

DECISION

ADB(D) 01-2010

Annual Work Programme 2010 and 2010-2012 main targets

The Administrative Board of the SESAR Joint Undertaking,

Having regard to:

- Council Regulation (EC) 219/2007 as last modified by Council Regulation (EC) 1361/2008, in particular to Articles 5.1(c) and 16.1 of the Statutes of the SESAR Joint Undertaking

After having taken into account the adjustments requested by the Board members,

has adopted the following decision:

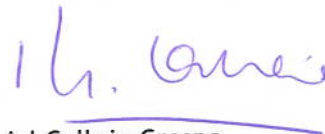
Article 1

The “Annual Work Programme 2010 and 2010-2012 main targets” is adopted.

The Annual Work Programme is annexed to this decision with the reference SJU-AB-012-09-DOC-03bis.

Done in Brussels, 18 January 2010

For the Administrative Board



Daniel Calleja Crespo
The Chairperson



Annual Work Programme 2010 and 2010-2012 main targets

21 December 2009

Table of Contents

1	MISSION, CHALLENGES AND KEY OBJECTIVES 2010	3
1.1	PURPOSE OF THE DOCUMENT	3
1.2	MISSION.....	3
1.3	2009 A CRITICAL YEAR	4
1.4	MAIN CHALLENGES FOR 2010 WITHIN THE 2012 PERSPECTIVE	6
2	R&D PROGRAMME MANAGEMENT.....	8
2.1	PROGRAMME OVERVIEW AND PLANNING.....	8
2.2	PROGRAMME STRATEGIC FRAMEWORK	10
2.2.1	<i>Operational Concept storyboard/strategy.....</i>	<i>10</i>
2.2.2	<i>Validation Strategy.....</i>	<i>10</i>
2.2.3	<i>Architecture & Technology Strategies.....</i>	<i>10</i>
2.2.4	<i>Programme Management.....</i>	<i>11</i>
2.2.5	<i>Programme Execution.....</i>	<i>11</i>
2.2.6	<i>Engineering methodology.....</i>	<i>12</i>
2.2.7	<i>Scheduling</i>	<i>13</i>
2.2.8	<i>Programme Risk Management.....</i>	<i>13</i>
2.2.9	<i>Quality System</i>	<i>13</i>
2.2.10	<i>Programme Management System (PMS)</i>	<i>14</i>
2.3	WP11 FLIGHT/WING OPERATIONS CENTRE SYSTEM.....	15
2.4	WP E	15
2.5	PROGRAMME AWARENESS.....	15
3	STAKEHOLDERS INVOLVEMENT & BUY-IN.....	16
3.1	INVOLVEMENT OF THE CIVIL AND MILITARY AIRSPACE USER COMMUNITY	16
3.2	INVOLVEMENT OF THE PROFESSIONAL STAFF ORGANISATIONS	16
3.3	RELATION WITH MEMBER STATES	16
3.4	RELATION WITH CIVIL AND MILITARY NSAs AND WITH EASA	16
3.5	ATM PERFORMANCE PARTNERSHIP (ATMPP)	17
3.6	SCIENTIFIC COMMITTEE	17
4	SPECIFIC ACTIVITIES.....	17
4.1	ATLANTIC INTEROPERABILITY INITIATIVE TO REDUCE EMISSIONS (AIRE).....	17
4.2	OPTIMI	18
4.3	ATM MASTER PLAN UPDATE	18
5	COORDINATION WITH EXTERNAL	18
5.1	NEXTGEN AND OTHER SIMILAR ACTIVITIES	18
5.2	CLEAN SKY	19
5.3	FRAMEWORK PROGRAMME (FP) PROJECTS	19
5.4	ICAO	19
6	COMMUNICATION PLAN	19
7	ADMINISTRATION & FINANCE.....	19
7.1	ENSURE EFFICIENT SUPPORT TO THE PROGRAMME IMPLEMENTATION.....	19
7.2	ENSURE TIMELY PRE-FINANCING AND CO-FINANCING OF INITIATED PROJECTS AS APPROPRIATE.....	20
7.3	ENHANCE INTERNAL CONTROL SYSTEM BY IMPLEMENTING ABAC/SAP	20
7.4	CO-ORDINATE THE ADOPTION OF ENTERPRISE RISK MANAGEMENT	21
7.5	SET UP PROGRAMME'S FINANCIAL AUDIT STRUCTURE	21
7.6	EVOLUTION OF FINANCIAL AND ACCOUNTING PROVISIONS	ERROR! BOOKMARK NOT DEFINED.
8	INTERNAL AUDIT.....	22
8.1	INTERNAL AUDIT WORK PROGRAMME 2010	22
8.2	ASSURANCE WORK	22
8.3	CONSULTING AND OTHER WORK	22
8.4	CO-ORDINATION AND OVERSIGHT OF PUBLIC AUDIT FUNCTIONS.....	22

8.5 RESOURCES 22

The purpose of the Annual Work Programme is to outline the key activities that will be undertaken by the SESAR Joint Undertaking (JU) in order to achieve the 2010-2013 strategic objectives set out in the 2007-2010 work programme. The JU will be required to deliver the key activities that will be undertaken during the year.

The JU is established by Council Regulation (EC) No 1525/2007, as amended by Regulation (EC) No 1831/2008. The aim of the JU is to ensure the coordination of the activities of the participating organisations and to ensure the effective use of resources. It will be responsible for the implementation of the 2007-2010 work programme and for the 2010-2013 work programme.

- The JU will be required to deliver the key activities that will be undertaken during the year.
- The JU will be required to ensure the coordination of the activities of the participating organisations and to ensure the effective use of resources.
- The JU will be required to ensure the implementation of the 2007-2010 work programme and the 2010-2013 work programme.
- The JU will be required to ensure the delivery of the key activities that will be undertaken during the year.
- The JU will be required to ensure the coordination of the activities of the participating organisations and to ensure the effective use of resources.
- The JU will be required to ensure the implementation of the 2007-2010 work programme and the 2010-2013 work programme.

