomes of this work will be put in place.

Publication of high quality safety information makes a vital contribution to the management of safety risks. Products, procedure and tools to provide feedback to the aviation community are an integral part of the way the Agency and the Member States manage safety. Respecting a commitment to the continuous improvement in safety performance greater use will be made of data to support a risk based approach to standardisation.

Initially in the ATM sector but with the aim of eventually extending it to all sectors, a common vision of safety performance will be applied thus avoiding a duplication of efforts. To this end the Agency works closely with the Performance Review Board (PRB). During the planning period the application of the Key Performance Indicators (KPI) for a first and second reference period will be achieved.

These activities will make a substantial contribution to the realisation of the Continuous Monitoring Approach (CMA) as applied to the Member States.

Accident Investigation

EASA receives around 100 recommendations per year and the current staff of two closed half of them. In order to monitor the outcome of recommendations, the section should supervise all actions taken by EASA and its stakeholders maintaining a link with the Internal Occurrence Reporting System for Continued Airworthiness and with the Rulemaking and Research programmes. Currently, around 380 notifications are received per year and the ADREP database shows that this amount should grow up to 1000. EASA should enhance international cooperation and standardisation in supporting the European Network of Civil Aviation Safety Investigation Authorities (ENCASIA) and the ECAC Accident Investigation Expert Group (ACC) in its "think tank" capacity.

Research

Initial steps will be undertaken to finalise and implement the EASA Research Strategy. Significant elements of this are the revision of the European Aviation Research Partnership Group (EARPG) Thematic Programme which addresses the priority thematic areas for safety and environmental protection research which should be considered for the development of the EASA Research Plan and the national and EC Framework Programmes. The Agency's three year Research Plan is the baseline for the assignment of an appropriate research budget guaranteeing a long-term planning assurance and thus an efficient investment in research activities serving the Agency's needs in the following years. The Agency takes a leading role in the development of the future European Strategic Research and Innovation Agency with priority on safety and security aspects but also on prioritisation of research topics and environmental protection.

6.2 Regulation

The Total System Approach (all safety and technical regulations in the framework of the BR, under "one roof" and developed in coherence) has become an important and continuous rulemaking policy for EASA. The aim is to develop aviation safety/technical rules through a holistic network approach building on the most efficient method of safety risks mitigation.

The following elements have been taken into account in setting up priorities for the current planning cycle:

- The legislative obligations of the Agency with respect to the 1st and 2nd extension of its remit;
- Compliance of rules with ICAO SARPs or identification of differences where these exist;
- Necessity of outsourcing of selected tasks to Industry and/or NAAs in order to increase output;
- Defining the regulatory Roadmap in ATM and related developments at the European level (e.g. SES, SESAR);
- Eurocontrol support to Single European Sky (SES) safety related activities in the context of the Working Arrangement between EASA and Eurocontrol;
- Changes in priorities and new developments as they might occur during the year, such as the implications of volcano eruptions on the aviation transport system;
- Introduction of amendments to the Rulemaking Process following the review.

Production of new rules

The initial rules development in the area of the 1st extension of the Agency's remit will be finished in 2012-2013 while the second will be at the end of 2013. Subsequent to those achievements, the focus will be put on issues that could not be addressed during the initial rule development as well as items identified as safety proportionality and technical priorities. Maintenance of rules and new developments will be taken up gradually except when needed for example to deploy SESAR because those rules (Airworthiness, OPS, FCL, ATM) have to be in place before the deployment and for this the regulatory roadmap for ATM and related items is developed. The rulemaking program has more than 15 sources that trigger Rulemaking proposals and the themes vary from safety issues to level playing issues. This requires that the Rulemaking program is based upon a solid and transparent mechanism. In 2012, special attention will be given in order to put more proportionate rules in place for the General Aviation sector (part M, Operations).

The main challenges of the activity are:

- The simplification of regulations
- The development of a complete set of new regulations for Aerodromes;
- The development of ATM/ANS rules as part of the overall ATM regulatory Roadmap (including aligning EASA regulations to SES, ICAO, SESAR and NEXTGEN developments);
- The workload associated to the safety advisory role the European Commission in the SES context and the acceleration cannot be identified or quantified at this stage.

Support to rules

As stated above, the initial phase of rule development of the initial rules will come to an end in the coming two years within the planning cycle; however, the introduction of all new rules substantiates an additional challenge for Rulemaking: the extensions of scope and the widening of the stakeholder community inevitably increase the demand for support from stakeholders. The Agency has to facilitate dialogue, learn from the experience of regulated parties and regularly inform, promote the exchange of thoughts and ideas on the implementation of the new regulatory framework.

The main challenges of the activity are:
- To assist the Member States and the Industry at an adequate level during the implementation of the new regulations;
- Increase the production of Technical Publications.

Coordination with ICAO and rule harmonization with third countries

Activities at the ICAO level are planned to be increased for more effective rulemaking and to better influence the ICAO SARPs development at the earliest possible stage and to represent a European view while doing so.

It is also foreseen to increase rulemaking cooperation with third country authorities such as FAA and TCCA since a number of issues, particularly in the area of CAT aeroplane, may be better solved in a harmonized manner to ensure the expected safety level and to reduce the burden on industry.

Regulation related tasks

Staff training: in addition to the current training activities the participation to standardisation or OEB activities has proven to be particularly effective.

New legal activities to be undertaken include: interpretation and development of working procedures for handling TCO appeals and complaints; development of procedures for preparing fines and penalties decisions;

Safety recommendations: With the extension of scope, the Agency is exposed to an increasing number of safety recommendations that need to be analysed, or draft AIB reports that are required to be commented on. The assessment and the tools to be used to respond in the timeliest manner require constant attention and flexibility.

Art. 14: With the applicability of the first extension rules, Art. 14 exemptions and derogations will increase. This also applies to the assessment of individual FTL schemes. These activities are particularly time critical and require extra resources that due to the on-going rulemaking process can't be estimated at this point in time.

