

THE EUROPEAN COMMISSION



EC TECHNICAL ASSISTANCE IN THE AIR TRANSPORT SECTOR



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BACKGROUND

1. The European Commission has consistently provided technical assistance in the field of air transport throughout the world for the past years. The main component of most of these projects is assistance in relation to operational safety, with the key objective of assisting third countries in the efforts to bring their regulations and practices, in particular in safety, towards best international practice, and where possible to seek convergence towards European rules and requirements.

INTERIM BALANCE

2. The Commission has made a significant effort in the allocation of budgetary resources towards the objective of improving safety standards in third countries:
 - Since 2001, the European Commission has allocated 3.7 million Euros to ICAO-led Cooperative development of Operational Safety and continuing Airworthiness Programmes (COSCAPs);
 - 1.5 million Euros have been allocated to JAA¹ to manage technical assistance projects;
 - In addition, the Commission has financed nearly 80 million Euros through technical assistance projects such as the EU-India Civil Aviation programme and similar programmes in the MEDA region, Africa, Asia, and Latin America.
3. On top of these specific programmes financed by the Commission, there have also been actions to disseminate information through specific meetings, training activities and technical seminars with the aviation authorities of third countries or regional organisations. The objective of these actions is twofold:
 - to develop awareness of EC legislation and standards, and more specifically on matters of safety, in view not only to present the regulatory requirements applied within the EC, but also as a model that can be pursued by these countries or regions; and
 - to launch a process of dialogue that would allow to jointly identify the shortcomings, the possible solutions based on the European standards, and the means at our disposal to foster the adoption of such solutions.
4. In its communication “Developing the agenda for the Community’s external aviation policy”, the Commission has presented a strategy for the Community aviation negotiations with third countries based on three elements: reciprocal opening up of market access, regulatory convergence towards European standards and technical cooperation. These three elements are intertwined in such a way that they interact: the technical assistance is essential to reach the satisfactory level of regulatory convergence

¹ Joint Aviation Authorities

that would allow the mutually beneficial market opening. Although the elements of regulatory convergence may vary from one case to the other, in Safety matters the strategy is geared towards the achievement of the highest possible standard in all cases.

5. The two major comprehensive aviation agreements that have been initialled in the past few months by the services of the Commission, the European Common Aviation Area² (the “ECAA”) and the Morocco Agreements, provide for an unprecedented level of regulatory convergence; the signatories have accepted to align their national aviation legislation to the EC legislation, including Safety. The agreements are subject to progress by the various countries in those areas, safety being one of the most important. This effort is accompanied by a targeted program of technical assistance, where the achievement of high standards of safety is one of the priority areas.
6. This process will be consolidated through the progressive establishment of the wider Common Aviation Area (“CAA”) by 2010, bringing together the EC and all its partners located along its southern and eastern borders, as foreseen in the Commission communication and the Council conclusions on “developing the agenda for the Community’s external aviation policy”. The various parties would share the same market operation rules, not only from an economic point of view but also with regard to air traffic, security or air safety. The Commission has identified Ukraine as the most suitable candidate to continue this process in the short term, and is actively seeking negotiation directives from the EU Council.

PRIORITIES FOR THE FUTURE³

7. Under the financial prospects for 2007-2013, the Commission will continue to foresee the provision of technical assistance in matters of safety, both at the regional or individual third country level. There is a strong interest in closer technical co-operation in third countries (both from civil aviation authorities and industry) and the interest on the side of the European industry is equally strong as high safety standards in third countries are a sine qua non for a sustainable aviation sector in these countries.

SUB-SAHARAN AFRICA

8. Objectives: the strategy is based on a regional approach where policy dialogue and cooperation is channelled through the Regional Economic Communities (“RECs”), under the umbrella of the African Union. The “EU Strategy for Africa: Towards a Euro-African pact to accelerate Africa’s development” has set as an objective the support to the reform of the African aviation sector with a view to share with the African regional organisations the experience of the EU internal market and consolidate the exchange of regulatory and operational know-how, technology transfer and technical assistance, in particular in the area of safety and security.
9. Forecasted actions:
 - Following direct contacts with the Transport Commissioner of the African Union (“AU”), a seminar between the services of the Commission and representatives of the AU, the RECs and their member states is under preparation for the last week of

² ‘European Common Aviation Area’ (ECAA) Agreement between the European Community on one side and eight partners in South-East Europe on the other side: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Serbia and Montenegro, the former Yugoslav Republic of Macedonia, Romania and UNMIK

³ The list of forecasted actions is not exhaustive.

