

# 2018

## Report on Budgetary and Financial Management

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## General Information

### The Agency

The European Union Aviation Safety Agency (EASA or the Agency) is an agency of the European Union. As an EU agency, EASA is a body governed by European public law; it is distinct from the EU Institutions and has its own legal personality. EASA was set up by a Council and Parliament regulation (Regulation (EC) 1592/2002 repealed by Regulation (EC) No 216/2008, and Regulation (EU) 2018/1139) and was given specific regulatory and executive tasks in the field of civil aviation safety and environmental protection.

Established in 2002, the Agency is currently based in Cologne Germany, and it employs approximately 800 professionals from the 32 EASA States. The Agency has established international representations in Canada (Montreal, OACI), USA (Washington), China and Singapore.

The new EASA Basic Regulation entered in force on 11 September 2018, officially starting a new era for EASA and the entire European aviation safety system. While planning and executing the necessary activities for implementing the new Basic Regulation as of 2018, EASA dealt with new challenges stemming from the steady growth of air traffic, economic and environmental pressures, digitalisation, cybersecurity and other security threats, as well as new technologies such as electric and hybrid aircrafts and drones.

### Mission

The Agency's mission is to:

- )] Ensure the highest common level of aviation safety protection for EU citizens in particular by proactively managing existing and emerging safety risks;
- )] Ensure the highest common level of environmental protection;
- )] Establish single regulatory and certification processes among Member States;
- )] Facilitate the internal aviation single market and create a level playing field;
- )] Work with other international aviation organisations and regulators.

### Tasks

In order to fulfil its mission the Agency was entrusted with the following tasks:

- )] Develop programmes and systems to proactively manage existing and emerging aviation safety risk (e.g. cyber security, conflict zones, drones, etc.);
- )] Draft and maintain rules in all fields pertinent to the Agency's mission, with the aim of ensuring that they are effective, proportionate and remain relevant;
- )] Certify and approve products and organisations, in fields where the Agency has exclusive competence;
- )] Provide oversight and support to Member States;
- )] Promote the use of European and worldwide standards;
- )] Cooperate with international actors in order to achieve the highest safety level for EU citizens globally (e.g. EU safety list, Third Country Operators authorisations).

### Funding

The main sources of funds for the Agency are:

- )] Fees paid by applicants for certificates and approvals issued, maintained or amended by the Agency in accordance with regulation (EC) No 319/2014 on the fees and charges levied by the Agency;
- )] A contribution from the European Union and from any European third country which has entered into the agreements referred to in Article 129 of Regulation (EU) 2018/1139;

- J Specific EU funded projects through grants and delegation agreements covering tasks outside the scope of the Agency's core tasks. This mostly concerns technical cooperation with third countries;
- J Charges for publications, handling of appeals, training and any other service provided by the Agency.

As a general comment, it should be noted that the financing model of the Agency is based on the assigned revenue concept compared to universal budgeting model as described in the study<sup>1</sup> from DG internal policies. The assigned revenue model presents a clear cost differentiation between industry and European Union funded activities based on a cost accounting system.

### **The Agency's Structure**

The Agency is managed by the Executive Director appointed by the Agency's Management Board and is completely independent in the performance of his/her duties in particular for taking decisions on safety issues. He is assisted by four Directors. An independent Board of Appeal has been established and shall be responsible for deciding on appeals against the Agency's decisions.

The Management Board, which brings together representatives of the Member States and the Commission, is responsible for the definition of the Agency's priorities, the approval of the budget and for monitoring the Agency's operation. The EASA Stakeholder Advisory Body advises the Agency and assists the Management Board in its work. It comprises organisations representing aviation personnel, manufacturers, commercial and general aviation operators, maintenance industry, training organisations and air sports.

### **Financial Framework**

The financial framework is defined in the Agency's financial regulation adopted by the Management Board (decision 14-2013) and in its implementing rules. The report on budgetary and financial management has been established in accordance with article 93 of the Agency's financial regulation and gives an account, both in absolute terms and expressed as a percentage, of the rate of implementation of appropriations together with summary information on the transfers of appropriations among the various budget items.

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<sup>1</sup> [http://www.europarl.europa.eu/RegData/etudes/etudes/join/2014/490689/IPOL-JOIN\\_ET\(2014\)490689\\_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/etudes/join/2014/490689/IPOL-JOIN_ET(2014)490689_EN.pdf)

# 1 Overview of the Budget

## 1.1 Explanations on the budget structure

The Agency manages its budget following the “assigned revenue model” in compliance with its basic regulation (Article 126.2 of Regulation (EU) 2018/1139).

The “assigned revenue model” is characterised by the assignment of fees and charges revenue to expenditure for the provision of industry services. The model builds on a clear distinction and strict accounting separation between revenue from fees and charges for industry services and revenue from the Union budget for the implementation of public tasks.

In the “assigned revenue model” surpluses and deficits on fees and charges activities are dealt with in a reserve fund (budgetary reserve) managed by the Agency. In other words, excess fees are carried over as assigned revenue and may be used for future Fees and charges funded activities or to absorb shortfalls in fee income in other years.

Surpluses on revenue from the Union budget are reimbursed to the European Commission. In accordance with the principle of universality all revenue and all expenditure are entered in a single budget.

The budgetary accounts are kept in accordance with the EASA Financial Regulation and its implementing rules.

The budget structure for EASA consists of administrative and operational appropriations and contains only non-differentiated appropriations meaning that the commitment and payment appropriations entered in the approved budget show the same amount. The commitment and payment appropriations are classified under titles indicating the nature of expenditure:

- ) Title 1 – staff expenditure;
- ) Title 2 – other administrative expenditure;
- ) Title 3 – operational expenditure;
- ) Title 4 – special operations programmes funded by specific assigned revenue (outside F&C paid by industry) from, inter alia, other Commission DGs in the form of grants & delegation agreements;
- ) Title 5 – a reserve to finance future certification activities already financed by applicants.

Appropriations are then further broken down into chapters, articles and items to arrive at individual budget lines categorised by nature and purpose to ensure that the intended use of appropriations is clear and unambiguous.

## 1.2 Distribution of 2018 appropriations

Euro	C1	R0 (Fees & Charges)	R0 (Earmarked Projects)	C4	C5	C8	R8 (Fees & Charges)	R8 (Earmarked Projects)	Total Budget
Budget Title	Year n Appropriations	Assigned Revenue n	Special operations Earmarked Funds Assigned Revenue n	Internal Assigned Revenue n	Internal Assigned Revenue carried over	Carried over from n-1	Carried over from n-1	Special operations Earmarked Funds Assigned Revenue Carried over from n-1	Total appropriations for the year
1. Staff	86,769,000.00	8,892,700.00		19,037.31	9,112.53	301,677.57			95,991,527.41
2. Administration	18,352,000.00	20,000.00		24,366.50	7,182.79	4,876,332.12			23,279,871.41
3. Operating Expenditure	11,899,100.00	34,886,200.00		292,756.92	558,947.97	2,385,380.25	11,457,106.98		61,479,492.12
4. Earmarked Expenditure			21,105,045.96					2,728,309.45	23,833,355.41
5. Fees & Charges Reserve		37,052,000.00							37,052,000.00
<b>Total</b>	<b>117,020,100.00</b>	<b>80,850,900.00</b>	<b>21,105,045.96</b>	<b>336,150.73</b>	<b>575,243.29</b>	<b>7,563,389.94</b>	<b>11,457,106.98</b>	<b>2,728,309.45</b>	<b>241,636,246.35</b>

- J **C1 Current year appropriations:** as the majority of EASA's budget lines are funded by a combination of F&C revenue and the EU subsidy, the C1 funds source is used for current year appropriations financed by the EU subsidy as well as appropriations financed by both EU subsidy and external assigned revenue from fees & charges;
- J **R0 (Fees & Charges):** External assigned revenue appropriations related purely to certification activities funded by Fees and Charges Income;
- J **R0 (Earmarked Projects):** External assigned revenue appropriations related to special operations programmes funded mainly by the European Commission (Grants & delegation agreements mainly for International Technical Cooperation and research projects);
- J **C4 Internal Assigned revenue:** relates mainly to income received from participants to EASA organised events;
- J **C5 Internal Assigned revenue (carried over);**
- J **C8 EU subsidy and mixed funded appropriations carried over;**
- J **R8 (Fees & Charges):** External assigned revenue for certification activities carried over;
- J **R8 (Earmarked Projects):** External assigned revenue for special operations programmes carried over.