The JU will be required to deliver the key activities that will be undertaken during the year. The JU will be required to ensure the coordination of the activities of the participating organisations and to ensure the effective use of resources. The JU will be required to ensure the implementation of the 2007-2010 work programme and the 2010-2013 work programme.

The JU will be required to deliver the key activities that will be undertaken during the year. The JU will be required to ensure the coordination of the activities of the participating organisations and to ensure the effective use of resources. The JU will be required to ensure the implementation of the 2007-2010 work programme and the 2010-2013 work programme.

- The JU will be required to deliver the key activities that will be undertaken during the year.
- The JU will be required to ensure the coordination of the activities of the participating organisations and to ensure the effective use of resources.
- The JU will be required to ensure the implementation of the 2007-2010 work programme and the 2010-2013 work programme.

1 Mission, Challenges and Key Objectives 2010

1.1 Purpose of the document

The purpose of the Annual Work Programme is to outline the key activities that will be performed by the SESAR Joint Undertaking (hereinafter the SJU or Joint Undertaking) in 2010 in order to achieve the SJU 2010 objectives as derived from the SJU mission and in line with the strategic objectives set for the 2010 – 2012 period. It describes how the 2010 objectives will be met by detailing the operational and administrative actions that will be performed during the year.

1.2 Mission

The SJU is established by Council Regulation (EC) 219/2007, as last modified by Council Regulation (EC) 1361/2008. The aim of the SJU is to ensure the modernisation of the European air traffic management system by coordinating and concentrating all relevant research and development efforts in the Community. It shall be responsible for the execution of the ATM Master Plan and in particular for carrying out the following tasks:

- organising and coordinating the activities of the development phase of the SESAR project in accordance with the ATM Master Plan, by combining and managing under a single structure public and private sector funding,
- ensuring the necessary funding for the activities of the Development phase of the SESAR Programme in accordance with the ATM Master Plan,
- ensuring the involvement of the stakeholders of the air traffic management sector in Europe, in particular: air navigation service providers, airspace users, professional staff associations, airports, and manufacturing industry; as well as the relevant scientific institutions or the relevant scientific community,
- organising the technical work of research and development, validation and study, to be carried out under its authority while avoiding fragmentation of such activities,
- ensuring the supervision of activities related to the development of common products duly identified in the ATM Master Plan and if necessary, to organise specific invitations to tender.

Based on the above, the management of the SJU has established a mid-term “vision” to ensure that the results reached and progress made towards the achievement of the SJU mission are concretely measurable and monitored during the overall duration of the Programme.

The SJU vision is summarised as follows: “by 2012 we have created the change in European ATM that demonstrates to the world our ability to deliver benefits to the community”.

The vision has been further detailed in strategic objectives to be achieved by the end of 2012:

- initial 4D trajectory is validated in an operational environment supported by satellite-based technology,
- 5,000 flights, including 500 military, are SESAR labelled,
- 80% of SESAR projects have tested their output in a real life environment,

- first SWIM pilots are in place to exchange data across at least 5 domains,
- the first remote tower is ready for operations,
- SESAR benefits are demonstrated on city pairs connecting 8 European airports,
- airspace users have signed up to the SESAR business case for time-based operations.

1.3 2009 a critical year

2009 was a critical year for the SJU, during which key elements of its structure and of the PPP were established. They can be summarized as follows:

- the award of the membership to the 15 pre-selected candidates together with the activities to be realized as result of the first invitation to them and EUROCONTROL to submit a final and binding offer, covering WPs B, 3, 4, 5, 6, 8, 9, 10, 12, 14, 15,
- on 12 June 2009, the signature of the agreement with EUROCONTROL in accordance with Article 9.2 of the SJU Statutes annexed to Council Regulation (EC) 219/2007,
- the signature of the Membership Agreements on 12 June 2009 and of the Multilateral Framework Agreement on 11 August 2009,
- entry into force of the new Council Regulation (EC) 1361/2008, definitely recognizing the SJU as Community Body, with particular regard to the application of the Protocol on Privileges and Immunities,
- the transition of the staff from Belgian Law contracts to TAs and CAs contracts under the Staff Regulations of the EC,
- the entry into force of the new SJU Financial Rules which are now aligned to the Commission Framework Regulation for the bodies of the EU as well as of the implementing rules related to the SJU staff,
- the kick off of the Programme with the launch of technical activities in June 2009 and the initiation phase of around 130 R&D projects by year end,
- the execution of the activities related to AIRE, the launch of the OPTIMI initiative as well as of the first exercise to amend the European ATM Master Plan,
- the launch of a specific call for WP11 by EUROCONTROL on behalf of the SJU,
- the launch and finalization of the second invitation to the SJU Members to submit offers for Work Packages C, 7, 13,16 and the activities not awarded during the first invitation. Together with the first aforementioned invitation, the coverage of the activities under the SESAR Programme is almost complete.

Furthermore, key recruitments in the operational, engineering and regulatory areas were successfully finalized.

In anticipation of the Annual Activity Report 2009, the achievement of the objectives for 2009 can be summarized as follows:

N.	2009 Objective (as approved by the ADB)	Timeframe	Performance measurement
01-09	Conclude membership accession phase	Q1	Completed on 26 March 2009, signature of the agreements 12 June 2009.
02-09	Implement Risk Management process & establish Risk Management Plan	Q1	A first risk management exercise was completed during the first quarter 2009 providing the EC with a summary document.
		Q2	The SJU is already working on an Enterprise Risk Management framework which will be introduced starting in 2010
03-09	Deploy Programme methodology and tools, including Engineering Methodology	Q3	Programme methodology including Engineering Methodology established and in place
04-09	Run Programme Ramp-up phase	Q2-3-4	70% of projects are initiated by the end of 2009
05-09	Contract for WP11	Q1-2	Following the postponement of the signature of the agreement with EUROCONTROL, the procurement process for WP11 was launched in September 2009 and it is expected to be completed by mid 2010
06-09	Contract for Airspace users involvement in WP	Q1-2	Contracts for the Airspace Users involvement in the Programme signed during Q2 and Q3 (depend on the ECTRL negotiations outcome)
07-09	Contract for Social Partners involvement in WP	Q2	Agreements with Professional Staff Association signed during the month of November 2009
08-09	Ensure coordination with NextGen	On-going	Coordination activities ongoing, together with the EC and ECTL
09-09	Implementation of the ATM Performance Partnership	Q4	The first meeting takes place on 1 December 2009