Central Question Bank (CQB): The maintenance of the existing CQB and the support of Member States have to be continued.

Ensure consistency: The development of a mechanism to ensure consistent interpretation of the rules within the Agency, where an interpretations FAQ repository has been identified as a means to address this, is in the planning phase.

Organisational challenges

The effective and high-quality production as well as the continuous maintenance of aviation safety rules needs to adequately respond to:
- Ensure the coherence in Rulemaking throughout the domains;
- the high regulatory demand from Member States and the industry;
- urgent safety needs and unforeseen developments, changes affecting the aviation system;
- capitalise on experience and feedback from the implementation of the rules (ex-post evaluation).

This will have implications for the organisation of work within the Rulemaking domain. More horizontal tasks (across the domains) necessitate working with more focal points and a comprehensive and coherent project management of tasks. Taking into account the resource and budget constraints not all necessary activities can be carried out to the desired extent (a pro-active rulemaking approach and engagement in new developments is therefore unfortunately limited).

6.3 Product Safety Oversight

The activities in the field of Product Safety Oversight and related activities[3] can be summarized under two main areas:

1. Product safety oversight, split in the following areas:
   a. Airworthiness and environmental certification of aeronautical products, parts and appliances (IAW);
   b. Continuing Airworthiness Oversight (CAW), including mandatory corrective actions;
   c. Operations related approvals and recommendations, including the qualification of Flight Simulation Training Devices (FSTD);
   d. Product safety related services to external stakeholders.
2. ATM/ANS-related activities, covering the following systems:
   a. The systems operated by pan-European ATM and ANS services providers, e.g. EGNOS today and Galileo and IRIS in the future;
   b. The systems used by the European ATM network managers;
   c. Future systems as, for example developed under SESAR.

In Europe the majority of product design activities takes place in an approved and controlled environment (approved Design Organisations) enabling the Agency to rely to a large extent on findings and declarations by applicants. The level of the Agency's technical involvement in compliance verification is based on risks and defined on a case by case basis during the establishment and formal acceptance of the individual certification programmes.

In absence of approved Design Organisations for products designed outside the EU, the Agency's policy is to rely to a maximum extent on the foreign certification system. Similar to the DOA concept for European products, Bilateral Agreements concluded under the competence of the EU Commission effectively allow limiting the technical involvement of the Agency and may even include provisions for automatic acceptance of certain foreign certificates. In the absence of formal Agreements the necessary level of technical involvement is considerably higher.

6.3.1 *The main achievements and future challenges*

The Product Certification activity has developed successfully over the past years, both in terms of staffing and from an organisational point of view: highly qualified experts have been recruited (mainly from NAAs and to a growing extend also from Industry), working methods and policies have been well established, an ISO-certified Quality Documentation System is in place, stable relations with private and public stakeholders exist, etc.

However, the Agency is faced with numerous challenges that need to be considered for the Business Plan period 2012-2016. More specifically;

In the area of Initial Airworthiness, the main challenges result from an increase of projects from emerging countries (China, Brazil, India), a constant growth of the technical complexity of new aircraft types and the ever higher expectations with regards to the environmental impact of aircraft and engines.

For Continuing Airworthiness the required workload will increase in line with a growing number of occurrences reported to EASA, mainly resulting from an upturn of global aviation, but also from the development of EASA to one of the leading aviation safety authorities. The main challenge for EASA will be to have sufficient resources available and to optimise their use for in-depth analysis and follow-up of all incoming information in order to correct potential unsafe conditions and thus prevent incidents or accidents.

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[3] The Certification Directorate also provides technical expertise for other core activities of the Agency ("Cross Services") and technical expertise provided for management and support services of the Agency ("Technical Support Services").

The workload development for approvals and recommendations related to the implementation of the new remits is estimated based on identified industry activity and data received from NAAs. In line with the Basic Regulation the start of these new activities is assumed in April 2012. The main tasks for which the workload has been estimated are the issuance and renewal of certificates of FSTD (including initial evaluation of FSTD located outside of EASA MS, evaluation of FSTDs used by training organisations certified by the Agency and FSTD located within MS, if requested by the MS concerned) and the Approval of OSD (including Minimum Syllabi for Pilot Type Rating Training, Minimum Syllabi for Maintenance Certifying Staff Type Training, Minimum Syllabi for Cabin Crew Type Rating Training, Approval of MMEL, Approval of Reference data for FSTD, Oversight and corrective actions related to the new activities and OEB Services on request from Industry). It should be noted that the majority of the FSTD and OEB activities are already performed today, but under the responsibility and charging schemes of NAAs. As these new activities have not been foreseen fully in the previous Business Plan, the result is an increase compared with previous estimations of workload and revenue. It is assumed that the new revenue will cover all cost related to the implementation of new remits. Once the activities will start and the monitoring of the activities is in place, the estimations for years after 2012 will be reviewed in light of actual information available and number of applications received. In accordance with the Agency's outsourcing strategy a significant part of the new activities will be outsourced to NAAs and Qualified Entities. The estimated internal workforce necessary for the management and performance of the new activities are detailed below in the Resource plan.

Concerning product safety related services to external stakeholders, EASA is increasingly recognized world-wide as a centre of expertise and is expected to play an even greater role in the future. The main challenge for EASA will be to constantly meet these expectations and to further strengthen its reputation as a leading regulator at a global level.

The ATM/ANS Department will grow moderately and certainly needs to rely on the expertise of and close relations with external bodies.

As far as expertise for other internal core and support processes is concerned, the Product Certification workload is expected to grow in line with these activities on Agency-level. Experience has proven that the sharing of different competencies is of great benefit to the quality of the Agency achievements. A future challenge will be the enhancement of the IORS to cover all reporting related to the new remits.

Above all, the big challenge will be to generate the required funding (i.e. the right level of income to cover all costs and to maintain the right level of technical involvement) and to attract and develop a sufficient level of human resources and expertise.

