

ANNEX 1: 2010 Annual General Report



EUROPEAN AVIATION SAFETY AGENCY
AGENCE EUROPÉENNE DE LA SÉCURITÉ AÉRIENNE
EUROPÄISCHE AGENTUR FÜR FLUGSICHERHEIT

2010 Annual General Report



June 2011

Foreword from the Chair of the Management Board

As Chair of the Management Board of the European Aviation Safety Agency I am very pleased to introduce the organisation's annual report for 2010. The report fully illustrates the wide-ranging work of the Agency and the progress it made last year on many fronts.

The most significant developments in 2010 concerned safety strategy. The General Assembly of the International Civil Aviation Organisation (ICAO) in October set the compass towards more pro-active, risk-based safety regulation, generating greater transparency of safety information and using effective Safety Performance Indicators. EASA took its place at the Assembly amongst the world's leading regulators, playing an active role in the discussions.

The standard of aviation safety in Europe is high, but not the best anywhere worldwide. The European Commission's recent White Paper on Transport sets a target for Europe to become the safest aviation region in the world. In a speech in January 2011 (postponed originally from Spring 2010 because of the volcanic ash crisis) Vice President Kallas challenged the EU to "achieve the highest safety performance, uniformly enjoyed across the European Union and continuing to improve over time". EASA is at the heart of meeting this challenge.

In 2010 the Agency produced the first European-wide Safety Programme and Safety Plan. The Programme describes how the European aviation safety regulation system works, and how the roles and responsibilities of all the various players fit together. In effect it sets out a safety management system for Europe.

The Plan is an operational document based on wide-ranging collection of data and information, identifying the main areas of safety risk facing operators and setting out a series of mitigating measures. The Plan will be kept under continuing review, driving the policies and work programme of the Agency. As the volcanic ash episode in 2010 demonstrated, a safety regulator has to shift focus and take on different tasks as new circumstances arise and new risks emerge.

In 2010 the Agency continued its progress towards a comprehensive, legally-based safety regime covering 27 EU Member States and other European countries applying EU aviation legislation. This is a challenging and ambitious objective which is gradually becoming reality. Last year marked a very substantial step forward, with rules for personnel licensing and air traffic management nearing agreement and extensive preparatory work in other areas.

There are many sides of the Agency's work which I cannot specifically mention here. But once again I pay tribute to the expertise and dedication of all the staff at EASA. It is the efforts and commitment of the staff on which the success of EASA depends and they are building an organisation of which Europe can be justifiably proud.

Michael Smethers
Chair of the Management Board

Foreword from the Executive Director

Developments during 2010 further demonstrated the importance of coordinated action on aviation safety. Although figures show that it was a good year for safety in Europe with no accident in European commercial fixed wing air transport, it was a poor one for civil aviation outside the region with 52 fatal accidents and 881 fatalities in this category. Collective safety management to tackle safety issues such as loss of control and runway excursions on a global scale is imperative.

EASA was at the forefront of important progress in 2010 towards adopting a risk-based approach to promoting coordinated safety action in Europe and worldwide. The Agency played an important role at the 37th Session of the International Civil Aviation Organisation (ICAO) Assembly which was held in Montreal in September and October 2010. EASA prepared positions proposing a common European line coordinated with the EU institutions and other partners. Of 33 common positions adopted and distributed to all European delegations at the Assembly, 27 had been prepared by EASA.

During the year, the Agency made progress towards establishing the first Europe-wide aviation safety management system. The European Aviation Safety Programme (EASP) coordinates and complements what is done by the Member States by identifying key safety risks to be tackled at European level and setting concrete national safety targets. The European Aviation Safety Plan (EASp) is an essential part of the EASP. This reference document for policy makers closes the safety management cycle by connecting high-level Europe wide safety issues with actions and initiatives to mitigate the underlying risks.

Together, the Programme and the Plan demonstrate a path for the next four years of the safety work in Europe across all domains of aviation. Under the umbrella of EASA's expanded competence which now includes Air Traffic Management (ATM) and Aerodromes, the framework is in place for a Total Systems Approach to aviation safety.

This comprehensive approach must be the supporting pillar for the industry guaranteeing ever increased levels of safety while at the same time providing streamlined certification and rulemaking procedures. A first challenge to this commitment will be the certification of the next generation of ATM technology in support of the Single European Sky. In this respect, working arrangements with the SESAR Joint Undertaking and EUROCONTROL have been put in place.

Following the eruption of the Eyjafjallajökull volcano in April 2010, EASA cooperated with a wide range of stakeholders to ensure flight safety when re-opening European airspace. The Agency also helped to define a new European approach to ensure high safety standards can be maintained without a breakdown of European air traffic during future events of this nature.

Finally, I am proud that EASA successfully passed an ISO 9001:2008 Audit which took place in November 2010. This certification, which would not have been possible without the commitment and dedication of all staff, is recognition of EASA's ability to put in place efficient working and organisation processes. EASA is now the first EU Agency to be fully ISO 9001:2008 certified.

Patrick Goudou
Executive Director

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Introduction¹

In 2010, the Agency continued with the preparation of its new remits and responsibilities, while continuing at the same time to strengthen and foster its role as the centrepiece of the European Union's strategy for aviation safety. In that context, the Agency continued its progress towards establishing a comprehensive European legal framework in the field of civil aviation safety and contributed significantly to the creation of a European aviation safety strategy.

Most notably, the following tasks of the Agency have been added in 2010:

- Development of a European Aviation Safety Programme (EASP) and Plan (EASp);
- Establishment of the Internal Occurrence Reporting System (IORS);
- Preparatory work regarding authorisation of Third Country Operators (TCO);
- Participation in the Performance Review Board (PRB) regarding Air Traffic Management (ATM) performance scheme.

Much work also involved close cooperation with other authorities. EASA ensured a consistent European representation at the 37th ICAO General Assembly supporting the drafting of the Working and Information Papers presented by the Belgian Presidency. The Agency also continued its direct involvement in a variety of ICAO working groups and panels. At a European level, the Agency adopted a Working Arrangement with EUROCONTROL and a Letter of Agreement (LoA) was signed with the SESAR Joint Undertaking to define tasks and modalities linked to the SESAR programme.

In 2010 the Agency further concentrated its efforts in being recognised as a high-level quality organisation. In November 2010, EASA was successfully certified against the ISO9001:2008 standard, being the first European Agency to be fully certified. Moreover, in 2010 the Internal Audit function of the Agency was successfully certified against the International Professional Practices Framework (IPPF).

Finally, the Agency performed its annual risk assessment exercise. The identified risks and their mitigation actions performed and/or initiated are presented in this report.

¹ The Annual General Report of the Agency for the year 2010 has been established in accordance with Article 57 of Regulation (EC) No. 216/2008 (Basic Regulation). It is structured according to the Agency's core activities and describes the way in which the Agency has implemented the 2010 Work Programme. As highlighted by dedicated tables related to each activity, almost all objectives defined in the 2010 Work Programme were met at the end of 2010.

The Agency

The European Aviation Safety Agency is the centrepiece of the European Union's aviation safety system comprised of the Agency, the European Commission and the National Aviation Authorities (NAAs).

Your safety is our mission

Our mission is to promote the highest common standards of safety and environmental protection in civil aviation.

A common strategy

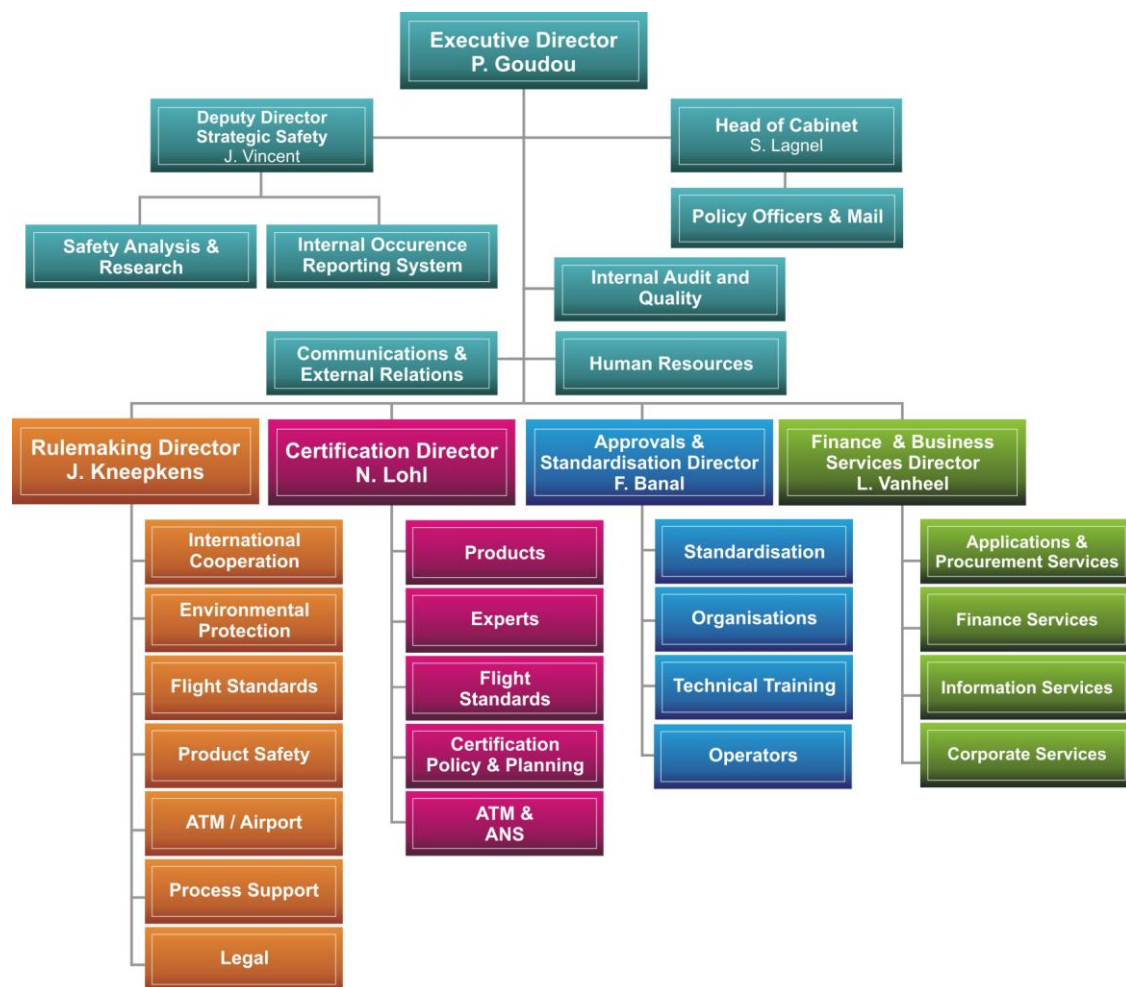
Air transport is one of the safest forms of travel. As air traffic continues to grow, a common endeavour is needed at the European level to keep air transport safe and sustainable. The Agency develops common safety and environmental rules. It monitors the implementation of standards through inspections in the Member States and provides the necessary technical expertise and training to the system. The Agency works hand in hand with NAAs, which have their own role to play in the EU system.

Our tasks

The main tasks of the Agency currently include:

- Regulation: drafting aviation safety legislation and providing technical advice to the European Commission and to the Member States;
- Inspections and training to ensure uniform implementation of European aviation safety legislation in all Member States;
- Airworthiness and environmental type-certification of aeronautical products, parts and appliances;
- Approval of aircraft design organisations world-wide and of production and maintenance organisations outside the EU;
- Coordination of the European Community SAFA (Safety Assessment of Foreign Aircraft) programme;
- Data collection, analysis and research to improve aviation safety.

Organisational structure



Status: May 2011

Major events 2010

Event	Date
Organised/co-organised by EASA	
EASA Information Day - The second EASA extension: Aerodromes and ATM, Oslo	22 January 2010
2nd International Cooperation Forum (ICF-2), Dubai	27-29 April 2010
Visit of Mr Siim Kallas, Vice-President of the European Commission in charge of Transport, Cologne	31 May 2010
2010 US/Europe International Aviation Safety Conference, New Orleans	8-10 June 2010
Workshop on volcanic ash cloud issues, Cologne	21 June 2010
EASA Conference "Towards Common Safety Rules – first phase ATM Opinions", Cologne	24 June 2010
International Conference on the impact of Climate Change on Aviation Safety, Cologne	8-9 September 2010
AR/OR Conference, Cologne	20-21 October 2010
OPS Conference on Part CAT and Part SPA, Cologne	25 November 2010
Organised at ICAO / EU level	
8th meeting of the ICAO Committee on Aviation Environmental Protection (CAEP/8), Montreal	1-12 February 2010
Single European Sky II Conference, Madrid	25-26 February 201
ICAO High Level Safety Conference, Montreal	29-31 March 2010
1st EU-Latin America Aviation Summit, Rio de Janeiro	24-26 May 2010
37th ICAO General Assembly, Montreal	27 September-8 October 2010
European Aviation Summit, Bruges	26-27 October 2010

Activities of the Agency

1. Safety strategy

1.1. Objective and scope

The Agency has taken the leadership in coordinating and complementing the efforts made by EU Member States towards the implementation of requirements set by ICAO on Safety Management Systems (SMS) for industry and State Safety Programmes (SSP) for ICAO contracting states.

