

Meeting ADB(M)032

Minutes ADB(M)032- MoM

Date of the Meeting : 11 December 2014
 Time : 10:00 - 14:00
 Place : SJU, av. de Cortenbergh, 100 - 1000 Brussels

Board members and other participants

SJU Members	Representative		
European Union represented by the European Commission (EC)	Mr Margus Rahuoja	Alternate	
	Mr Maurizio Castelletti	Observer	
	Mr Marco De Sciscio	Observer	
	Mrs Christel O	Observer	
EUROCONTROL (ECTL)	Mr Philippe Merlo	Alternate	
Airbus	Mr Pierre Bachelier	Alternate	
ALENIA Aermacchi	Mr Fabio Ruta	Alternate	
DFS	Mr Ralf Bertsch	Alternate	
DSNA	Mr Pierre-Yves Huerre	Alternate	
ENAIRE	Mr Ignacio González	Member	
	Ms Mariluz de Matteo	Alternate	
ENAV	Mr Cristiano Baldoni	Alternate	
Frequentis	Mr Cristian Pegritz	Alternate	
Honeywell	Mr Sander Roosendaal	Alternate	
INDRA	Mr Ramon Tarrech	Alternate	
NATMIG	Mr Aage Thunem	Member	
NATS	Mr Peter Whysall	Alternate	
NORACON	Mr Niclas Gustavsson	Alternate	
SEAC	Mr Giovanni Russo	Member	
SELEX ES	Mr Stefano Porfiri	Member	
Thales	Mr Luc Lallouette	Alternate	

Stakeholder representatives

Representative

Military (MIL)	<i>Excused</i>		
European Defence Agency (EDA)	Mr Denis Roger	Alternate	
Civil users of airspace (CUA)	Mr Simon McNamara	Member	
Air Navigation Service Providers (ANSP)	Mr Thomas Buchanan	Alternate	
Equipment manufacturers (EM)	<i>Excused</i>		
Airports (APT)	Mr Olivier Jankovec	Member	
	Mr Andrej Nemeč	Alternate	
Staff in the ATM sector (STAFF)	Mr Michele Altieri	Member	
	Mr Theodore Kiritsis	Alternate	
Scientific community (SC)	Prof Peter Hecker	Member	

Other participants

SJU Executive Director	Mr Florian Guillermet		
SJU Deputy Executive Director	Mr Peter Hotham		
SJU Chief Administration Affairs	Mr José Calvo Fresno		
SJU Accounting Officer	Mr Marcel Dedic		
SJU Internal Audit Capability	Mrs Véronique Haarsma		
Secretary of the Board	Mrs Ilaria Vazzoler		

Distributed meeting documents

SJU-AB-032-14-DOC-00	Draft Agenda	Item 1
SJU-AB-032-14-DOC-01	Annual Work Programme 2015	Item 5
SJU-AB-032-14-DOC-02	Budget 2015	Item 5
SJU-AB-032-14-DOC-03	SJU Final Accounts 2013 and ECA Report	Item 5
SJU-AB-032-14-DOC-04	SJU Organization Chart	Item 5
SJU-AB-032-14-DOC-05	SJU Communication Strategy 2015-2020 Executive Summary	Item 4

Item 1 Introduction

The Chairperson, Mr Margus Rahuoja, opened the 32nd ordinary meeting of the Administrative Board (3rd and last ordinary meeting of 2014) and welcomed all the participants.

As an introduction, the Chairperson said few words on Ms Bulc, the new Commissioner for Transport since 1 November 2014, highlighting in particular her commitment to the Aviation Sector, the Single European Sky and SESAR.

Verification of the voting quorum

The Chairperson proceeded with the verification of the voting quorum.

- ▷ The Chairperson declared that the meeting had the required voting quorum.

Adoption of the agenda

The Chairperson underlined that the draft agenda had been revised, particularly item 5 and four documents were for adoption.

- ▷ The Board adopted the agenda with no proposed changes.

Disclosure of conflicts of interests

- The Chairperson reminded the participants of their obligation to declare any real or potential conflict of interest on any agenda items. Board members and participants were required to fill in and sign the relevant declaration in accordance with Article 2.4 of the Board decision on conflict of interest ADB(D)-10-2008 as modified by Decision ADB(D)-03-2012.
- The representative of ANSP, Mr Buchanan informed that he might be in a position of conflict of interest on item 3 because of his employer's application to SESAR 2020. The Chairperson took note and clarified that no non-public information will be shared under this agenda item.