6.3.2 _Resource plan_

The Agency's total workload in Product Safety Oversight and related activities[4] over the Business Plan period is triggered by its estimated technical involvement per individual case. Whilst the workload related to the initial type-certification (IAW) is forecasted to remain stable throughout 2012-2016, all other activities are expected to further increase in line with the above-mentioned challenges.

A significant part of the estimated workload will be outsourced to NAAs and Qualified Entities (QEs). This is done under consideration of the following principles defined in the Agency's Certification Strategy (for further information see "WP06 – EASA Certification Strategy" from EASA MB 02/2011):

1. The main principle is that the EASA and NAA should have the necessary internal staff to perform the activities assigned to them according to the Basic Regulation. Outsourcing should then be used as an additional means to gain access to supplementary resources, whenever needed;

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[4] The workload for technical expertise provided for other core activities of the Agency ("Cross Services") and technical expertise provided for management and support services of the Agency ("Technical Support Services") has been taken into account in the calculation of the staffing needs of the Certification Directorate.

2. In all cases, EASA should have full control of the outsourced activities, from technical, managerial and financial points of view;
3. A risk based approach should be followed and tasks related to high risks (safety/ commercial/political risks) should be performed by EASA staff;
4. Project management should be done as far as possible by EASA staff;
5. Outsourcing to a significant extent is a viable solution where NAAs and QEs have sufficient expertise due to the execution of own responsibilities (e.g.: Approval of Part-145 and Production Organisations, OPS, ATM);
6. Outsourcing should also be considered if proximity to the applicant may help to mitigate potential language and/or cultural issues for very small organisations.

Technical workload (in hours)

Activity	2010 (Actual)	2011 (BP)	2012	2013	2014	2015	2016
Certification projects (IAW)	129,555	124,000	130,000	130,000	130,000	130,000	130,000
Continuing airworthiness (CAW)	42,258	58,600	64,700	70,800	76,900	78,500	80,000
Flight Standards (FLSTD)	30,097	76,550	94,745	111,570	118,070	118,570	119,070
OPS related approvals & recommendations	24,197	52,450	65,165	74,150	80,650	81,150	81,650
FSTD	0	9,600	14,880	22,320	22,320	22,320	22,320
Related service to external stakeholders	5,900	14,500	14,700	15,100	15,100	15,100	15,100
ATM/ANS	62	1,400	4,040	5,140	7,090	8,440	10,045
Total Product Safety Oversight workload	**201,972**	**260,550**	**293,485**	**317,510**	**332,060**	**335,510**	**339,115**
Internal workload	**147,234**	**177,755**	**205,058**	**222,730**	**233,690**	**238,890**	**244,125**
External workload	**54,738**	**82,795**	**88,428**	**94,780**	**98,370**	**96,620**	**94,990**
Internalisation rate Product Safety Oversight	*73%*	*68%*	*70%*	*70%*	*70%*	*71%*	*72%*

6.4 Organisation Approvals

The organisations approvals activities consist of approving organisations responsible for production, maintenance, maintenance training and continued airworthiness management located outside the territory of the Member States, and design organisations wherever located. Other activities also consist of approving production organisations located in the territory of one or more Member States, if requested by the Member State(s) concerned.

In addition, with the first extension of the remit, the activities will also include the approval and oversight of Flight Crew Licensing organisations located outside the territory of an EASA Member States.

With the second extension of the remit to ATM/ANS, the activities will also include the approval and oversight of Pan-European Air Navigation Service providers.

6.4.1 *The main achievements and future challenges*

The organisation approvals activity is fairly mature, applying a solid working approach supported by highly qualified experts and well established working methods.

Even though the number of organisations under surveillance for the earlier activities (DOA, POA and CAO) is considered in general terms as stable, or with some minor natural increases (e.g. approvals of 145 and 147 organisations), a change in the rules might generate new applications in certain domains like Design Organisations (OSD).

With regards to the newer activities, on the one hand the implementing rules and the finalisation of the approvals process for Flight Crew Licensing Organisations (foreign TRTO, FTO, RF and AeMC) are expected at the latest by the 1st Quarter of 2012, with the approval being performed following similar procedures and principles applied for foreign MOA and POA organisations. On the other hand, as a result of the fast-track procedure for the Air Traffic Management Organisation Approvals, the Agency is organising itself to perform the required tasks as early as 2012. Both activities will be primarily outsourced, and the Agency is working

together with the Commission to ensure that the next fees and charges regulation will allow the use of fees rather than charges.

From a resources point of view a special note needs to be made regarding the Continuing Airworthiness Organisations activity. The CAO Section outsourcing policy is currently relying on a low internalisation rate, to allow the NAAs to continue to maintain their competencies in these fields, as mandated by their responsibility area. However, experience with such a low internalisation rate, relying only on a small number of providers, has shown that the Agency could be put in a situation where it becomes increasingly difficult to manage the oversight of the EASA approved organisations worldwide. Therefore, in order to increase the internal readiness capability and to mitigate the risk related to external providers defaulting, the Agency will increase its internalisation rate gradually, to reach an outsourcing level of 40% and at same time to reduce the work share allocated to one single provider to no more than 20%. In order to achieve this objective the section will be growing by 9 additional technical staff and 1 admin support over the period 2012-2014, primarily covering the increases in activity mentioned above.

6.4.2 *Resource plan*

In light of a stable base of applicants, the focus of the management is mainly on achieving higher efficiency and developing the new activities. The workload and the related outsourcing policy are summarized in the following table:

Technical workload (in hours)

Activity		2010 (Actual)	2011 (BP)	2012	2013	2014	2015	2016
Design Organisations		41,948	41,500	42,500	43,500	43,500	43,500	43,500
Production Organisations		14,174	14,920	14,920	14,920	14,920	14,920	14,920
CAW Organisations		32,612	29,710	34,328	36,261	38,194	38,784	38,784
FCL Organisations		0	0	5,900	7,300	7,300	7,300	7,300
ATM Organisations		0	4,100	6,100	6,100	6,100	6,100	6,100
Total workload		**88,733**	**90,230**	**103,748**	**108,081**	**110,014**	**110,604**	**110,604**
	Internal workload	**57,119**	**49,200**	**63,000**	**67,600**	**70,300**	**70,300**	**70,300**
	External workload	**31,614**	**41,030**	**40,748**	**40,481**	**39,714**	**40,304**	**40,304**
Internalisation rate		*64%*	*55%*	*61%*	*63%*	*64%*	*64%*	*64%*

6.5 Inspections of Member States

6.5.1 *Standardisation*

In line with its standardisation strategy the Agency is implementing a well-balanced standardisation programme based on three pillars:

- Regulatory compliance verification (Re-active standardisation);
- Pro-active standardisation;
- Regulatory feedback (impact assessment according to art 24.3 BR).