The sharing of roles between the European institutions and the Member States, as described in the Basic Regulation means that cooperation is essential to ensure the implementation of safety management. There is a need for ensuring a regional (European-wide) approach regarding the principles of safety management.

In view of this need and in order to move forward, a European Aviation Safety Advisory Committee (EASAC) was established in October 2009 with representation from the European Commission, industry, EUROCONTROL, Member States and EASA.

In 2010, this work culminated in the production of the first European-wide aviation safety system through development of the European Aviation Safety Programme (EASP) and related European Aviation Safety Plan (EASp).

1.2. Main achievements in 2010

➤ **European Aviation Safety Programme (EASP)**

During 2010 EASAC developed a manual for the European Aviation Safety Programme (EASP) and a European Aviation Safety Plan (EASp). Based on this work, the European Commission intends to issue a communication on the strategy for the future of European aviation safety listing objectives for the coming years. With these three elements: a strategy, a programme and periodic safety plans the picture is complete.

Europe is pioneer in this endeavour as no other region in the world has a structure that turns safety management into action. The above elements have been warmly endorsed by the Agency's Management Board in December 2010.

The proposed approach for European aviation safety is based on three elements:

- A set of policies and objectives (the strategy);
 - An integrated set of regulations and activities aimed at improving safety (the programme) and
 - A high level safety issues assessment and related action plan (the safety plan).
- The EASP manual

A manual describes the EASP. It comprises a set of processes and activities and is divided in two parts.

The first part addresses the European aviation safety system created by the Basic Regulation. It sets the scene. It describes the different actors, their roles, their responsibilities and how they interact with each other. This is fundamental to understanding how the system can be used to improve safety. The document also describes the external actors who influence the system.

The second part describes how the system should work to continuously improve safety. The introduction of formalised safety management in all sectors of the civil aviation industry is still developing. Indeed, ICAO has introduced a paradigm change which is being deployed at the moment. This change of paradigm consists of two elements: SMS/SSP and performance based regulation using a total system approach. To take into account this changing environment, this part of the document proposes aspirations as well as existing processes. The proposal places the collective management of safety at the core of the aviation system.

The EASP manual is an initial document. As the implementation of the safety management principles develops, the system will have to evolve. Collaboration is the key to the successful implementation of safety management. This is especially true in our case and may well serve as a model for other regional cooperation approaches.

The EASP also aims at providing assistance to Member States in preparing their SSPs. It gives the European view of the different interfaces and of the common issues to be addressed. This European vision is fundamental to the collaborative approach and vice-versa. Indeed, a common understanding of how the EASA system functions and of the roles and activities of all the actors is the basis of the teamwork we will have to set up in order to succeed in this challenging endeavour.

- The European Aviation Safety Plan (EASp)

In 2010, the first edition of the EASp has been developed following a bottom-up approach. The initial priorities have been set up by aggregating the national priorities provided by the Member States. These priorities have been compared to priorities established by European Safety Strategy Initiative (ESSI), EUROCONTROL or the Agency. Future editions will follow a more robust cooperative methodology as opposed to the one (bottom-up) used for this first version. The principles for development of the next plans are described in the EASP manual.

The management of safety has evolved over the years. Improving the safety record has become a challenging job that requires collective effort and prioritisation of scarce resources. The publication of a Safety Plan shows the European commitment to action.

The intention behind such a document is to close the safety management loop by connecting the safety issues identified at European level through the analysis of safety occurrences with action plans and initiatives launched to mitigate the underlying risks.

The EASp proposes a path for the next 4 years that depicts a comprehensible picture of the safety work in Europe across all domains of aviation. It establishes the first layer of priorities which is further complemented by national safety plans and at Agency level by an internal safety programme. It builds a network for action. Coordination and close collaboration are key to keeping it up to date and effective.

2. Safety analysis and research

2.1. Objective and scope

EASA acquires and analyses data to help improve the safety performance of the aviation system. It carries out studies, produces reports, follows up accident investigations, promotes safety initiatives and sets up, uses and disseminates safety-related information.

The safety analysis work is twofold; internally, safety analysis is the basis for defining the actions and policies to be considered by the Agency's Internal Safety Committee (ISC) and externally safety analysis assists, cooperates and informs on safety risk issues. The functions supporting the work are:

- Safety analysis: reviews, conduct of studies and provision of reports;
- Investigations: disseminate and follow-up safety recommendations and also develop means of cooperation;
- Continuous improvement: facilitate and promote aviation safety initiatives;
- Set-up, use and disseminate information stemming from technical functions (service defect reporting, statistics, human factor policy, operational flight data analysis, safety management system, foresight and safety promotion).

Safety Analysis provides a wide range of safety advice and analysis to both internal and external parties. It also supports EASA's communication activities with stakeholders.

In 2010, focus was put on the consolidation of existing capacities e.g. through further enhancing the systematic approach to link safety activities to identified safety risks and expanding the use and sharing of safety data.

2.2. Main achievements in 2010

Safety analysis

- Productive use of safety data

Expanding the use of safety data brought forward rewards as work focuses on detecting trends and precursors to avert future accidents. International arrangements for sharing data were discussed to improve cooperation. New tools were provided to ease the availability of safety data within the Agency.

In view of the working arrangement between the Agency and EUROCONTROL, one of the first tasks of this arrangement is to expand the Annual Safety Review (ASR) to include an ATM component. Moreover, a coordinator for the "Network of Analysis" has been recruited which means that the project can become live in 2011.

Work has also been done to strengthen the Agency's policy on the protection of safety information and application of "just culture".

- Internal Occurrence Reporting System (IORS)

A main achievement in 2010 was the establishment of the Internal Occurrence Reporting System (IORS) with the aim to improve the Agency's internal organisation and processes for all occurrences that are reported to EASA. The work concerned inter alia the development of the IORS policy, the necessary procedures and the form to be used. The IORS Department was created in October 2010.

- Co-operation in investigation

Closer working, trust and confidence in working methods achieved more rapid and secure corrective actions post-accident and serious incident. New European legislation, Regulation (EU) No. 996/2010² was developed and put in place clarifying the roles and responsibilities of EASA.

Follow-up of major civil aviation accidents or serious incidents that occurred in 2010 included:

- 21 January 2010: Agusta AW139 EC-KYR, Accident, Almeria, Spain;
- 10 April 2010: TU-154M, Polish Armed Forces Accident in Smolensk, Russia;
- 13 April 2010: Airbus A300B4-203F, XA-TUE of AeroUnion, Monterrey, Mexico;
- 12 May 2010: Airbus A330, 5A-ONG, Accident, Libya;
- 28 July 2010: Airbus A321, AP-BJB Airblue Accident, Islamabad;
- 27 July 2010: Boeing MD-11, Lufthansa cargo, D-ALCQ, Accident in Riyadh airport, Saudi Arabia;
- 3 September 2010: Boeing 747-400F, N571UP Accident, Dubai, UAE;
- 4 November 2010: Airbus A380, Qantas, Engine Failure Accident (Non-fatal).

- Volcanic ashes

Following the eruption of Volcano Eyjafjallajökull (Iceland) in April 2010, causing enormous disruption to air travel across western and northern Europe, the Agency devoted substantial effort to the set-up of appropriate measures to promote safe continuation of flight operations. Priority was given to coordination, workshops, presentations and participation in working groups all with the aim of minimising the impact of any future events. A Safety Information Bulletin³ was issued with recommendations for operators of turbine-powered aeroplanes and helicopters operated into, or neared airspace that was known or suspected to be contaminated with volcanic ash. The Agency works in the newly established European Aviation Crisis Coordination Cell (EACCC) to ensure a consistent, coherent and timely response to crisis situations. In addition, collaboration started with ICAO on the establishment of new certification standards for volcanic ash.

- Safety initiatives delivering results

The three ESSI pillars were linked to the European Aviation Safety Programme (EASP).

- European Commercial Aviation Safety Team (ECAST): New Terms of Reference with a link to the European Aviation Safety Advisory Committee (EASAC) were adopted. Launch of the ECAST Runway Safety activity led by the European Working Group for the Prevention of Runway Excursion Prevention (EWGPPE) took place. Launch of the European Flight Data Monitoring (FDM) Forum is underway.
- European Helicopter Safety Team (EHEST): The EHEST Report on 2000-2005 accidents and of two safety promotion leaflets and videos according were published. The 2010 International Helicopter Safety Seminar (IHSS) was organised in Europe.
- European General Aviation Safety Team (EGAST): The EGAST safety promotion guidelines, leaflets and videos according were published.

² Regulation (EU) No. 996/2010 of the European Parliament and of the Council of 20 October 2010 on the investigation and prevention of accidents and incidents in civil aviation and repealing Directive 94/56/EC, OJ L295/35.

³ EASA SIB No. 2010-17R2: Flight in Airspace with a low contamination of Volcanic Ash.

- Safety performance management

The Performance Review Board (PRB) has been put in place by Regulation (EU) No. 691/2010⁴ relative to the performance scheme of ATM. As this performance scheme also covers safety, cooperation with the Agency has been included in the Regulation. The main areas of cooperation are: definition of Key Performance Indicators, review of national performance plans and the annual PRB reports. This cooperation was formalised by a Memorandum of Understanding (MOU) signed in February 2011 between Agency and PRB heads.

- Advancing safety internationally

The ICAO High Level Safety Conference (HLSC) took place in March 2010. EASA chaired the group that brought together the states to produce and table papers that enabled Europe to speak with one voice at the HLSC.

The Agency organised a major international conference on the impact of climate change on aviation safety in September 2010.

Research

➤ Research planning for the future

Taking into consideration the top priorities of the European Aviation Safety Plan and the European Aviation Research Partnership Group (EARPG) Thematic Programme the Agency in 2010 consolidated its needs and requests for new project proposals as well as a backlog of previous years in the ambitious EASA Research Plan 2011-2013. The plan comprises of project proposals originating from the Rulemaking Programme, projects which are suggested by Safety Recommendations, proposals made by ESSI, Certification and Rulemaking Directorates, and the European Human Factors Advisory Group (EHFAG).

The Agency closely cooperated with the European Commission regarding the Community research activities impacting the EASA system (Seventh Framework Programme (FP7), sub-theme 7.1 Aeronautics and Air Transport). In this context, EASA attended project stakeholder boards / advisory committees and hosted progress review meetings.

Furthermore, EASA interfaced with the large scale technology initiatives SESAR and CLEAN SKY. During 2010 the Agency also participated and contributed to the Advisory Council for Aeronautics Research in Europe (ACARE) Implementation Group and Integration Team. A list of 2010 Studies and Research Projects is provided in **Annex 2**.

⁴ Commission Regulation (EU) No. 691/2010 of 29 July 2010 laying down a performance scheme for air navigation services and network functions and amending Regulation (EC) No 2096/2005 laying down common requirements for the provision of air navigation services, OJ L201/1.

2.3. Key Performance Indicators

Objective	KPI	Target 2009	Target 2010	Result 2010
Improve the timely availability and enhance the content of the Annual Safety Review	Release date is advanced, indicators are enhanced range and detail are improved	Content complete and approved by 1 June	Content complete and approved by 25 May	The Annual Safety Review (ASR) 2009 with enhanced content was approved by the Agency's Internal Safety Committee on 6 April 2010
Improve Agency's response to formal Safety Recommendations	Percentage of new Safety Recommendations answered in not more than 90 days	90%	95%	88%
Coordinated, measured and timely responses to major fatal civil aviation accidents	Follow-up and active support investigations to determine the best corrective action plan	Follow-up 5 major fatal civil aviation accidents	Follow-up 7 major fatal civil aviation accidents	Exceeded
Improve the planning and implementation rate of planned actions	Action plans accepted. Tracking of action plan implementation showing that a high percentage of actions are being addressed	ECAST Working Groups deliver product, EHEST approves an action plan; EGAST publishes safety promotion materials	ECAST Working Groups deliver product, EHEST implements action plan; EGAST publishes safety promotion materials	Achieved

3. Regulation

3.1. Objective and scope

The Agency, working closely with the European Commission, manages and coordinates the preparation of EU legislation related to the regulation of civil aviation safety and environmental compatibility. In this context EASA issues opinions addressed to the European Commission and adopts supporting certification and guidance material.