March to be held in Addis Ababa, Ethiopia. This seminar will focus on three key elements: normalisation of air transport relations (Community air carrier designation and policy dialogue), in-depth analysis of European Safety regulations and identification of priorities for technical cooperation in the field of safety.

- ASECNA training Programme Support, comprising € 14.2 million for 5 years.
- Banjul Group – EC grant of € 350.000 from 2006 budget.

MEDA (EURO-MEDITERRANEAN PARTNERSHIP)

10. Objectives: to promote closer links between the EC and the countries involved in the process, with a special focus on the upgrading of the level of safety and security in the region.
11. Forecasted actions:
 - Air Safety and Security Improvement programme for the MEDA region, with an allocation of € 5 million for 3 years.
 - Morocco:
 - Continue with the structural reform programme (the “PAST”) for Morocco which is in its middle stages, and will ultimately provide a financing of up to €90 million for the transport sector.
 - Technical Assistance Mission for the upgrading of the Moroccan civil aviation regulation, to be executed in the first quarter 2006.
 - Further specific actions to be identified in the context of the Morocco Aviation Agreement, particularly the application of Safety standards and the cooperation between Morocco and EASA.
 - Further actions and programs will be carried out throughout the period 2008-2013 in other neighbourhood countries the context of the progressive establishment of the CAA, on the basis of the Moroccan model.

SOUTH-EAST EUROPE

12. A complete program of technical assistance, including but not limited to Safety, has been devised in the context of the ECAA Agreement (See memo attached).

Central Asia

13. Objectives: strengthen the flow of communication and dialogue through targeted seminar on aviation matters.
14. Forecasted actions:
 - Mission to Kazakhstan and Kirgizstan on 23/24 March, technical seminar with Kazakh officials on 24 march including safety issues
 - Forecasted seminar for Kirgizstan and Tadjikistan aviation officials in Brussels on the subject possibly in summer or autumn this year.

NORTH ASIA/CHINA

15. On-going activities: **The EU-China Civil Aviation Cooperation Project**, which is financed under the Asia Latin America (ALA) co-operation budget, is providing assistance to China to harmonise its safety standards with best international practice. The project aims at facilitating industrial co-operation and regulatory convergence, and focuses on production management, customer support, air traffic management, training in airline and industry management, and pilot inspector training. The project started in 1999 and was initially foreseen to end in December 2003. However, at the request of Chinese authorities and the European industry partners involved in the project, an extension was agreed in 2004 with €1.6 million additional financing. With a total budget of €23.5 million - the EC contributing €12.5 million - the project will now run through to 2nd half of 2006.
16. The European Commission is also one of the main contributors to the COSCAP North Asia programme (**Co-operative development of Operational Safety and Continuing Airworthiness Programme for North Asia**), which was launched in January 2003 with a total budget of €1.6 million of which the European Commission is providing co-financing of €500.000 for a period of 3 years. The objective of Commission participation in the programme is to promote European experience in order to improve aviation safety in the region.
17. Objectives for the future: the aims of future technical co-operation with China are to move technical co-operation up a gear and to move from learning, training and discussing to jointly designing and applying regulatory standards in key areas such as safety, security, application of competition law and economic regulation and air traffic management and airport infrastructure. Technical co-operation is supposed to drive and support general policy, to support regulatory convergence and thereby lead to mutual recognition of practices and standards.
18. With specific regard to safety aspects, the following concrete priority areas of co-operation and assistance are currently being discussed with the Chinese authorities with the overall aim of improving standards:
 - Closer co-operation between EASA and Chinese safety authorities
 - Regulatory harmonisation, work towards mutual recognition.
 - Move towards joint aviation incident reporting systems
 - Six months internships for three Chinese scientists in JRC Ispra working with ECCAIRS (European Co-ordination Centre for Aviation Incident Reporting Systems)
 - Training and co-operation on certification practices and safety oversight.
 - Improving inspection procedures and follow-up
 - Development of Safety Management System with CAAC and Chinese Airlines.
 - Continuation of training activities such as the course at the Civil Aviation University of China, covering the specialist streams of Airworthiness, Flight Operations and Maintenance and training of flight inspectors and accident investigators at the Flight Standards Training Centre of CAAC.