The aim is not only to check whether NAAs are implementing regulations correctly but to contribute to raising safety standards in line with the objectives of the EASA system as a whole.

6.5.1.1 The main achievements and future challenges for standardisation

In 2011 three central ATM/ANS related IRs entered into force. As result of the "fast track" transition process initiated by the Commission, the Agency had to advance its original plan for the establishment of an ATM/ANS section within the Standardisation Department.

In the domain of aerodromes -unlike in all other fields of civil aviation- there has been no European standardisation process to build upon, which means the introduction of a standardisation inspection programme will become more challenging and will require extensive preparatory work, both on the part of EASA and NAAs. Therefore, the Agency needs to

concentrate in a first step on pro-active standardisation activities before standardisation inspections can be launched.

The standardisation inspection process in the airworthiness field (initial and continuing) is well established and mature. The growing geographical scope, the cooperation/integration with ICAO USOAP activities and growing additional efforts in the context of the ECAA agreement requiring an annual visit, and additional activities resulting from the implementation of Bilateral Aviation Safety Agreements will have an impact on the workload. In addition to that the AIR section will continue to support the Accreditation Activity.

For OPS, once the related Implementing Rules will enter into force the scope of the standardization inspections will be extended from the current fields of EU-OPS and JAR-OPS 3 to the IRs covering all fields of air operation. New OPS IRs could also cover areas outside the old JAA scope of standardization activities, which would result in a permanent increase of workload.

Standardization activities on Flight Crew Licensing / Flight Simulation Training Devices will not be subject to a transition period, but there will be a possibility for NAAs to opt-out for new licenses or ratings of up to 3 years. The main impact of the new Implementing Rules will be the expansion of the scope of standardization inspections. They will cover activities and related licences which used to be completely under National Regulations and therefore outside the scope of Standardisation (LPL Basic and General LPL, Balloons, Gliders, etc.) According to the new IRs the Agency will also have to approve all conversion reports developed by the competent Authority.

In line with its standardisation strategy, EASA proposed to the Commission the development of a risk based continuous monitoring approach to standardisation. The concept is being developed and the next amendment to Regulation 736/2006 should provide the legal basis for the implementation of this new approach. The new approach is expected to increase the effectiveness and efficiency of the standardisation process by allowing an optimal use of available resources. The strategy also envisages a close cooperation and possible integration of EASA's standardisation process with ICAO's USOAP programme. The objective is to reduce multiple auditing burdens on Member States.

The comprehensive picture taken during a round of combined visits between 2009 and 2011 will enable the transition of the standardisation process towards the risk based Continuous Monitoring Approach currently under development. The new approach will require more efforts in the form of desk reviews/analysis of available information. However, as these reviews will allow focusing on identified risks and critical areas the overall efficiency and effectiveness of standardisation inspections is expected to increase.

6.5.2 *Accreditation*

The accreditation activity is a prerequisite for the allocation of tasks to NAAs or Qualified Entities. It involves the performance of accreditation inspection visits to NAAs or Qualified Entities (QEs) in order to assess their capability for carrying out certain tasks on behalf of the Agency.

As a consequence of the Agency's evolving outsourcing strategy it can generally be assumed that the number and scope of workload of NAAs for the current tasks will decrease. This is expected to take place in 2013 when a number of contracts signed with NAAs will expire. Simultaneously the Agency will need to substantially expand its accreditation activities with regard to its new obligations under the first and second extension and the accreditation of QEs; therefore a net increase of accreditation activities is expected to occur in 2012 and thereafter.

Additionally, the working arrangements signed with Non-EASA-ECAC States are expected to lead to increased accreditation activities.

This activity is covered by the revenue from Fees and Charges, as it is a support activity in the award of outsourcing contracts.

6.6 Operators

6.6.1 *Ramp inspection programmes (SAFA/SACA)*

The Agency coordinates on behalf of the Commission the Safety Assessment of Foreign Aircraft (SAFA) Programme. This activity was inherited from the JAA on 1st January 2007. To achieve the pan European objective of SAFA, specific working arrangements have been signed with all ECAC non EASA Member States.

During the 2012 to 2016 period, efforts will continue towards improving the data quality and enhance the overall analysis and harmonization of the programme. The new Basic Regulation (EC) 216/2008 places an obligation on Member States to perform ramp inspections on all aircraft, therefore extending the scope of the current SAFA Programme (from third-country aircraft to all aircraft). Subsequent Implementing Rules shall be published by 2012 (repealing also the current legislative framework). This will require an adaptation of the Programme in order to allow it to cater for 3 "clients":

- Third country operators authorisations (ramp inspection of third country aircraft against the ICAO standards);
- Collective (EU) oversight (ramp inspection of EU aircraft against EU (EASA) standards);
- The Commission in the context of the safety list.

6.6.2 *Third Country Operators*

The Third Country Operators activity will be done by issuing authorisations to Third Country Operators wishing to fly to the EASA states.

It is expected that the implementing rule for this activity will be issued in the second quarter of 2012. In the meantime, substantial effort has been made to ensure that in preparation of this new activity the necessary processes and procedures are in place.