The Chairperson noted that all participants had completed the declarations on conflict of interest and the information provided by the representative of the ANSP.

- Mr Rahuoja then provided a brief update on the SES2+ proposal, which addresses 7 main policy areas:
 - Independence and resources of NSAs
 - Separation and use of tendering for support services
 - Improved customer focus for ANSPs
 - Performance scheme updates, more independent PRB, simpler target setting
 - Flexible FABs
 - Strengthened Network Manager with some new services (EAD, airspace design) and transformation into industrial undertaking
 - Finalising reform of institutional landscape and setting the roles of EASA, dealing with all technical regulation and oversight, Eurocontrol, being the Network Manager, and Commission, in charge of policy and economic regulation.

The European Parliament agreed a position in its plenary session of 12 March 2014, which included a number of amendments

Due to some EU Member States opposition, the work in Council started only with the Italian Presidency. The Council finally agreed on a general approach on 3 December 2014.

The Chairperson underlined that the proposal is on track towards increasing of NSA independence, a more flexible approach on FABs, an improved performance scheme, progressing on almost all aspects related to institutional framework (especially EASA), defining new Network Manager tasks and some improvements to stakeholder consultation in FABs.

He concluded by saying that all the substantial points were agreed at the last Council, except the point of the territorial application of the legislation and that the next step will be the discussion at the European Parliament, where an agreement on the first reading could be reached by mid-2015.

As regards the SESAR Deployment setup and PCP the Chairperson informed that on 5 December the Commission signed with the SESAR Deployment Alliance (SDA) the SESAR deployment framework partnership agreement, with which the Deployment Manager was appointed and the preliminary Deployment Programme approved.

The setup of the SESAR deployment governance has now been completed: the policy level is represented by the Commission, the management level represented by the Deployment Manager, the implementation level represented by the implementing partners of the framework partnership, which is currently represented by the members of the SDA consortium.

Moreover, having approved the preliminary deployment programme, the European Commission has also activated the Connecting Europe Facility (CEF) call for Pilot Common Projects implementation projects.

This means that as of 5 December candidates for PCP implementation projects can contact the Deployment Manager to propose projects to implement the PCP. In fact, all proposals for PCP implementation projects must be coordinated by the Deployment Manager. The deadline for submitting these proposals to INEA, the Agency dealing with the CEF call for proposal, is 26 February 2015.

Mr Rahouja reminded that approximately EUR 208 million are available for these projects. The remaining part - of the EUR 300 million - is dedicated to supporting the Deployment Manager and SES and SESAR non-PCP related actions.

Mr Rahuoja also informed the Board that the European Commission intends to keep the SESAR definition-development-deployment cycle rolling leading to the development and adoption of Common Projects. In this context, the EC expects the SJU to deliver validated and demonstrated results (SESAR solutions) in a timely manner to feed into the deployment process.

The Chairperson stressed that the launching of a new Common Project (ie CP2) will largely depend on the availability of mature functionalities. The EC does not expect that each Common Project contain a high number of ATM functionalities, but rather looks for a high level of maturity of these functionalities. The maturity of proposed ATM functionalities is quite a sensitive issue for the operational stakeholders: whereas the EC understands the interests of the manufacturing industry to ensure their investments upfront by introducing technologies at the earliest possible stage in binding EU Regulations, it would like to avoid having to adopt further mitigation measures to address maturity issues and situations similar to that of "Datalink".

The Chairman stressed that the principles of Regulation 409 shall be respected, i.e.: Functionalities must be essential for network performance, mature for deployment and needing synchronized deployment.

The EC is reflecting internally on the process for the next Common Project. Whereas no conclusion is in place yet, the EC's current position is that the three-step process (setting content, stakeholder consultation, adoption) used for the PCP should be continued. This implies that the EC would mandate the SJU to draft an initial proposal for the content of future Common Projects, based on the results of its validation and demonstration activities, but also taking into account other technologies and practices developed and validated outside the SJU.

Furthermore, the Chairperson stressed that the EC plans to revisit the consultation processes, enhancing the technical consultation carried out by the SJU (focusing more on maturity) and optimising the stakeholders' consultation carried out by the Commission.