In 2010, the Agency further continued its activities in line with the priorities set by the European Commission and aiming at the full implementation of the Basic Regulation. Ensuring the timely delivery of rulemaking products remained a major challenge in 2010, in particular as regards the three 'fast-track' ATM rules.

3.2. Main achievements 2010

➤ **Rulemaking Programme**

EASA delivered a significantly higher number of tasks compared to the 17 forecasted in the Rulemaking Programme including the Opinion mandating the introduction of the new ACAS II software, the Decision introducing Acceptable Means of Compliance (AMC) and Guidance Material (GM) to Part-M on "De-Icing/Anti-Icing", the 3 ATM fast-track Opinions as well as the Comment Response Documents (CRDs) on Parts Flight Crew Licensing (FCL), Medical (MED), Authority Requirements/Organisation Requirements (AR/OR), Cabin Crew (CC) and Air Operations (OPS)⁵. The Opinions on Part-FCL and Part-MED were delivered in 2010. A list of 2010 Decisions, Opinions and NPA is shown in **Annex 3**.

➤ **Existing remit**

EASA issued several important NPAs on contracting of technical services, on adaptation of Regulation (EC) No. 2042/2003⁶, CS-25 on type and number of Passenger Emergency Exits and CS-27 / CS-29 on Vibration Health Monitoring.

➤ **Extension of the scope**

• **First extension**

The Agency continued its work in accordance with the eight priority work packages agreed by the Management Board in September 2009. The work packages were aligned with the NPAs and the proposed new rule structure, particularly taking into account the progress made, the available internal and external resources and their related expertise as well as the re-structuring of the OPS technical requirements.

The CRDs to Part-AR and Part-OR were published in October 2010. They contain the Authority Requirements (AR) regarding FCL, training organisations, aero-medical centres, FSTDs, air operations, aero-medical certification and cabin crew, and the Organisation Requirements (OR) regarding training organisations, aero-medical centres, FSTDs and cabin crew. The CRDs to the Certification Specifications for FSTD for aeroplanes and helicopters were published in December 2010.

⁵ OPS, regarding commercial air transport operations of helicopters and aeroplanes (CAT (A+H)) and operations requiring specific approvals (SPA).

⁶ Commission Regulation (EC) No. 2042/2003 of 20 November 2003 on the continuing airworthiness of aircraft and aeronautical products, parts and appliances, and on the approval of organisations and personnel involved in these tasks, OJ L 315/1.

- Second extension

The Agency issued the 'first phase' Opinions ('fast-track') on three essential ATM rules and continued its rulemaking activities in line with the agreed priorities. EASA also issued the Opinion on the common airspace usage requirements rule with the first sub-part on the ACAS II version 7.1 software which is mandated in the European airspace. The development of the Implementing Rules for aerodrome safety continued with the aim of issuing the related NPAs by 2011 and adopting the rules by 2013 as stipulated by the Basic Regulation.

As requested by the European Commission and in accordance with the Agency's safety advisory role (Article 13a of the SES Framework Regulation), the Agency contributed actively in developing the SES Implementing Rules on the ATM Network Management Functions, on the ATM Performance Scheme and in providing the information for establishing or modifying Functional Airspace Blocks (FABs).

- Implementation of 2010 rulemaking work programme: interface with organisations

In implementing its 2010 work programme, the Rulemaking Directorate further developed interface with EUROCONTROL, SESAR and ICAO.

The Working Arrangement between the Agency and EUROCONTROL was adopted and the Work Programme for 2011 and related task specifications has been put in place to seek maximum synergies in the tasks of both organisations and to facilitate the implementation of the changing regulatory environment in the ATM domain. In the area of environmental protection a close working relationship has also been established.

A Letter of Agreement (LoA) between the Agency and the SESAR Joint Undertaking was formally signed to define tasks and modalities linked to the SESAR programme. The Agency is involved from a regulatory point of view in planning, rule drafting, and safety cases, and has a key role in the validation process of the SESAR work packages. The Agency also supported the SESAR programme for validating the safety aspects related to the programme implementation.

Moreover, EASA continued its direct involvement in various ICAO working groups and panels, increasing its cooperation with and support to ICAO on the development of new rules and standards. EASA worked with the ICAO task force and panels on aerodrome operations and services in the ICAO study group for unmanned aircraft systems operations and with the task force on the new generation of aviation professionals (NGAP). It also participated in the meetings of the aircraft noise, aircraft emissions, and modelling and database task forces. Support was provided to the European Commission to prepare the ICAO/CAEP Steering Group meeting.

3.3. Key Performance Indicators

Objective	KPI	Target 2009	Target 2010	Result 2010
Improve the rulemaking process by organising conferences, in order to communicate with stakeholders at an earlier step of the process	Number of high level conferences organised at the beginning of new tasks	4	4	6 ⁷
Be more proactive towards ICAO, MS, EU institutions in order to take a leading role in preparing rules and setting safety objectives	Adoption and degree of implementation of a policy on interaction with these different key actors.	The policy drafted by R is adopted by the Directors	75% policy implemented	95 %
Implement the adopted R WP	% of tasks implemented	95%	95%	135 %

⁷ EASA Information Day - The second EASA extension: Aerodromes and ATM, Part-21J/145 interface Workshop - Discussion on acceptance of parts and repairs, Workshop on MDM.047, M.014 and 145.012, AR/OR Conference, OPS Conference on Part CAT and Part SPA.

4. Product certification

4.1. Objective and scope

The Agency is responsible for the airworthiness and environmental type certification of aeronautical products, parts and appliances. This responsibility encompasses the initial certification of new type designs and a variety of related activities, such as supplemental type certifications, approval of changes and repair solutions. Furthermore, it also covers activities to ensure the continuing airworthiness of the certified products, parts and appliances during their entire operational lifecycles. This includes reacting without undue delay to a safety problem and issuing, disseminating the applicable mandatory information (Airworthiness Directives, ADs).

In 2010 the Agency's Certification Directorate focused on the enhancement of continuing airworthiness related tasks and the preparation of the new remits' implementation in addition to performing its main task in the domain of airworthiness and environmental certification of aeronautical products, parts and appliances.

4.2. Main achievements in 2010

The Certification Directorate initiated and actively supported the development of a new system (tools and working methods) for the consistent collection, analysis and recording of incoming safety information. It also contributed to the development of the regulatory framework for the Agency's new responsibilities. Support was also provided to the revision of the current Fees & Charges Regulation⁸ to set up an appropriate funding mechanism for the new activities.

The Directorate shaped its organisation accordingly and established the Air Traffic Management (ATM) and Air Navigation Systems (ANS) Department, which will be in charge of all the investigations and oversight of the systems used to provide ATM/ANS services.

The development of a "Trainee Programme" for young engineers was further progressed with a Decision of the Executive Director⁹, setting out the general framework for traineeship programmes at the EASA.

The Agency actively promoted its cooperation with stakeholders via a number of specific events (workshops, seminars, management meetings etc.) and a newly developed communication tool, the Certification Memoranda¹⁰.

➤ Airworthiness and environmental type certification of aeronautical products, parts & appliances

- Trend of applications received

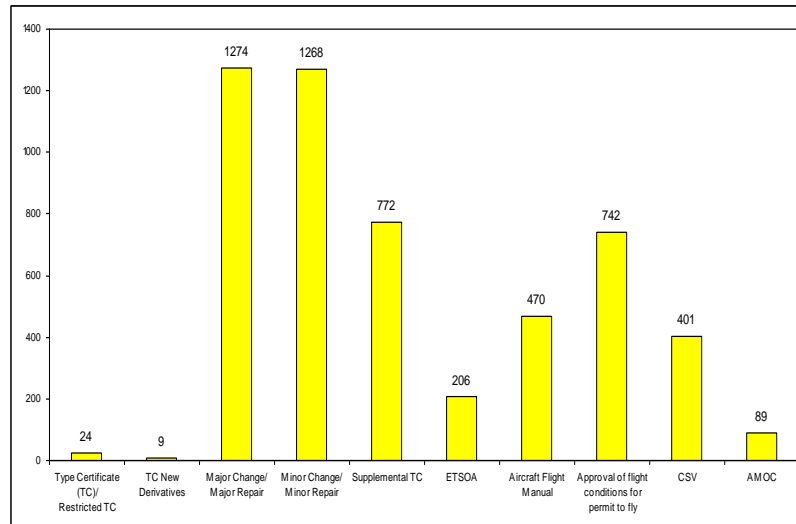
The number of new applications submitted to the Agency for airworthiness and environmental certification in 2010 showed that industry recovered from the financial crisis. The figure (5.255) remained stable compared to 2009. Applications for

⁸ Commission Regulation (EC) No. 593/2007 of 31 May 2007 on the fees and charges levied by the European Aviation Safety Agency and Commission Regulation (EC) No 1356/2008 of 23 December 2008 amending Regulation (EC) No 593/2007.

⁹ Decision No. 2010/175/E of the Executive Director of the Agency of 16 December 2010 concerning the Rules governing the EASA Traineeship Programme.

¹⁰ EASA Certification Memoranda clarify the Agency's general course of action on specific certification items. They are intended to provide guidance on a particular subject and as non-binding material may provide complementary information and guidance for compliance demonstration with current standards.

certification of new type design were received for diverse product types varying from airships, balloons, engines, propellers to small aeroplanes and rotorcrafts. With regard to large aeroplanes, Bombardier, a Canadian aircraft manufacturer, applied for a concurrent European (EASA)/Canadian (Transport Canada Civil Aviation, TCCA) certification of its C-series, medium-range, twin engine aeroplanes (CS100 and CS300). The diagram provides a breakdown of the natures of the applications received:



- Major on-going multi-annual type certification programmes

Considerable work was performed on a number of multi-annual type certification projects, such as Airbus A350, A400M military transport, Eurocopter EC175 helicopter and also on the validation of Embraer EMB-550 and EMB-545 business jets, Mitsubishi Regional Jet (MRJ), HAL Dhruv multirole helicopter and Sukhoi Superjet 100 regional jet. In 2010, the validation of the Boeing B787 and the B747-8 jet airliners reached its final phase, however both projects faced some delay due to technical issues.

- Number of certificates issued

During the year 3.996 certificates¹¹ were issued. Type Certificates were awarded for the twin-engined pusher-configuration monoplane, Skycar, the SaM146-IS17 turbine engine, TDA CR 1.9 8V diesel piston engine and the Helix H50F propeller. Furthermore, the Agency successfully completed the validation of the Brazilian light business jet, Embraer EMB-505, the American super-midsize business jet, Hawker Model 4000 and the various hot air balloon types of Kavanagh, Australia. A Restricted Type Certificate was handed over to Beriev Aircraft Company for its multipurpose amphibious aircraft, Be-200ES-E.

➤ Continuing airworthiness

- Koito seats issue

On aspects related to the falsification of seat test results by Koito Industries Ltd (Japan), EASA worked very closely with its US counterpart, the Federal Aviation Administration (FAA) in developing their respective mandatory actions culminating in harmonised content of the relevant EASA Proposed Airworthiness Directive (PAD) / FAA Notice of Proposed Rulemaking (NPRM). Before the publication of the final rules, two industry briefing sessions were arranged to facilitate the commenting period.

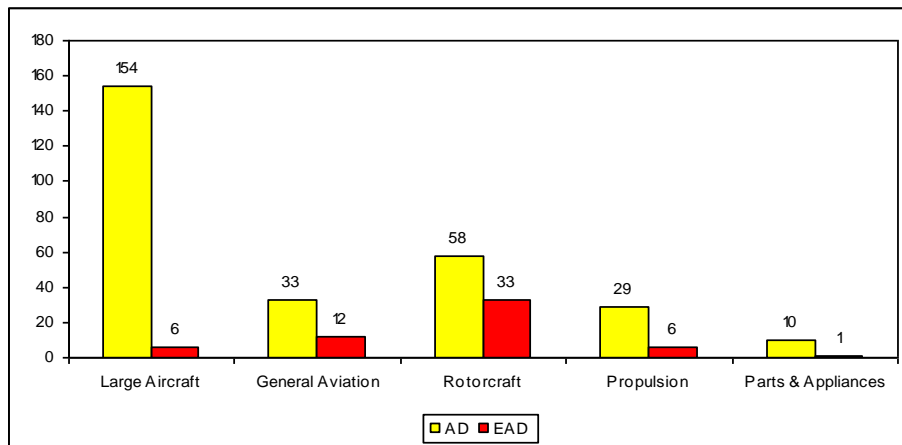
¹¹ Certificate shall mean any approval, license or other document issued as the result of certification.