The following assumptions are taken into consideration:

- The phase-in period will last until end of 2014 for carriers eligible for transition rights but EASA will have to process all applications as from the second half of 2012 and issue new authorisations;
- The revenues are estimated as from September 2012. If the process is delayed the Agency will have to postpone the recruitment of the staff in order to ensure proper economic coverage; in particular the operational implementation is directly linked with the available revenues;
- The revenues are calculated according to the new draft Fees & Charges proposal;
- No resources have been calculated with regards to Operators covered by article 9 (3) of Regulation No 216/2008.

In 2011, EASA launched the development of the TCO database which shall be ready for use in 2012 at the entry into force of the Implementing Regulation. The TCO IT-tool shall facilitate the communication with approximately 850 external clients allowing them to update core data and upload supporting documentation; furthermore the TCO IT-tool shall facilitate the risk analysis for the clients.

Technical workload (in hours)

Activity	2012	2013	2014	2015	2016
Total workload	**7,012**	**21,815**	**26,878**	**25,838**	**25,953**
Internal workload	6,678	18,147	22,885	21,943	22,052
External workload	334	3,668	3,993	3,895	3,901
Internalisation rate	*95%*	*83%*	*85%*	*85%*	*85%*

6.7 International Cooperation

The general activity is focused on two strategic fields: (i) improving cooperation with ICAO (looking for complementarities and synergies) and (ii) enhancing external relations (the focus remains on implementing/maintaining existing bilateral agreements/arrangements).

The key milestones expected over the course of this planning cycle are:

- 2012: implementation of a policy on EASA interface activities with ICAO;

- 2012-2014: support the European Commission negotiation of new annexes to the agreement with the US and Canada, namely in the area of the first extension;

- 2012-2016:
  - o continue the implementation of the agreements with US and Canada. Start the implementation of the agreement with Brazil. Start the preparation of the agreement with Japan;
  - o supporting the European Commission in its starting negotiations with countries such as China, Australia, New Zealand and India;
  - o develop new working arrangements, in particular, with China, Japan, India, the Interstate Aviation Committee, Ukraine, South Africa, Israel to support the certification exercises and the export of European products.

The technical activity is focused on three strategic fields: (i) support to the EU Civil Aviation Cooperation projects, in particular the CAA subject to Regulation (EC) No 2111/2005; (ii) the Regional strategy; (iii) the EASA International Cooperation Forum (ICF), i.e. support to the CAA making use of European regulations

The key milestones expected over the course of this planning cycle are:

- 2012-2014:
  - o Technical Assistance missions to CAAs subject to Regulation (EC) No 2111/2005 in order to support them to meet international requirements;
  - o participate in EC launched projects related to China, India, South Asia, South-East Asia, and Zambia;

- 2012-2016:
  - o Support to the EU Civil Aviation Cooperation Projects: Emphasis will be given to the Projects directly contracted by the commission to EASA such as the Mediterranean Aviation Safety Coordination (MASC) Programme, the TRACECA (Central Asia) as well as planned projects in Sub-Saharan Africa with DEVCO (e.g. CEMAC sub-region);
  - o Support to the Regional Organisations such as South Asia Regional Initiatives (SARI) and South-East Asia Regional Initiatives Forum (SEARIF) in order to

ensure sustainability to EU projects; ACSA in Central-America as well as Regional Organisations in Africa such as UEMOA, CEMAC and CASSOA.

- o involvement in ICAO COSCAP Programmes, such as the Gulf States, and several regional projects in sub-Saharan Africa and Asia-Pacific.
- o Support to the countries making use of EU regulations through the ICF forum. Coordination of the ICF network of focal points ICF and their activities; (every 18 months) there will be organised the 3rd, 4th and 5th International Cooperation Forum in locations to be determined.

The management of earmarked fund allocated by the Commission through Grant contracts and Delegation Agreements will increase over the years and will require additional financial and administrative assistants directly paid by each project fund. Nevertheless a more sustainable solution has to be found.

6.8 Support Activities

The support activities include Application and Procurement Services, Finance, Information Services, Corporate Services (F Directorate), Communication, Human Resources, Internal Audit (E Directorate), Legal (R Directorate) and Technical Training (S Directorate).

The activity over the course of the planning period is consistent with the EASA Strategic Objectives and in line with the previous version of the Business Plan. We see a relative decrease of the support costs versus the total Agency cost evolution over the next five years from a weight of 29% in 2010 to 23% in 2016.

The strategy of the Agency is a constant oversight of the processes in order to identify efficiencies and streamline all support activities.

The main challenges for the planning period are:

- Application and Procurement: a) the adoption and implementation of the new Fees & Charges regulation: improve cost reflectivity for the current F&C projects and make sure that ratification for new tasks as from 2012 is put in place; b) the selection and management of additional external, private sector providers (the so-called 'Qualified Entities');
- Information services: integration of existing applications and further extension where required: ERP (Project Management, Flexible Time management, access through web Portal), Document Management System, Occurrence databases etc.;
- Finance: further development of financial reporting through quarterly closing analysis including year-end forecasts, improvement of the debt recovery process;
- Corporate Services: the assessment of future infrastructure requirements in light of the expiry of the lease contract in 2016, and the acquisition of appropriate premises;
- Communications: fostering the image of the Agency towards the stakeholders;
- HR: completing the recruitment procedures in line with the Establishment Plan;
- Internal Audit: maintaining the ISO9001:2008 standard (Certificate issued by Bureau Veritas) through surveillance audits, the consolidation of the EASA Integrated Management System and the implementation of the Audit Programme;
- Legal: development of working procedures for handling TCO appeals and complaints, preparation of fines and penalty discussion;
- Technical Training: development and enrichment of the on line training offer.