N.	2009 Objective (as approved by the ADB)	Timeframe	Performance measurement
10-09	Perform AIRE activities	Ongoing	AIRE activities ongoing
11-09	Align the SJU organisational, legal, financial and HR structure to the requirements of the new Statutes	Q1-3	The targets concerning - Privileges and Immunities agreement - SLA agreements with the Commission Services - Staff recruited under the EU Staff Regulation - New Financial Regulation and Implementing Rules - New financial circuits were all achieved on time
12-09	Ensure that the SJU administrative structure support the Programme and provide the reasonable assurance with regard to the sound financial management of the resources	Q1-4	The Internal Control Framework will be issued by year end 2009

1.4 Main Challenges for 2010 within the 2012 perspective

The main objectives for 2010 can be summarised as follows:

Mid-Term Objectives (2012)	N.	2010 Objectives	Timeframe	Performance measurement
Initial 4D trajectory is validated in an operational environment supported by satellite-based technology,	01-10	4D trajectory project started and contain deliverables leading towards operational validation	Q4	80% of deliverables contributing to 4D trajectory on time
5,000 flights, including 500 military, are SESAR labelled,	02-10	Ensure that commercial flight trials are contributing to validation in addition to dedicated flight tests	Q3	Projects have identified opportunities for commercial flight trials
80% of SESAR projects have tested their output in a real life environment,	03-10	Verification & Validation activities shall be performed on platforms used in an operational context.	Q3-Q4	SESAR Validation platforms are identified and agreed with Members

Mid-Term Objectives (2012)	N.	2010 Objectives	Timeframe	Performance measurement
First SWIM pilots are in place to exchange data across at least 5 domains,	04-10	Usage of SWIM services is identified in operational validation activities on multiple domains	Q4	Draft specifications available for first SWIM pilots on 5 domains
The first remote tower is ready for operations,	05-10	Validation activities of remote towers are started and contribute to the set of cases required by Supervising authorities	Q4	First validation reports ready and robust target concept defined with NSAs engaged
SESAR benefits are demonstrated on city pairs connecting 8 European airports,	06-10	WP4 to 7 projects establish validation plans including demonstration through city pairs	Q4	Draft validation plans available for projects involving at least 8 European airports
Airspace users have signed up to the SESAR business case for time-based operations.	07-10	Business cases activities and contributions are clearly identified and apportioned across the programme	Q2-Q3	70% of projects are contributing through identified deliverables to the business cases
	08-10	First ATM Master Plan update	Q4	Approval by the SJU Administrative Board of the first ATM Master Plan update
	09-10	OPTIMI	Q4	Business case and SJU recommendation
	10-10	AIRE	Q4	Proposal for "quick wins" implementation
	11-10	On time assessment of the RCAs	Ongoing	Ensure compliance with the deadline for the revision of the RCAs and conclusion of the Project Initiation Phase

Mid-Term Objectives (2012)	N.	2010 Objectives	Timeframe	Performance measurement
	12-10	Ensure a sound management of SJU financial resources	Ongoing	Ensure adequate planning of the financial resources Ensure the payment of the pre-financing and co-financing and the collection of cash contribution in accordance with the MA-MFA
	13-10	ABAC/SAP implementation	Q1 and 2	Ensure the proper implementation and functioning of ABAC and SAP systems
	14-10	ERM implementation	Q3	Co-ordinate the first full ERM exercise and report the results to the ADB
	15-10	Recruitment	2010	Ensure that all SJU staff positions are filled in by year end

The document describes how these objectives will be met and establishes the link with the resources that will be mobilised to achieve the various actions.

2 R&D Programme Management

2.1 Programme overview and planning

Each project within the scope of the MFA is going through an initiation phase. The initiation phase starts with a formal kick-off and, after having consulted the Programme Committee, it is concluded by a decision of the Executive Director on the final Go/No-Go based on three key documents:

- a Project Initiation Report (PIR), which describes in detail the scope of the R&D activities, the contributions from the various Members, the deliverables, the main milestones and a first detailed risk analysis,
- a Revised Contribution Assessment, which contain a revised assessment of the contribution of the Member within the MFA limits and in line with the PIR,
- and a Change Impact Assessment, an assessment by the Work Package Leader of the proposed PIR.

In 2010, as per Figure 1, more than 150 projects will be actually performing Research and Development activities and about 100 new projects will be kicked-off.