- Qantas accident

During the year the Directorate was actively involved in the analysis of accident and incident investigations, including the accident of an Airbus A380 aircraft, operated by Qantas Airlines, in November 2010.

- ADs & EADs

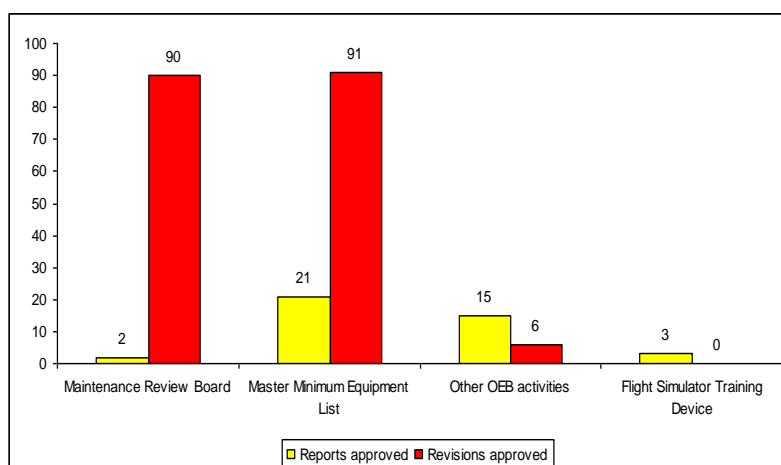
Finally, in order to ensure the continuing airworthiness functions associated with the products, parts and appliances which are under the Agency's oversight, 284 Airworthiness Directives (ADs) and 58 Emergency ADs (EADs) were issued. The associated details are presented in the diagram below:



➤ **Operations related certification tasks**

These tasks encompass the Maintenance Review Board (MRB) process and a wide range of Operational Evaluation Board (OEB) activities, such as approval of Master Minimum Equipment List (MMEL), Flight and Cabin Crew type training issues and Flight Simulator Training Device (FSTD) qualifications.

The respective results can be displayed as follows:



4.3. Key Performance Indicators

Objective	KPI	Target 2009	Target 2010	Result 2010
Ensure minimum level of continuing airworthiness oversight	Number of yearly technical working hours performed as a percentage of planned hours	90%	90%	88,19%
Internalise certification tasks in line with internalisation policy	Internal hours as a percentage of total hours	62%	64%	70,95%
Improve efficiency of technical staff	Share of technical hours (project work) as a percentage of total hours	65%	66%	80,11%
Ensure adequate fulfilment of all flight standards certification tasks	Number of technical working hours performed per project as percentage of planned hours	-	90%	97,85%
Satisfaction of Industry	Percentage of positive feedback received through stakeholders feedback questionnaires		80%	72% (based on 29% participation rate)
Quality of design related safety oversight (IAW&CAW)	Number of major incidents or accidents (CS 25 & CS 29 a/c) caused or partly caused by design deficiencies		Equal or less than average of previous 10 years	Under revision, with the aim to develop a more meaningful indicator

5. Organisation approvals

5.1. Objective and scope

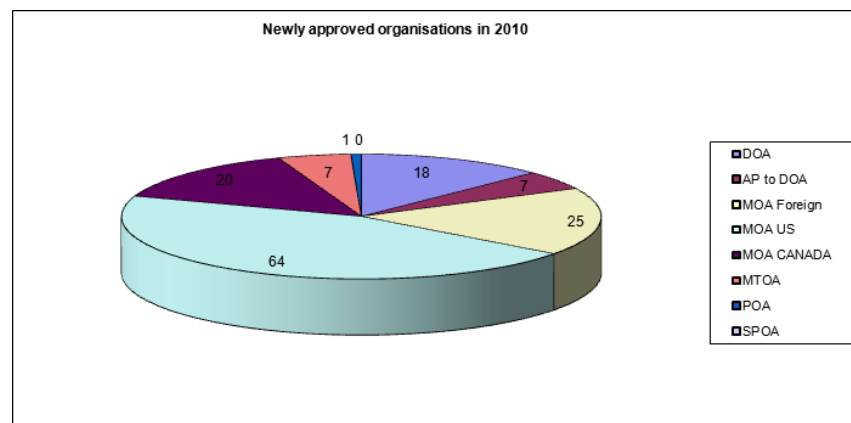
EASA is responsible for approving design organisations wherever they are located as well as those responsible for production, maintenance, maintenance training and continued airworthiness management outside the territory of the Member States. It also includes approving production organisations located outside the territory of one or more Member State(s) if requested by the Member State(s).

In 2010, organisation approvals activities within the initial scope of the Agency have reached a mature level in terms of activity and methodologies. Work in 2010 focused on fostering the current method and approach for organisation approvals and on preparing the new remits and implementing related processes, e.g. expansion to flight crew licensing and ATM/ANS (fast track procedure).

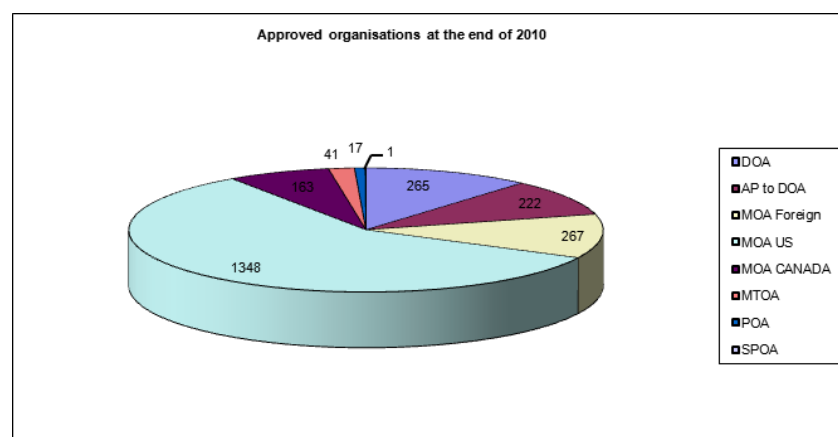
5.2. Main achievements in 2010

Organisation approvals activities have grown steadily in 2010, including Design Organisation Approvals (DOA) / Alternative Procedure (AP) to DOA, Production Organisation Approvals (POA) and Maintenance/Continuing Airworthiness Organisation Approvals (MOA/COA). The workload on surveillance of the Airbus European Single Production Organisation Approval (SPOA) slightly increased, also on the non-European locations. The figures related to organisation approvals can be summarised as follows:

Newly approved organisations in 2010



Approved organisations on 31/12/2010



➤ **Design Organisation Approvals**

On 31 December 2010, 265 DOA in total were issued, of which 192 have been internalised by the Agency. 73 remained in the hands of NAAs. 92 organisations were under initial assessment for DOA and 45 for AP to DOA. Internalisation of activities has reached the expected target. 3 additional organisations were transferred to EASA Team Leaders in 2010, including 1 DOA and 2 AP to DOA. Further transfers will occur if NAAs decide to stop their activities or if the extension of the DOA scope requires it.

➤ **Production Organisation Approvals**

Contacts with the Chinese Authority on production facilities of two EASA POA holders and the Airbus Final Assembly Line (FAL) in China have been further strengthened. In addition, the procedure for the issuance of EASA Export Certificates of Airworthiness (EcofA) for aircraft manufactured in China has been implemented and fostered. Support on this specific activity was provided by the EASA representative in China.

➤ **Maintenance / Continuing Airworthiness Organisation Approvals**

In the field of Maintenance/Continuing Airworthiness Organisation Approvals, EASA is outsourcing the technical investigations as well as the continuing surveillance of the organisations to NAAs in the majority of cases. A limited number of approvals is covered by in-house experts in order to maintain and develop expertise and to effectively manage the activities performed by the NAAs. EASA contributed to the preparation of a smooth transition from the existing Bilateral on Maintenance to the new EU-US Bilateral.

5.3. Key Performance Indicators

Objective	KPI	Target 2009	Target 2010	Result 2010
Establish means of NAA surveillance performance checks in order to ensure common application of organisation's surveillance; this is regardless of whether surveillance will be performed by EASA or a NAA on its behalf	Number of NAA visits accompanied by EASA team leaders or EASA management staff	n.a	5%	3.8%
Implement new remits, timely adjusted to the changes of the implementation dates	Availability of implementation plan	Adjust implementation plan on a regular basis	Implement the new remits i.a.w. the implementation plan	Adjustment to the implementation plan in accordance with the changes of the Irs
Proactively develop structured links with the Commission and the major regulatory authorities in the field of 3 rd countries operators, while maintaining the Agency's independency	Number of regular meetings held with the EC	n.a	Quarterly meetings	Regularly meetings held
Preparation of adequate procedures for NAA outsourcing with regard to new remits	Percentage of outsourced tasks vs tasks performed by EASA staff	Finalize draft phase of outsourcing procedures	Establish outsourcing procedures (target 80%)	Adjustment to outsourcing procedures due to the postponement of the outsourcing policy
Develop a risk based surveillance system with defined testing and implementation phases	Implementation of the risk based surveillance phases vs implementation plan	Finalizing definition phase	Finalizing testing phase	Concept finalized, further progress subject to availability of tools for testing

6. Inspections of Member States

6.1. Objective and scope

The Agency assists the European Commission in monitoring the uniform and effective implementation of Union law by Member States' NAAs by means of Standardisation Inspections. Such inspections may also include investigations of undertakings or associations of undertakings under the oversight of the inspected NAAs.

In the areas of initial and continuing airworthiness the Agency monitors compliance of NAAs with the requirements of the Basic Regulation and related Implementing Rules in accordance with the framework established by Commission Regulation (EC) No. 736/2006.¹² In the domains of air operations (OPS), flight crew licensing (FCL) and flight simulation training devices (FSTD) the Agency performs standardisation inspections in order to ensure a seamless transition and to avoid any safety gap until the adoption of the upcoming EU Implementing Rules. The former Joint Aviation Requirements (JARs) and, for commercial air transport operations by aeroplane, the requirements of Council Regulation (EEC) No. 3922/91¹³ ("EU-OPS") continue to apply.

In 2010, the Agency focused on further enhancing its current standardisation activities and worked towards a continuous improvement of the standardisation process.

6.2. Main achievements in 2010

➤ The playing field

In 2010, the scope of standardisation encompassed 46 Countries: the 31 "EASA States" plus 15 States having signed a Working Arrangement (WA) with EASA. In the course of the year, inspections were performed in 26 "EASA States" and 7 "WA States". Standardisation has continued to combine all sectorial inspections planned for the same country, in order to provide to the European Commission a consistent "global picture" across all technical domains. As a result, approximately 90% of regular inspections in 2010 were planned and performed as "combined inspections".

➤ Inspectors' pool

EASA is committed to involve seconded NAA inspectors in its inspection teams, in order to benefit from their competence and practical experience as well as to build and disseminate a common understanding of the applicable requirements across NAAs (pro-active standardisation). In 2010, 95 Team Members were provided by seconded NAA inspectors (54%). 3 Standardisation Inspectors' initial training courses were delivered, training more than 40 new inspectors, mainly in the fields of FCL, OPS and FSTD.

¹² Commission Regulation (EC) No. 736/2006 of 16 May 2006 on working methods of the European Aviation Safety Agency for conducting standardisation inspections, OJ L 129/10.

¹³ Commission Regulation (EC) No. 859/2008 of 20 August 2008 amending Council Regulation (EEC) No 3922/91 as regards common technical requirements and administrative procedures applicable to commercial transportation by aeroplane, OJ L 254/1.

➤ **Standardisation key results**

In 2010, 111 standardisation inspections were performed¹⁴, as follows:

Inspection type	IAW	CAW	OPS	LIST	MEST	FSTD
Regular	14	22	12	18	18	7
Follow-up	0	4	9	3	2	0
Ad-hoc	0	1	1	0	0	0
Total	14	27	22	21	20	7

As a result, a total of 949 findings was raised, of which 876 were classified as non-compliances requiring a corrective action plan to be proposed and implemented by the inspected NAA. Approximately 20% of all findings were classified as significant deficiencies that may raise safety concerns if not duly corrected.

All corrective action plans proposed by the NAAs were evaluated by the relevant Standardisation Sections. In a few specific cases no agreement could be reached, leading to the issuance of supplementary reports. Agreed actions are monitored by the Agency in order to ensure their implementation.

➤ **Standardisation meetings**

In 2010 the Standardisation Department organised 10 Meetings with a total attendance of 448 NAA representatives. Standardisation meetings have proven to be a successful tool in achieving a higher level of common understanding and interpretation of the applicable requirements. Conclusions from each meeting are shared with the Rulemaking Directorate, so that those that qualify as potential regulatory material can be further developed. The Agency has decided to increase the frequency of standardisation meetings based on the positive feedback received by NAAs.