7 Financial projections and staffing plan

€ '000s	2010	2011 (BP 11-15)	2012	2013	2014	2015	2016
Revenue	112,396	112,420	133,525	145,905	155,192	156,974	161,804
T1 cost	55,215	61,789	69,427	77,055	84,467	87,275	90,183
T2 cost	13,084	13,546	13,947	13,806	13,948	14,594	15,756
T3-NAA/QE cost	20,334	23,073	32,102	35,183	36,892	37,403	37,835
T3-other cost	15,682	14,011	15,961	17,772	17,795	17,702	18,030
T4 cost	-	-	2,089	2,089	2,089	-	-
Depreciation	3,670	-	-	-	-	-	-
Total Cost	107,984	112,420	133,526	145,905	155,191	156,974	161,804
Surplus/(Deficit)	4,411	0	(0)	(0)	0	0	0

(TOTAL EASA)

Temporary Agents at the end of the year[5] (per activity[6])

Temporary Agents	Actual EOY 2011	BP 2012 Total	BP 2013 Total	BP 2014 Total	BP 2015 Total	BP 2016 Total
Safety Assesment and Promotion	27	29	31	31	31	31
Regulation	76	82	82	82	82	82
Product Safety Oversight	187	202	236	251	258	265
Organisation Approvals	56	67	72	75	75	75
Inspections of Member States	45	47	56	61	61	61
Operators	15	17	29	34	34	34
International Cooperation	15	15	15	15	15	15
Support Activities	152	175	185	190	193	193
Total Agency	**573**	**634**	**706**	**739**	**749**	**756**
Delta year on year	*49*	*61*	*72*	*33*	*10*	*7*
F&C financed	**352**	**405**	**465**	**492**	**502**	**509**
Delta year on year	*35*	*53*	*60*	*27*	*10*	*7*
Subsidy financed	**221**	**229**	**241**	**247**	**247**	**247**
Delta year on year	*14*	*8*	*12*	*6*	*0*	*0*

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[5] End of year snapshot based on situation known as of 22/11/2011 (including all agreed future staff movements)

[6] Before Cross services hours reallocation

Temporary Agents at the end of the year[7] (per department)

Temporary Agents	Actual 2010	Actual EOY 2011	BP 2012 Total	BP 2013 Total	BP 2014 Total	BP 2015 Total	BP 2016 Total
C0 - Director's Office	4	3	3	3	3	3	3
C1 - Products	68	85	85	94	100	103	107
C2 - Experts	63	64	77	84	87	89	90
C3 - Flight Standards	23	28	29	45	50	52	54
C4 - Certification Policy & Planning	4	6	6	7	8	8	8
C5 - ATM/ANS	1	2	2	3	3	3	3
Total C	**163**	**187**	**202**	**236**	**251**	**258**	**265**
Delta year on year		*25*	*15*	*34*	*15*	*7*	*7*
S0 - Director's Office	4	4	4	5	5	5	5
S1 - Standardisation	41	46	49	58	63	63	63
S2 - Organisations	53	54	65	69	72	72	72
S3 - Technical Training	8	7	10	12	12	12	12
S4 - Operators	14	15	17	29	34	34	34
Total S	**120**	**126**	**145**	**173**	**186**	**186**	**186**
Delta year on year		*6*	*19*	*28*	*13*	*0*	*0*
R0 - Director's Office	3	4	4	4	4	4	4
R1 - International Cooperation	14	15	15	15	15	15	15
R2 - Environmental Protection	5	4	5	5	5	5	5
R3 - Flight Standards	20	21	23	23	23	23	23
R4 - Product Safety	15	17	18	18	18	18	18
R5 - ATM/Airport	16	17	18	18	18	18	18
R6 - Process Support	13	13	14	14	14	14	14
R7 - Legal	13	13	14	15	15	15	15
Total R	**99**	**104**	**111**	**112**	**112**	**112**	**112**
Delta year on year		*5*	*7*	*1*	*0*	*0*	*0*
E0 - Director's Office	4	5	7	7	7	7	7
E1 - Communication	7	8	8	8	8	8	8
E2 - Safety Analysis & Research	15	17	18	18	18	18	18
E3 - Internal Audit & Quality	7	8	8	8	8	8	8
E4 - Policy Officers and Mail	6	3	3	3	3	3	3
E5 - Human Resources	14	16	19	21	23	23	23
E6 - Internal Occurrence Reporting System	7	10	11	13	13	13	13
Total E	**60**	**67**	**74**	**78**	**80**	**80**	**80**
Delta year on year		*7*	*7*	*4*	*2*	*0*	*0*
F0 - Director's Office	4	4	4	4	4	4	4
F1 - Applications & Procurement Services	35	34	41	44	47	50	50
F2 - Finance Services	23	27	28	29	29	29	29
F3 - Information Services	14	14	19	19	19	19	19
F4 - Corporate Services	7	10	10	11	11	11	11
Total F	**83**	**89**	**102**	**107**	**110**	**113**	**113**
Delta year on year		*6*	*13*	*5*	*3*	*3*	*0*
Total Agency	**525**	**573**	**634**	**706**	**739**	**749**	**756**
Delta year on year		*49*	*61*	*72*	*33*	*10*	*7*
F&C financed	**318**	**352**	**405**	**465**	**492**	**502**	**509**
Delta year on year		*35*	*53*	*60*	*27*	*10*	*7*
Subsidy financed	**207**	**221**	**229**	**241**	**247**	**247**	**247**
Delta year on year		*14*	*8*	*12*	*6*	*0*	*0*

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[7] End of year 2011 snapshot based on situation known as of 22/11/2011 (including all agreed future staff movements)