### 1.3 Initial Budget, Amending Budget and Final Budget

Appropriations authorised in the Agency's initial budget for 2018 totalled EUR 195,236K (2017, EUR 188,646K).

#### List of Amending Budgets adopted by the Management Board:

The Management Board adopted one amending budget in 2018 which included an adjustment to the accumulated surplus on fees and charges to reflect the 2017 net result of EUR 2,635K bringing the balance to EUR 54,941K.

Amending Budget No.	Date of adoption	Main Subject Description	Impact on Commitment Appropriations (in EUR)	Impact on Payment Appropriations (in EUR)
1	07 Jun 2018	To reflect an adjustment to the accumulated surplus on fees and charges 2017 net result	2,635,000.00	2,635,000.00
<b>Grand Total:</b>			<b>2,635,000.00</b>	<b>2,635,000.00</b>

Final available appropriations totalled EUR 197,871K (2017, EUR 191,612K) and were distributed by title and chapter as follows:

Funds - 2018-C1 and 2018-R0						
Title	Chapter	Initial Adopted Budget	Amending Budget	Transfers	Description	Final Budget
	Chapter 11 - Staff in active employment	90,384,000.00		- 687,218.98	Local transfers to cover annual salary adjustment, budget reallocation No. 2 to cover the costs for the ERP adaptations in preparation for New Basic Regulation, Brexit and Digitalisation, as per EXCOM decision of 27/08/2018.	89,696,781.02
	Chapter 12 - Miscellaneous expenditure on sta	930,000.00		- 120,303.46	Local transfers to cover annual salary adjustment and increase of the weighting factor.	809,696.54
	Chapter 14 - Sociomedical infrastructure	5,069,000.00		6,222.44	Local transfers to cover annual salary adjustment and increase of the weighting factor.	5,075,222.44
	Chapter 17 - Reception and events	82,000.00		- 2,000.00	Local transfer to cover costs of a specialised IT training for Safety Intelligence & Performance department.	80,000.00
<b>Total Title 1 - STAFF</b>		<b>96,465,000.00</b>	<b>-</b>	<b>- 803,300.00</b>		<b>95,661,700.00</b>
	Chapter 20 - Rental of building and associated	9,703,000.00		- 245,000.00	Local transfers to cover the acquisition of double screen mounts for monitors; to cover the commitment for the invitation to a negotiated tender procedure: "Legal Advice for pre-ligation support in a staff matter"; to cover related to a Fatal Accident Inquiry support and to cover the acquisition of different furniture items.	9,458,000.00
	Chapter 21 - Information and communication t	6,313,000.00		750,000.00	BUDGET REALLOCATION No. 2 to cover the costs for the ERP adaptations in preparation for New Basic Regulation, Brexit and Digitalisation, as per EXCOM decision of 27/08/2018.	7,063,000.00
	Chapter 22 - Movable property and associated	435,000.00		85,000.00	Local transfer to cover the acquisition of double screen mounts for monitors and to cover the acquisition of different furniture items.	520,000.00
	Chapter 23 - Current administrative expenditu	982,000.00		160,000.00	Local transfer to cover additional needs for legal advices, recommendations and assistance in all legal issues and to cover the audit of the annual accounts.	1,142,000.00
	Chapter 24 - Postage and telecommunications	189,000.00		-		189,000.00
<b>Total Title 2 - BUILDING, EQUIPMENT AND MISCELLAN</b>		<b>17,622,000.00</b>	<b>-</b>	<b>750,000.00</b>		<b>18,372,000.00</b>
	Chapter 30 - Certification activities	31,771,000.00		104,700.00	Local transfer to cover cost for the renewal of the OPS expert's contract and local transfer to cover the costs for funding an extension to the F&C Review project. BUDGET REALLOCATION No. 3 to cover to cover the F&C pension contribution of Q4-2018.	31,875,700.00
	Chapter 31 - Standardisation activities	229,000.00		- 54,000.00	Local transfers to cover several Communication projects and to cover activities related to the Safety List.	175,000.00
	Chapter 32 - Operational information technolo	1,400,000.00		- 763,000.00	Local transfers to cover the costs for funding an extension to the F&C Review project and to cover the Digital Licence for Aviation Pilot (dLAP) proof of concept.	637,000.00
	Chapter 33 - Communication and publication	300,000.00		385,600.00	Local transfers to cover the transport of an aircraft door at EASA premises for exposition; to cover the costs for a temporary website based repository solution for NAAs notification forms according to Art.70 &71 of the New Basic regulation; to cover a campaign on Safety and website personalisation and to cover the costs for the Cybersecurity Community project.	685,600.00
	Chapter 34 - Meeting expenses	952,000.00		- 496,600.00	Local transfers to cover the cost of communication projects; to cover the costs of the cooperation agreement with DG CLIMA, to cover activities related to the Safety List; to cover costs for translation of the AAR 2017 document and to cover the costs of the event "Safety in Aviation Forum for Europe (S.A.F.E)".	455,400.00
	Chapter 35 - Translation and interpretation cos	66,000.00		4,600.00	Local transfer to cover costs for translation of the AAR 2017 document.	70,600.00
	Chapter 36 - Rulemaking activities	1,797,000.00		1,271,000.00	Local transfers to cover for the renewal of the OPS expert's contract and to cover activities related to the Safety List. Local transfer to cover costs for support to implementation of Articles 9 and 87 of the NBR.	3,068,000.00
	Chapter 37 - Mission, entertainment and repre	6,991,000.00		- 498,000.00	Local transfer to cover the costs of the cooperation agreement with DG CLIMA. Local transfers to cover the Digital Licence for Aviation Pilot (dLAP) proof of concept and to cover a subscription to a Conflict Zones / Aviation Alerting System.	6,493,000.00
	Chapter 38 - Technical training	886,000.00		40,172.00	Local transfers to cover an unforeseen increase in the requests for technical training courses.	926,172.00
	Chapter 39 - ED and strategic activities	2,340,000.00		58,828.00	BUDGET REALLOCATION No. 1 to fund the external evaluation of the Agency in line with art 62 BR. Local transfer to cover the costs for the Cybersecurity Community project and support for the ECCSA website under the FWC with Eworx. Local transfer to cover the costs of the event "Safety in Aviation Forum for Europe (S.A.F.E)".	2,398,828.00
<b>Total Title 3 - OPERATIONAL EXPENDITURE</b>		<b>46,732,000.00</b>	<b>-</b>	<b>53,300.00</b>		<b>46,785,300.00</b>
<b>Total Title 4 - SPECIAL OPERATION PROGRAMMES</b>		<b>p.m.</b>	<b>p.m.</b>	<b>p.m.</b>	<b>p.m. in EASA Budget</b>	<b>p.m.</b>
	Provisions	34,417,000.00	2,635,000.00	-	Amending Budget - F&C provision has been adjusted to reflect the 2017 net result.	37,052,000.00
<b>Total Title 5 - PROVISIONS</b>		<b>34,417,000.00</b>	<b>2,635,000.00</b>	<b>-</b>		<b>37,052,000.00</b>
<b>Grand Total</b>		<b>195,236,000.00</b>	<b>2,635,000.00</b>	<b>-</b>		<b>197,871,000.00</b>



## 2 Budgetary Transfers (all amounts in euros)

Budgetary transfers involve the transfer of appropriations from one budget line to another during the course of the financial year and so constitute an exception to the budgetary principle of specification. The rules relating to budgetary transfers are laid down in Articles 27 & 28 of the EASA Financial Regulation. In accordance with Article 27, the Executive Director may:

- ) make transfers from one chapter to another and from one article to another without limit;
- ) make transfers from one title to another up to a maximum of 10% of the appropriations for the financial year shown on the line from which the transfer is made.

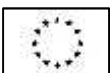
Beyond this limit, the Executive Director may propose, to the Management Board, transfers of appropriations from one title to another. There were no transfers above the 10% limit requiring Management Board approval.

