

***European Aviation Safety Agency***

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## **ANNEX 3: Explanatory Note**

## **2012 DRAFT BUDGET AND DRAFT WORK PROGRAMME - EXPLANATORY NOTE**

The 2012 Draft Budget represents EASA's initial financial quantification of the Draft Work Programme 2012 and of the associated Staff Policy Plan 2012-2014. All the above documents are in line with the Business Plan 2011-2015 approved by the Management Board on 15 December 2010.

### **Key points of the Draft Work Programme**

The activities described in the Work Programme 2012 are in line with the Business Plan 2012; the following activities will be developed in addition to the Existing Remit operations.

The implementation of the "Fast Track" procedure determines that in 2012 the activities related to ATM will begin in the field of Certification, Organisation Approvals and Standardisation. It is expected that by the end of the 2012 all activities will be fully operational both in terms of staff and procedures.

In 2012 the Agency will also manage the activities linked to the 1<sup>st</sup> extension of the original remit in the field of Flight Standards, FCL and OPS. In the area of Flight Standards Certification the effect of the 1<sup>st</sup> extension is considered in the revenue forecast with a prudent approach due to the lack of historical data, as described in the Business Plan 2011-2015.

The Certification activity will strengthen its structure with additional resources also with the goal of increasing the time dedicated to Continuing Airworthiness activities.

The Third Country Operators activity will start in the second half of 2012 following the entry into force of the regulation expected by the second quarter of 2012.

The Standardisation activities will start the tasks associated with the 1<sup>st</sup> extension of remits and also will begin the set up of the Aerodromes Standardisation Activities.

The Rulemaking activities will be the delivery of the last set of rules linked to the 1<sup>st</sup> extension. In 2012 there will be a substantial amount of time devoted to the SESAR project. The final set of tasks will be released in the Rulemaking Programme 2012-2015 in July 2011.

### **Revenue and expenditure**

The only change versus the Business Plan is the introduction of the assigned revenue from fees and charges, inscribed in both income and expenditure as provision (see page 99 of the Business Plan 2011-2015).

Like in 2010, part of this provision (T5) is allocated to T3-NAA outsourcing as Working Capital in order to ease the administrative process. This amount is not meant to be spent and will be returned to the original budget line at the end of the budgetary cycle.

TOTAL EASA						
€ '000	2nd amending budget 2010		3 2011	DB 2012		
<i>Income from Fees&amp;Charges (Current year)</i>	€	72.959	€	75.240	€	85.496
<i>Income from Fees&amp;Charges (Carry over)</i>	€	27.135	€	27.135	€	27.135
<i>Subsidy from the European Community</i>	€	34.197	€	34.399	€	35.284
<i>Third countries contribution</i>	€	1.650	€	1.692	€	1.732
<i>Other Income</i>	€	1.273	€	1.136	€	988
<b>Total Income</b>	€	<b>137.214</b>	€	<b>139.602</b>	€	<b>150.635</b>
T1 Staff	€	56.430	€	61.837	€	69.276
T2 Buildings equipments	€	14.182	€	13.547	€	14.603
T3-NAA outsourcing	€	26.933	€	28.842	€	31.962
T3- other operational	€	15.374	€	13.644	€	13.893
T4 Special programmes	€	673	€	365	€	158
T5 Provisions	€	23.622	€	21.367	€	20.743
<b>Total Expenditure</b>	€	<b>137.214</b>	€	<b>139.602</b>	€	<b>150.635</b>

#### Headcount evolution

Temporary Agents (at the end of the year)	Actual 2010	BUDGET 2011	DB 2012
- 100 % Fee-financed	250	269	323
- 100% Subsidy-financed	164	181	182
- Allocated staff	109	124	131
Fee-Financed staff	319	347	405
Subsidy-Financed staff	204	227	231
<b>TOTAL</b>	<b>523</b>	<b>574</b>	<b>636</b>

1. Fees and Charges Financed Activities

FEES & CHARGES financed activities				
€ '000	2nd amending budget 2010		3 2011	DB 2012
<i>Income from Fees&amp;Charges (Current year)</i>	€ 72.959	€	75.240	€ 85.496
<i>Income from Fees&amp;Charges (Carry over)</i>	€ 27.135	€	27.135	€ 27.135
<i>Other Income</i>		€	545	€ 569
<b>Total Income</b>	€ 100.094	€	102.920	€ 113.200
T1 Staff	€ 33.340	€	37.707	€ 44.588
T2 Buildings equipments	€ 8.701	€	8.280	€ 9.341
T3-NAA outsourcing	€ 26.933	€	28.842	€ 31.962
T3- other operational	€ 7.498	€	6.725	€ 6.566
T5 Provisions	€ 23.622	€	21.367	€ 20.743
<b>Total Expenditure</b>	€ 100.094	€	102.920	€ 113.200