➤ **Continuous improvement of the standardisation process**

Currently, the standardisation process is mature and fulfils its objectives successfully.

Nevertheless, the Agency is working towards a continuous improvement of the quality, efficiency and effectiveness of the process. To this end, a number of measures have already been put in place and will be further improved in 2011, and in the future, the process will undergo a major evolution towards a risk-based, continuous monitoring approach (CMA).

This dynamic approach had been confirmed during the IAS¹⁵ audit in September. The audit report concluded that the internal control system in place provides reasonable assurance regarding the achievement of the objectives concerning the inspection of NAAs.

¹⁴ Furthermore, the Standardisation Department was involved in 7 International Standardisation visits (USA, Canada, Brazil) and 9 Accreditation visits.

¹⁵ Internal Audit Service of the European Commission.

6.3. Key Performance Indicators

Objective	KPI	Target 2009	Target 2010	Result 2010
Complete the agreed number of visits as per the approved annual plan	% of planned visits carried out		100% of planned visits + ad-hoc and other unexpected visits	Planned: 104 Performed: 111 (2 ad-hoc)
Extend the standardisation meetings to the new remits	Number of standardisation meetings per scope	1 meeting per scope	1 meeting per scope	2 meetings per scope in the new remits
Actively participate to the courses provided to the NAAs	Number of staff actively participating	1 member of staff per scope	At least 1 member of staff per scope	1 member of staff per scope participated
Extend to OPS/FCL/FSTD the same inspectors qualifications		Establish list of inspectors to be qualified	Start qualification	Qualification started
Continue to consolidate the existing pool of inspectors		Increase by 10%	Increase by 10%	2010 average increase > 10%
Explore the possibility (willingness) of short term (1 year) secondment of NAA staff to EASA	Establish the need and the procedure	Send a letter to all NAAs to identify the prospective population	At least 1 END	1 Seconded National Expert in 2010
Use reactivity index to define visit planning		Modify the procedures to take into account possible implications of the implementation of the risk based system (shorter, 1-year, and longer, 3-years)	Modify the procedures to take into account possible implications of the implementation of the risk based system (shorter, 1-year, and longer, 3-years)	Partially achieved; Procedures being modified towards a risk based approach, in line with the ICAO CMA model

7. Operators

7.1. Objective and scope

The Operators Department covers the activities of the Agency related to the coordination of the European Community's Safety Assessment of Foreign Aircraft (SAFA) programme and the authorisation of Third Country Operators (TCO).

The SAFA activity carried out by EASA is a coordination function, including:

- Maintaining and updating the database of reports from SAFA ramp inspections;
- Providing analysis and reports on the collected data;
- Fostering the organisation and implementation of training courses;
- Providing proposals for manuals and procedures;
- Fostering the standardisation of SAFA activity.

In addition, within the scope of Article 23 of the EASA Basic Regulation, the Agency will be responsible for issuing authorisations to Third Country Operators (TCO) wishing to fly into the EASA airspace and land in one of the EASA countries.

In 2010, the Agency focused on further enhancement of the SAFA programme (including e.g. development and deployment the redeveloped SAFA application, implementation of the centralised system for the follow-up of corrective actions, continuous update of SAFA procedures), on carrying out SAFA standardisation audits to NAAS and on providing continuous support to the Commission for the Air Safety Committee (ASC) on the EU Safety List.

As regards TCO, the Agency focused on the preparatory work (exact scope definition, workload and procedures).

7.2. Main achievements in 2010

SAFA

➤ Enhancement of the SAFA programme

In 2010, EASA started the redevelopment of a new SAFA application and database by establishing high level requirements and detailed business requirements. This new application will provide full support for the entire process (preparation, reporting, follow-up and closure of findings).

SAFA analysis was performed in line with the established schedule. All regular analyses were preceded by a quality review aimed at identifying reporting errors. The analysis results as well as the results of the process of prioritising SAFA inspections were presented during the meetings of the Air Safety Committee (Safety List). Numerous ad-hoc analyses were also performed on request of the European Commission to support various cases being investigated.

In 2010 the SAFA Guidance Material (including detailed procedures for the performance of ramp inspection, reporting and follow-up) was reviewed, taking into account the latest amendments to the applicable ICAO standards as well as input received from the SAFA Participating States and from the SAFA Standardisation Audits carried out by EASA.

As prescribed by the SAFA Directive and in accordance with the Terms of Reference for SAFA standardisation agreed with the SAFA Participating States, EASA continued the

SAFA standardisation process initiated in 2009. In 2010 a total of 24 standardisation inspections were planned and completed in EU and non-EU SAFA Participating States.

➤ **International promotion of the EU SAFA Programme**

In view of promoting the EU SAFA Programme on the international arena, the SAFA principles and methodology employed were presented to various international audiences during the EASA International Cooperation Forum and the 2nd Global Aviation Safety Roadmap Workshop organised by ICAO/Interstate Aviation Committee. The SAFA Programme was also presented during various seminars, workshops and bilateral meeting to a number of states: UAE, India, Venezuela, and China.

In line with the mandate given by the European Commission, the Agency also engaged in negotiations with non-European states for their inclusion in the EU SAFA Programme. In the first phase invitations were presented to 4 countries: Brazil, Canada, Morocco and Tunisia and negotiations have been started already with Brazil, Canada and Morocco.

Third Country Operators

Within the extension of its remit, the Agency has started preparatory work (exact scope definition, workload and procedures) in the context of authorisations to Third Country Operators (TCO). This entailed:

- Establishment of a comprehensive TCO project plan and development of initial elements for performance based oversight considering risk assessment principles;
- Drafting of EASA technical and administrative procedures for TCOs;
- Support of Rulemaking activities in the field of TCO authorisations;
- Initiate the recruitment of staff.

The European Commission was regularly supported in the context of the EU Safety List. EASA participated in preparatory hearings with foreign authorities and foreign operators and has provided technical expertise during several safety assessment missions in the framework of the Air Safety Committee. The TCO Section assumed the coordination task and revived the dormant ICAO USOAP report analysis working group.

7.3. Key Performance Indicators

Objective	KPI	Target 2009	Target 2010	Result 2010
Participate to seminars, conferences, roadshows	Number of initiatives attended outside the routine events	At least 3	At least 3	4
Present the EC-SAFA system during relevant international conferences and on request of individual States in order to align ramp-inspections methods with other major aviation authorities	Number of external presentations and exchanges with third country authorities		5	7
Qualification of SAFA inspectors	Completion of training with an EASA approved training organisation		Year on year improvement	Completed the business requirements of the SAFA database. Actual development work initiated.
Development of the SAFA database	Ease of use and quality of output	5 inspections	24 inspections	24 (100%)

8. International cooperation

8.1. Objective and scope

The Agency helps to establish working arrangements with foreign NAAs and assists the European Commission in the negotiation of Bilateral Air Safety Agreements (BASAs). Moreover, the Agency supports developing countries in improving their regulatory capabilities.

8.2. Main achievements in 2010

➤ Bilateral Agreements and Working Arrangements

The Bilateral Aviation Safety Agreement (BASA) on civil aviation safety between Brazil and the EU, including annexes on certification of aeronautical products and maintenance, was signed in Brasilia on 14 July 2010.

8 Working Arrangements (WA) between EASA and China's CAAC, one International Partnership with Russia, two modifications of the Appendix with Japan and one Appendix with the United Arab Emirates (UAE) were signed.¹⁶

➤ Technical cooperation

EASA provided support to the European Commission in defining European assistance projects and managing Community programmes (e.g. South Asia, South-East Asia, India, China, Democratic Republic of Congo, Russia, Balkan countries, Mediterranean countries and Central Asia).

EASA's technical cooperation activities included (1) direct management of dedicated assistance programmes and (2) participation in technical assistance missions in Gabon, Congo, Bangladesh, Montenegro, Georgia, Costa Rica and Malawi.

The 2nd EASA International Cooperation Forum (ICF-2) was held in Dubai in April 2010.

8.3. Key Performance Indicators

Objective	KPI	Target 2009	Target 2010	Result 2010
Promote EASA system via bilateral agreements, working arrangements and local representatives	Number of initiatives being actively processed	1 (1 bilateral with Canada + start expanding)	Continue expanding	The EASA system has been continuously promoted, e.g. via: (1) Support to Bilateral Agreements (Brazil) (2) Working Arrangements (8 with CAAC, 2 with JCAB, 1 with IAC)
Develop training and organise technical workshops	Indicator is the number of workshops organised explaining the impact of the EU regulations.	3	1 conference EASA family	12 activities organised 8 Safety list and IPA technical assistance missions
Take the lead in coordinating among the different European actors involved in technical cooperation	Number of technical cooperation actions coordinated by the Agency, including the working arrangement with non-EASA JAA countries	Start-up European coordination	1 coordinated programme with ECAC	3 ICF events with NAA participation IPA project

¹⁶ A full list of EASA Working Arrangements is available on the EASA website under the following link:
<http://www.easa.europa.eu/rulemaking/international-cooperation-working-arrangements.php>.

9. Support activities

9.1. Objective and scope

EASA's support activities encompass the general management and administration of the Agency. This includes the overall organisation (management, planning, general coordination), communication, legal advice, audit and quality. Furthermore, administrative and IS support (finance, HR management, procurement, corporate services and information services) and operational support (application management, safety investigation, accreditation, technical training, NAA contracts) are covered.

In 2010, main challenges in the support area included the finalisation of the ISO9001:2008 certification, further consolidation of ERP/SAP, and further enhancement of the HR development processes.

9.2. Main achievements in 2010

General management

The 2010 US/Europe international aviation safety conference on "Global Safety Management: Evolving a Common Culture" was held in New Orleans, Louisiana, from 8-10 June with more than 300 participants from NAAs, industry and organisations.

Application management and procurement services

Preparation of the administrative processes for the Agency's new remits started in 2010, including the identification of application forms and certificates required for new tasks.

By end 2010 the envisaged Fees & Charges Revenue of € 72 million had been invoiced. The proposal for the 3rd generation of the Agency's Fees and Charges Regulation has been further discussed with the Industry and with the Commission and a consolidated draft Regulation was provided to the Management Board in June 2010.

The concept of individual purchase orders for outsourcing of certification tasks was implemented. During Q4/2010 planning and preparation for the procurement of the outsourced certification tasks (new and current remit of the Agency) commenced.

23 high value tendering procedures covering both operational & administrative needs were managed throughout the year. 20 of them were successfully finalised and 29 high value contracts signed with a value of ~ € 14 million. In addition, 428 contracts were signed as a result of low value procurement procedures totalling ~ € 1.65 million.

Finance services

In 2010, the Finance Services Department achieved a satisfactory budget implementation of 98.4%. Details on financial performance are provided in **Annex 4**.

The Enterprise Resource Planning (ERP) system was further enhanced and systematically used for all types of financial transactions and for the year-end closing.

The Agency's Business Plan 2011-2015 was reviewed and a new version, including a € 3 million saving package regarding the EU subsidy, was adopted by the Management Board in December 2010.

Legal services

The Legal Department has actively contributed to the development of rulemaking deliverables, including several major issues such as the Opinions on Medical and AOR requirements and the NPAs on Flight Time Limitations and Third Country Operators.

In addition, the Legal Department provided support to the technical/operational functions of the Agency, such as the ones related to the implementation of article 1(2) of the Basic Regulation and on the application of the provisions of article 83bis of the Chicago Convention to the EU system.

The Department has continuously coordinated the Agency's response to requests from accident investigation authorities and judicial authorities in close cooperation with the operational Directorates and external legal counsel. Furthermore, it has ensured that the Agency's implementation of the Data Protection Regulation is continuously progressing.

Finally, the Department has processed a number of requests for public access to documents and US requests for third party consultation under the US Freedom of Information Act (FOIA); it has also provided leading support to further develop the Agency's policy on the protection of safety information.

Communications

The easa.europa.eu website underwent a complete redesign and now features enhanced navigation and search capabilities. EASA also developed its presence on social media, making active use of Facebook and Twitter to inform its constituencies.

EASA published press releases on topics such as the harmonised rules for pilot licensing, propositions for flight time limitations, the first EASA certification for a Franco-Russian engine (SaM146) and the Safety Information Bulletin for the volcanic ash crisis. EASA was also heavily involved in dealing with the Qantas / A380 / Trent900 crisis.

A large number of TV, Radio and Print interviews were organized with EASA staff on topics like rulemaking developments (FCL, FTL, etc.), certification and strategic safety.

Agency publications in 2010 included: Annual Safety Report 2009, Annual Report 2009, Fact Book 2005-2009, EHEST Safety Report, EASA news.