Below is a detailed list of budget transfers carried out in 2018:

Details about the transfers				
#	From / to	Amount	Date	Reason
1	From line 3000_CAO to 3000_DOA	100,000	20/12/17	Local transfer to readjust resources in line with activities.
2	From line 3000_CAO to 3000_ATM	20,000	02/03/18	Local transfer to readjust resources in line with activities.
3	From lines 3000_CAO & FSTD to 3000_LA, POA, MRB, ATM	1,150,000	13/03/18	Local transfer to readjust resources in line with activities.
4	From line 1172 to 1173	26,000	13/03/18	Local transfer to cover EASA's contribution to the costs of EUAN secretariat for year 2018
5	From line 3003/CT to 3300	1,600	23/03/18	Local transfer to cover costs for printing the Seasonal Technical Communication (STC) newsletter leaflets to be used during the STC workshop.
6	From line 1100 to 3901	100,000	06/04/18	BUDGET REALLOCATION No. 1 to fund the external evaluation of the Agency in line with art 62 BR.
7	From line 1102 to 1112	70,000	12/04/18	Local transfer to cover costs of temporary workers during period 01/05/2018 to 29/09/2018.
8	From line 3000_LA to 3000_DOA	100,000	12/04/18	Local transfer due to urgent business needs.
9	From lines 3000_GABA & POA to 3000_ETSO, CAO & FSTD	450,000	05/06/18	Local transfer to readjust resources in line with activities.
10	From line 1172 to 1114	147,000	07/06/18	Local transfer to cover contracts for in-house trainees.
11	From line 3400/CT to 3300	5,500	07/06/18	Local transfer to cover the transport of an aircraft door at EASA premises in Cologne for exposition.
12	From line 3400/RS to 3600/CT & 3700/RS	50,000	07/06/18	Local transfer to cover the costs of the cooperation agreement with DG CLIMA.
13	From line 3000_POA to 3602	50,000	07/06/18	Local transfer to cover for the renewal of the OPS expert's contract.
14	From lines 3100, 3400/FS and 3600/FS to 3300	67,500	07/06/18	Local transfer to cover several Communication projects.
15	From line 3907/SM to 3907/FS	100,000	15/06/18	Local transfer to be in line with the transfer of "Aviation Cybersecurity" from SM to FS.
16	From line 2352 to 2252	1,000	21/06/18	Local transfer to cover additional requests for subscriptions and periodicals.
17	From line 2352 to 2355/RS	93,000	22/06/18	Local transfer to cover the cost of the 2nd phase of the ISM (Information Management Security) project.
18	From line 1101 & 1102 to 1430	285,000	03/07/18	Local transfer to increase the respective Fund Commitments for the payment of the International Schools and KVB invoices till end of the year 2018.
19	From line 1200 to 1173	20,000	04/07/18	Local transfer to cover the new Specific Contract with our provider Hudson for Q 3 (for Assessment Centres for managerial positions and use of personality and aptitude tests for on-going selection procedures).
20	From line 2210 to 2330	45,000	12/07/18	Local transfer to cover additional needs for legal advice under contract EASA.2016.FC26.
21	From lines 2300 & 2210 to 2330	30,000	12/07/18	Local transfer to cover the amendment to specific contract for Legal Advice on EASA premises and related services (Brussels) with KPMG and to cover needs for a staff case.
22	From line 1102 to 1112	66,000	13/07/18	Local transfer to cover payment of contracts for temporary workers working as Service Desk Assistants during the period 01.10.2018 to 21.12.2018.
23	from 300_GABA&3000_PRO& 3000_POA to 3000_CAO & 3000_MRB & 3000_FSTD	552,000	30/07/18	Local transfers to ensure sufficient funding for current outsourcing requests.
24	From line 1141 to 1112	83,000	13/08/18	Local transfer to cover the payment of contracts for temporary workers during the period 01.10.2018 to 21.12.2018.
25	From lines 3000_GABA and RC to 3000_FSTD	300,000	20/08/18	Local transfer to readjust resources in line with activities
26	From line 3400/RS to 3300	30,000	20/08/18	Local transfer to cover the costs for a temporary website based repository solution for NAAs notification forms according to Art. 70 & 71 of the New Basic regulation and as proposed in the offer from EWORX.
27	From line 3901 to 3300	36,000	20/08/18	Local transfer to cover the costs for the design of the EAER 2019 report and related updates in the Environmental and EAER websites in 2018.
28	From line 3000_POA to 3000_CAO	200,000	28/08/18	Local transfer to readjust resources in line with activities.
29	From line 2000 to 2321	21,000	29/08/18	Local transfer to cover the audit of the annual accounts.
30	From line 3400/RS to 3300	170,000	10/09/18	Local transfer to cover a campaign on Safety and website personalisation.
31	From line 2200 to 2252	3,000	10/09/18	Local transfer to cover the costs for the upcoming projects of video production for unruly passenger's campaign, promotional items, website personalisation and event engagement app.
32	From lines 3000_GABA, PRO, DOA and 3200 to 3003/RS-C1	580,000	21/09/18	Local transfer to cover the costs for funding an extension to the F&C Review project to address a framework for the management of efficiency gains necessitated by the decision in the first phase of the project to establish a performance plan.
33	From lines 1100, 1102, 1130, 1410 to 2101	750,000	21/09/18	BUDGET REALLOCATION No. 2 to cover the costs for the ERP adaptations in preparation for New Basic Regulation, Brexit and Digitalisation, as per EXCOM decision of 27/08/2018.
34	From 3000_ATM, DOA, ETSO, PRO to 3000_MRB	70,000	26/09/18	Local transfer to readjust resources in line with activities.

## Budget Transfers (all amounts in Euros)

Details about the transfers				
#	From / to	Amount	Date	Reason
35	From 3000_GABA & RC to 3000_CAO, LA & MRB	220,000	02/10/18	Local transfer to readjust resources in line with activities.
36	From 2040 to 2050	32,000	04/10/18	Local transfer to cover final amount needed for sweep services at EASA premises.
37	From line 2000 and 2203 to 2210	98,000	04/10/18	Local transfer to cover the acquisition of double screen mounts for monitors.
38	From 2100 to 2108	100,000	08/10/18	Local transfer to ensure continuity of the mobile telephony for the first quarter of 2019.
39	From 3000_RC and FSTD to GABA and POA	80,000	17/10/18	Local transfer to readjust resources in line with activities.
40	From line 2000 to 2330	15,000	18/10/18	Local transfer to cover the commitment for the invitation to a negotiated tender procedure: "Legal Advice for pre-litigation support in a staff matter".
41	From line 3000_RC to 3000_ATM	10,000	25/10/18	Local transfer to readjust resources in line with activities.
42	From 2000 and 2300 to 2330	75,000	02/11/18	Local transfer to cover Legal support related to a Fatal Accident Inquiry.
43	From 1700/SM to 1420/IT	2,000	06/11/18	Local transfer to cover costs of a specialised IT training for Safety Intelligence & Performance department (SM1).
44	From 3900/SM to 3800/SM	40,172	06/11/18	Local transfer to cover an unforeseen increase in the requests for technical training courses
45	From 3000_RC to POA	60,000	08/11/18	Local transfer to readjust resources in line with activities.
46	From 2300 to 2330	30,000	12/11/18	Local transfer to cover for Legal advice, recommendations and assistance in all legal issues, including pre-litigation and litigation support, related to the Agency's premises in Cologne.
47	From 3200 to 3600/CT	550,000	12/11/18	Local transfer to cover costs for support to implementation of Articles 9 and 87 of the NBR.
48	From 3200 and 3700 to 3600/FS	500,000	12/11/18	Local transfer to cover for the Digital Licence for Aviation Pilot (dLAP) proof of concept.
49	From 3907/FS to 3300	15,000	15/11/18	Local transfer to cover the costs for the Cybersecurity Community project and support for the ECCSA website under the FWC with Eworx.
50	From 3102, 3400/SM, 3400/RS to 3601	143,000	16/11/18	Local transfer to cover activities related to the Safety List.
51	From 3908 to 3300	60,000	21/11/18	Local transfer to cover the costs of a project planned in coordination with the Safety Promotion team and with the usage of ED.1 FWC with the company Eworx.
52	From 3600_ED to 3600_FS	12,554	22/11/18	Local transfer to cover Rule Making projects.
53	From 3802 to 3800	3,274	22/11/18	Local transfer to cover the cost of a training session necessary for the ECQB team.
54	From BL 3400/sm to 3500/SM	4,600	23/11/18	Local transfer to cover costs for translation of the AAR 2017 document.
55	From 3000_CAO, FSTD and LA to BL 1133	49,700	28/11/18	BUDGET REALLOCATION No. 3 to cover to cover the F&C pension contribution of Q4-2018.
56	From 2203 to 2200	4,000	30/11/18	Local transfer to cover acquisition of media equipment in the conference centre.
57	Between T1 HR BLs	1,193,302.70	03/12/18	Local transfers to cover payment of December salaries.
58	From 3400/RS & 3400/SM to 3900	85,000	03/12/18	Local transfer to cover the costs (room rental, catering, cocktail reception, IT equipment, technician) of the event "Safety in Aviation Forum for Europe (S.A.F.E)", Brussels, 13-15.05.19.
59	From 2040 and 2051 to 2210	81,000	04/12/18	Local transfer to cover the acquisition of different furniture items (e.g. office & terrace furniture, plants containers etc.),
60	From 1200 to 1114	1,562.88	05/12/18	Local transfer to cover payment of trainees during the period 01.12.2018 to 31.12.2018.
61	From 3000_CAO, DOA, FSTD, PRO to 3000_LA, POA, RC	150,000	05/12/18	Local transfer to readjust resources in line with activities.
62	From 3000_GABA to 3000_RC	10,000	07/12/18	Local transfer to readjust resources in line with activities.
63	From 2100 to 2106	59,000	10/12/18	Local transfer to cover the cost for the acquisition of new Adobe Acrobat DC subscription.
64	From 3700 to 3907/FS	25,000	10/12/18	Local transfer to cover a subscription to a Conflict Zones / Aviation Alerting System.
65	From 2101 to 2106	90,000	12/12/18	Local transfer to cover cover the cost for the acquisition of new IBM MaaS360 Mobile Device Management subscriptions.



