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Annual Report 2008

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N.B.: Since 2005, ECA's Annual Report is in a format that focuses on ECA's core activities during the past 12 months, and provides a short, readable overview on its activities, the state of play, and ECA's approach to the myriad of policy and legislative developments at EU level.

1 Foreword by ECA President, Martin Chalk

2008 has been ECA's busiest year yet; although 2009 is already anticipated to be busier! Developments in both the technical and political areas have presented us with new and significant challenges. However, as you will read in this report, the small and hard-working ECA Team – supported by our Member Associations' experts in ECA's Working Groups – has coordinated and lead a response to these developments. This has had a direct, positive and significant impact on behalf of our members, and has greatly enhanced the standing and reputation of Professional Cockpit Crew at European level.

I believe two significant changes in the last 12 months stand out.

Firstly, the change in sovereignty in regulation of the operational and licensing areas of our industry from National to European level with EASA Regulation 216/2008 coming into force in April. This means that the 'lion's share' of technical safety regulations (including fundamental pilot issues such as Flight and Duty time regulations, pilot licensing, or air operations) are now prepared and published at European level. ECA must continue to 'raise our game' to ensure Professional Pilot expertise influences every change.

Secondly, the continuing liberalisation of the economic regulation of civil aviation presents both opportunity and challenge. The opportunities are developed by companies such as easyJet, the Lufthansa and Air France/KLM groups and cargo carriers. However, these gains are tainted by the challenge of companies, such as British Airways, abusing European competition legislation to enable them to indulge in classic social dumping with their BA OpenSkies subsidiary. ECA must develop a variety of responses to ensure that our members also benefit from the greater economic activity consistently claimed for market liberalisation – responses in our political stance, in our public positions and in our industrial capabilities.

2009 is shaping up to be even more interesting – and ECA will be ready to deliver!

ECA President, Captain Martin CHALK

2 Political Issues

2.1 External Aviation Relations

2.1.1 ECA's Position on Air Transport Agreements

In 2008, The European Commission tabled a very ambitious negotiations agenda for the coming months and years. In order to be able to face this additional work, ECA presented its position to the European Commission. ECA's policy varies according to the degree of market openness that the European Commission wants to reach with the other party. The traditional horizontal agreements modify some clauses in the existing bilateral agreements that are in conflict with European legislation. As required by the 3rd package of air transport liberalisation, they answer the need for a country to designate a 'Community' carrier rather than a 'National' carrier'. On the contrary, a full liberalisation of the market affects very much the working conditions of employees in the aviation sector and particularly mobile staff.

2.1.2 EU-US Agreement

The first stage of the Agreement between the EU and the United States was launched in March 2008. Since then the restrictions on the routes, prices and frequencies have been removed. The air transport landscape between the two markets has been modified. A typical case being British Airways who set up a business class carrier which operates, e.g. between Paris or Amsterdam to New York offering lower working terms and conditions to the newly recruited pilots. The European authorities predicted employment opportunities for aviation employees; but this remains to be seen. To monitor the social consequences of this agreement, the European Commission and the US Department of Transport have agreed to meet regularly with the respective stakeholders. Representing European pilots, ECA is an active player in the negotiations in the European side as well as in the Joint Committee meetings.

In December 2008, the European Commission organises a transatlantic

labour forum. For this event and in line with their policy, ECA and ALPA International will join their skills and knowledge to demonstrate the potential social downsides of the EU-US aviation market liberalisation. The decision-makers on both sides of the Atlantic have to understand that a sustainable economic market implies related and adequate social provisions.

Nevertheless, the ambitions of the European Union are bigger. Its ultimate goal is to achieve a market where no more restrictions on foreign ownership and access to the domestic market stand. The social consequences would therefore be higher. ECA has repeatedly stressed that such a degree of market openness should not be achieved without adequate social provisions to avoid social dumping. Captain Martin Chalk, ECA President, has followed the negotiations since the beginning and has fought to include social provisions in the agreement. ECA is not against the liberalisation of the air transport market but will never accept to support an agreement that does not link economic issues with the appropriate social provisions.

2.1.3 EU-Canada Agreement

The European Commission and the Canadian Government met mid October in the context of an international forum. Both parties agreed that the draft air transport agreement should be ready for the end of November. Since their beginning, ECA has put a lot of efforts in these negotiations and pressed for its inputs to be taken into consideration. ECA supported the principle of liberalisation, but wants to make sure that political ambitions do not prevail over flight safety and social protection.

Both parties of the agreement had the clear objective to reach the full liberalisation of the bilateral aviation market. This situation implies the removal of all market access and ownership and control restrictions. It is the first time that the European Union would conclude such an ambitious agreement. This could create a worldwide precedent and might influence the ongoing second stage negotiations between the

European Community and the United States.

If the EU's ambition becomes reality, European pilots would be able to operate for their own European company within Canada. Which social law would apply? Would the collective labour agreement be recognised by the Canadian authorities? The threat of social dumping is real. In order to support this project, ECA needs concrete measures to safeguard labour rights and to maintain or improve working conditions. Liberalisation should benefit all actors and not only reflect the companies' and passengers' eagerness to maximise their economic interests at the expense of a coherent society.

2.2 Social Dialogue

At the last Plenary meeting of the Sectoral Social dialogue Committee in June, ECA and ETF questioned seriously the value/quality of Social Dialogue in the European Civil Aviation Sector. In the last years, only the ATM section has produced some concrete results (joint statements, common reports and guidelines). For ECA and ETF, the employer associations are not entering in meaningful negotiations on many of the issues in the work programme of the working groups.