Abbreviations

ACSA	Agencia Centroamericana para la Seguridad Aeronautica
AD	Airworthiness Directives
AeMCs	Aero Medical Centres
AIB	Accident Investigation Board
ANS	Air Navigation Services
ATCO	Air Traffic Control Officer
ATM	Air Traffic Management
BP	Business Plan
BR	Basic Regulation
C	Certification Directorate
CAA	Civil Aviation Authority
CAN	Canada
CAO	Continued Airworthiness Organisations
CASSOA	Civil Aviation Safety and Security Oversight Agency - East African Community
CAT	Commercial Air Transport
CAW	Continuing Airworthiness Activities
CEMAC	Communauté Economique et Monétaire d'Afrique Centrale
CQB	Central Question Bank
CS	Certification Specification
DEVCO	Directorate General of Development and Cooperation
DOA	Design Organisation Approval
DWP	Draft Work Programme
EAB	EASA Advisory Board
EARPG	European Aviation Research Partnership Group
EASA	European Aviation Safety Agency
EASP	European Aviation Safety Programme
EC	European Commission
ECAA	European Common Aviation Area
ECAC	European Civil Aviation Conference
ECAC ACC	ECAC Accident Investigation Expert Group
ECAC ANCAT	Group of Experts on the Abatement of Nuisances caused by Air Transport
ECAST	European Commercial Aviation Safety Team
ECCAIRS	European Coordination Centre for Accident and Incident Reporting Systems
ECR	European Central Repository

EGAST	European General Aviation Safety Team
EHEST	European Helicopter Safety Team
ENACT	EASA/NAA Certification Transition Group
ENCASIA	European Network of Safety Investigation Authorities
EPA	European Protection Agency
ER	Existing Remit
ERP	Enterprise Resource Planning
ESSI	European Strategic Safety Initiatives
ETSO	European Technical Standard Order
EU	European Union
F&C	Fees and Charges
FAA	Federal Aviation Administration
FAQ	Frequently Asked Questions
FAR	Federal Aviation Requirement
FCL	Flight Crew Licensing
FCLOA	Flight Crew Licensing Organisation Approval
FSTD	Flight Simulation Training Devices
FTE	Flight Test Engineer
FTL	Flight Time Limitations
FTO	Flight Training Organisation
FTTO	Flight Training and Testing Office
HR	Human Resources
IAW	Initial Airworthiness
ICAO	International Civil Aviation Organisation
ICAO CAEP	ICAO Committee on Aviation Environmental Protection
ICAO COSCAP	ICAO Cooperative development of Operational Safety and Continuing Airworthiness Program
ICAO SARPS	ICAO Standards and Recommended Practices
ICAO USOAP	ICAO Universal Safety Oversight Audit Program
ICF	International Co-operation Forum
IORS	Internal Occurrence Reporting System
IR	Implementing Rules
ISO	International Standards Organisation
IS	Information Services
JAA	Joint Aviation Authority
JAR	Joint Aviation Requirement
JOEB	Joint Operational Evaluation Board
KPI	Key Performance Indicator
LPL	Leisure Pilot Licence

MASC	Mediterranean Aviation Safety Coordination
MB	Management Board (EASA)
MIST	Maintenance International Standards Team
MMEL	Master Minimum Equipment List
MOA	Maintenance Organisation Approval
MoU	Memorandum of Understanding
MRB	Maintenance Review Board
MS	Member State
MTOA	Maintenance Training Organisation Approval
NAA	National Aviation Authority
NETS	Navigation towards Enhanced Transparency System
NEXTGEN	US' SESAR program – Next Generation
OEB	Operational Evaluation Board
OPS	Operations
OSC	Operational Suitability Certificate
OSD	Operational Suitability Data
POA	Production Organisation Approval
PRB	Performance Review Board
QE	Qualified Entities
R&D	Research and Development
RF	Registered Facility
RIA	Regulatory Impact Assessment
SAFA	Safety Assessment of Foreign Aircraft
SARI	South Asia Regional Initiatives
SEARIF	South-East Asia Regional Initiatives Forum
SES	Single European Sky
SESAR	Single European Sky ATM Research
SIB	Safety Information Bulletins
SL	State Letters
SMS	Safety Management System (ICAO)
SNE	Seconded National Expert
SPOA	Single Production Organisation Approval
SPP	Staff Policy Plan
SSCC	Safety Standards Consultation Committee (EASA)
TCCA	Transport Canada Civil Aviation
TCO	Third Country Operator
TRACECA	Transport Corridor Europe-Caucasus-Asia
TRTOs	Type Rating Training Organisations

UEMOA	Union Economique et Monétaire Ouest Africaine
US	United States
USOAP	Universal Safety Oversight Audit Programme
WP	Work programme

Annex 1 – BP detailed financial tables

	€ '000s	2010	2011 (BP 11-15)	2012	2013	2014	2015	2016
ER	Revenue		73,297	78,903	84,072	89,837	92,060	95,057
	T1 cost		35,151	41,520	46,362	50,911	52,593	55,042
	T2 cost		7,730	9,503	9,382	9,436	10,011	10,770
	T3-NAA/QE cost		22,214	21,527	21,075	21,183	21,424	21,452
	T3-other cost		6,130	6,660	7,188	7,257	7,253	7,338
	T4 cost			-	-	-	-	-
	Cost		71,225	79,210	84,007	88,787	91,281	94,603
	Surplus/(Deficit)		2,072	(306)	65	1,050	779	454
1st EXT	Revenue		1,656	13,247	18,392	19,863	20,340	20,901
	T1 cost		2,392	2,493	4,009	5,069	5,240	5,357
	T2 cost		517	597	751	806	843	909
	T3-NAA/QE cost		-	9,453	12,886	14,343	14,506	14,783
	T3-other cost		510	720	1,232	1,411	1,472	1,552
	T4 cost		-	-	-	-	-	-
	Total Cost		3,419	13,263	18,878	21,629	22,061	22,600
	Surplus/(Deficit)		(1,763)	(16)	(486)	(1,766)	(1,721)	(1,700)
2nd EXT	Revenue		832	2,277	2,599	3,112	3,488	3,946
	T1 cost		164	593	687	757	764	782
	T2 cost		33	67	83	82	82	91
	T3-NAA/QE cost		859	1,122	1,222	1,365	1,474	1,600
	T3-other cost		85	172	186	192	227	227
	T4 cost		-	-	-	-	-	-
	Total Cost		1,141	1,954	2,178	2,396	2,545	2,700
	Surplus/(Deficit)		(309)	323	421	716	942	1,246
Total	Revenue	77,975	75,786	94,427	105,063	112,812	115,887	119,904
	T1 cost	33,598	37,707	44,606	51,058	56,737	58,597	61,181
	T2 cost	8,104	8,280	10,167	10,216	10,324	10,936	11,770
	T3-NAA/QE cost	20,334	23,073	32,102	35,183	36,892	37,403	37,835
	T3-other cost	6,811	6,725	7,553	8,606	8,860	8,951	9,117
	T4 cost	-	-	-	-	-		-
	Depreciation	2,949						
	Total Cost	71,796	75,786	94,427	105,063	112,812	115,887	119,904
	Surplus/(Deficit)	6,179	0	(0)	(0)	(0)	0	0

