

**Briefing file for Julie Fionda
Meeting with Vincent De Vroey
Aerospace and Defence Industries Association of Europe**

23 October 2015 10:00 – 11:00

Scene-setter

- The meeting has been requested by Vincent De Vroey (General Manager Technical & Operations at the Aerospace and Defence Industries Association of Europe –ASD-) with the aim to have a bilateral with the CAB in the framework of the preparation of the EU Aviation package and the revision of the Regulation of the European Aviation Safety Agency. Mr De Vroey is also representing Commercial Operators at the European Aviation Safety Agency (EASA) Advisory Board.
- The Aerospace and Defence Industries of Europe is not taking part in the Sectoral Social Dialogue Committee; however in the past Mr De Vroey was chairman of the Association of European Airlines (AEA) which takes part in the Sectoral Social Dialogue Committee in Civil Aviation.

Main topics on the agenda:

- (1) The main topic to be discussed seems to be the EU aviation package and the revision of the EASA Regulation.
- (2) The Aerospace and Defence Industries of Europe responded to the public consultation on the "Aviation package for improving the competitiveness of the EU Aviation sector". However their responses did not raise any employment and social issues.
- (3) The main messages of the ASD is that EU competitiveness should be strengthened notably through the elimination of unnecessary regulatory burden, (e.g. EU environmental legislations) and regulatory regimes which are not adapted and "proportionate" to the specific needs of this sector. Instead international rules from the International Civil Aviation Organization (ICAO) should be followed.
- (4) ASD does not consider that complementary measures are needed to address social issues in Air Transport.

Background notes:

1) AeroSpace and Defence Industries Association of Europe

The Aerospace and Defence Industries Association of Europe (ASD) represents the aeronautics, space, security and defense industries in Europe. Employment in ASD industries reached 777900 direct (mainly highly skilled) jobs in 2013. Many more indirect jobs depend on those industries.

In 2013, the European aerospace and defense industries achieved a turnover of 197.3 billion Euro (50.1% civil and 49.8% military), an increase of 5.6% in comparison to 2012 mainly due to the growth in the aeronautics sector with an increase of 9.7% in civil activities and 6.5% in military sales.

The European Aerospace and Defense Industry is a champion for exports. Clearly this highlights the need for EU action on the competitiveness of the aviation sector to take into account the fact that the EU aerospace industry is one of the most important actors in terms of its contribution to the EU economy and as an industrial champion in the worldwide marketplace.

Goals / remit of the organisation:

ASD represents the aeronautics, space, defence and security industries of Europe in all matters of common interest with the objective of promoting and supporting the competitive development of these sectors. ASD pursues joint industry actions which have to be dealt with on a European level or which concern issues of an agreed transnational nature, through generating common industry positions.

ASD's overall mission is to enhance the competitive development of the Aeronautics, Space, Defence and Security Industry in Europe in partnership with European institutions and Member associations.

To this end, ASD:

- Represents the European industry to promote its interests and ensure a high priority for issues affecting this sector in European public policy. The association also provides early warning on policy issues, assess policy impact, initiates and shapes policy as well as developing common positions;
- Offers a single point of contact between industry and relevant stakeholders in the European institutions;
- Facilitates the development of SMEs and the Equipment sector within a competitive supply chain;
- Coordinates at the European level services and activities such as R&T, cooperative European initiatives affecting the environment, standardisation, training/retraining, quality, airworthiness; human resources and skills; it promotes trade in coordination with National Associations;
- Promotes international cooperation, takes the lead in dialogue with International Associations and Organisations and represents the European Aerospace and Defence industry in discussions with the industry of other countries and regions where a European common denominator exists.

2) The aviation package

The Aviation Package includes an "Aviation Strategy" Communication, a comprehensive political roadmap for EU aviation policy with the aim to bolster the sector's competitiveness. The "Aviation Strategy" will be accompanied by a Staff Working Document; an in-depth analysis of the competitiveness of all parts of the EU aviation sector which provides the statistical background. The Aviation Packages will further include a legislative proposal for a revision of the EASA Basic Regulation 216/2008, a series of requests for negotiating authorisations for comprehensive aviation agreements and a legislative proposal to replace Regulation 868/2004 to ensure an effective EU defence instrument against unfair practices by third country airlines.

In the margins of the TTE Council on 13 March 2015, MS expressed support for a more coordinated European approach. Commissioner Bulc welcomed Member States' call for "more Europe" and announced that the Commission will address these issues in the context of the Aviation Strategy.