The Plenary meeting opened the debate on the employers' involvement in social dialogue. ECA held a meeting with AEA where both associations committed to reactivate the dialogue where possible. This might open the way for action on dossiers that have been opened since the last three years such as the protection of personal data.

A first concrete result of this renewed commitment was the adoption of a Joint Statement on "work-place promotion" in Naples in October 2008. The Joint Statement followed a Seminar addressing the impact on crews of stress, work/family life balance and personal development.

This Joint Statement can be used by ETF and ECA Member Associations to discuss more flexible and adapted working

conditions with the AEA and ERA Airline Members. It also contained some words addressed to the Member States where Social Partners stress the "need to provide an « enabling legal framework » that recognises the special nature of the work of air crews due to their particular work patterns (variable shifts) and their exposure to specific work." Even though the "Joint Statement" is not legally binding, it is an official text, published by the Commission which can be used by all Member Associations in their talks with their employers and authorities when discussing working conditions.

The review of the Working Time Directive, which should have been completed in 2005, is at standstill. ECA had prepared in January a list of points to be addressed at the review. The airlines declined discussing any of the points and wanted to close the review process with a simple call to the Commission to oversee the implementation of the Directive. This was not acceptable for ECA. Following the events at the Plenary meeting of the Sectoral Social dialogue committee, some airlines associations have adopted a slightly more open attitude and will work on a new document. ECA is not very optimistic on the future airlines' proposal, and is considering its steps in case the review fails to produce a constructive result.

2.3 Revision of the «3rd Package» of Aviation Liberalisation

Regulation 1008/2008 of 24 September 2008 on Common Rules for the Operation of Air Services in the Community (Recast) was published on 31 October and entered into force on 1 November. This closes the legislative process to review the third Package of Liberalisation that had ruled the economic side of the industry since the early 90's.

ECA had been heavily involved in this process. ECA promoted that economic regulation be accompanied with high safety standards and sound social principles. Our main objective was to ensure effective safety oversight, avoidance of social dumping and

clarification on the use of foreign wet leasing and the clarification of responsibilities for its authorisation.

The final text of the Regulation is the result of intense political discussions among the EU Member States and the Parliament. They have managed to compile in one single text a number of requirements previously dispersed in many Regulations, avoiding any possible contradictions. The regulation clarifies the rules for the granting of operating licenses, strengthens the financial requirements to establish and run airlines and clarify the rules on public services obligations and on price transparency.

In general, the new Regulation is an improvement to the old situation. Wet leasing has been better framed and the responsibilities for its authorisation are now clear, including now the possibility for the Commission to act in case of abuses. With regard to safety oversight, the Regulation establishes a formal link between the operating license and the air operating certificate. On the issue of flags of convenience, ECA is concerned about the new definition of “principal place of business” which refers only to the place from where the airline exercises “continuous airworthiness management.”

ECA continues to work on this issue to monitor its correct implementation and to promote an adequate interpretation of the definition on “Principal Place of Business.”

2.4 Laval & Viking

The European Court of Justice (ECJ) published (at the end of 2007 and during 2008) a series of judgements, amongst which the now famous “Viking” and “Laval” cases, related to the conflict between social rights and the EU economic liberties (freedom of movement and establishment). The ECJ’s judgements restrict considerably the ability of trade unions to organise trans-national collective actions. Furthermore, they reduce the Member States’ margins of manoeuvre to enforce the local social laws to companies working on their territory but based in another Member State.

The British Association, BALPA was one of the first Member Associations to experience the consequences of this law case. The issue concerned the establishment of a British Airways subsidiary in France called “BA Open Skies.” During negotiations with the company, the BA pilots agreed that pilots employed in the new company could have different contracts but fought for the inclusion of the pilots in a common seniority list. After the failure of the negotiations, the process to declare a strike was activated. The British Airways’ pilots were forced to abandon their action after British Airways alleged in court that the industrial action would violate freedom of establishment. ECA has followed these events closely.

ECA participated in a high level forum organised by DG Employment on the conflict between the economic liberties in the EU Treaty and social rights. The meeting showed a deep gulf between the “old” and the “new” EU Member States and the incapacity of the EU to agree on a common solution to the problem. Faced with this difficult situation, a meeting to assess the consequences for ECA and its Member Associations was jointly organised by the Boards of ECA and US-ALPA in Amsterdam in November. This was a first step to organise a debate where all ECA Member Associations will have to take part in order to prepare a solution to this problem.

3 Professional Issues

3.1 Flight Time Limitations (FTL)

For more than 15 years, FTL has been one of ECA’s major policy issues at EU level. On 16 July 2008, Subpart Q of the new EU-OPS Regulation 1899/2006 had eventually to be implemented by all EU Member States and their operators, thereby introducing a harmonised minimum set of FTL across Europe.

To prepare for that implementation date the FTL Working Group monitored the processes of implementing Subpart Q in EU Member States, including the transparency of the process, the risk of

safety regression, and the national solutions for the “Black Holes”, i.e. the issues not covered by Subpart Q and left to the national Authorities.

In a number of cases, ECA assisted and/or supported Member Associations in getting involved in their national implementing processes and advocating for non-regression, sometimes writing to Ministers and Civil Aviation Authorities. ECA prepared guidance material, such as a revised version of its “Reference Guide on Subpart Q”, an a detailed FTL “Interpretation Guide” that reflects ECA’s overall position and can help Member Associations (as guidelines) in their discussions at national level.