SOUTH & SOUTH-EAST ASIA/INDIA

19. On-going activities:

- **EU-India Civil Aviation Cooperation Project**, with a total budget of € 32 million (of which EC contribution is € 18 million). The civil aviation project is the largest economic co-operation project between the EU and India. The project was launched in February 2001 and will run until November 2006. The central aims of the project are to stimulate co-operation between EU and Indian aerospace industries in order to strengthen aviation safety and related procedures. The project provides short and long-term training and knowledge transfer.
- The main focus of the EU-India Civil Aviation Co-operation Project are:
 - Airworthiness and Safety Oversight
 - Airlines Management
 - Air Traffic Management
 - Product Support
 - Customer Support
 - Pilot Instructor Training
 - Airport Activities.
- The EU-India Civil Aviation Co-operation project is considered by the Indian government to be the “Number One” EU-India co-operation project.
- **EU-Asia Civil Aviation Cooperation Project**, totalling € 30 million. The project includes Bangladesh, Bhutan, Nepal, Pakistan, Sri Lanka, Maldives, Brunei, Cambodia, Indonesia, Lao PDR, Malaysia, Philippines, Singapore, Thailand and Vietnam and it aims at providing training and assistance for the regional harmonisation of legislation with a view to support regulatory convergence. The common objectives of the project (which is split in two: EU-South Asia and EU-South East Asia Civil Aviation Projects) are to enhance the safety and efficiency of air transport through training and seminars related to regulatory framework based on European standards and engineering exchanges supported by European aerospace industry practices. It also encourages linkages between Asian and European industries and operators in the field of civil aviation, fostering possible joint ventures as well as facilitating on-the-job experiences in Europe and in Asia for engineers and technicians.
- **COSCAP South Asia Programme:** (Co-operative development of Operational Safety and Continuing Airworthiness Programme for South Asia). Launched 1998 – led by ICAO with European Commission/DG TREN as a main contributor. DG TREN co-financed €400,000 of €1.77 million for the first 3 year phase. For a subsequent phase, the EU is financing €350,000 of €1.36 million (running until 2007).

20. Objectives for the future:

- India: as a result of the significant developments and needs of the Indian civil aviation sector currently characterised by annual growth rates of +20%, India wishes

to “co-operate in a much bigger way” with the EU and for the impact of co-operation to become even more tangible in the future e.g. in relation to airport and ATM infrastructure which is becoming a serious bottleneck for the development and safety of aviation in India.

- The aims of future technical co-operation with India are similar to those in relation to China i.e. to move towards jointly designing and applying regulatory standards in key areas such as safety, security, application of competition law and economic regulation and air traffic management and airport infrastructure.
- With specific regard to safety aspects, the following concrete priority areas of co-operation and assistance are among those currently being discussed with the Indian authorities with the overall aim of improving standards:
 - Closer co-operation between EASA and Indian safety authorities
 - Regulatory harmonisation, work towards mutual recognition
 - Move towards joint aviation incident reporting systems (JRC/ECCAIRS) and “just culture” environment
 - Training and co-operation on certification practices and safety oversight
 - Aircraft inspection procedures
 - Development of Safety Management System with Indian CAA and industry
 - Develop sustainable/lasting training institutions.
- South Asia/South East Asia:

A planned Steering Committee meeting in April 2006 will take stock of the future of the on-going projects. There is a strong interest among the recipient countries to secure an important co-operation project post-2006 that should support further safety developments including the efforts aimed at developing a regional safety agency in the South and South East Asian regions.

ATTACHMENT

Technical Assistance requirements for South-East Europe in the area of aviation

Background

The European Commission negotiated a 'European Common Aviation Area' (ECAA) Agreement with eight partners in South-East Europe: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Serbia and Montenegro, the former Yugoslav Republic of Macedonia, Romania and UNMIK.

The level of regulatory convergence is unprecedented, as all eight ECAA partners have accepted to align their national aviation legislation to the complete aviation *acquis* of the Community. Harmonised rules in Europe will create a common, free and safe air transport market, which can be a driving force for other sectors and contribute to the development of the whole region, benefiting consumers and industry alike and will play a key role in the political and economic integration of Europe.