Human resources

At the end of 2010, EASA employed 524 Temporary Agents (TA), 63 more than the year before. Additionally, 54 Contract Agents (CA) and 8 Seconded National Experts (SNE) were employed at EASA. During the year 2010, EASA concluded 92 new contracts of employment which resulted in a net increase of 72 staff members. 20 staff members left the Agency for various reasons (resignation, end of contract, retirement and dismissal) and 31 staff members were successful in external or internal selection procedures.

The Agency published 57 vacancies, targeting 67 posts and finalised 60 selection procedures corresponding to 66 targeted posts. Roughly 2.800 applications have been received and more than 405 interviews were conducted.

Net staff increase 2010 (TA/CA/SNE)	72
Vacancies published 2010 (TA/CA/SNE)	57
Successful internal candidates (TA)	31
Staff members leaving 2010 (TA/CA)	20

In addition to the already recruited staff members, further 16 TA candidates accepted an offer of employment and will take up their post during the first months of 2011. Details on the Agency's 2010 staffing figures and demography can be found in **Annex 5**.

As regards staff management and development, the Agency organised and facilitated 235 General Training courses (thereof 104 for language/testing) with altogether 1.248 (684) participants. A training management tool has been purchased and its configuration started at the end of 2010. The tool is planned to be completed and made available to all staff by Q2/2011.

Following the appraisal and reclassification procedure, 100 staff members have been proposed for reclassification whereof 68 were effectively reclassified after compliance with Art. 45(2) (knowledge of a third EU language). 2010 was the first year in which also contract agents were reclassified.

The Job Evaluation Project was completed in November 2010. The project resulted in the update and completion of all EASA job descriptions, the evaluation of all posts and an organisational grading system which shall be further adjusted to EASA's needs in 2011.

Furthermore, the first Staff Motivation Survey was launched through the contractor Ipsos Loyalty GmbH with the survey being made available to all staff from December 2010 and 10 January 2011. The complete report was published to all staff in Q1/2011.

A list of aviation expertise has been developed with the input of the EASA core business. A survey to record all available aviation expertise of EASA staff is planned in Q1/2011.

Technical training

To meet the increasing request of timely and ad-hoc training, the following actions were taken in 2010:

- Streamlining of Technical Training Department (TTD) system for course scheduling, visibility and registration and consolidation of one-off course request;
- Publication of an increasing number of e-learning courses;
- Best practice and training needs sharing with NAAs through Common Training Initiative Group (CTIG) meetings;
- Streamlining and general inventory of technical library resources and fostering of the e-examination usage by Training Organisations and NAAs.

The main achievements in 2010 included:

- Agreement on Inspector's qualification criteria through CTIG proceedings;
- Increase of e-examination providers to 29 plus 13 Member State NAAs;
- Review and update of the 6 top sellers e-examination syllabi;
- Adoption of new training technologies to cater for expanding customer base;
- Development and delivery of specialised courses for: CS-23, CAW of Type Design, Train the Trainer, EU/Canada Agreement;
- Close cooperation with experts to develop content and competency based courses;
- Publication of the 2011 Training Schedule (December 2010).

In 2010 the training activities were as follows:

Training sessions	70
Courses	44
Attendees from EASA	484
Attendees from NAAs	121

Information and corporate services

On the Business Applications side several strategic projects were started, for example SAFA and IORS, with a final implementation date during 2011. In parallel, the related section provided continuous support for the maintenance and improvement of several core business applications such as AWD (Air Worthiness Directives), CRT (Common Response Tool), several Share point sites, the HR system, and the WebPortal.

On the ERP side, the Agency continued the optimisation of the tool, adding additional features and fine tuning the implemented functionalities.

On the Infrastructure side, the IT departments of the European Centre for Disease Prevention and Control (ECDC) and EASA decided to collaborate to effectively reduce costs by hosting their respective remote failover datacenters.

As regards corporate services, detailed analyses on space requirements and operational efficiency identified the need for the Agency to consider alternative properties as a headquarters at the latest by the end of its current lease agreement in 2016. The procedure will continue well into 2011.

In the field of travel management, due to the increase in the number of business trips to cities with heightened security risks, a prior risk assessment was introduced for certain destinations.

As regards documents and records management, a total of 5500 files transmitted from the JAA were catalogued and transferred to the central archive.

9.3. Key Performance Indicators

Objective	KPI	Target 2009	Target 2010	Result 2010
Improved speed of task allocation process for initial airworthiness certification related activities	Percentage of applications processed to task allocation within 5 working days as from application receipt	70%	75%	73%
Improved speed of certificate issuance process	Percentage of technical visas processed to certificate within 5 working days as from technical visa receipt	70%	75%	88%
Maintain a high budget implementation rate	Percentage of executed commitments compared to the forecast considering the whole annual budget	98%	98%	98%
Improve the efficiency of the debt recovery process	Average number of days to cash recovery orders	133	120	108
Implementation of the Establishment Plan	Percentage of authorised Temporary Agents posts that are filled by the end of 2010	95%	98%	92%

Identify standard training programme (common criteria with regard knowledge, skills and experience) for Aviation Safety Inspectors' profiles	Final working paper	Draft working paper	Agreed and endorsed final working paper	Achieved
Promote the use of the e-examination system by the external providers and develop number of e-Examination Topics and MCQs	No. of conducted e-Exams No. of e-Examination Topics And MCQs	No. of e-Exams : 500 No. of e-Exam topics: at least 16	No. of e-Exams : 1000 No. of e-Exam topics: at least 24	No. of e-Exam topics: 5
ISO 9001 Certification	Certificate obtained	Preparation and pre-audit	Certificate obtained	Certificate awarded on 15 December 2010
Establish common records management system across EASA that satisfies compliance and ISO 9001 requirements.	Successful roll out of records management software across all departments		2 pilot departments	Project was put on hold due to reprioritisation of the IS project portfolio

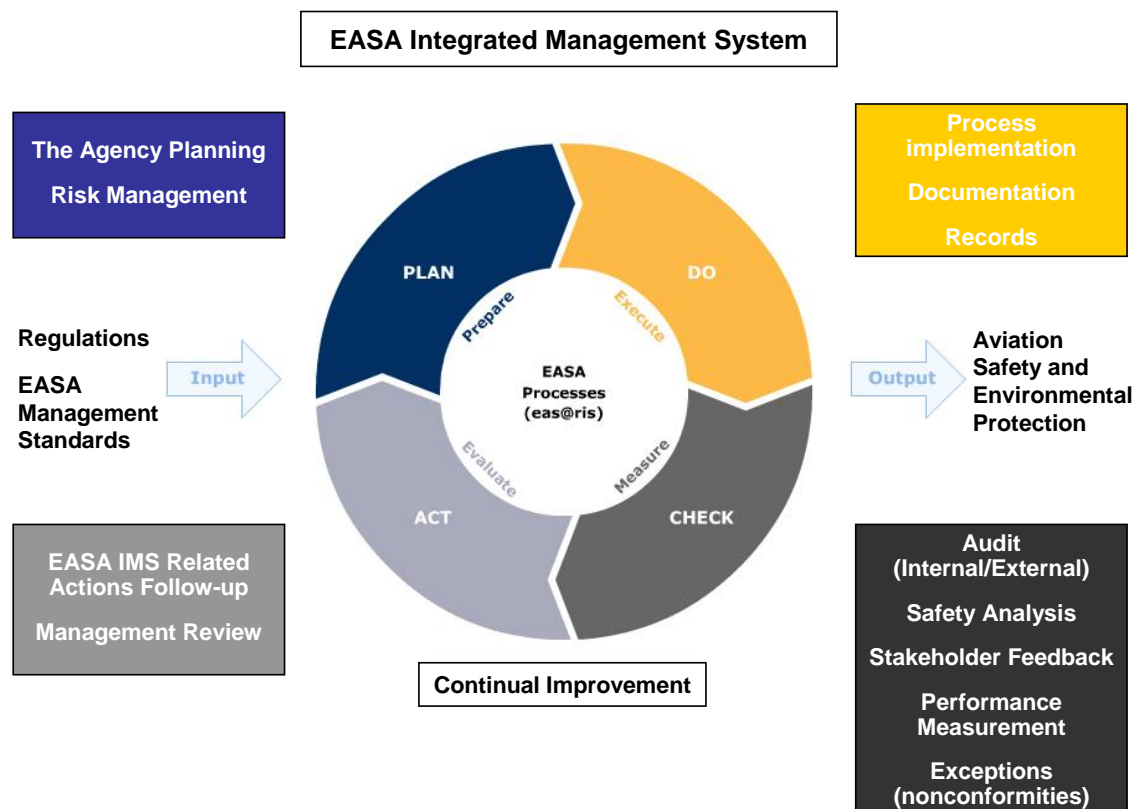
Internal control and the mitigation of risks

➤ Internal control

In 2010, EASA consolidated its Integrated Management System (IMS), set-up in 2008, with a view to having it certified against ISO 9001:2008 standards in 2010.

The EASA IMS is based on management standards adopted by the Agency's Management Board in 2008, as stipulated in Art. 38 of the Financial Regulation. These standards are derived from the internal control standards as developed by the European Commission and the international ISO9001:2008 standards. Such a system forms the basis for both internal control and continual improvement.

The EASA IMS fully integrates the concept of 'internal control', which aims at ensuring that the risks are appropriately mitigated, thereby enhancing the Agency's ability to achieve operational, quality, compliance or financial objectives. The system has been set up using a four step framework that is based on best practices of a number of private and public sector organisations.



➤ **Mitigation of risks**

The Agency also implemented an annual risk assessment process aiming at identifying the high-level risks per macro-process. The risks are assessed on their likelihood of occurrence and potential impact. For 2010, the following table provides the identified risks and their mitigation actions performed and/or initiated.

Risks	Main mitigation actions performed/initiated in 2010
Management processes	
The Agency is prosecuted and the liability of the Agency is engaged.	Procedure & action plan that facilitates coordinated actions when the Agency is prosecuted; Administrative procedures for handling cases if EASA may be requested by the prosecutors to waive immunity; Proper communication policy (one voice strategy); Define a single communication point and make it known within the Agency, clients and third parties.
Negative media coverage due to, for example political reasons including complaints from stakeholders or crash of an aircraft or high profile allegations of impropriety.	Crisis communication plan; Proper communication policy (one voice strategy); Define a single communication point and make it known within the Agency, clients and third parties.
Inadequate provision of resources in relation to existing and new tasks (extension of the remit) of the Agency.	Proper planning, forecasting system and information system to identify and justify necessary resources; Clear link between tasks and financial / manpower resources.
Product and Organisation safety oversight processes	
Unaddressed safety issues at the time of certification, validation, approval of flight conditions resulting in a crash of an aircraft.	Effective working procedures for certification activities, incl. appropriate controls. Ability to provide evidence of work performed by retaining documents and records; Provide recurrent training to technical staff to ensure continuous competence; Effective control over the services provided by NAAs.
Crash of test aircraft due to mishandling of aircraft, erroneous approval of flight test organisation or excessive compliance requirements or pressure on applicant.	Effective working procedures for certification/organisation approval (DOA) activities, incl. appropriate controls. Ability to provide evidence of work performed by retaining documents and records; Provide recurrent training to technical staff to ensure continuous competence.
Undue issue of approval, extension of scope of approval or continuation of approval impacting safety (due to error/omission in initial approval or continuing surveillance).	Effective working procedures for organisation approval activities, incl. appropriate controls. Ability to provide evidence of work performed by retaining documents and records;
Failure of an Approval holder (for example: inadequate maintenance resulting in a crash of a large aircraft) due to erroneous validation of NAA recommendations	Provide recurrent training to technical staff to ensure continuous competence; Effective control over the services provided by NAAs.
Inadequate issue of Special Airworthiness Specification (SAS) resulting in a crash of an aircraft.	Implementing rules and guidance materials concerning issuance of SAS; Effective working procedures for issue of SAS, incl. appropriate controls. Ability to provide evidence of work performed by retaining documents and records.
Unaddressed safety issues resulting in a crash of an aircraft due to non issuance of an airworthiness directive or insufficient corrective actions, inadequate compliance time specified by an Airworthiness.	Effective working procedures for acceptance of alternative means to airworthiness directives, incl. appropriate controls. Ability to provide evidence of work performed by retaining documents and records; Provide recurrent training to technical staff to ensure continuous competence; Effective occurrence reporting system; Effective control over the services provided by NAAs.
Unaddressed safety issues resulting in a crash of an aircraft due to erroneous acceptance of alternative means of compliance to airworthiness directives.	Effective working procedures for acceptance of alternative means to airworthiness directives, incl. appropriate controls. Ability to provide evidence of work performed by retaining documents and records; Provide recurrent training to technical staff to ensure continuous competence; Effective control over the services provided by NAAs.