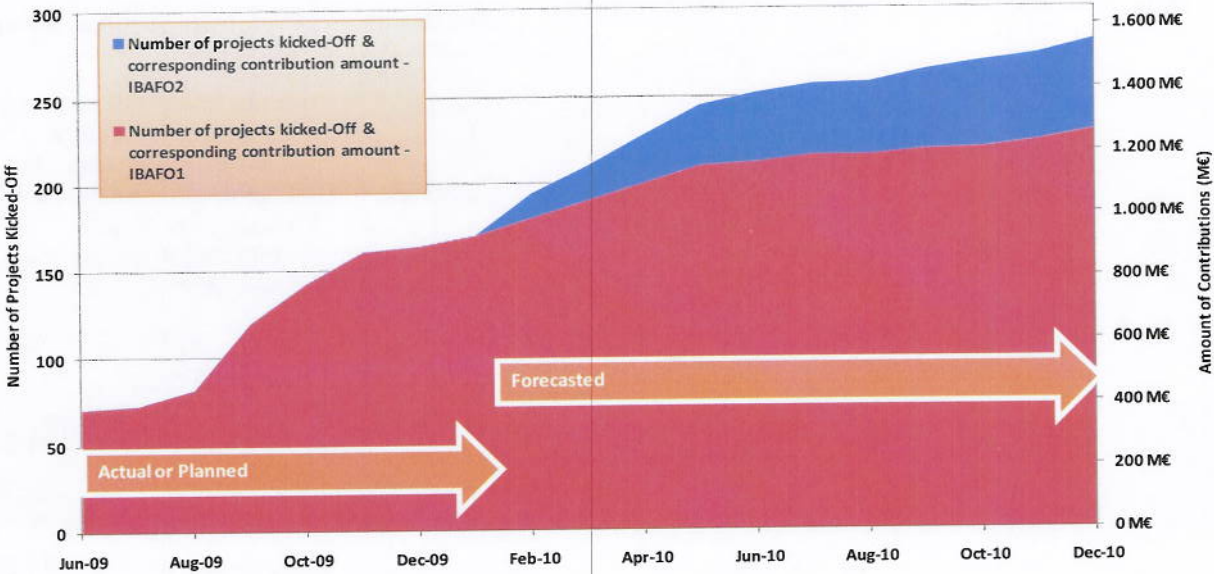


Figure 1

To ensure that projects will contribute to the programme objective within the expected timeframe, Maturity Targets have been defined at programme level for 2011, 2013 and 2015 (see below, as illustrated on Figure 2). During the initiation phase, projects story-board are assessed against their respective contribution to those targets and in particular to the first one in 2011. Associated to the monitoring and control processes, the Maturity Targets approach is enforced through the Programme Management Plan and will ensure that the programme is constantly geared towards the 2012 strategic objectives.

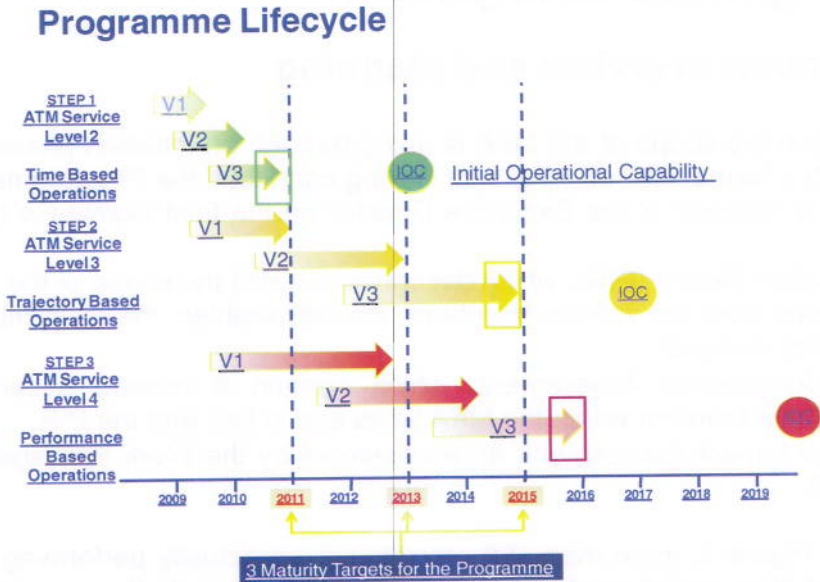


Figure 2

2.2 Programme Strategic Framework

The programme Strategic Framework is aiming at providing the strategic steering to the projects from the Concept, Validation and Architecture perspectives.

2.2.1 Operational Concept storyboard/strategy

A concept storyboard was developed by the SJU to help in guiding the time scheduling of the work programme activities as well as to guide the steps of performance development work to where it makes the most positive impact to airspace users. The storyboard approach ensures that the concept is developed with an operational drive in a clear and unambiguous manner; it translates the “implementation packages” (IPI, IPL,...) into operational and technical advances which enable stakeholders to understand what types of operations and services will be possible to enhance and develop in which timeframe. Therefore, the story board facilitates an incremental validation and phased deployment and supports the scheduling of the programme in accordance with the Master Plan. The concept story-board second version will be developed together with the Members and is expected to be ready in mid 2010.

Budget 2010	Title 3	Chapter 3.1 - 3.2
Objective	1 to 6	

2.2.2 Validation Strategy

During 2009, the SJU also developed an overall validation/verification strategy in order to provide guidance on how to focus validation activities on operational platforms in order to ensure buy-in from operators and prepare easily to implementation.

The first version of the Validation Strategy is available and a second version will be available by mid 2010. The second version will give clear guidance on the rationalisation and optimisation of the number of mock-ups, prototypes, on-site validation platforms and flight trial environment that will be used in the programme. It will also address how work packages and projects will have to work together whilst catering for the best use of available resources

Budget 2010	Title 3	Chapter 3.1 - 3.2 - 3.3
Objective	1 to 6	

2.2.3 Architecture & Technology Strategies

The SJU has published an Architecture Strategy defining how Enterprise Architecture, Service Oriented Architecture and the System of Systems approach will be addressed in the Programme. This approach is being developed further through various projects, and in particular with Work Package B.

In 2010, the SJU will develop technology strategies and a high-level view of the target Architecture for SESAR. There are many different technologies to be developed and many different ways in which these technologies could be exploited to support SESAR goals; it is important the Programme remain focussed on selecting appropriate development lines that

are expected to be deployable, deliver benefit and make sense in the context of the target architecture.

Budget 2010	Title 3	Chapter 3.1 - 3.2
Objective	1 to 6	

2.2.4 Programme Management

The overall objective of the SJU Programme Management activity is to plan, monitor and control the progress of the SESAR Programme down to the level of individual projects' activities. The first elements of the Programme Management framework deployed in 2009 aimed at managing the initiation phase of the projects, in particular in the story-board of the programme dependencies and overall schedule.

The current Programme Management framework gives clear guidelines in terms of:

- Maturity targets and methodology
- Top Down scheduling of projects
- Programme organisation
- Control and Monitoring of the projects
- Governance & escalation processes

Projects will be executed and monitored against the plan they have declared in the Project Initiation Reports:

- regular progress reviews will be performed in an independent way by the WP leaders or Sub WP managers and will complement the project reporting to the SJU;
- once a year, the SJU will chair project control gates to review and accept the work (deliverables) performed in the previous period and to validate the project plan for the next period.

In 2010, the focus will be, on the one hand, on supporting and managing the execution of the R&D activities, and on the other hand, on the development of the Quality System and further refinement of the Risk Management System.