## 3 Budget Implementation Expenditure

### 3.1 Major aspects of the implementation of the budget

The main facts that had an influence on the implementation of EASA's budget during 2018 were:

) **New EASA Basic Regulation**

The new EASA Basic Regulation (EU) 2018/1139 was approved in 2018 and entered into force in September. The Agency's 2018 EU subsidy included an increase of EUR 2M to cover the costs associated with the implementation of the EASA new Basic Regulation;

) **Pension contribution paid by Fees and Charges revenue**

In accordance with Article 83a of the Staff Regulations, agencies which are partly financed by fees have to pay the employers' contribution corresponding to the proportion between the agency's revenues without the subsidy from the European Union and its total revenues. The pension contribution paid by EASA from fees & charges revenue amounted to EUR 8,804K during 2018;

) **Staff cost increases in 2018**

The salary increase resulting from the application of the "automatic" annual updating of remunerations: 1.7% increase in basic salaries/allowances and a 1.8% increase in the 'correction coefficient' (weighting factor) for Germany had to be financed. The pension contribution increased from 9.8% to 10%;

) **Move 2016**

The Agency carried over EUR 1,527K from 2016 to 2018 to cover the final MOVE related costs. Due to ongoing clarifications with the contractor, the amounts could not be paid in 2018. Based on legal advice, the related funds have been placed in a 'Rechtanwaltsanderskonto Treuhandvertrag' and carried over again to 2019. Additionally, part of the rent retained from the landlord in 2017 (EUR 235K), had to be carried over again as C8 to 2019. Both cases are currently subject to legal proceedings and have been carried over in line with Article 70.4 of the EASA Financial Regulation;

) **Management of Technical Assistance Projects**

In 2018 the Agency continued to manage a significant volume of technical assistance projects financed mainly by other European Commission DG's. Altogether, 19 earmarked projects are now being managed with a total 2018 revenue of EUR 9,867K (EUR 11,329K in 2017). These projects are aimed at improving the regulatory and oversight capabilities of national and regional aviation authorities throughout the world as well as contributing to research projects to enhance global aviation safety and to promote EU standards;

) **2018 Amending Budget**

The Management Board adopted one amending budget on 7 Jun 2018 which included an adjustment to the accumulated surplus on fees and charges to reflect the 2017 net result of EUR 2,635K bringing the balance to EUR 54,941K.

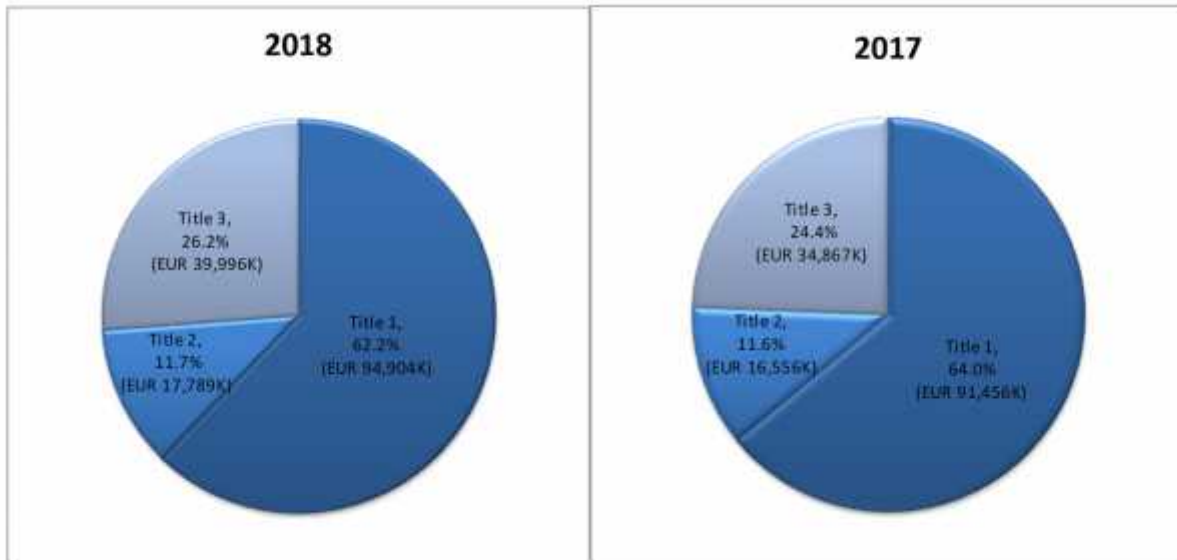
### 3.2 Overall Budget Implementation Rate

As a result of comprehensive in year budget monitoring, the final budget implementation rate for 2018 current year appropriations (C1) was 98% (99% in 2017) and well above the Commission target of 95%.

The cancelled appropriations relating to commitments carried over to 2018 (C8) were 1.8% (2.6% in 2017), therefore the Commission target of less than 5% was also achieved.

### 3.3 Distribution of total commitments by title (C1 and R0)

#### C1 and R0 funds



#### Administrative Appropriations (Title 1 and 2)

The increase in staff cost commitments of EUR 3,448K, from EUR 91,456K in 2017 to EUR 94,904 K in 2018, was due to salary increase.

Other administrative expenditure commitments increased by EUR 1,233K in absolute terms to EUR 17,789 K (EUR 16,556K in 2017) and by 0.1% as an overall percentage of the Agency's budget to 11.7% (11.6% - 2017). This is mainly due to an increase in Development of organisational applications and provision of data centre services.

#### Operational Appropriations (Title 3)

Operational expenditure commitments increased by EUR 5,129K to EUR 39,996K (EUR 34,867K in 2017). Operational expenditure increased by 1.8% as a percentage of the Agency's overall budget to 26.2% (24.4% in 2017). This is mainly due to an increase in EASA Certification activities.