Risks	Main mitigation actions performed/initiated in 2010
Inadequate occurrence reporting system and ineffective processing of occurrence reports discrediting continuing airworthiness of products and leading to preventable accidents or serious occurrences.	Promotion of occurrence reporting system and just culture; Effective reporting system which ensures traceability of all occurrences and relevant actions; Effective working procedures for analysis of occurrence reports and specification of the necessary actions, incl. appropriate controls. Ability to provide evidence of work performed by retaining documents and records; Provide recurrent training to technical staff to ensure continuous competence; Effective control over the services provided by NAAs.
Support processes	
Event that can negatively affect the security of the facilities, ability of people to work, availability of data/documentation. (e.g. fire, terrorist attract, serious epidemic, theft).	Effective security system; Arrange appropriate insurance; Back up IT facilities and remote data storage to facilitate continuous operation; Business continuity plan; Response plan for serious epidemic.

Annexes

- **Annex 1:** Declaration of Assurance from the Authorising Officer
- **Annex 2:** 2010 Studies and research projects
- **Annex 3:** 2010 Decisions, Opinions and NPA
- **Annex 4:** Agency's financial performance in 2010 (EASA Budget Implementation)
- **Annex 5:** Staffing figures and demography
- **Annex 6:** EASA Management Board
- **Annex 7:** List of acronyms

Annex 1: Declaration of Assurance from the Authorising Officer

I, the undersigned, Patrick Goudou, Executive Director of the European Aviation Safety Agency, in my capacity as Authorising officer,

- Declare that the information contained in this report gives a true and fair view¹⁷.
- State that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principle of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

This reasonable assurance is based on my own judgement and on the information at my disposal, such as the annual review of the internal control and the lessons learnt from the last report of the Internal Audit Service and the reports of the Court of Auditors for years prior to the year of this declaration.

- Confirm that I am not aware of anything not reported which could harm the interests of the Agency.
- Confirm that appropriate measures have been taken after the IAS audit, in order to meet the main recommendations that have been formulated.

Place Cologne Date

Signature

Patrick Goudou,
Executive Director of the European Aviation Safety Agency

¹⁷ True and fair view in this context means a reliable, complete and correct picture of the state of affairs.

Annex 2: 2010 Studies and research projects

In 2010, the following seven projects, each of 6 to 15 months duration, were decided to be funded by the Agency following a successful tendering process and for a total budget of € 1.507 million:

• CODAMEIN: Composite Damage Metrics and Inspection (high energy blunt impact threat)
• WAFCOLT: Water behaviour in fuel under cold temperature conditions
• SEBED: Seat Belt Degradation
• SOMCA: Safety implications in performing Software Model Coverage Analysis
• WATUS: Wake turbulence separation for large aircraft
• Survey on regulations for ground anti and de-icing services
• SAMPLE III: Aircraft Particulate Matters

In 2010 the Agency received and accepted the final reports of the following projects:

• SAVE: Study on AViation Economic modelling
• SAMPLE II: Studying, sAmpling and Measuring of aircraft ParticuLate Emissions
• Aviation Economic Modelling Capability for Environmental Regulatory Impact assessment
• LIBCOS: Load upon Impact Behaviour of Composite Structure
• SAPOX: Safety Aspects of Pulse Oxygen Systems
• MOSTDONT: Mode-S Transponder in High Traffic Density Airspace
• Microlights, review of regulations in Member States
• Hail Threat Standardisation
• RuFAB: Runway friction characteristics measurement and aircraft braking

The reports are available for view and download on the Agency's research internet page.¹⁸

¹⁸ See <http://easa.europa.eu/safety-and-research/research-projects/reports.php> .

Annex 3: 2010 Decisions, Opinions and NPA

Decisions

Decision	Task number	Subject
Decision 2010/001/R	21.001	POA for navigation database suppliers
	21.002	Approved organisations certificate number
	21.003	Cleaning up of Part 21 and AMC/GM
	21.023(c)	Permit to Fly: privilege for Continuing Airworthiness Management Organisations
	MDM.007 (c)	Authorised Release Certificate
Decision 2010/002/R	21.023(c)	Permit to Fly: privilege for Continuing Airworthiness Management Organisations
	66.001 (b)	Correction of editorial errors contained in Part-66 and the associated AMC
	145.001 (b)	Correction of editorial errors contained in Part-145 and the associated AMC
	147.001 (b)	Correction of editorial errors contained in Part-147 and the associated AMC
	M.001 (b)	Correction of editorial errors contained in Part-M and the associated AMC
	MDM.007 (b)	Authorised Release Certificate
	MDM.002 (c)	Electrical Wiring Interconnection System Envisaged deliverable: decision amending AMC/GM to Part M (subject to amendment of Part M in accordance with MDM.002(a))
Decision 2010/003/R	MDM.034	Composites
Decision 2010/005/R	25.040	TYPE III EXITS (access and ease of operation)
	25.057	Security related design standards
	MDM.034	Composites
Decision 2010/006/R	MDM.054	De-icing/Anti-icing AMC and GM following A-NPA 2007-11
Decision 2010/007/R Decision 2010/008/R	MDM.034	Composites
Decision 2010/010/R	ETSO.007	Systematic review and transposition of existing FAA TSO for parts and appliances into EASA ETSO
Decision 2010/011/R	66.025	Regularly update this living AMC, which is used as a reference for issuing type ratings. Envisaged deliverable: A decision updating Appendix I of AMC to Part-66
Decision 2010/012/R Decision 2010/013/R Decision 2010/014/R Decision 2010/015/R	MDM.001 (a)	ETOPS/LROPS
Decision 2010/016/R	21.042	Part-21 other party supplier control
	ETSO.007	Systematic review and transposition of existing FAA TSO for parts and appliances into EASA ETSO
	MDM.001 (a)	ETOPS/LROPS

Opinions

Opinions	Task number	Subject
Opinion 01/2010	21.024(a)	Subpart J, Design Organisation Approval
Opinion 02/2010	ATM.001 (FAST TRACK),	Extension of the EASA system to safety regulation of Air Traffic Management (ATM) and Air Navigation Services (ANS) - development of rules on Requirements for Air Navigation Service Providers
	ATM.004 (FAST TRACK)	Extension of the EASA system to safety regulation of Air Traffic Management (ATM) and Air Navigation Services (ANS) - development of rules on competent authorities
Opinion 03/2010	ATM.003 (FAST TRACK)	Extension of the EASA system to safety regulation of Air Traffic Management (ATM) and Air Navigation Services (ANS) - development of rules on Air Traffic Controller licensing
Opinion 04/2010	FCL.001	Part-FCL. Extension of the Basic Regulation to Flight Crew Licensing
Opinion 05/2010	ATM/ANS.002	Introduction of TCAS II software Version 7.1
Opinion 06/2010	145.012 (a)	Part-145 Single and multiple release
Opinion 07/2010	FCL.001	Part-MED Extension of the Basic Regulation to Flight Crew Licensing

NPAs

NPA	Task number	Subject
NPA 2010-01	21.042	Other party supplier control
NPA 2010-02	21.018	Improvement of GM to 21A.101
NPA 2010-03	ATM/ANS.002	Introduction of ACAS II software version 7.1
NPA 2010-04	27&29.002	Damage Tolerance and Fatigue Evaluation of Composite Rotorcraft Structures
NPA 2010-05	66.025	Appendix 1 Aircraft type ratings for Part-66 aircraft maintenance licence
NPA 2010-06	27&29.002	Damage Tolerance and Fatigue Evaluation of Metallic Rotorcraft Structures
NPA 2010-07	M.022	Amend AMC M.A.706(e) to cover additional cases for the competent authority to accept that the nominated post holder in the operator/Part-M Subpart G organisation be employed by the contracted Part-145 organisation
NPA 2010-08	145.022	Control of contracted maintenance personnel
NPA 2010-09	M-014	Contracting of continuing airworthiness management activities
NPA 2010-10	MDM.047	Alignment of Regulation (EC) No 2042/2003 with Regulation (EC) No 216/2008 and with ICAO Annex 6 requirement for human factor principles to be observed in the design and application of the aircraft maintenance programme
NPA 2010-11	25.039	Passenger emergency exits, emergency features and escape routes - Harmonisation with FAA
NPA 2010-12	27&29.019	Vibration Health Monitoring
NPA 2010-13	21.059	Environmental protection - classification of changes to a type design
NPA 2010-14	OPS.055	Implementing Rules on Flight and Duty Time Limitations and rest requirements for commercial air transport (CAT) with aeroplanes

Annex 4: Agency's financial performance in 2010 (EASA Budget Implementation) ¹⁹

4.1. Preliminary Budgetary Outturn Account for 2010 *(All figures in thousands of euros - € '000).*

The budget accounts give a detailed picture of the implementation of the budget. They are based on the modified cash accounting principle.

REVENUE	2010	2009
Commission subsidy (for the operating budget -Titles 1,2 and 3 - of the agency)	35.025	33.862
Phare funds from Commission	515	322
Other contributions and funding received via the Commission	962	972
Fee income	68.260	54.867
Other revenue	802	1.909
TOTAL REVENUE (a)	105.564	91.932
EXPENDITURE		
Title I: Staff	56.215	46.887
Title II: Administrative Expenses	13.919	12.927
Title III: Operating Expenditure excluding assigned revenues from Fees and charges	52.654	46.505
Assigned revenue carried over from F&C	21.230	27.135
TOTAL EXPENDITURE (b)	144.018	133.454
OUTTURN FOR THE FINANCIAL YEAR (a-b)	-38.454	-41.522
Cancellation of unused payment appropriations carried over from previous year	1.101	1.283
Adjustment for carry-over from the previous year of appropriations available at 31.12 arising from assigned revenue	38.934	41.325
Exchange differences for the year (gain +/loss -)	-16	-3
BALANCE OF THE OUTTURN ACCOUNT FOR THE FINANCIAL YEAR	1.565	1.083

¹⁹ The final report from the European Court of Auditors on the EASA 2010 accounts is expected to be received in June 2010.

Balance year N-1	1.083	1.316
Positive balance from year N-1 reimbursed in year N to the Commission	-1.083	-1.316
Result used for determining amounts in general accounting	1.565	1.083
Commission subsidy - agency registers accrued revenue and Commission accrued expense	33.460	32.779
Pre-financing remaining open to be reimbursed by agency to Commission in year N+1	1.565	1.083
Not included in the budget outturn:		
Interest generated by 31/12/N on the Commission subsidy funds and to be reimbursed to the Commission (liability)	49.734	133.600

In 2010, the Agency has used only non-differentiated appropriations. The total consumption of commitment appropriations reached 144.018 K€ (133.454 K€ in 2009), of which 122.271 K€ (106.137 K€ in 2009) have been committed and 21.747 K€ (27.317 K€ in 2009) on credit appropriations from assigned revenue were automatically carried over as per Article 10 of the EASA Financial Regulation. The credit appropriations from assigned revenue of 21.747 K€, which were carried over automatically, are composed of 21.230 K€ external assigned revenue from Fees and Charges and 517 K€ from other assigned revenue.

4.2. Preliminary Budget Implementation *(All figures in thousands of euros - € '000).*

	2010		2009	
TITLE I – Staff expenses				
	Payments	Commitment	Payments	Commitment
Budget appropriation - C1+R0+C4+C5(1)	56.288	56.288	47.763	47.763
Committed	0	56.214	0	46.887
Paid	55.429	0	46.306	0
Automatic carryovers	786	0	581	0
Total expenditure/commitment (2)	56.215	56.214	46.887	46.887
Appropriations carried over from assigned revenue (3)	0	1	0	0
Cancelled	73	73	876	876
% used on budget appropriation (2+3)/(1)	99,87%	99,87%	98,17%	98,17%
TITLE II – Administrative expenses				
Budget appropriation - C1+R0+C4+C5(1)	14.102	14.102	13.270	13.270
Committed	0	13.919	0	12.926
Paid	10.357	0	9.666	0
Automatic carryovers	3.563	0	3.260	0

Non-automatic carryovers	0	0	0	0
Total expenditure/commitment (2)	13.919	13.919	12.926	12.926
Appropriations carried over from assigned revenue (3)	0	0	0	0
Cancelled	183	183	343	343
% used on budget appropriation (2+3)/(1)	98,70%	98,70%	97,41%	97,41%
TITLE III – Operating expenses				
Budget appropriation - C1+R0+C4+C5(1)	74.038	74.038	73.917	73.917
Committed	0	52.138	0	46.323
Paid	30.098	0	25.752	0
Automatic carryovers	43.786	0	47.888	0
Non-automatic carryovers	0	0	0	0
Total expenditure/commitment (2)	73.884	52.138	73.641	46.323
Appropriations carried over from assigned revenue (3)	0	21.746	0	27.317
Cancelled	154	154	277	277
% used on budget appropriation (2+3)/(1)	99,79%	99,79%	99,63%	99,63%
TOTAL				
Budget appropriation - C1+R0+C4+C5(1)	144.428	144.428	134.950	134.950
Committed	0	122.271	0	106.137
Paid	95.884	0	81.725	0
Automatic carryovers	48.134	0	51.729	0
Non-automatic carryovers	0	0	0	0
Total expenditure/commitment (2)	144.018	122.271	133.454	106.137
Appropriations carried over from assigned revenue (3)	0	21.747	0	27.317
Cancelled	410	410	1.496	1.496
% used on budget appropriation (2+3)/(1)	99,72%	99,72%	98,89%	98,89%

4.3. Preliminary Economic Outturn Account 2010 *(All figures in thousands of euros - € '000).*

The financial statements show all charges and income for the financial year based on accrual accounting rules complying with the EC Accounting Rules.