Budget 2010	Title 3	Chapter 3.1 - 3.2 - 3.3
Objective	1 to 6	

2.2.5 Programme Execution

As described in the introduction, the programme ramp-up will be completed by the end of 2010. It is considered that mainly the projects launched in 2009 and beginning of 2010 will be contributing to the strategic objectives described in 1.2.

The Figure 3 below shows per strategic objective the number of projects potentially contributing to their respective achievements. A more direct and secured link can only be established once the initiation phase of the project is completed. Based on the project definition, the SJU will allocate by mid 2010 the strategic objectives to the projects using the engineering methodology. This will allow a regular monitoring and steering of the programme towards the achievement of those objectives.

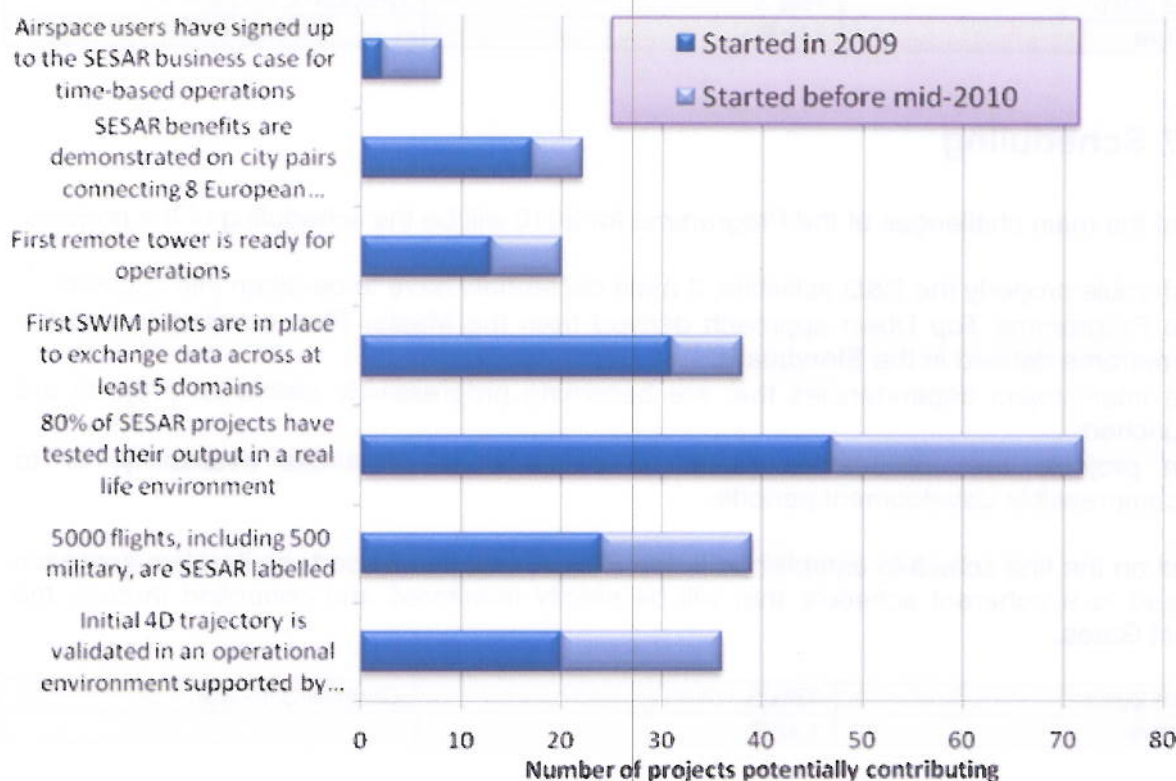


Figure 3

Budget 2010	Title 3	Chapter 3.1 - 3.2 - 3.3
Objective	1 to 7	

2.2.6 Engineering methodology

SJU engineering methodologies are the procedures, processes and tools that are applied to ensure an overall consistency and coherence throughout the SESAR Programme.

The Engineering Methodology is directly supporting the execution of the programme by grouping projects together in ATM Services as described in the Concept Storyboard. Those ATM Services will be developed through different maturity steps, up to the pre-industrialisation stage.

Review activities will take place before each maturity stages so as to ensure an alignment of all projects contributing to a given ATM service. Contributors to transversal projects (WP B, 3) will play a major role in this process and will ensure full consistency with key activities like the operational concept, the validation infrastructure or the enterprise architecture.

On a quarterly basis, the Industrial Support team will provide the SJU with a report covering all aspects of the Engineering Methodology: technical coherence, synthesis of coordination and review activities, model database status, risks and quality assurance.

From a contractual point of view, a set of performance indicators has been developed and is implemented to monitor monthly the efficiency of the Engineering Processes as well as the overall performance of the IS contract on a yearly basis.

Budget 2010	Title 3	Chapter 3.1 - 3.2
Objective	1 to 6	

2.2.7 Scheduling

One of the main challenges of the Programme for 2010 will be the scheduling of the projects.

To schedule properly the R&D activities, 3 main constraints have to be taken into account:

- the Programme Top Down approach derived from the Master Plan constraints and the Timeframe defined in the Storyboard;
- the inter-project dependencies that are becoming progressively visible as projects are launched;
- the projects own constraints related in particular to resources availability, or to incompressible development periods.

Based on the first schedule established in the Project Initiation Report, an iterative approach will lead to a coherent schedule that will be strictly monitored and controlled through the project Gates.

Budget 2010	Title 3	Chapter 3.1 - 3.2
Objective	1 to 7	

2.2.8 Programme Risk Management

In 2009 the Risk Management activities were aiming at:

- performing a top down risk assessment exercise of the SJU, focusing on the update of the risks identified in the Master Plan (D5 document),
- defining an initial framework for risk management at Programme level to allow the implementation of a first version of a risk register based on the risks identified in IBAFO1 and in the Project Initiation Reports.

In 2010 the focus will be on the finalisation of the Risk Management process (at Enterprise level and encompassing the Programme activities). Risks will be identified and reported at all levels, the mitigation will take place at the lowest level while allowing escalation where and when necessary. Systematic risk reviews will take place using the existing governance and working arrangements (see section 7.4 on ERM).