### 3.4 Budget Implementation by Fund Source

#### C1 Current year appropriations

Title	Chapter	Final Budget (1)	Executed Commitment Amount (2)	% Committed (2)/(1)	Cancelled Appropriations (1)-(2)	Executed Payment Amount (3)	% Paid (3)/(1)	Carried over to 2019 (2)-(3)
	Chapter 11 - Staff in active employment	80,809,081.02	80,085,932.25	99%	723,148.77	79,970,290.76	99%	115,641.49
	Chapter 12 - Miscellaneous expenditure on staff recruitment and transfer	809,696.54	808,073.73	100%	1,622.81	772,450.43	95%	35,623.30
	Chapter 14 - Sociomedical infrastructure	5,075,222.44	5,062,161.58	100%	13,060.86	4,829,932.45	95%	232,229.13
	Chapter 17 - Reception and events	75,000.00	66,651.80	89%	8,348.20	27,723.71	37%	38,928.09
	<b>Total Title 1 - STAFF</b>	<b>86,769,000.00</b>	<b>86,022,819.36</b>	<b>99%</b>	<b>746,180.64</b>	<b>85,600,397.35</b>	<b>99%</b>	<b>422,422.01</b>
	Chapter 20 - Rental of building and associated costs	9,458,000.00	9,244,540.25	98%	213,459.75	8,753,160.80	93%	491,379.45
	Chapter 21 - Information and communication technology	7,063,000.00	6,895,417.74	98%	167,582.26	3,842,631.21	54%	3,052,786.53
	Chapter 22 - Movable property and associated costs	520,000.00	507,576.36	98%	12,423.64	116,475.31	22%	391,101.05
	Chapter 23 - Current administrative expenditure	1,122,000.00	977,792.78	87%	144,207.22	325,464.77	29%	652,328.01
	Chapter 24 - Postage and telecommunications	189,000.00	163,060.22	86%	25,939.78	138,453.65	73%	24,606.57
	<b>Total Title 2 - BUILDING, EQUIPMENT AND MISCELLANEOUS OPERATING EXPENDITURE</b>	<b>18,352,000.00</b>	<b>17,788,387.35</b>	<b>97%</b>	<b>563,612.65</b>	<b>13,176,185.74</b>	<b>72%</b>	<b>4,612,201.61</b>
	Chapter 30 - Certification activities	580,000.00	580,000.00	100%	-	-	0%	580,000.00
	Chapter 31 - Standardisation activities	175,000.00	174,462.59	100%	537.41	134,484.77	77%	39,977.82
	Chapter 32 - Operational information technology	637,000.00	618,752.50	97%	18,247.50	256,097.89	40%	362,654.61
	Chapter 33 - Communication and publication	685,600.00	682,663.37	100%	2,936.63	251,059.76	37%	431,603.61
	Chapter 34 - Meeting expenses	374,900.00	297,318.91	79%	77,581.09	179,078.31	48%	118,240.60
	Chapter 35 - Translation and interpretation costs	70,600.00	45,708.00	65%	24,892.00	18,128.00	26%	27,580.00
	Chapter 36 - Rulemaking activities	2,018,000.00	1,972,441.17	98%	45,558.83	37,700.00	2%	1,934,741.17
	Chapter 37 - Mission, entertainment and representation expenses	6,493,000.00	6,067,539.79	93%	425,460.21	5,602,496.20	86%	465,043.59
	Chapter 38 - Technical training	576,172.00	524,185.08	91%	51,986.92	293,011.72	51%	231,173.36
	Chapter 39 - ED and strategic activities	288,828.00	264,668.53	92%	24,159.47	69,482.68	24%	195,185.85
	<b>Total Title 3 - OPERATIONAL EXPENDITURE</b>	<b>11,899,100.00</b>	<b>11,227,739.94</b>	<b>94%</b>	<b>671,360.06</b>	<b>6,841,539.33</b>	<b>57%</b>	<b>4,386,200.61</b>
	<b>Grand Total</b>	<b>117,020,100.00</b>	<b>115,038,946.65</b>	<b>98%</b>	<b>1,981,153.35</b>	<b>105,618,122.42</b>	<b>90%</b>	<b>9,420,824.23</b>

#### Title 1 – Staff

Chapter 11/Fund 2018-C1 covers staff costs according to the Staff regulations (basic salaries, allowances, pension contribution, staff insurance), secondment of national experts expenses, costs of assistance received from the Pay Master's Office (PMO) and the costs of external services and specific services (consultancy and studies) in the field of Human Resources.

In 2018 the Agency filled 665 (AST and AD) posts authorised in its establishment plan. Additionally, the salary increase resulting from the application of the “automatic” annual updating of remunerations and weighting factor in line with the Staff Regulations had to be financed.

The total amount committed on chapter 11 in 2018 was EUR 80,086K (EUR 77,548K in 2017) and the budget implementation was 99 % of the final budget appropriations allocated (100 % in 2017).

Chapter 12/Fund 2018-C1 covers expenditure on recruitment procedures for temporary and contract agent vacancies, travel expenses for EASA staff entering or leaving the services, installation & resettlement allowances, removal costs of temporary and contract agents and daily subsistence allowances according to the Staff Regulations (Articles 5, 6, 7, 9 and 10 of Annex VII). The total amount committed on chapter 12 in 2018 was EUR 808K (EUR 610K in 2017) and the budget implementation was 100 % of the final budget appropriations allocated to this chapter compared to 98 % in 2017. The amount increased in 2018 due to newly recruited staff in 2017 who claimed their installation, resettlement and transfer allowances in 2018.

Chapter 14/Fund 2018-C1 covers expenditure for EASA staff training (language training, financial management training, IT training, legal training, planning sessions, coaching and personal effectiveness), medical services and social welfare of staff (job tickets, relocation and school expenses). The Chapter 14 budget implementation rate was 100% (EUR 5,062K) of the final budget appropriations allocated to this chapter in 2018 compared to 99% (EUR 4,645K) in 2017.

Chapter 17/Fund 2018-C1 covers the costs of official inter-Agency receptions for the benefit of the staff members, and official events, including all staff meetings and departmental meetings. The Chapter 17 budget implementation rate was 89% (EUR 67K) of the final budget appropriations allocated to this chapter in 2018 compared to 74% (EUR 68K) in 2017.

## **Title 2 - Building, Equipment and Miscellaneous Operating Expenditure**

Chapter 20/Fund 2018-C1 covers the costs of the building rent, utilities, cleaning services, security and miscellaneous building related expenditure.

The amount committed in 2018 was EUR 9,245K (98% chapter budget implementation) compared to EUR 9,145K in 2017 (98% chapter budget implementation). The slight increase in 2018 committed appropriations compared to 2017 is due to the higher EASA building security expenditure and technical facility management costs.

Chapter 21/Fund 2018-C1 covers the costs of hardware, maintenance and installation costs of IT equipment; software and consultancy needs for studies, organisational application development, data centre services, storage and IT security for the business purposes of the Agency. The amount committed in 2018 was EUR 6,895K (EUR 5,788K in 2017) representing 98 % of the final budget appropriations allocated for both years.

Chapter 22/Fund 2018-C1 covers the Agency expenditure for soft furnishing, kitchenette equipment, maintenance and repair of technical equipment. The amount committed was EUR 508K (98% chapter budget implementation) in 2018 compared to EUR 472K (99% chapter budget implementation) in 2017. The slight increase is due to higher furniture acquisitions in 2018.

Chapter 23/Fund 2018-C1 EUR 978K (87% chapter budget implementation) was committed to cover the costs for stationery and office supplies, financial charges and bank charges, EASA legal expenses, miscellaneous insurance costs, internal meetings costs, department removals and integrated quality management system costs. The amount committed in 2017 was at the same level as in 2018 (EUR 978K) representing 93% of the final budget appropriations.

Chapter 24/Fund 2018-C1 EUR 163K (86% chapter budget implementation) was committed to cover the costs of the Agency's postal and delivery charges, including parcels sent by post, express mail and registered mail. The amount committed in 2017 was EUR 173K representing 99% of the final budget appropriations.

## **Title 3 - Operational Expenditure**

Chapter 30/Fund 2018-C1 covers expenditure for Certification activities. EUR 580K was committed in 2018 which represented 100 % of chapter budget implementation. The amount was committed to perform analysis of efficiency gains and possible ways to achieve them.

Chapter 31/Fund 2018-C1 covers expenditure for Standardisation inspection activities in the Member States and associated countries and the costs of acquiring a special technical standards library for EASA, including the collection of standards kept in-house for consultation in carrying out the Agency's operational work. EUR 174K was committed in 2018 (EUR 174K in 2017) which represented 100 % (99 % in 2017) of chapter budget implementation.

Chapter 32/Fund 2018-C1 reached 97% (100% in 2017) implementation of the allocated budget to cover consultancy needs and studies to support the development of operational applications for the business purposes of the Agency. The amount committed in 2018 was EUR 619K (EUR 1,518K in 2017). The following projects/activities were funded during 2018:

- J Safety Management System Implementation Phase II (EUR 142K);
- J eRules system 03, a Content Management System for managing rules and regulations(EUR 238K). EASA eRules will be a comprehensive, single system for drafting, sharing and storing of rules. It will be the single source for all rules applicable to European airspace users;
- J SAP and other consultancy support (EUR 239K).

Chapter 33/Fund 2018-C1 EUR 683K was committed in 2018 (100% chapter budget implementation) to cover costs of internal and external communication activities. This includes technical and other publications, crisis communication and management, advertising, including associated graphic design and printing, press conferences and public relations events, exhibitions and related promotional goods, as well as internal communications media. The amount committed in 2017 was EUR 404K (98% chapter budget implementation).

Chapter 34/Fund 2018-C1 EUR 297K was committed in 2018 (79% chapter budget implementation) to cover the costs of organising meetings for the Operational Directorates of the Agency and the reimbursement of experts and other functional costs, including rental of rooms, catering, travel expenses, and daily allowances. The amount committed in 2017 was EUR 365K (98% chapter budget implementation).