	2010	2009
OPERATING REVENUE		
Fees and Charges	77.374	61.621
Contributions from EC entities	33.725	32.661
Recuperation of expenses	417	645
Other	-399	0
Contribution from EFTA countries	962	1.729
TOTAL OPERATING REVENUE	112.079	96.657
OPERATING EXPENSES		
Staff expenses	-53.023	-44.977
Building and related expenses	-8.187	-7.707
Other expenses	-7.088	-6.901
Depreciation and write offs	-3.670	-1.645
Outsourcing and contracting activities	-36.016	-33.693
TOTAL OPERATING EXPENSES	-107.984	-94.922
SURPLUS (DEFICIT) FROM OPERATING ACTIVITIES	4.094	1.735
NON OPERATING REVENUES (EXPENSES)		
Interests received from third parties	413	630
Interests & charges paid to third parties	-96	-86
SURPLUS / (DEFICIT) FROM NON OPERATING ACTIVITIES	317	544
SURPLUS/ (DEFICIT) FROM ORDINARY ACTIVITIES	4.411	2.278
SURPLUS/ (DEFICIT) FROM EXTRAORDINARY ITEMS	0	0
NET SURPLUS FOR THE PERIOD	4.411	2.278

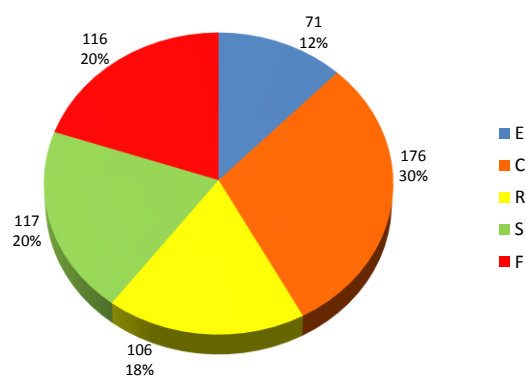
Annex 5: Staffing figures and demography

This part provides analysis and statistics of the staff employed at the end of the reporting period, according to different parameters such as nationality, gender and age. For all tables in this part, figures reflect the situation on 31.12.2010.

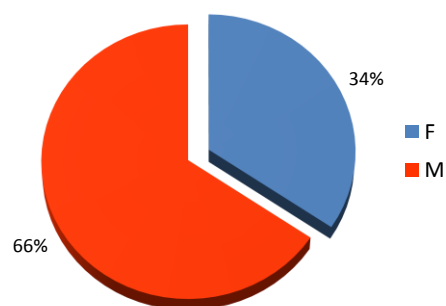
Figure 1: Establishment Plan

Category/ Grade	Filled Posts on 31.12.2009	Establishment plan 2010	Filled Posts on 31.12.2010	Occupation rate on 31.12.2010
AD	354	447	404	90%
15	2	2	2	
14	3	6	3	
13	3	12	4	
12	21	26	27	
11	19	50	15	
10	15	55	33	
9	96	75	91	
8	63	104	68	
7	58	58	74	
6	55	55	69	
5	19	4	18	
AST	106	123	119	97%
7		3		
6		7		
5	3	24	8	
4	13	30	17	
3	36	30	45	
2	41	18	33	
1	13	11	16	
Total	460	570	523	92%

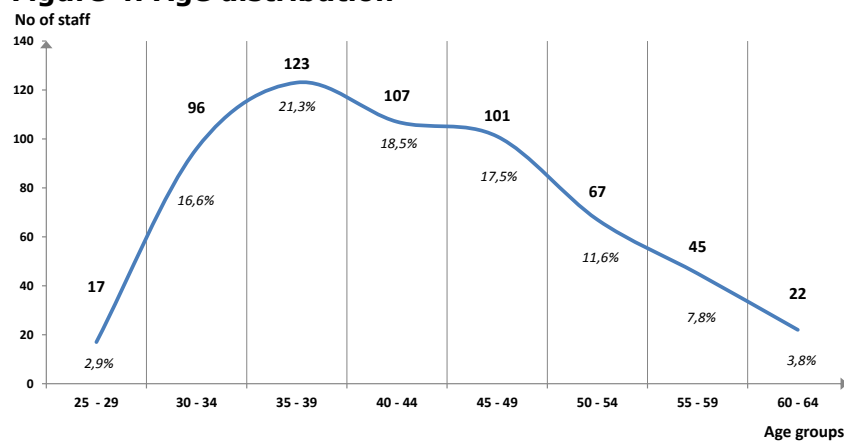
- Only Temporary Agent (TA) posts are considered in the table. This table shows the filled posts at the end of the reporting period and not the number of employed staff (half time working regime for two staff members). In addition, 54 Contract Agents (CA) and 8 Seconded National Experts (SNE) have been employed at the end of 2010.
- All posts authorised in the EASA Establishment Plan are defined as "Temporary".
- It should be noted that it is possible in EU institutions to "under-occupy" posts which means to fill a post with a staff member whose contractual grade is lower than the theoretical grade attached to the post. In fact, the distribution of grades in the Establishment Plan corresponds to the "highest" authorised distribution of contractual grades, where the filled posts are counted from the highest to the lowest with a cascading mechanism.

Figure 2: Staff distribution by Directorate

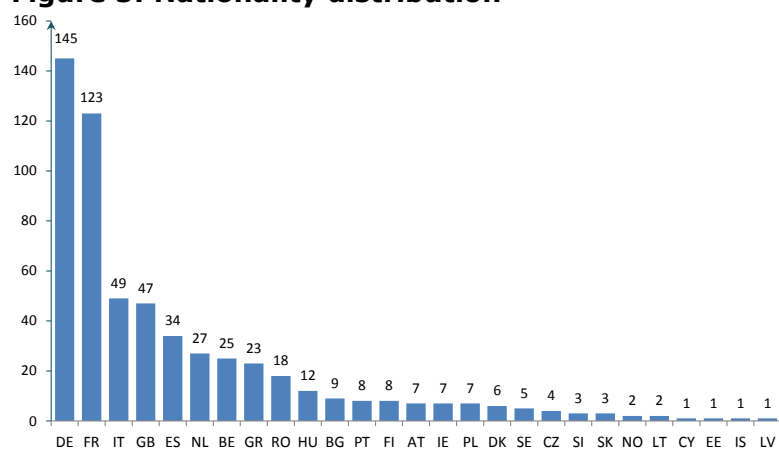
Staff considered: TA, CA, SNE.

Figure 3: Gender distribution

Staff considered: TA, CA, SNE.

Figure 4: Age distribution

Staff considered: TA, CA.

Figure 5: Nationality distribution

Staff considered: TA, CA.

Annex 6: EASA Management Board

The EASA Management Board brings together representatives of the Member States and the European Commission. The Management Board is responsible for the definition of the Agency's priorities, the establishment of the budget and for monitoring the Agency's operation.

Composition²⁰

Members with voting rights	European Commission and European Member States (27)
Members without voting rights	Norway, Liechtenstein, Iceland, Switzerland
Observers	Albania, Bosnia and Herzegovina, Croatia, FYROM, Montenegro, Serbia and United Nations mission in Kosovo (to be nominated)

Also, the EASA Advisory Board (EAB) participates in the Management Board meetings as observer,

Chair of the Management Board	Deputy Chair of the Management Board
Mr Michael SMETHERS	Mr Maxime COFFIN

²⁰ A detailed list of EASA MB Members is available on the EASA website <http://www.easa.europa.eu/management-board/management-board.php>.

Annex 7: List of acronyms

ACARE	Advisory Council for Aeronautics Research in Europe
ACI	Airport Council International
AD	Airworthiness Directive
AMC	Acceptable Means of Compliance
ANS	Air Navigation Services
AR	Authority Requirements
ATCO	Air Traffic Controller
ATM	Air Traffic Management
BASA	Bilateral Air Safety Agreement
CA	Contract Agent
CAAC	General Administration of Civil Aviation of China
CAEP	Committee on Aviation Environmental Protection (ICAO)
CANSO	Civil Air Navigation Services Organisation
CAT	Commercial Air Transport
CAW	Continuing Airworthiness
CC	Cabin Crew
CMA	Continuous Monitoring Approach
CRD	Comment Response Document
CRT	Comment Response Tool
CTIG	Common Training Initiative Group
COA	Continuing Airworthiness Organisations
DOA	Design Organisation Approval
EACCC	European Crisis Coordination Cell
EAD	Emergency Airworthiness Directive
EARPG	European Aviation Research Partnership Group
EASAC	European Safety Advisory Committee
EASP	European Aviation Safety Programme
EASp	European Aviation Safety Plan
EC	European Commission
ECAC	European Civil Aviation Conference
ECAST	European Commercial Aviation Safety Team
ECofA	Export Certificate of Airworthiness
ECDC	European Centre for Disease Prevention and Control
EGAST	European General Aviation Safety Team
EHFAG	European Human Factors Advisory Group
EHEST	European Helicopter Safety Team
ERP	Enterprise Resource Planning
ESSI	European Safety Strategy Initiative
ETSOA	European Technical Standard Order Authorisation
EU	European Union
EUROCAE	European Organisation for Civil Aviation Equipment
FAA	Federal Aviation Administration (USA)
FABs	Functional Airspace Blocks
FAL	Final Assembly Line
FCL	Flight Crew Licensing
FDM	Flight Data Monitoring
FOIA	(US) Freedom of Information Act
FSTD	Flight Synthetic Training Devices
GM	Guidance Material
HLSC	(ICAO) High Level Safety Conference
HR	Human Resources
IAC	Interstate Aviation Committee
IAS	Internal Audit Service (European Commission)
IAW	Initial Airworthiness
ICF	International Cooperation Forum
ICAO	International Civil Aviation Organisation
IGPT	Inter Group on Pilot Training (EASA)
IORS	(EASA) Internal Occurrence Reporting System
IPPF	International Professional Practices Framework
ISC	Internal Safety Committee
IT	Information Technology
ITQI	International Training Qualification Initiative (IATA)
JAA	Joint Aviation Authorities

JAR	Joint Aviation Requirement
JCAB	Japanes Civil Aviation Bureau
LoA	Letter of Agreement
MMEL	Master Minimum Equipment List
MOA	Maintenance Organisation Approval
MRB	Maintenance Review Board
NAA	National Aviation Authority
NGAP	New Generation of Aviation Professionals (ICAO)
No.	Number
NPA	Notice of Proposed Amendment (EASA)
NPRM	Notice of Proposed Rulemaking (FAA)
TFOEB	Operational Evaluation Board
OPS	Air Operations
OR	Organisation Requirements
PAD	Proposal to issue an Airworthiness Directive (EASA)
POA	Production Organisation Approval
PRB	Performance Review Board
Q	Quarter
RTC	Restricted Type Certificate
SAE	Society of Automotive Engineers
SAFA	Safety Assessment of Foreign Aircraft
SAP	Systeme, Anwendungen und Produkte in der Datenverarbeitung [DE] Systems, Applications and Products in Data Processing [EN]
SARPS	(ICAO) Standards and Recommended Practises
SAN	Storage Area Network
SAS	Special Airworthiness Specification
SESAR	Single European Sky ATM Research
SPOA	Single Productions Organisations
SNE	Secoded National Expert
SMS	Safety Management Systems
SSP	State Safety Programme
STC	Supplemental Type Certificate
STD	Synthetic Training Device
TA	Temporary Agent
TC	Type Certificate
TCO	Third Country Operators
TCCA	Transport Canada Civil Aviation
UAE	United Arab Emirates
USOAP	Universal Safety Oversight Audit Programme (ICAO)
WA	Working Arrangement