ECA also closely followed the drafting of new FTL “Implementing Rules” (IR) and “Certification Specifications” (CS) which will replace the EU-OPS rules in future (in 2012 at the latest). When EASA produced its first unofficial draft, in July 2008, ECA experts prepared detailed comments to the Agency, followed by another set of informal comments in late October. The draft IR/CS raise several concerns, in particular the risk of downgrading the legally binding EU-OPS rules to legally non-binding EASA CS, as well as the risk of safety regression once the new EASA rules enter into force. The first official draft of these rules is to be published at the end of Nov. 2008 as part of the wider OPS Notice of Proposed Amendment (NPA) consultation process.

During 2008, ECA has also followed EASA’s scientific and medical evaluation of Subpart Q, which is mandated by EU-OPS Art. 8.4. (further to intensive ECA lobbying in 2005/06). After an unsuccessful tender in mid 2007, the Agency eventually awarded the tender to Moebus Aviation, a consultancy that had put together a group of renowned scientists. This group started its work in early 2008 and produced a draft report by end Sept. 2008. Being members of the EASA FTL Advisory Group, ECA had access to the draft report and will comment on the results during the above-mentioned NPA consultation. Generally, the report’s findings support ECA’s view that the current FTL limits in Subpart Q do

not meet scientific standards and need to be revised in view of these findings.

With Subpart Q being mandatory since 16 July, several EU Member States submitted requests for temporary exemptions from the new FTL rules and/or long-term derogations. As a general rule, many national authorities and operators missed the 16 July deadline and got into conformity only gradually, after granting short-term exemptions.

However, some operators have requested long-term derogations. In 2007 and 2008 ECA has followed closely the derogation request by the Belgian authorities on behalf of DHL/EAT. Jointly with the Belgian Cockpit Association, ECA assessed the derogation scheme and has been in contact with the Belgian authorities, EASA, and the European Commission, to ensure that the process is sound and the derogation is safe. Despite a rather non-cooperative attitude from DHL/EAT management, ECA has so far succeeded in drawing the national and EU Institutions’ attention to the shortcomings of that derogation, and will continue to closely follow this case (in addition to other cases as the one of the Irish cargo operator Air Contractors Limited).

3.2 Trans-National Airlines and Collective Bargaining

The aviation industry evolves fast and sometimes economists’ forecast become true. In order to face the challenges brought by the financial markets, the airlines have accelerated the processes of consolidation. Companies now have operational bases in several countries, typical examples are Air France-KLM, easyJet, DHL, or soon BA-Iberia. Whereas European Countries have agreed to let the European Union have competence to integrate and harmonise the economic markets; social laws and labour issues have been left behind at national level ECA and its Member Associations’ long-term aim is to ensure that appropriate social and labour laws are put in place.

In the absence of such measures, ECA has developed tools to unify pilots of the same ‘Trans National Airline’. In 2006 the

TNA Convention was developed, aiming at giving guidelines to the Member Associations concerned by a same TNA to get their pilots organised across borders.

In 2008, ECA and five of its Member Associations have joined forces to prepare the 'easyJet Pilot Group' agreement, aiming at organising the representation of easyJet pilots based in UK, Germany, Spain, Italy and France. ECA worked towards ensuring that this representation can be effective and in accordance with the scattered European legal context.

The recent experience of BA's pilots after their intended strike action has shown that court rulings can have different outcomes than expected and be far from labour friendly. ECA and its Member Associations started working on developing a strategy to better lobby at both European and national level and ensure that collective and effective representation of pilots can be obtained across Europe.

Besides these activities, the ECA TNA Working Group met twice this year, identifying the TNAs in Europe and monitoring their developments. This allows us to identify best and worst practices. This pragmatic tool is important to decrypt managerial policy and try to remain on the same level playing field.

3.3 Road Show Working Group

In July 2007, ECA decided to create the Road Show Working Group, in order to provide assistance to those Member Associations that wish so. The idea is to visit those MAs who need and request help and update them on specific issues agreed upon between ECA and the Member Association.

In June 2008, the Road Show took off with a first visit to the Baltic countries (Vilnius). The event was co-organised with the Lithuanian ALPA, member of ECA since February 2008, and with the active participation of IFALPA. The meeting attracted some 30 pilots, who appreciated the outcomes of the meeting, according to the feedback received.

Close contacts were established between the Lithuanian ALPA and the ECA/IFALPA team, who have been following up on a number of issues, especially on the new European Flight Time Limitations rules which entered into force on 16 July. ECA has advised them in their lobbying vis-à-vis their government to make sure that their high levels of safety standards are not lowered with the implementation of the new EU OPS Subpart Q. The work is still ongoing and ECA is closely following reactions from their government. ECA also established close contacts between LIT ALPA and the so-called "Fostering MAs" from Finland and Iceland, to ensure a longer-term follow-up and support at MA level.

3.4 Regional and Medium Sized Airline Benchmarking

The benchmarking made on Regional and Medium-sized Airlines pay scales is a very useful tool to help understand the different working conditions within the RegMed companies. The work done during late 2007 and 2008 aimed to answer the growing need for information exchange and discussion (e.g. on contract and working conditions of pilots working in similar types of airlines). Unless the information provided in the context of the RegMed working Group are really useful there are usually few request from Member Associations to use them. Next year a new Chairman will have to be designated to redynamise the working group.