Chapter 35/Fund 2018-C1 covers the costs of operational translations and publications of studies, reports, and other official working documents, including annual accounts, budgets, and activity reports, in the context of the official purposes of the Agency, charged by CdT, OPOCE and other translation centres. The amount committed in 2018 was EUR 46K (EUR 40K in 2017) representing 65 % budget implementation (98 % in 2017).

Chapter 36/Fund 2018-C1 covers the costs of the Agency's Rulemaking studies, the outsourcing to external experts in Rulemaking activities and the costs of the Agency's international cooperation activities, including contribution fees, training fees, and workshop costs for developing countries. The total amount committed in 2018 was EUR 1,972K (EUR 770K in 2017) representing 98 % budget implementation (99% in 2017). The main projects/activities funded during 2018 were:

- J The dLAP Proof of Concept Partnership Project (dLAP PoC) is about setting up and implementing a digital licensing system of limited scale and scope in each participating National Aviation Authorities (NAA) in a coordinated manner (EUR 500K);
- J Environmental project on technical issues with aircraft noise (EUR 363K);
- J Support on technical issues associated with aviation emissions (EUR 399K);
- J International cooperation projects (EUR 447K);
- J Evaluation of applicable Rules for initial and recurrent pilot training, testing and checking (EUR 90K);
- J Methodological Impact Assessment Support on Social Impacts and Circular Economy Indicators (EUR 70K).

Chapter 37/Fund 2018-C1 covers mission expenses, travel insurance, expenditure on transport and payment of daily mission allowances in accordance with the provisions of the EASA Staff Regulations and the EASA Mission Guide. The budget implementation for Chapter 37 amounted to EUR 6,068K (EUR 5,800K in 2017) representing 93% chapter budget implementation (97% in 2017).

Chapter 38/Fund 2018-C1 covers the costs of technical training for the Agency's Operational Directorates including the outsourcing of activities, costs of pilot training and proficiency including associated costs such



as examination, medical, equipment, administrative costs, other outsourcing and consultancy, etc. and costs of ECQB (European Central Question Bank) activities including e-exams. The budget implementation for Chapter 38 amounted to EUR 524K (EUR 484K in 2017) representing 91 % budget implementation (99 % in 2017). The increase is due to higher pilot training and proficiency associated costs compared to 2017.

Chapter 39/Fund 2018-C1 covers the costs of studies and operational costs for safety intelligence and performance; research projects relevant to aviation safety; Big Data project and costs related to the aviation cyber security project and consultancy support. The budget implementation for Chapter 39 amounted to EUR 265K (EUR 671K in 2017) representing 92% chapter budget implementation (100% in 2017). The following projects/activities were funded during 2018:

- )] Article 62 of the old Basic Regulation (Article 124 of the New Basic Regulation) requires EASA to commission an independent external evaluation on the implementation of the Regulation (EUR 62K).
- )] Safety intelligence and performance activities costs (EUR 123K);
- )] Safety promotion expenditures (EUR 80K);

## R0 (Fees & Charges)

Title	Chapter	Final Budget (1)	Executed Commitment Amount (2)	% Committed (2)/(1)	Cancelled Appropriations/Reserve (1)-(2)	Executed Payment Amount (3)	% Paid (3)/(1)	Carried over to 2019 (2)-(3)
	Chapter 11 - Staff in active employment	8,887,700.00	8,879,407.85	100%	8,292.15	8,859,584.90	100%	19,822.95
	Chapter 17 - Reception and events	5,000.00	1,515.20	30%	3,484.80	969.20	19%	546.00
<b>Total Title 1 - STAFF</b>		<b>8,892,700.00</b>	<b>8,880,923.05</b>	<b>100%</b>	<b>11,776.95</b>	<b>8,860,554.10</b>	<b>100%</b>	<b>20,368.95</b>
	Chapter 23 - Current administrative expenditure	20,000.00	818.83	4%	19,181.17	818.83	4%	-
<b>Total Title 2 - BUILDING, EQUIPMENT AND MISCELLANEOUS OPERATING EXPENDITURE</b>		<b>20,000.00</b>	<b>818.83</b>	<b>4%</b>	<b>19,181.17</b>	<b>818.83</b>	<b>4%</b>	<b>-</b>
	Chapter 30 - Certification activities	31,295,700.00	27,335,725.26	87%	3,959,974.74	16,223,149.84	52%	11,112,575.42
	Chapter 34 - Meeting expenses	80,500.00	59,583.56	74%	20,916.44	24,292.76	30%	35,290.80
	Chapter 36 - Rulemaking activities	1,050,000.00	1,012,973.93	96%	37,026.07	224,656.06	21%	788,317.87
	Chapter 38 - Technical training	350,000.00	254,060.01	73%	95,939.99	59,405.01	17%	194,655.00
	Chapter 39 - ED and strategic activities	2,110,000.00	105,447.41	5%	2,004,552.59	-	0%	105,447.41
<b>Total Title 3 - OPERATIONAL EXPENDITURE</b>		<b>34,886,200.00</b>	<b>28,767,790.17</b>	<b>82%</b>	<b>6,118,409.83</b>	<b>16,531,503.67</b>	<b>47%</b>	<b>12,236,286.50</b>
<b>Grand Total</b>		<b>43,798,900.00</b>	<b>37,649,532.05</b>	<b>86%</b>	<b>6,149,367.95</b>	<b>25,392,876.60</b>	<b>58%</b>	<b>12,256,655.45</b>

## Title 1 – Staff

Chapter 11/Fund 2018-R0 covers staff costs according to the Staff regulations for Constitution or maintenance of pension rights and local agent costs. In accordance with Article 83a of the Staff Regulations, agencies which are partly financed by fees have to pay the employers' contribution corresponding to the proportion between the agency's revenues without the subsidy from the European Union and its total revenues. The budget implementation for Chapter 11 amounted to EUR 8,879K during 2018 (EUR 8,584K in 2017) representing 100% chapter budget implementation (97% in 2017).

Chapter 17/Fund 2018-R0 covers costs of the EASA Certification Directorate receptions and official events for the benefit of staff members, including all staff meetings and departmental meetings. The budget implementation for Chapter 17 amounted to EUR 2K (EUR 1K in 2017) representing 30% chapter budget implementation (12% in 2017).

## Title 2 - Building, Equipment and Miscellaneous Operating Expenditure

Chapter 23/Fund 2018-R0 covers expenditure for representation costs for the EASA Certification Directorate. The total amount committed in 2018 amounted to EUR 0.8K (EUR 0.5K in 2017) representing 4% chapter budget implementation (1% in 2017).

### Title 3 - Operational Expenditure

Chapter 30/Fund 2018-R0 covers the costs of certification tasks and related services outsourced to National Aviation Authorities (NAAs) and Qualified Entities (QEs) under corresponding framework contracts as well as costs deriving from the Fees & Charges Regulation and supporting the certification activities. The total amount committed in 2018 was EUR 27,336K (EUR 23,965K in 2017) representing 87% chapter budget implementation (86% in 2017). The amount was distributed among certification activities as follows:

- ) Certification activities Air Traffic Management ATM (EUR 31K);
- ) Certification activities Continuing Airworthiness Organisations (EUR 7,063K);
- ) Certification activities Design Organisations (EUR 872K);
- ) Certification activities PARTS & APPLIANCES (EUR 20K);
- ) Certification activities Flight Simulator Training Devices FSTD (EUR 5,739K);
- ) Certification activities General Aviation and Balloon Airship (EUR 1,952K);
- ) Certification activities Large Aeroplanes (EUR 3,613K);
- ) Certification activities Maintenance Review Board MRB (EUR 1,204K);
- ) Certification activities Production Organisations (EUR 3,210K);
- ) Certification activities Propulsion (EUR 109K);
- ) Certification activities Rotorcraft (EUR 1,275K);
- ) Multi-annual programme (CORAL) with the objective to improve the EASA services delivered for certification and approval activities (EUR 887K);
- ) Miscellaneous costs under fees and charges (EUR 1,361K).

Chapter 34/Fund 2018-R0 covers the costs of meetings, the reimbursement of experts and other functional costs, including rental of rooms, catering, travel expenses, and daily allowances for the EASA Certification Directorate activities. The total amount committed in 2018 was EUR 60K (EUR 71K in 2017) representing 74% chapter budget implementation (90% in 2017).

Chapter 36/Fund 2018-R0 accounted for EUR 1,013K (96% chapter budget implementation) to provide support and assistance to the Civil Aviation Authority CAA Thailand in its transition towards EU-based regulations. The amount committed in 2017 was EUR 432K (98% chapter budget implementation).