2. Regulatory Activities

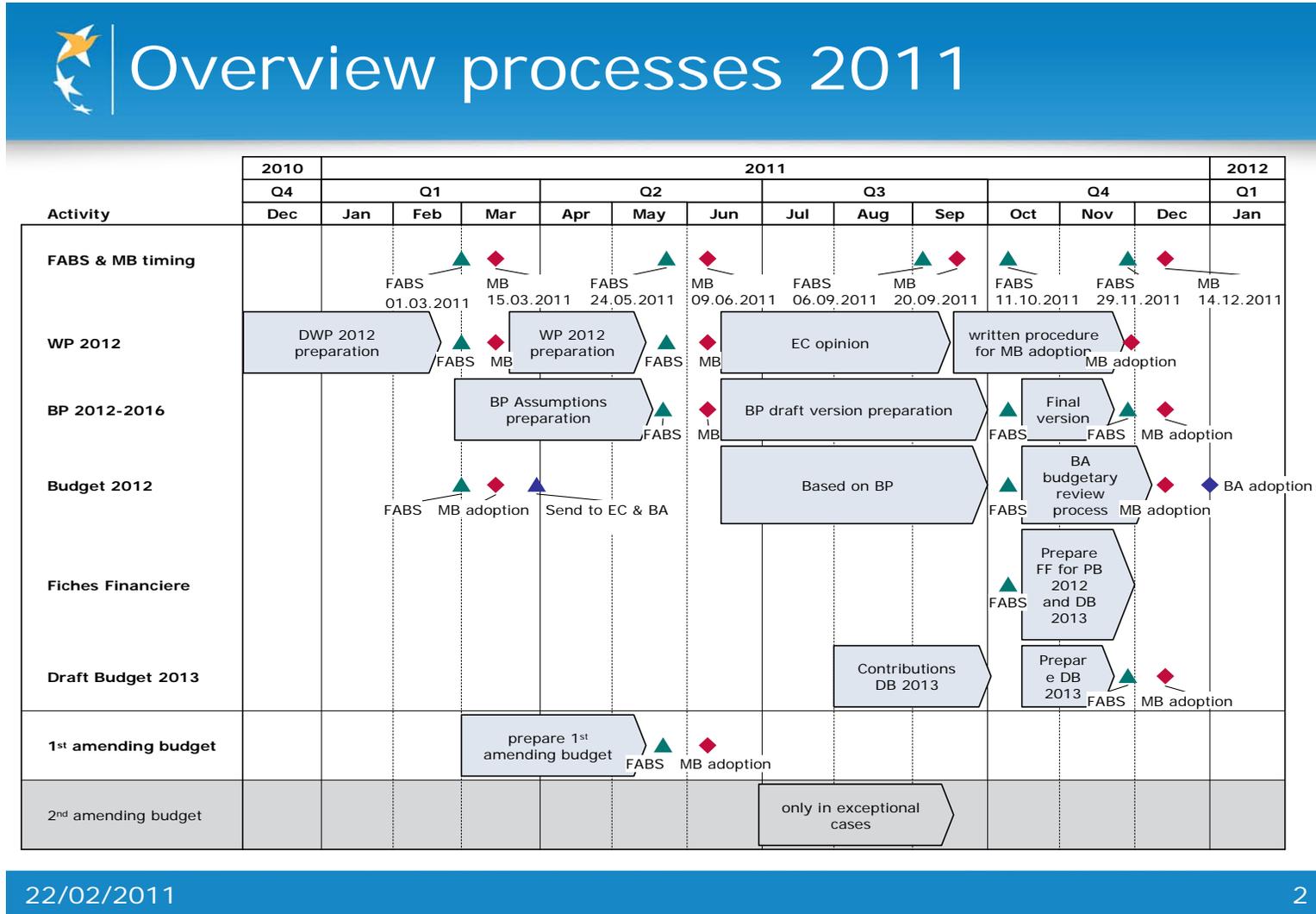
SUBSIDY financed activities				
€ '000	2nd amending budget 2010		3 2011	DB 2012
<i>Subsidy from the European Community</i>	€ 34.197	€	34.399	€ 35.284
<i>Third countries contribution</i>	€ 1.650	€	1.692	€ 1.732
<i>Other Income</i>	€ 1.273	€	591	€ 419
<b>Total Income</b>	€ 37.120	€	36.682	€ 37.435
T1 Staff	€ 23.090	€	24.129	€ 24.688
T2 Buildings equipments	€ 5.481	€	5.267	€ 5.262
T3- other operational	€ 7.876	€	6.920	€ 7.327
T4 Special programmes	€ 673	€	365	€ 158
<b>Total Expenditure</b>	€ 37.120	€	36.682	€ 37.435

This Draft Budget 2012 will form the basis for the financial projections which will form part of the next Business Plan exercise and will cover the period 2012-2016.

A final 2012 Work Programme will be presented to the Management Board for discussion in June 2011 and for adoption by written procedure in November 2011.

Fees & Charges financed activities		
Workload	2011	2012
Certification	226.220	252.640
Organisations Approval	90.230	103.748
TCO	-	6.516
<b>TOTAL WORKLOAD</b>	<b>316.450</b>	<b>362.904</b>
EASA Workload	210.600	247.781
NAA Workload	105.850	115.123
Overall Internalisation rate	67%	68%

Annex 1: Planning process Overview



Annex 2: Agency Work Programme Planning