4 Technical Issues

4.1 Flight Data Working Group

The ECA team have continued to follow closely the Commission activities to revise the Accident Investigation and Mandatory Occurrence Reporting Directives throughout 2008. Unfortunately, the results of the ECORYS Study (to assess aviation stakeholders' opinions on the key areas for revision), in which ECA participated, were not considered useful. This was mostly due to the fact that most

stakeholders complained that the questions 'led' too much to a particular result.

As a result, the European Commission organised a workshop in January 2008, inviting all relevant stakeholders to listen to views and propose a way forward. ECA, together with over 100 people participated in the event, with a strong presence from the European Accident Investigation bodies. Therefore, the European Commission decided to wait for the ICAO Accident Investigation Group (AIG) meeting in October 2008, before revising the directives.

Following the ICAO meeting, the European Commission announced that it will only revise the Accident Investigation Directive, which might become a Regulation. As there is a certain amount of overlap between this Directive and the Mandatory Occurrence Reporting Directive, there may also be consistency changes needed to the latter, but this would be done through comitology procedure. The Commission considers revising the occurrence reporting directive at a later stage. In the meantime, the Commission plans to convene four working groups: just culture, gap analysis between Annex 13 and the Accident Investigation Directives, safety recommendations and follow-up procedures and centralised EU functions. Some ten stakeholders will participate in each group. The decision on composition thereof will be at the Commission's discretion. ECA has requested participation in three of the four working groups.

Moreover ECA has become more active in ECAC Accident Investigators Committee. This Group also serves as an unofficial group of experts for the revision of the EU Directives. This committee prepared and coordinated the European Union and ECAC positions for the ICAO AIG meeting in October 2008. The group has voiced scepticism about EASA's role as an accredited accident investigator, this being an abuse of ICAO's Annex 13. Specifically, EASA's presence could potentially corrupt the independence of an accident investigation. The issue continues to be contentious, exacerbated

by the EASA presence at the Spanair investigation. ECA has been involved in these discussions, as well as other activities on Just Culture and safety in Eurocontrol and EASA, and through its presence at the IFALPA Accident Analysis and Prevention Committee.

Since November 2007, the Flight Data Working Group has met three times, and the next meeting is planned to take place on 10 December. The Working Group has worked on all the above issues and has prepared the ground work for the ongoing discussion with the AEA on Flight Data Protection.

4.2 Security

ECA is very closely involved in the review of the EU legislation on Security. In March 2008, after 3 years of procedure, Regulation 300/2008 replaced Regulation 2320/2002. This new text gives the EU the possibility to better react to security threats with a more dynamic and harmonised approach. ECA was successful in introducing a number of elements in the new Regulation:

- Official recognition of the Stakeholders Advisory Group on Aviation Security (SAGAS): before the publication of the Regulation, SAGAS was an "unofficial" meeting called by the European Commission; with the new Regulation consultation of stakeholders (among which ECA) has an official status and does not depend on the goodwill of the Commission to take place.
- Extension of the scope of the Regulation to "In-flight Security": the European Commission did not have any legal basis to act on matters such as disruptive passengers, sky-marshals, aircraft interceptions, etc. 27 national different legal environments exist in these fields creating a situation of legal uncertainty for pilots having to work in this milieu.
- More transparency in the application of more stringent measures in individual Member States: Member States may continue to impose more stringent security measures but only after a security risk analysis and if the measures are relevant, objective, non-discriminatory

and proportional to the risk that is being addressed. The Member States applying such measures have to inform the Commission. This is an important step to avoid the confusion created by the application of different levels of security in Europe.

The work in SAGAS is still in progress and focusing now on drafting the implementing rules needed for the execution of the New Regulation. Throughout this process, ECA has worked to clarify the role of the pilot in command in Security processes and to highlight the need for the pilot in command to receive the necessary security related information to evaluate the safety/security conditions of the flight. We have also advocated for the adoption of reasonable rules, respectful of the crews' privacy, which do not hinder the normal work of the crews. ECA has stressed the importance of high quality security training for flight-crews.

ECA has been especially vocal in the area of "In-flight Security." The ECA Security Working Group created in April a subgroup to develop implementing rules on "In-flight security" on the basis of international legislation and IFALPA policy. This group met in Prague in June and drafted a text. After consultation with the Member Associations, the Security Working Group and the Executive Board, this text was sent to the Commission and the Stakeholders as a proposal for an "In-Flight Security" chapter in the future Implementing Regulation. A presentation on the ECA proposal was made at the October SAGAS meeting and a number of follow-up contacts with other stakeholders took place.

The ECA idea of a harmonised crew ID is making its way thanks to the work of ECA experts. The Commission has included the ECA proposal in the preliminary drafts of the Implementing Regulation. The ECA proposal was in the Agenda of different ECAC meetings and IFALPA is now considering relaying it to ICAO. The following months might be decisive on this subject.

ECA experts have attended, as ECA or through their Member Associations or via IFALPA, a number of international security

events. At these conferences and in "ad-hoc" meetings in Brussels, ECA is promoting to other stakeholders (AEA, ACI, IATA, Cargo Airlines...) and civil aviation authorities the principles agreed in ECA's "strategy paper" (2007) "(re-)define the role of the pilot in the security chain."