Chapter 38/Fund 2018-R0 covers the costs of technical training for the Agency's Operational Directorates, in the interest of the Service, including the outsourcing of activities and costs of Pilot Training and proficiency including associated costs such as examination, medical, equipment, administrative costs for the EASA Certification Directorate activities. The budget implementation for Chapter 38 amounted to EUR 254K (73% chapter budget implementation). The amount committed in 2017 was EUR 172K (72% chapter budget implementation). The increase in 2018 is due to higher pilot training and proficiency associated costs compared to 2017.

Chapter 39/Fund 2018-R0 covers operational costs for Aviation Cyber Security project. The budget implementation for Chapter 39 amounted to EUR 105K (5%). The low budget implementation rate was due largely to the postponement of research and data for safety project expenditure.

## R0 and R8 Title 4 - Special Operations Programmes

Fund Source	Chapter	Final Budget (1)	Executed Commitment Amount (2)	% Committed (2)/(1)	Cancelled Appropriations/ Reserve (1)-(2)	Executed Payment Amount (3)	% Paid (3)/(1)	Carried over to 2019 (2)-(3)
B2018-R0	Chapter 40 - Technical cooperation with th	19,275,906.78	15,936,541.13	83%	3,339,365.65	4,803,381.86	25%	11,133,159.27
B2018-R0	Chapter 41 - Research programmes	129,139.18	73,958.15	57%	55,181.03	70,994.07	55%	2,964.08
B2018-R0	Chapter 42 - Data for Safety programme	1,700,000.00	1,348,520.25	79%	351,479.75	731,035.12	43%	617,485.13
<b>B2018-R0 Total Title 4 - SPECIAL OPERATION PROGRAMMES</b>		<b>21,105,045.96</b>	<b>17,359,019.53</b>	<b>82%</b>	<b>3,746,026.43</b>	<b>5,605,411.05</b>	<b>27%</b>	<b>11,753,608.48</b>

Fund Source	Chapter	Carried over Commitment Amount (1)	Executed Payment Amount (2)	% Paid (2)/(1)	Cancelled Appropriations (1)-(2)
B2018-R8	Chapter 40 - Technical cooperation with th	2,725,737.59	1,927,458.08	71%	798,279.51
B2018-R8	Chapter 41 - Research programmes	2,152.40	1,969.19	91%	183.21
B2018-R8	Chapter 42 - Data for Safety programme	419.46	419.46	100%	-
<b>B2018-R8 Total Title 4 - SPECIAL OPERATION PROGRAMMES</b>		<b>2,728,309.45</b>	<b>1,929,846.73</b>	<b>71%</b>	<b>798,462.72</b>

The Agency managed a total of 19 projects funded by the EC general budget and European Development Funds in 2018 via Grants and Delegation Agreements. The Agency treats all funds received for the performance/management of these projects as external assigned revenue. Appropriations corresponding to earmarked revenues of EUR 21,105K, to continue with technical assistance and cooperation projects with third countries, were estimated and authorised in the final budget for 2018. Commitments of EUR 2,728K were carried over from 2017 of which EUR 1,930K were paid and the remaining EUR 798K will be made available again in 2019 as R0 external assigned revenue.

Current ongoing projects and their respective cash balances after taking account of all income and all payments up to the end of 2018 are detailed below:

Project	Contract amount	Total Income	Total Payments	Cash Balance per project
Europe Meditation Countries	2,000,000.00	2,000,000.00	1,788,590.71	211,409.29
Instrument for pre-access IV	290,000.00	290,000.00	96,148.26	193,851.74
Supporting the implementation of aviation agreements in the Eastern Partnership countries and upgrading civil aviation safety and security standards in Central Asia	5,000,000.00	4,311,799.00	2,422,676.76	1,889,122.24
EASA-SAAU Airworthiness Convergence Project - Ukraine	1,000,000.00	675,212.00	501,381.35	173,830.65
EU-China Aviation Partnership Project	10,000,000.00	9,000,000.00	3,740,668.98	5,259,331.02
EU-South Asia Aviation Partnership Project	7,500,000.00	5,000,000.00	3,131,231.61	1,868,768.39
Aviation Sector Support Programme II in favour of the Republic of Zambia	1,800,000.00	1,140,127.43	308,735.24	831,392.19
European Natural Airborne Disaster Information and Coordination System for Aviation	13,400.00	13,400.00	7,391.89	6,008.11
International Cooperation in Aviation Research	82,232.50	61,674.37	40,732.29	20,942.08
Observation Platform for Technological and Institutional Consolidation of research in Safety - OPTICS2	140,312.50	67,817.71	26,309.22	41,508.49
SAFECLOUDS.EU	138,400.00	45,000.00	9,629.75	35,370.25
SARAH - Increased Safety and robust certification for ditching of aircrafts and helicopters	13,400.00	13,400.00	5,350.90	8,049.10
EU-Latin America cooperation on Civil Aviation	7,000,000.00	1,752,850.00	495,946.40	1,256,903.60
EU-South East Asia cooperation on Civil Aviation	7,500,000.00	1,900,000.00	422,110.98	1,477,889.02
ARISE Plus - Civil Aviation (Component 5 of ASEAN Regional Integration Support from the EU)	5,000,000.00	1,250,000.00	366371.88	883,628.12
Knowledge Transfer Network proposed in response to the SESAR-ER3-01-2016 Call	37,200.00	5,580.00	1,870.00	3,710.00
ECCAS - Projet d'Appui au Secteur du Transport Aérien en Afrique Centrale et Occidentale – PASTA-CO	1,711,840.41	115,195.70	28,374.47	86,821.23
Communauté Economique et Monétaire D'Afrique Centrale	2,700,000.00	2,458,152.60	2,458,152.60	-
Data for Safety Programme	5,000,000.00	2,000,000.00	734,214.98	1,265,785.02
<b>Total:</b>	<b>56,926,785.41</b>	<b>32,100,208.81</b>	<b>16,585,888.27</b>	<b>15,514,320.54</b>

#### C4 (Internal Assigned Revenue)

Title	Amounts received 2018_C4	Executed Commitment Amount	% Committed	Carried Over Appropriations	Executed Payment Amount	% Paid	Carried over Commitments to 2019
	(1)	(2)	(2)/(1)	(1)-(2)	(3)	(3)/(1)	(2)-(3)
Total Title 1 - STAFF	19,037.31	15,381.21	81%	3,656.10	15,381.21	81%	-
Total Title 2 - BUILDING, EQUIPMENT AND MISCELLANEOUS OPERATING EXPENDITURE	24,356.50	-	0%	24,356.50	-	0%	-
Total Title 3 - OPERATIONAL EXPENDITURE	292,756.92	490.00	0%	292,266.92	-	0%	490.00
<b>Grand Total</b>	<b>336,150.73</b>	<b>15,871.21</b>	<b>5%</b>	<b>320,279.52</b>	<b>15,381.21</b>	<b>5%</b>	<b>490.00</b>

**C4 Internal Assigned revenue:** relates mainly to income received from participants to EASA organised events and conferences.

## 4 Appropriations carried over from 2018 to 2019

### Carry-over from 2018 to 2019 Fund Sources 2018-C1 and 2018-C4

Title	Sum of Final Budget	Sum of Total Committed	Sum of Total Invoiced	Sum of RAL	% carry over to 2019
Total Title 1 - STAFF	86,788,037.31	86,038,200.57	85,615,778.56	422,422.01	0%
Total Title 2 - BUILDING, EQUIPMENT AND MISCELLANEOUS OPERATING EXPENDITURE	18,376,356.50	17,788,387.35	13,176,185.74	4,612,201.61	26%
Total Title 3 - OPERATIONAL EXPENDITURE	12,191,856.92	11,228,229.94	6,841,539.33	4,386,690.61	39%
<b>Grand Total</b>	<b>117,356,250.73</b>	<b>115,054,817.86</b>	<b>105,633,503.63</b>	<b>9,421,314.23</b>	<b>8%</b>

The outstanding commitments at the year-end were automatically carried over to 2019. The carry over amounts to EUR 9,421K and covers commitments made in 2018 to be paid in 2019. The carry over relates mainly to: IT costs, communication and publication expenses, legal expenses, international cooperation activities costs, assistance to rulemaking activities costs and EASA staff mission costs performed in December 2018.