The public consultation on the Aviation Package ended on 10 June 2015. Apart from companies, individuals also EU and national social partners contributed to this public consultation. These are some of the main issues identified:

- **Atypical contracts:** Pilots' unions argue that atypical employment can have an impact on aviation safety and result in unacceptable and abusive practices and ask to "clarify and possibly improve current EU social legislation applying to airlines pilots and cabin crew". They call for a "better regulation of atypical employment". Further, full-time open-ended contracts should be desired as default form of engagement, assumed by any applicable legislation unless concrete criteria are met that prove an alternative method of employment legitimately exists. Union called for better regulation of temporary agencies and training must be paid by the employer.
- **Definition of the principal place of business:** Pilots and cabin crew unions recognise the freedom of carriers to establish in one or several Member States, but "the definition of principal place of business must not be arbitrarily chosen, but [based on] an assessment of the real location where the material resources and personnel of the Community air carrier are concentrated in a Member State, including substantial aviation activities". This is a reference to Norwegian Airlines International (NAI), whose principle place of business is Ireland. However, NAI has no operational activity in Ireland. Its Homebase is in Bangkok for intercontinental flights to Europe.
- Cabin crews' unions recommend the possibility for European workers' associations (national unions and/or European associations) to **negotiate collective labour agreements cross-national-wide**.
- Recalled by many airlines, "there is a need for a **level playing field in terms of social standards**. Wages, statutory labour and social standards are an important part of the business. To ensure this in the future, all companies and their employees stationed in the EU must be subject to the same rules and they must be enforced. However, not all airlines and authorities agree that "any new regulation should not seek to use social issues to raise entry barriers within the market and stifle innovation, for example by introducing protectionist rules which reduce the supply of labour or attaching unreasonable conditions to the ability to switch supplier."

A dedicated stakeholder hearing at the EESC was organised on 2 July 2015 to complement the consultation process. The Aviation Package is expected to be adopted by the Commission on 2 December 2015.

3) ASD response to the public consultation:

ASD has stressed the following points:

The main focus of the EC aviation package should remain on the revision of the **EASA Basic Regulation**. EASA needs to have the financial and human resources to fulfill its safety mission and to deliver and avoid delays on the certification of industry projects. Considering the fact that 70% of EASA's budget is financed by fees and charges paid by industry, it appears inappropriate to submit EASA to budgetary constraints which hinder its development. ASD believes that the financial independence of EASA should therefore be strengthened and made independent from existing consultation mechanisms for EU public

- EC legislation on environmental matters must recognize the global nature of the civil aviation industry. The EU should play a leading role in those global discussions but EU legislation which is not aligned with global standards (ICAO) should be avoided since it undermines the competitiveness of the EU aviation industry and leads to a negligible environmental benefit as air traffic growth will move outside the EU.
- In a win-win situation for all actors in the aviation value chain, Europe should continue to invest into aviation infrastructure (ATM, airports) and eliminate unnecessary legislative and administrative burden. A swift and efficient deployment of SESAR technologies making use of the available public funds for SESAR deployment should be an essential part of this.
- Any EC aviation package needs to take into account the importance of exports of European aerospace products to non-EU countries/customers. It is therefore of utmost importance to avoid any EU measures that could lead to trade wars with non-EU countries.

4) CV of Vincent De Vroey

He has been working as a trainee at Sabena Technics and at **the European Commission** before joining the AEA as Assistant Technical Affairs in September 1995. In 1999 he became manager operations and Air Traffic Management (ATM) with responsibilities to develop AEA policies for flight operations, ATM and engineering and to represent the AEA in various international fora such as the Joint Aviation Authorities (JAA), European Aviation Safety Agency (EASA) and Eurocontrol.

On 1st September 2006, he was appointed General Manager Technical & Operations. As part of the AEA Political & Communications Team (PCT), he is responsible for all technical & operational matters at AEA i.e. Air Traffic Management (ATM) and Single European Sky (SES), flight & ground operations, Flight and Duty Time Limitations (FTL), flight & cabin crew training, engineering & maintenance and aviation safety. **He is member of Advisory Board of the European Aviation Safety Agency (EAB). In February 2009, he was elected by the entire EU industry as Chairman of the EAB.** In this capacity, he is currently the EU industry representative to the EASA Management Board. He is since 2007 the civil airspace user representative to the SESAR Joint Undertaking Administrative Board. He is also a Member of the Editorial Advisory Board of the Aviation Week Maintenance, Repair & Overhaul (MRO) Europe Conference & Exhibition.