4.3 Single European Sky (SES) – General Progress

4.3.1 SES Developments

ECA continued to work diligently on the Single European Sky Developments. In January 2008, ECA Technical Director, Heinz Frühwirth co-presented the pilots' view, with the Controllers, to four hundred aviation figureheads, on the content of the second package of the Single European Sky. Further ECA met with the European Commission staff on many occasions to proactively offer their technical assistance on the content of the proposal. In particular, ECA was concerned that the future system would be ICAO compliant and seamlessly adopt the eleven performance indicators laid out by ICAO's Performance Panel (ATMRPP). A further key concern was a lack of change management. On the 25th June 2008, the College of Commissioners finally adopted the Aviation Package consisting of four pillars:

- A proposal to amend the SES regulations: To be approved by co-decision.
- A proposal to extend the EASA system: To be approved by co-decision.
- Information on the SESAR ATM Master Plan: no legislative activity required. Although the Regulation establishing the SESAR Joint Undertaking requires the Commission to seek endorsement of the ATM Master Plan by the Council, the Commission have so far only indicated that they will prepare a proposal at some future time.
- Endorsement of the action plan for airport capacity, efficiency and safety in Europe. The Commission propose future measures to (i) ensure consistency between airport slots and flight plans (probably via the comitology

procedures of the Single Sky Committee) and (ii) strengthen existing rules on noise at EU airports (using co-decision).

ECA considers the main problem with SES is, in general, that issues such as military involvement, airport bottle necks (lack of tarmac) and a satisfactory safety framework are still under Member State control. These sovereignty issues are not easily solved by a Commission approach, or the SESAR master plan.

The second package, an ambitious plan focusing on ATM performance, appears to have the general support of the aviation industry. There are still major obstacles to be overcome such as financing for deployment, inclusion of key actors, clarification of governance issues and the lack of 'just culture'.

However, ECA welcomed the Single European Sky. It promises safe skies, harmonised rules and interoperable equipment in Europe. But to safeguard these objectives, ECA is working to ensure a number of issues are clarified.

ECA was relieved to see the Commission's adoption of the four key existing ATM performance indicators, but insisted on complete consistency with the seven other indicators, currently under development by ICAO. However, change management has not been addressed. ECA is representing the pilots' interests to the European Council and Parliament during the co-decision approval process which is expected to last throughout 2009.

Further activities that ECA has been following in this domain are:

- The SESAR Project Deliverable was handed over to the SESAR Joint Undertaking, supposedly as the future work plan of the new agency. This agency represents the technical pillar of the SESII package. However, there is still some work ahead before this work programme is approved. The Commission refined the final project deliverable and presented it to the European Council as a Commission working paper in September 2008. It is expected to be adopted by co-decision

process in March 2009. The concept of operations, as co-drafted by ECA experts could be changed, and ECA is keeping a close watch on these developments.

- The Council Regulation on the SESAR Joint Undertaking (JU) is currently under revision at Council. This is primarily due to a need for a change of statutes from a Belgian company to an EU agency. The JU's Administrative Board held its first formal meeting in June. An Executive Director and a small team of administrators have already commenced work to take on the implementation of the SES as of March 2008.

4.3.2 ECA's Role in SES Developments

Throughout the year, ECA has closely followed and contributed to the intensive work of the Industry Consultation Body (ICB). The ICB met four times in Plenary. There were also ten meetings of the institutional subgroup and six meetings of the interoperability subgroup. The subgroup on Airspace and Service Provision floundered due to lack of priority issues and a further group was created, entitled economics task force (ETF) to look at SESII funding issues. ECA only participated in the plenary sessions and the institutional subgroups while keeping a watching brief on the other subgroup activities.

ECA also made up part of a delegation from the ICB which attended the Single European Sky Committee to represent its positions on draft regulation on SESII. This topic has taken up most of the energies and focus of the ICB during 2008. The ICB also formed a lobby group to meet with the members of the European Council and Parliament, in order to promote the consolidated industry position on the draft Regulation, as well as the extension of EASA's competences to ATM and aerodromes. The Group also addressed the need for Just Culture, and ECA undertook to coordinate an ICB letter to Commissioners Tajani and Barrot to open a transport-justice dialogue on the issue.

ECA also put much effort into coordinating positions with the professional controller and engineer staff organisations in the context of the SESAR Joint Undertaking and the professional staff presence in the SESAR JU Administrative Board (JUAB) as well as the ICB. Moreover, ECA, IFATCA, IFATSEA and ATCEUC have completed an agreement to coordinate a rotating staff 'seat' at the JUAB. Currently the group of four are working on a common ATM 'Vision' as well as rules of conduct, which will serve as guidelines for the staff representative. ECA is coordinating this vision with the IFALPA ATS Committee, which presents thereby not only a European vision, but a global vision, through the buy-in of the global controllers and engineers.

ECA has also followed the developments in the ATM Social dialogue arena. It has kept a watch on the developments within the Just Culture subgroup and accompanied a group to a meeting with the Transport Commissioner's cabinet to further promote the just culture concept.

4.4 SES/ SESAR Joint Undertaking

ECA is currently represented in the SESAR Joint Undertaking Administrative Board by IFATCA. The professional staff (ECA / IFATSEA / IFATCA and ATCEUC) have an agreement to alternate the seat on the Board for the duration of the Joint Undertaking (i.e. until 2013). IFATCA's term finishes at the end of 2009. The SESAR Joint Undertaking is currently processing the applications of seventeen members of industry to become members of the body. These industry players will be heavily investing in the new system. Furthermore, the JU also did an inventory and assessment of over 200 on-going projects in ATM in Europe and made a priority list of twenty-eight activities. These projects will be the 'quick wins' the SESAR JU will use to demonstrate the usefulness and increased efficiencies of a new European Sky.