## 5 Implementation of appropriations carried forward from 2017 to 2018

### B2018-C5

Title	Appropriations carried over from 2017 C5 (1)	Executed Commitment Amount (2)	% Committed (2)/(1)	Cancelled Appropriations (1)-(2)	Executed Payment Amount (3)	% Paid (3)/(1)
Total Title 1 - STAFF	9,112.53	9,112.53	100%	-	9,112.53	100%
Total Title 2 - BUILDING, EQUIPMENT AND MISCELLANEOUS OPERATING EXPENDITURE	7,182.79	7,069.15	98%	113.64	7,069.15	98%
Total Title 3 - OPERATIONAL EXPENDITURE	558,947.97	482,504.32	86%	76,443.65	482,504.32	86%
<b>Grand Total</b>	<b>575,243.29</b>	<b>498,686.00</b>	<b>87%</b>	<b>76,557.29</b>	<b>498,686.00</b>	<b>87%</b>

### B2018-C8

Title	Carried over Commitment Amount (1)	Executed Payment Amount (2)	% Paid (2)/(1)	Carried over to 2019	Cancelled Appropriations (1)-(2)	Cancelled Appropriations %
Total Title 1 - STAFF	301,677.57	300,968.75	100%	-	708.82	0%
Total Title 2 - BUILDING, EQUIPMENT AND MISCELLANEOUS OPERATING EXPENDITURE	4,876,332.12	3,040,109.21	62%	1,761,325.42	74,897.49	2%
Total Title 3 - OPERATIONAL EXPENDITURE	2,385,380.25	2,326,878.66	98%	-	58,501.59	2%
<b>Grand Total</b>	<b>7,563,389.94</b>	<b>5,667,956.62</b>	<b>75%</b>	<b>1,761,325.42</b>	<b>134,107.90</b>	<b>2%</b>

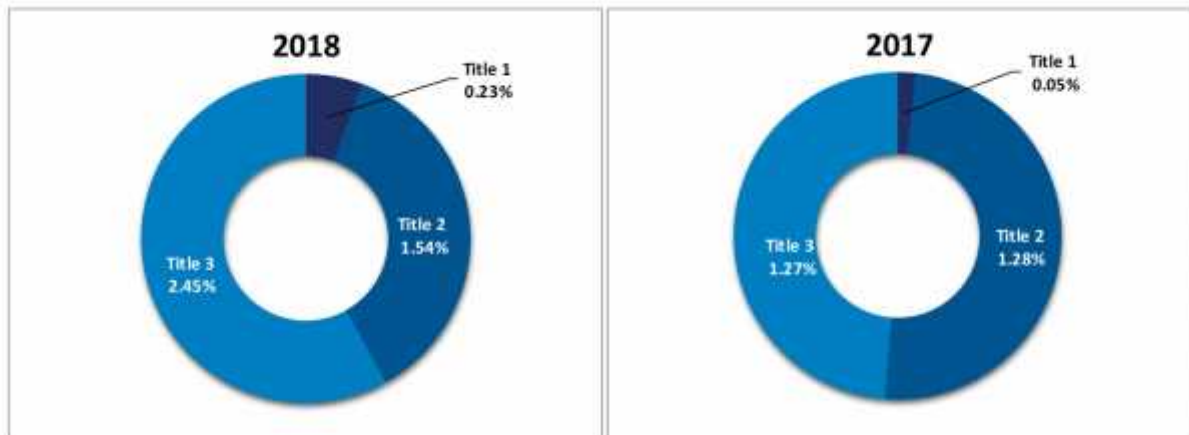
### B2018-R8 (Fees & Charges)

Title	Carried over amount (1)	Executed Payment Amount (2)	% Paid (2)/(1)	Cancelled Appropriations (1)-(2)
Total Title 3 - OPERATIONAL EXPENDITURE	11,457,106.98	6,287,349.83	55%	5,169,757.15
<b>Grand Total</b>	<b>11,457,106.98</b>	<b>6,287,349.83</b>	<b>55%</b>	<b>5,169,757.15</b>

Amounts carried over from financial year 2017 to 2018, i.e., fund sources C8 and R8, totalled EUR 7,563K (C8) and EUR 11,457K (R8) respectively. Payments against the C8 appropriations totalled EUR 5,668K and, due to ongoing clarifications with the contractor, EUR 1,761K, which could not be paid in 2018, was carried over to 2019. Only 1.8% (EUR 134K) of the amounts carried over to 2018 (C8) were cancelled which is well below the Commission target of 5 %.

Payments against R8 appropriations totalled EUR 6,287K or 55% with EUR 5,170K remaining unused. Unused R8 appropriations represent assigned revenue and are retained by the Agency to support future certification activities.

## Percentage amounts of cancelled carried over by title - C8



## 6 Revenue

The main sources of the Agency's revenues are:

- ) European Union Subsidy;
- ) Assigned revenues from fees & charges paid by applicants;
- ) Assigned revenues received from other Commission DGs to undertake 'special operations programmes' mainly in the areas of International Technical Cooperation with third countries and research;
- ) Internal assigned revenues collected mainly from events organised by EASA.

### 2018 Revenue

Budget Item	Type of revenue	Initial Adopted Budget	Amending Budgets	Final Adopted Budget	Entitlements established	Revenue received	Outstanding at the end of the year
100	Revenue from fees and charges	102,992,000.00		102,992,000.00	105,296,548.19	105,273,335.87	5,480,493.08
200	European Union subsidy	36,915,000.00		36,915,000.00	36,915,000.00	36,915,000.00	
300	Third Countries Contribution	1,973,000.00		1,973,000.00	2,210,019.53	2,210,019.53	
400	Technical Cooperation with Third Countries - Grants received			-	1,772,238.05	1,531,038.15	241,199.90
401	Technical Cooperation with Third Countries - Delegation Agreements			-	7,073,974.00	8,323,974.00	
403	Research				12,240.82	12,240.82	
500	Revenue from bank interest	100,000.00		100,000.00	106,035.14	137,668.13	27,696.11
501	Other Administrative Operations	500,000.00		500,000.00	659,166.71	659,166.71	
600	Revenue from services rendered against payments	450,000.00		450,000.00	50,000.00	50,000.00	
702	Balance Fees & Charges on Outturn from previous years	52,306,000.00	2,635,000.00	54,941,000.00			
various	Internal Assigned Revenue				341,414.16	336,150.73	5,263.43
<b>Total:</b>		<b>195,236,000.00</b>	<b>2,635,000.00</b>	<b>197,871,000.00</b>	<b>154,436,636.60</b>	<b>155,448,593.94</b>	<b>5,754,652.52</b>

- ) **Revenue from Fees and Charges:** EUR 102,992K represents the initial budgeted amount for own revenue generated by Certification Services provided by the Agency. The entitlements established were EUR 105,297K and total cash received was EUR 105,273K;

- J **Revenue from the European Union:** EUR 36,915K concerns the revenue from the EU subsidy approved by European Parliament (Article 120, Basic Regulation 2018/1139). The entitlements established were EUR 36,915K and total cash received was EUR 36,915K;
- J **Third country contribution:** concerns the revenue from contributions from Countries Associated to EASA. More specifically, the revenue from the AELE Agreement, as well as the revenue from Switzerland, following Decision 1/2017 of the Joint European Union/Switzerland Air Transport Committee. Revenue received totaled EUR 2,210K;
- J **Technical Cooperation with Third Countries – Grants and Service Contracts:** revenue received in 2018: EUR 1,531K, to support technical assistance and cooperation projects managed by the Agency with earmarked funds allocated by the Commission. The Agency signs Grant and Service Contracts with, inter alia, DG MOVE, DG NEAR, DG FPI and DEVCO;
- J **Technical Cooperation with Third Countries – Delegation Agreements:** revenue received during 2018: EUR 8,324K, to support technical assistance and cooperation projects managed by the Agency with earmarked funds allocated by the Commission. The Agency signs Delegation Agreements with, inter alia, DG MOVE, DG NEAR, DG FPI and DEVCO. The discharge responsibility for these funds resides with the European Commission;
- J **Technical Cooperation with Third Countries – Research projects:** revenue received during 2018: EUR 12K to support EASA research projects;
- J **Revenue received from bank interest:** totalling EUR 138K;
- J **Other Administrative Operations:** EUR 659K received from parking and job ticket costs reimbursed by the EASA staff members;
- J **Revenue from services rendered against payments:** EUR 50K received from European Commission DG MOVE in respect of work performed in relation to ICAO's CORSIA (Carbon Offsetting and Reduction Scheme for International Aviation) Package;
- J **Internal assigned revenue:** totalling EUR 336K related mainly to income received from participants at EASA organised events.