Budget 2010	Title 3	Chapter 3.1 - 3.2 - 3.3
Objective	1 to 7	

2.2.9 Quality System

In 2009, the primary objective was to set-up the administrative (support, financial, legal, procurement) processes as well as the ones critical for the ramp-up of the Programme. At this stage it is estimated that 50% of the SJU operational, financial and governance processes have a good level of maturity, i.e. provide assurance on their overall functioning, while 20% have a rather low level (Figure 4).

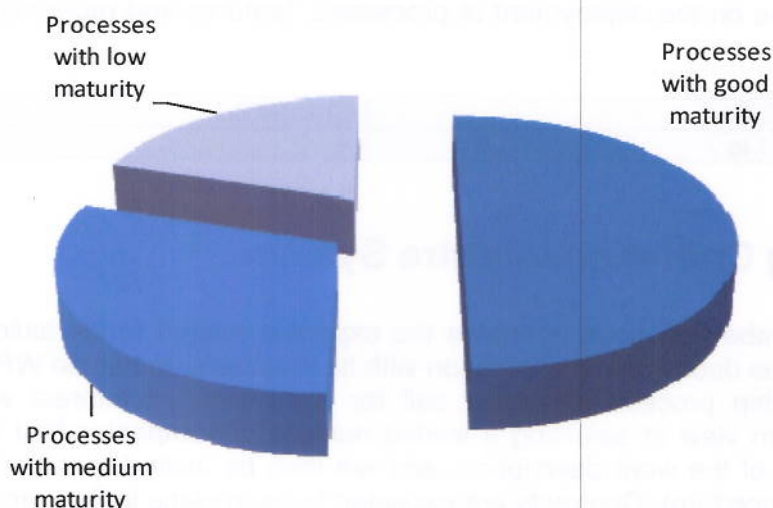


Figure 4

In 2010, the focus will be on developing the processes required for the execution phase of the projects while continuously improving the others. The SJU will:

- define and implement quality policy and implement effective quality assurance,
- complete process definitions,
- start measuring process effectiveness and establish a continuous process improvement culture,
- fully deploy documentation management,
- assess maturity against quality models and industry best practices (ISO, CMMI, EC management framework, COBIT).

The implementation of the Quality Management System will be based on an internal gap analysis performed by the Internal Auditor of the SJU which will highlight processes which need to be formalized and implemented with priority. An external assessment of the Quality Management System is planned for year end.

Budget 2010	Title 3	Chapter 3.1
Objective	1 to 7	

2.2.10 Programme Management System (PMS)

In 2009, the SJU deployed a cooperation platform which enables the 900 users to work together on projects within the same environment.

For 2010 the main objectives are to consolidate the system deployed in 2009:

- increase usability & monitor the system usage,
- implement features to plan, monitor & control, manage risk, manage change, manage gates,
- implement programme forecast methods and reporting,
- integrate financial management system (ABAC)
- integrate engineering framework.

For the next period, focus will be on the deployment of processes, features and reporting to support audits.

Budget 2010	Title 3	Chapter 3.1
Objective	1 to 7	

2.3 WP11 Flight/Wing Operations Centre System

Given the fact that current membership does not cover the expertise related to the airlines operations systems, the SJU has decided, in consultation with its members, to handle WP11 separately from the membership process. An open call for expression of interest was published in September 2009 in view of selecting a limited number of companies that will work together on a refinement of the work description, and will then be invited to submit a BAFO (competitive dialogue procedure). Contracts are expected to be in place in September 2010.

Budget 2010	Title 3	Chapter 3.1
Objective	1 and 2	

2.4 WP E

WPE covers Long Term or Innovative ATM R&D via two instruments: networks which aim at developing the scientific knowledge on a given research theme, and innovative projects.

In 2010, the evaluation of both instruments will be completed for the first calls and contracts signed. These contracts are let by EUROCONTROL on behalf of the SJU. The SJU will request WPE leader to provide information for:

- an adequate management and monitoring of this particular work package,
- a proper monitoring and implication of the Scientific Committee,
- results from WPE networks/projects to be fed to or respond to SESAR Projects.

Budget 2010	Title 3	Chapter 3.1
-------------	---------	-------------

2.5 Programme Awareness

Considering that more than 2000 people will be involved in the Programme, it is critical to ensure that they share common knowledge of the SESAR objectives and Programme principles; a set of minimum awareness requirements will be defined and progressively implemented (SJU Communication Plan).

SESAR JU is already in the process of producing a set of SESAR awareness material that can be used to introduce or update any person involved in the SESAR development phase. An E-Learning set of trainings will be deployed during the end of 2009 and beginning 2010. This material complements the “initiation phase” training module, presentations and brochures made available during 2009.

Budget 2010	Title 3	Chapter 3.1
Objective	1 to 7	

3 Stakeholders involvement & Buy-in

3.1 Involvement of the Civil and Military Airspace User community

In order to provide the Programme with Civil Airspace User technical expertise, framework contracts have been placed during 2009 with 10 contractors representing a broad range of business models (incl. General and Business Aviation) with a gap identified in particular for Low Cost airlines. Contracts have a duration of 2 years (renewable). The execution of the contract is flexible in the sense that the SJU, as the SESAR Programme is being implemented, can make specific contractual arrangements with airspace users on a case-by-case basis which includes also participation to validation activities –flight trials. A separate call will be launched by the beginning of 2010 to complement the involvement of contracted airspace users with Low Cost and airlines outside Europe.

Military community will participate in particular through DCMAC. Potential gaps will be addressed during 2010.

Budget 2010	Title 3	Chapter 3.1
Objective	1 to 7	

3.2 Involvement of the Professional Staff Organisations

In order to provide the SESAR Programme with relevant technical and operational expertise, framework contracts are awarded to the professional staff organisation. The associations involved are IFATCA, ATCEUC, ECA, IFATSEA and ETF and their participation is set according to work-orders which will be monitored in quarterly meetings between all the associations and the SJU.

These contracts will be fully operational by the beginning of 2010.

Budget 2010	Title 3	Chapter 3.1
Objective	1 to 7	

3.3 Relation with Member States

The SJU maintains a continuous update on the SESAR programme outcomes in each meeting of the Single Sky Committee. It will keep this activity through the Programme duration.