For ECA this means that the current Eurocontrol activities will be restructured and streamlined under the new SESAR JU framework. It has therefore been important to keep a presence and underline our

relevance to the SESAR JU actors. ECA has had various meetings with the staff of the JU in 2008. In the beginning of November, the Head Administrator of the SESAR office visited the ECA offices to update on developments and to discuss professional staff involvement in their work. ECA was invited to provide pilot expertise to the SESAR JU office for the creation of the new concept of operations, in particular.

The work programme for the SESAR AB will be provided in the form of the Master Plan which will be approved in 2009. Furthermore, the SESAR JU will change its status to a Commission Agency through a Regulation which is currently under approval at the European Council.

4.5 EASA – Current Status

4.5.1 EASA Developments

In 2008, EASA celebrated its fifth birthday. It also acquired two new mandates, (e.g. Operations and Licensing), it signed the long-discussed bilateral safety agreement with the USA to strengthen cooperation and enable the reciprocal acceptance of certificates issued by EASA and the FAA. EASA also continued its intensive work on the preparation of the implementing rules for Operations and Licensing, as well as launching consultations for new mandates on Environmental Protection and Air Traffic Management. While ECA's and IFALPA's experts preferred to establish EASA as a pure safety agency, the response to the NPA on Environmental Protection conceded that it might be beneficial to concentrate competence for regulation in both fields within EASA, as long as the setup assures that safety will not be compromised by environmental considerations. The address of the Air Traffic Management and also further work on rules for Aerodromes brought EASA closer to Eurocontrol. The launch of the Single European Sky II package and the need for consistency in the system development carried out by the Commission and Eurocontrol under the auspices of the SESAR JU was the catalyst for EASA's work in this area. Furthermore EASA became active in the area of Safety Management Systems,

issuing Notices of Proposed Amendments for Operations and Licensing Authority Requirements, as well as overseeing a subgroup under the European Civil Aviation Safety Team dedicated to safety management systems.

The EASA Advisory Board, of which ECA is an active member, met four times, and the bulk of the work focused on restructuring the group to be more effective, including broadening the composition of the Board to include stakeholders connected to the new mandates (i.e. Aerodromes and ATM). It also examined a revamp/restructuring of the Agency's fees and charges regime, as well as being concerned with EASA's role in accident investigation and securing four observer seats at the EASA Management Board. In Early 2009, a new chairman will be elected.

The Safety Standards Consultative Committee, where ECA is represented, met in June 2008 and the Sub-SSCC Flight Standards met in March and June; both will meet again at the end of November 2008. Attendance at the SSCC is very good, underlining the high interest of the industry to work with the Agency. However, ECA still has concerns with EASA's uptake of the SSCC recommendations, which do not seem to be effective. The situation caused the SSCC Chairman to call for an internal meeting of the 3 Sub-Committee Chairmen in June to identify areas of concern. In September 2009, a new EASA rulemaking director was appointed which may bring about a change in the agency's approach to its rulemaking advisory bodies' opinions.

In the first 4 years of its existence, the SSCC was mainly focused on its Terms of References and working methods. Now the attention is turning more towards an efficient interface with the Agency, and shaping the rulemaking programme.

There is also strong pressure from other industry groups to enter the SSCC, notwithstanding the extension of EASA competency to ATM and Aerodromes. This could serve to reduce ECA's representation from two positions at the SSCC to only one.

The ECA SSCC representative, Hans Ulrich Raulf holds the position of Chairman of the Flight Standards Sub-Committee. In anticipation of his retirement from union work at the end of 2009, ECA will start looking for a replacement so that the new representative can be introduced into the SSCC and be acquainted with the EASA working methods.

4.5.2 Training, Licensing & Operations

The ECA Training Licensing and Operations Working Group met three times already in 2008, with a fourth meeting foreseen in December. The group has had a tough job reviewing the draft implementing rules as presented by the two-co-chairmen (both experts in the EASA drafting groups).

The ECA TLO has focused on the monitoring of the process of drafting and commenting the NPAs on Licensing and Operations. As expected the task is impressive. The texts prepared/published by the Agency contain hundreds of pages of very technical content. ECA is facing this considerable task with a small group of experts. In 2009 these texts will be adopted and the Member Associations will have to get ready for the new rules.

The responsible Board Director appealed to the ECA Conference in Mexico to provide experts and to highlight the importance of the pending significant change in operational rules in Europe.

To assist the TLO, ECA organised a meeting with EASA Director Patrick Goudou, backed by the industry members of the EASA Advisory Board. The chairman of the EAB, ECA, AEA and ASD expressed their concerns to the head of the Agency. The main issues were the lack of 'readability' of the draft rules, concern about the wide use of AMC material, the need to delay the consultation process until more mature drafts were produced (especially for OPS) as well as the need for overlap between the operations and licensing consultations. EASA delayed the publications somewhat and allowed for minimum overlap between the two consultations, however ECA is still insisting on more overlap time.

The EASA FCL drafting group finished its work in spring this year and the Notice of Proposed Amendment on Implementing Rules for Pilot Licensing (NPA 17) was published in June. The TLO working group had started looking into the draft NPA from December 2007. The ECA expert who participated in the drafting group prepared draft comments. This has been completed with further comments from VC, SEPLA, VNV, SNPL, BALPA and ANPAC. The final comments will be approved by the TLO WG in early December.