At the final round of negotiations on 19-20 December 2005, all partners expressed their strong commitment to the ECAA Agreement and the text was initialled by the delegations from Albania, Bosnia and Herzegovina, Croatia, Romania, Iceland and the European Community. All delegations confirmed that they will launch without delay their respective internal procedures with a view of signing the ECAA Agreement on the occasion of a formal signing ceremony to be organised by the Austrian government, scheduled for mid May 2006.

Timeframe

The multilateral agreement, which includes a list of all the Community aviation acts that will become applicable within the ECAA, contains bilateral Protocols accommodating for specific needs of each Balkan partner joining the ECAA, including appropriate transitional arrangements. These arrangements are limited to the implementation of Community acts for which the ECAA partners need more time and assistance.

Although there are no fixed dates for successfully implementing the whole *acquis*, the agreement is subject to progress by the various countries in number of specific areas, such as safety and security. Close monitoring will therefore be needed of such progress. The Commission also foresees that a target date for completion of the first transitional phase should be the end of 2007 the latest for all ECAA partners and the completion of the second transitional phase should be the end of 2009 the latest, so that each ECAA Partner could be part of a true European Common Aviation Area by 2010, in line with the Community's Neighbourhood Policy.

Technical Assistance:

The ECAA Agreement would bring a benefit not only to the Balkan countries, but also for all EU Member States (see Annex 1 attached on the economic benefits of ECAA). For all parties to benefit from the ECAA Agreement as early as possible, the Commission's essential role is to provide technical assistance to the Balkan partners even before the entry into force of the Agreement. The faster all ECAA Partners become aligned with the high standards of the

Community, the earlier we can achieve a smoothly functioning single European aviation market. It is not to be forgotten that the priority areas of assistance would be in supporting the achievement of high standards in the areas of safety and security in particular.

Priorities for 2006:

- An assessment mission to all eight partners to verify the level of harmonisation already achieved and further refine targets for assistance.
- Drafting of aviation codes of certain countries, to be in line with the Community *acquis*: this may entail legal advice and translation work
- Preparation for JAA membership through seminars and workshops given by JAA, especially for training maintenance inspectors and workshops on the certification process and helping to prepare inspector's handbook and translation of the *acquis* related JAA requirements
- Developing the concept of an operating licence: training session on developing a licence and effectively monitoring their use
- Institutional building/ strengthening of administrations: short term assignment for a consultant to evaluate the effectiveness of the administrative set-up of Civil Aviation Authorities (CAAs) and to advise on restructuring them to ensure independence of CAAs and accident investigation bodies, keeping staff and adequate inspection and maintenance standards. Identify needs, such as creating an operations certification department

Priorities for 2007:

Short-term assistance which could be supported by TAIEX instruments:

- Further assessment missions to determine which country could move from Phase 1 to Phase 2 of the Agreement.
- Support the national authorities in drafting of necessary legislation to be in line with the Community *acquis* and standards: legal advice and short-term assignments to civil aviation administrations of ECAA Partners for translation of the relevant EU *acquis* and review of the relevant national legislation and its comparison with the EC rules and principles

Longer-term projects to be undertaken:

- Workshops, training on separation of provider from regulator in Air Traffic Management and safety management systems to be developed (with Eurocontrol)
- Develop national security awareness training programmes and help implement security quality control programmes (to be developed with ECAC)
- Provide advise on effective airport management, such as any need for opening up of ground-handling, or develop effective slot coordination
- Short Term to Medium Term experts to be based at the national authorities covering areas such as airworthiness, maintenance, operations, air navigation, aviation security, equipment training
- Long term pre-accession adviser assignment: a long term expert to be placed at the CAAs to provide expert advice for effective implementation and to help with programming and coordination for the whole implementation of the *acquis*

Priorities for 2008 -2009

- Workshops, training activities on implementing Functional Airspace Blocks in the region(s)
- EASA training on transition from JAA to EASA
- Part-finance for purchasing/updating equipment, such as x-ray equipment and equipments used by inspector staff
- Twinning programmes such as study tours for CAA staff to see how things are organised in the EU, and how the different governmental bodies work together in this field.
- Establishing and implementing regular training programmes and ensuring continuity of training programmes for better functioning of the CAAs, such as on EC technical standards, training of flight standards inspectors (operations and airworthiness/maintenance) including EASA/JAR Awareness, training of aviation security inspectors on issues such as basic security, cargo security, airline security, crisis management, security management and training of x-ray operators