3.4 Relation with Civil and Military NSAs and with EASA

During the first quarter of 2010, it is expected that the creation of a new contractual framework in the SJU will ensure the involvement of NSA expertise in the regulatory aspects of SESAR when needed.

This arrangement will include civil NSAs as well as Military Authorities.

Use of this expertise by the SJU will be done on a case by case basis, through work orders. Typically, this arrangement will be used for obtaining regulatory advice on issues upstream in the SESAR program, such as safety cases elaboration, certification or suitability of standards.

Budget 2010	Title 3	Chapter 3.1
Objective	1 to 7	

3.5 ATM Performance Partnership (ATMPP)

In order to ensure the appropriate buy-in and participation of SJU non-members for strategic decisions which are part of the ATM Master Plan, the SJU has established a Performance partnership group, which is composed of a small group of senior operational experts from airspace users, ANSPs, airports and staff. This group will relay in their own communities the results of SESAR in order to ensure appropriate communication and buy-in.

Budget 2010	Title 3	Chapter 3.1
Objective	1 to 7	

3.6 Scientific Committee

In 2009, the SJU set up a Scientific Committee to reinforce its innovative and scientific approach. Twelve scientists have been selected and have held their first meeting in 2009. The committee will meet at least twice in 2010 and deliver scientific advice on the SESAR Programme at the SJU request. They will also follow up their recommendations already placed on WPE content and monitor the outcome of WPE networks and projects.

Budget 2010	Title 3	Chapter 3.1
-------------	---------	-------------

4 Specific Activities

4.1 Atlantic Interoperability Initiative to Reduce Emissions (AIRE)

In 2009, more than 100 trials have been conducted and the coordination in Europe and with the FAA has been intensified in order to further strengthen the AIRE partnership.

From 2010 activities will be structured on the basis of an “ideal” cross Atlantic gate to gate flight (both directions) receiving a clearance that provides an optimal environmental service. Projects will be built to assess segments of an ideal flight whilst a full gate to gate flight should be assessed to understand the complexity and interaction involved in a complete green service. The opportunity will also be taken to implement (or institutionalise) “quick wins” or best practice, to accelerate the pace of change, already in process or operation on an ad hoc basis by individual service providers.

Budget 2010	Title 3	Chapter 3.1
Objective	10	

4.2 OPTIMI

As requested by the Board, a dedicated study on the use of existing technology to improve oceanic flight tracking, and, to a certain extent, over remote regions, has been launched by the SESAR JU in order to incorporate these improvements into the SESAR work Programme. This study will include demonstration flights and proposals for change in particular in the regulatory aspects. Also downloading to ground of safety relevant data from the black boxes will be analyzed within the project.

The sequencing planned for the project is the following:

- an analysis of implementation of the flight tracking service, from January to March 2010,
- three demonstration flights in European Oceanic airspace, from March to July 2010,
- elaboration of a business case and establishment of a SJU recommendation, by the end of 2010.

Budget 2010	Title 3	Chapter 3.1
Objective	9	

4.3 ATM Master Plan update

On 30th March 2009, the Council adopted a resolution on the endorsement of the European Air Traffic Management Master Plan, requesting, *inter alia*, the Commission to ensure that the SJU will submit the first update of the ATM Master Plan to the Administrative Board for adoption before the end of March 2010.

Having regards to the Council resolution, the SJU Administrative Board of 12th June 2009 requested the SJU Executive Director to present a proposal by the end of March 2010 for the first update of the ATM Master Plan before opening the procedure for its formal adoption. On 24th September 2009, the SJU informed its Administrative Board that a specific working group, composed of representatives of the SJU members, airspace users, staff, and military, would be set up to work on this first update of the ATM Master Plan.

The work has been planned in order to provide the Administrative Board and the Council with the necessary proposals within the established deadlines.

Budget 2010	Title 3	Chapter 3.1
Objective	8	

5 Coordination with External

5.1 NextGen and other similar activities

The SJU is committed to ensure that SESAR and NextGen (and other similar programmes) are closely coordinated, in order to develop cost-efficient and interoperable solutions for ATM.

The coordination with NextGen will be further developed in 2010. More specifically the SJU will:

- directly support the EC in developing an EC/FAA Memorandum of Cooperation,
- implement a specific SJU-FAA plan of action that involves SJU members in areas which are key for interoperability.

5.2 Clean Sky

Clean Sky and SESAR are two major initiatives launched under the European Union. Although the focus areas are different both in terms of scope and timeline for deployment, it is necessary during 2010 to define an appropriate interface to ensure consistency of the corresponding projects requirements over time, and to be able to identify possible repercussions/synergies from one project on the other.

5.3 Framework Programme (FP) Projects

To ensure that fragmentation of R&D effort in Europe does not impact SESAR Development, the SJU will further establish relationships with projects of the EC Framework Programme dealing with relevant ATM issues. New FP7 projects dealing with ATM or addressing interfaces with ATM will be approached and monitored. Alignment of FP7 Work Programme with the SJU work programme according to the European ATM master Plan will continue. The SJU will develop a pro-active approach to ensure that results can be exchanged between FP projects and SESAR projects and vice-versa.

5.4 ICAO

International cooperation is a top priority for SESAR and the SESAR Joint Undertaking, as the managing entity of the Programme's development phase. The SJU through its members, its associates and in coordination with the ICAO office of the European Commission is committed to do all that is necessary to coordinate with ICAO as needed to facilitate the overall aim of interoperability and other international cooperation.

6 Communication plan

The success of the SJU and the achievement of the SESAR Work Programme results from a proper communication of the correct messages to the ATM community and to the SJU stakeholders. In this respect, the communication plan, modified to take into account the Board remarks, was approved in October 2009.

Budget 2010	Title 2	Chapter 2.3
-------------	---------	-------------

7 Administration & Finance

7.1 Ensure efficient support to the Programme implementation

With the finalisation of the BAFO II, the assignment of work to the Members is almost completed, and in 2010 the Programme progressively accelerates its implementation with

the initiation phase of more than 200 projects. The Directorate of Administration & Finance will intensify its efforts to support the Programme implementation by ensuring the timely availability of the necessary resources, human and financial, and by providing the necessary internal control aiming at the respect of the principle of sound financial management and the legality of the underlying transactions.