The operation consultation is expected to be launched at the end of November 2008. Review of hundreds of pages of text will be the task of ECA experts.

The Group also identified the draft implementing rule chapters for address, along with a recognised IFALPA expert and targeted these representatives directly to provide their expert feedback on the changed texts.

4.6 EASA – 1592/2002 Regulation Revision

Since the publication of the Commission proposal to revise the EASA Regulation 1592/2002, in late 2005, ECA has been closely following this dossier throughout the legislative “co-decision” process (involving the European Parliament – EP – and the Council of Ministers). The revision aimed primarily at extending the Agency’s scope to air operations, pilot licensing and the safety of the third country aircraft.

In its advocacy work, ECA had started with a broad set of objectives, which were gradually narrowed down to focus on a few priority issues. One of these was to ensure that the achievements gained in EU-OPS on Flight Time Limitations (FTL) would not be lost when the OPS mandate is transferred to EASA.

In late 2007 / early 2008, ECA focused on shaping the informal “Trilogue” process (involving Council, EP, and Commission). The Trilogue aimed at brokering a political compromise on a number of outstanding

issues, some of which were of direct concern to pilots.

ECA’s intensive lobbying activities eventually paid off. The agreement reached in the Trilogue reflected ECA’s concerns in several respects:

- Extension of EASA competences to OPS and Pilot Licensing;
- FTL: future EASA Implementing Rules must include all substantive provisions of Subpart Q and latest scientific evidence;
- FTL: Member States cannot approve an individual FTL scheme without getting *ex ante* the green light from EASA;
- Pilot Licensing: any future Implementing rules must take into consideration scientific evidence (rather than only the “state of the art” and “best practices in the field of pilot training”);
- Non-tech skills (NTS): EASA’s essential requirements for pilot licensing put NTS in a context that reduces the risk of NTS assessments being abused. The requirements make mandatory an adequate assessment methodology and build a link to a technical skills assessment.

These results – and the many other changes to Reg. 1592/2002 – are now reflected in the new EASA Regulation 216/2008, which entered into force in March 2008. Based on this new Regulation EASA is now drafting EASA “Implementing Rules” and “Certification Specifications” for Air Operations and Pilot Licensing (see separate chapter above).

4.7 EUROCONTROL

As of January 2008, Eurocontrol has had a new Director General. Coming from the Aviation Directorate of the British Ministry of transport, David Mc Millan appears to have brought a fresh wind of change and optimism to the Agency.

A restructuring process is underway, including a recruitment freeze. A new area, collaborative network design (CND)

has been created, which will streamline the agency's activities under the SESAR programme. Eurocontrol, as one of the founding members of the SESAR Joint Undertaking, will provide its funds and in-kind delivery to the SESAR Joint Undertaking making full use of its new CND framework.

Notwithstanding these far-reaching developments, ECA has continued its 'business as usual' presence in Eurocontrol in 2008. This is because no concrete changes have yet been signalled to its workplan. It attended the most relevant meetings and working groups with the most influence on the SESAR work i.e. Provisional Council meetings, Stakeholder Consultation Group, Air Space and Navigation Team, ATM procedures development Subgroup, NATO / Eurocontrol ATM Security Coordination Group (NEASCOG), Airborne Separation Assistance Systems Thematic Network (ASAS-TN2) and its Requirements Focus Group, CASCADE (Co-operative ATS through Surveillance and Communication Applications Deployed in ECAC) programme, and its Operational Focus Group; Runway Safety Team etc.

ECA also attended a number of stakeholder workshops at the agency on wake vortex, Just Culture and will attend its planned ATM Security Workshop in December.

ECA input to Airspace and Air Traffic Management Security continued through its attendance at the NEASCOG. Most significantly, work progressed in the areas of interception procedures, cross border co-ordination, and the avoidance of unnecessary military action. During the year input from ECA was instrumental in amending wording in the Airspace Security Action Plan (ASAP), to ensure hijacks', renegade, comloss, and bomb threats are dealt with in different ways. Work was also completed on the Comloss Incident Reporting System (CIRS) to enable the collection of data from ANSP's Europe wide which it is hoped will lead to a reduction in unnecessary interception action. At the end of the year it is intended that NEASCOG host an Airspace Security Post 9/11 Workshop (as mentioned above), to highlight the issues surrounding

airspace security, and identify airspace security requirements.

ECA is monitoring concernedly Eurocontrol's initiatives in the area of flight safety where they try to extend their experience from ATM safety management into an area where they lack the specific operational experience. This is possible because EASA is not yet fully operational in this field.

ECA continues to be consulted on all opinions prepared by Eurocontrol to be submitted to the Commission either directly or via the Industry Consultation Body. It keeps in close contact with Eurocontrol, in particular in the runway safety area where it launched a number of new actions in 2008. Eurocontrol regularly invites ECA to its expert meetings and runway safety team activities, and also agreed to cooperate with the IFALPA/ECA aerodrome training at its Training Institute in Luxembourg.

4.8 Air Traffic Management and Aerodromes Working Group

The new Working Group, referred to as ATMA met twice in 2008. Following a restructuring of the former Air Traffic Management Working Group to accommodate Aerodromes, the group struggled with the size of the task. Often also, the issues at stake, though technical, include a political nature. However, the two new co-chairmen successfully guided the group and packaged the issues in a comprehensive way.