(row label at left: TOTAL FEES & CHARGES)

	€ '000s	2010	2011 (BP 11-15)	2012	2013	2014	2015	2016
ER	Revenue	-	21,828	27,350	27,780	28,465	26,927	27,440
	T1 cost	-	14,940	16,928	17,255	18,100	18,876	19,052
	T2 cost	-	3,209	2,853	2,667	2,653	2,688	2,906
	T3-NAA/QE cost	-	-	-	-	-	-	-
	T3-other cost	-	3,680	5,480	5,769	5,622	5,363	5,482
	T4 cost	-	-	2,089	2,089	2,089	-	-
	Cost	-	21,828	27,350	27,780	28,464	26,927	27,440
	Surplus/(Deficit)	-	0	(0)	0	0	0	0
1st EXT	Revenue	-	10,980	7,365	7,801	7,979	8,248	8,408
	T1 cost	-	6,760	4,712	4,963	5,091	5,239	5,305
	T2 cost	-	1,538	564	497	491	491	546
	T3-NAA/QE cost	-	-	-	-	-	-	-
	T3-other cost	-	2,683	2,090	2,341	2,396	2,519	2,557
	T4 cost	-	-	-	-	-	-	-
	Total Cost	-	10,980	7,365	7,801	7,979	8,248	8,408
	Surplus/(Deficit)	-	0	(0)	0	0	0	0
2nd EXT	Revenue	-	3,825	4,383	5,262	5,936	5,912	6,052
	T1 cost	-	2,383	3,181	3,780	4,539	4,563	4,645
	T2 cost	-	520	364	427	480	480	534
	T3-NAA/QE cost	-	-	-	-	-	-	-
	T3-other cost	-	923	838	1,056	916	869	874
	T4 cost	-	-	-	-	-	-	-
	Total Cost	-	3,825	4,383	5,262	5,936	5,912	6,052
	Surplus/(Deficit)	-	0	(0)	0	0	0	0
Total	Revenue	34,421	36,634	39,099	40,842	42,379	41,087	41,901
	T1 cost	21,617	24,082	24,821	25,997	27,731	28,679	29,002
	T2 cost	4,980	5,266	3,781	3,591	3,625	3,658	3,986
	T3-NAA/QE cost	-	-	-	-	-	-	-
	T3-other cost	8,871	7,286	8,408	9,165	8,935	8,750	8,913
	T4 cost	-	-	2,089	2,089	2,089	-	-
	Depreciation	720						
	Total Cost	36,188	36,634	39,099	40,842	42,379	41,087	41,901
	Surplus/(Deficit)	(1,768)	0	(0)	0	0	0	0

(row label at left: TOTAL SUBSIDY)

Annex 2 – Possible staff and financial major impacts during the planning period

Based on the limited and unofficial information available at the moment when this Business Plan is conceived, the Agency has identified two major possible changes that could affect the activities and financial and staff plans detailed above: the reduction in the Subsidy financed staff of the Agency by 5% in line with the current proposals of the European Commission in respect of the staff regulation review and the financial impact of the pension contribution for the Fees & Charges financed staff to be taken by the Agency as from 2013.

Scenario 1 – Impact of the reduction of TA posts on Subsidy financed staff as from 2013

This scenario assumes that starting in 2013, a yearly 1% reduction will be applied to the requested Subsidy financed TA posts for the Agency. As the information at this moment is not sufficient, it is not possible to make a specific allocation per activity, however the staff numbers and the cost reduction impact are shown below. The calculation of the cost reduction is based on average costs (as the actual grades, office spaces etc. cannot be identified at this moment). There is no indication if the cost reduction would be fully reflected in a similar reduction of the Subsidy.

Scenario 1 - Reduction of posts on Subsidy financed Agency Staff, starting in 2013

Temporary Agents	Actual 2010	Actual 2011	2012	2013	2014	2015	2016
Total Agency	525	573	634	704	734	742	746
Delta year on year		49	61	70	31	8	5
F&C financed	318	352	405	465	492	502	509
Delta year on year		35	53	60	27	10	7
Subsidy financed	207	221	229	239	242	240	237
Delta year on year		14	8	10	3	-2	-2

Reduction of posts compared with BP

2012	2013	2014	2015	2016
0	0	0	0	0
0	0	0	0	0
0	-2	-5	-7	-10

Note: the reduction in posts is done on the Subsidy financed posts as from 2013, with no allocation per activity

Cost saving impact of the reduction of posts

€ '000s		2012	2013	2014	2015	2016
TOTAL SUBSIDY	T1 cost saving	-	234	491	761	1,023
	T2 cost saving	-	32	64	97	141
	SUB Cost saving	-	266	555	858	1,163

Note: the cost saving calculation is based on average cost of the posts (the actual grade, office space etc. cannot be determined at this moment)

Scenario 2 – Impact of the Pension contribution for Fees & Charges financed staff as from 2013

This scenario assumes that as from 2013, the Agency will have to bear the financial cost of the Pension contribution for the Fees & Charges financed staff as presented in this BP. The calculation of the financial impact has been made applying 22% to the Basic salary cost of the Fees & Charges financed staff as from 2013.

Scenario 2 - Impact of Pension contribution as from 2013

€ '000s	2012	2013	2014	2015	2016
F&C T1 cost increase	-	7,099	7,889	8,148	8,507

Note: Title 1 cost as in original BP (ie no post reduction)