Budget 2010	Title 1		
Objective	15		

7.2 Ensure timely pre-financing and co-financing of initiated projects as appropriate.

The SJU has pre-financed 134 projects for a total amount of Euro 40 million as of 20 November 2009; this will continue in 2010 with an expected additional amount of Euro 60 million disbursed in the first six months. Eligible costs referring to projects having completed the initiation phase will be co-financed according to the provisions of the MFA. The presentation of interim reports with the acceptance of deliverables by the SJU, will allow starting in 2011 the granting of co-financing based on Members' Annual Financial Statement. The processes defined in the Financial Circuits allow satisfying both the need of an efficient management of the Programme from the operational perspective and that of a full compliance with the terms of the Financial Rules necessary to receive financing from the Community budget.

Financial Initiation and Verification functions are performed respecting the four eyes principle ensuring a clear separation of responsibility. The recruitment of two project auditors, in early 2010, will provide the necessary resources to conduct ex-post verifications on co-financed projects also with the support of a provider of audit services to whom a contract will be awarded in the course of the year.

The delegation of authority for budget implementation and the assignment of Initiating and Verifying functions to staff will ensure the necessary resources to implement the processes providing adequate segregation of functions and accountability of the actors involved.

Budget 2010	Title 1 and 2		
Objective	11 and 12		

7.3 Enhance internal control system by implementing ABAC/SAP

The programme implementation and the increasing disbursement of funds call for a further strengthening of the internal control system; the SJU launched at the end of 2009 the project to adopt the European Commission ABAC system. The project will be finalised in Q2 2010 with the migration of the SJU budgetary and financial accounts into the ABAC system. Its adoption will complete the alignment of the administrative procedures of the SJU with the European Commission allowing the benefit of the European Commission central database and associated services. Furthermore it will ensure the link between budgetary and financial accounts and provide the basis for the interchange of information with the Programme Management System. Considering that ABAC is built on modules providing different functionalities, the SJU will proceed with the implementation through a progressive approach striking the best balance between added value and resources consumption. Together with

the application of the Financial Circuits, ABAC will significantly improve the internal control framework necessary to support the SESAR Programme implementation.

Furthermore, in order to strengthen the accounting and financial systems, in accordance with the recommendations of the European Court of Auditors, the SJU will issue the implementing measures concerning the SJU Financial Rules, as well as the accounting methods for the recognition of possible future Programme assets.

Budget 2010	Title 1 and 2	
Objective	13	

7.4 Co-ordinate the adoption of Enterprise Risk Management

In 2009 initial risk management activities have been developed focussing mainly on programme execution related risks (see section 2.2.8). In 2010 a corporate approach will be implemented with the objective of providing the SJU with a Risk Management system which addresses the uncertainty related to the achievement of its objectives. The adoption of a common model builds on three basic concepts:

- Risk management is a continuous process which develops at different level of responsibilities within the SJU;
- Risk management is linked to the SJU's strategy which includes a clear risk policy to determine its risk appetite;
- Risk management is a process that identifying potential events affecting the ability of the SJU to reach its objectives, allows the management to take actions and define mitigating measures giving them reasonable assurance on the achievement of the objectives.

Resources will be dedicated to the co-ordination within the SJU by creating the function within the Directorate of Risk Co-ordinator who will facilitate and foster compliance with the SJU's risk policy and the application of the common model and related process. However, risk management is a business owned and driven process which requires that responsibilities are allocated to the appropriate management level.

The objective for the 2010 is to establish and implement the process as well as to define a risk management plan. An audit review at the end of year will allow assessing the progress achieved and constitute the basis for further developments.

This is in line with the requirements of the European Commission concerning risk management contained in the Communication SEC (2005) 1327.

Budget 2010	Title 1 and 2	
Objective	14	

7.5 Set up Programme's financial audit structure

The administrative support to the Programme implementation will be reinforced in 2010 through the recruitment of two projects auditors in charge of ex post verification. In strict cooperation with operational functions, they will be responsible for checking the compliance with the principle of sound financial management and in particular to assess deliverables' value for money. The audit strategy will be defined in the first quarter of 2010 setting targets in term of number of on the spot audits and criteria for the selection of the organisations. In

the second part of the year audits will be performed on the Member Financial statements in particular concerning claims for co-financing related to initiation phase deliverables (PIR).

8 Internal Audit

8.1 Internal Audit Work Programme 2010

In 2009 the Administrative Board approved the SJU Internal Audit Charter and work programme for 2010. It has been established on the basis of an analysis of risks faced by the SJU in its research and development programme operations and the risks inherent to its specific nature as a Community Body charged with the execution of a public private partnership.

8.2 Assurance work

Emphasis will be placed on assurance work designed to enable the Executive Director to report on how well the SJU system of internal control measures up the Commission's internal control standards for effective management. A key theme in the SJU legal framework is the ethics and integrity standards, notably the statutory duty placed on the SJU to manage conflict of interest in the execution of its mission.

8.3 Consulting and other work

In 2009 internal audit effort was devoted to establishing the function and providing consulting advice on conflict of interest management; the establishment of the financial circuit; and other aspects of the internal control system. Now that internal audit is sufficiently established, the balance of effort will move toward providing assurance. Consulting advice will continue to represent around a third of available resources.

8.4 Co-ordination and oversight of public audit functions

The SJU Permanent Audit Panel co-ordinates the activities of the audit and control functions of the SJU's Founding Members and advises the Administrative Board on audit related matters. Given the public private partnership nature of the SJU and the structure of its governance arrangements, an audit committee comprised of independent non-executive members is necessary to oversee the audit, risk management and financial reporting functions. Proposals for an audit committee will be developed by the panel and proposed to the Administrative Board in 2010.

8.5 Resources

Reflecting its size and nature, the SJU has one full-time internal auditor seconded from EUROCONTROL. Additional specialist expertise in matters such as IT and physical security will be purchased externally in 2010. Additional support in the form of advice and guidance will continue to be provided by the Commission Internal Audit Service.