Two hot topics were under review: the second package of the Single European Sky and the revision of EASA's basic regulation to accommodate Aerodromes and ATM. Also, global interoperability of the regional contributions to the future skies – SESAR in Europe and NEXTGEN in the US – was an area needing address. ECA and US ALPA teamed up under the auspices of IFALPA to present the pilots' view on the developments of SESAR and NEXTGEN to ICAO. A transatlantic team tackled the complex ATM issue, which was subsequently launched as a topic in IFALPA. These topics, along with the general overview of work at Eurocontrol

and the Commission have been the mainstay of the ATMA activity in 2008.

4.9 Unmanned Aerial Vehicles

ECA continues to accompany the introduction of UAVs into the non-segregated airspace. In this regard the work with EUROCAE Working Group 73 has been intensified, where Thomas Mildenerger is representing ECA.

This working group develops a code that might be the basis for certification of design and operation of UAVs, as well as qualification of the UAV-pilots. The operational view of airline pilots in this WG is highly appreciated by the industry. The ECA expert was assigned to chair the work for task 1.6: "operational approval aspects, pilot training".

5 Organisational Issues

5.1 ECA Structure & Board

2007/08 was the third year that ECA worked under a streamlined organisational structure, with a small Executive Board and specific competences assigned to each Director. Since the last General Assembly, four ECA Conferences have convened ECA Member Associations, in Brussels (Feb.), Mexico City (April), Luxembourg (June) and Brussels (Nov.).

Based on this structure, ECA has been proactive in representing pilots' interests in the EU. The 'engine' of this activity is the Executive Board, meeting almost every month in Brussels for at least two days.

At the November 2007 Conference, ECA members elected a new Board Director for Professional Affairs, Francisco HOYAS, (from Spain) and a new Director for Administrative and Financial Affairs, Timo ECKARDT (from Germany). Vice-President, Capt. Henk DE VRIES (Netherlands), and the Technical Affairs Director, Capt. Heinz FRÜHWIRTH (Austria), were both re-elected for these positions.

At the ECA Conference in November 2008, three of the seven Executive Board Directors are up for (re)election:

- President (currently Capt. Martin CHALK)
- Professional Affairs Director (currently Teppo TYRMI)
- Technical Affairs Director (currently Capt. João MOUTINHO).

One of the above current Directors (Martin Chalk) has indicated his readiness to serve for another term while the other two positions are up for new candidates. The tenure of the new positions will be two years, i.e. until November 2010.

5.2 ECA Enlarges Further

In 2008, ECA continued its growth in terms of pilots and national associations represented. At its February Conference, ECA welcomed into full membership two new members:

- Lithuanian Airline Pilots' Association LCALA,
- Maltese Airline Pilots' Associations (ALPA-M).

This brought ECA's total membership to more than 38,100 from 34 different countries in Europe. In November 2008, ECA expects the pilot associations from Bosnia and Herzegovina and from Montenegro to join the Association.

5.3 Cooperation with IFALPA

Since the signature of a comprehensive Protocol of cooperation between ECA and IFALPA (International Federation of Airline Pilots' Associations) in 2006, and building on their close relationship since their 2003 agreement, both organisations further deepened their cooperation in 2007/08.

At two occasions, IFALPA held its regional meeting (Europe) in conjunction with the ECA Conferences; updates were given about Annex 19 as well as on industrial matters. Both organisations cooperated on a wide variety of issues and IFALPA joined ECA's first "Road Show" in Lithuania, in June 2008. Wherever possible, ECA attends IFALPA's Technical and

Professional Committees, as well as IFALPA's well-renowned Negotiations Seminars. ECA has developed a module for IFALPA Training events that are scheduled in the European region, to inform participants about the particularities of the European regulatory system and ECA's role as IFALPA's Regional Organisation. On an institutional basis, ECA Vice-President, Henk de Vries, acts at the same time as IFALPA Executive Vice President (Europe) and provides a close link between the ECA and IFALPA Executive Boards.

5.4 New ECA Staff

Two existing staff positions at the ECA office came up for renewal. In July 2007, ECA hired Ms. Céline CANU, a French economist, as "Policy Advisor", and in April 2008 hired Barry Meehan as IT and Web officer. ECA also created a new position of junior Administrative Assistant, for which it added Ms. Paméla GRILLET-PAYSAN to its team, in Oct. 2007. In addition to her administrative support for ECA's Policy Advisors, the Working Groups, Board meetings and ECA Meeting Database, she has since developed the internal and external communication of ECA, including the editing of ECA's Cockpit News.

5.5 ECA Working Groups

ECA's Working Groups (WG), which consist of the Member Associations and their experts are the organisation's primary tool for developing ECA's day-to-day content-related work. In 2008, the structure of the WGs has not changed.

5.6 ECA Communications Strategy & Website

In order to continuously improve ECA communication, both with its Member Associations and with the external audience (press, stakeholders, etc.), the ECA Secretariat prepared a detailed Communications Strategy.

This plan rethinks the way ECA communicates using all communications media and with all audiences.

The ECA website has been given a complete facelift regarding the design and – above all – the content. The information available on the website, which includes all issues ECA has been and is involved in, is more structured and comprehensive. The layout and navigation were improved, making it easier for users to locate information.

The ECA Meeting Database was also redesigned and is closely monitored daily to ensure that all important external meetings are attended by ECA experts. The meetings are now separated by month, and more powerful and user-friendly search options were added.

In 2008, ECA continued to issue its monthly short and concise news bulletin – the Cockpit News. This bulletin is also available on ECA's website in high-resolution PDF and text format. Several Member Associations post it on their sites and include it in their news magazines.

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