In terms of timing, the EC would like to see the Deployment Manager consolidate its working methods and its relationship with the ATM actors. Moreover, to keep consistency with the deployment framework, the launching of future Common Projects and CEF planning need to be synchronised in order to make an optimal use of the EUR 3 billion allocated to SES-SESAR implementation.

- Mr Bertsch (DFS) asked how the Deployment Manager is expected to contribute to the formulation of CP2.
- Mr Rahuoja replied that the EC intends to involve the Deployment Manager, whose experience and understanding of the deployment scenario and stakeholders are essential for defining the CP2, with the understanding that the DM would work towards the priorities identified by the European Commission.

- Mr Lallouette (Thales) highlighted that the Members have good visibility on Release 5, where many SESAR solutions are going to be validated; this means having a good visibility on maturity level reached by end of 2015.
- Mr Porfiri (Selex ES) asked for confirmation about the fact that the EC would give the SJU the mandate to draft a proposal on CP2.
- The Chairman confirmed that the EC intends to give the SJU the mandate to draft a proposal on CP2 and underlined the need to involve the Deployment Manager. Hence the necessity to establish a synergetic and living relationship between the SJU and the DM, in line with their respective roles.
- Mr Buchanan (ANSP) enquired about a possible postponement of the CEF call.
- Mr Rahuoja reported that a possible postponement is being discussed within the relevant EC services and will inform the Board in due time on the outcome.

Item 2 Report on the progress of the Programme and other on-going key activities

- Mr Hotham and Mr Guillermet presented the progress report on the Programme and the other on-going key activities.

Mr Hotham highlighted that programme indicators show 91% achievement against plan, in line with the KPI; he congratulated the Members for the efforts done to achieve these good results and exhorted them to maintain this target.

The plans in terms of the Reallocation exercise have all been implemented and the SJU report is made against the latest planning. However the impact of the Reallocation will become visible during the next cycle, therefore the resources indicator is still showing that the amount of resources engaged versus the plan is lagging behind. The SJU expects this indicator to climb during the next cycle. If this is not the case there will be some budget under-consumption as well as a possible risk on some of the SESAR 1 deliverables.

As regards the results, 17 SESAR Solutions have been produced so far: 7 from Release 1, 8 from Release 2; 2 from Release. 6 are expected from Release 4, 4 of which are secured, and 2 are in progress. Regarding the next Release, the Programme Committee of 10 December agreed on Release 5 content, which encompasses 33 SESAR solutions, 15 of which aim at covering Pilot Common Projects ATM Functionality. General SESAR solutions range from Airports, Free Routing, Collaborative Network, etc...

Mr Hotham then provided 3 examples of Solutions coupled with PCP: SESAR Solution 9 "Enhanced Terminal Operations with automatic RNP transition to ILS/GLS" connected to PCP, ATM Functionality number 1; SESAR Solution 14 "Departure Management integrating Surface Management constraints" connected to PCP ATM functionality number 2; SESAR Solution 19 "Automated support for Traffic Complexity Detection and Resolution" connected to PCP ATM functionality number 4.

Mr Hotham then provided a picture of Europe representing the scale of Release 5 in terms of the validation sites per SESAR solution. The comparison between the present chart with the one presented in the past shows the increase of the SESAR works across all regions of Europe.

- Mr Guillermet presented the performance and maturity status and other activities. He underlined that the SJU's work Programme had been investing significant resources in "transversal activities"; that investment has recently started showing benefits and outcomes in terms of performance achievements. This achievement means having a

consistent picture on the benefits of Research and Developments activities of the Programme and being able to report on the targets of the ATM Master Plan.

He continued saying that the SJU worked so far on the basis of performance estimates made by experts, but for the first time sufficient maturity was reached at the level of the projects to have quantitative results. A recent report shows that the Programme is progressing well in terms of assessing the maturity towards the performance targets.

Mr Guillermet explained that the contribution to the different KPIs can be measured per operational focus areas (= domain of activities). As an example Mr Guillermet referred to fuel efficiency and capacity assessment: compared to the targets set by the ATM Master Plan, on fuel efficiency the programme is lagging behind while it is very much on track on airspace capacity.

He informed that a SESAR Solution can contribute to reaching a specific target (e.g. predictability, fuel efficiency, cost effectiveness,...) but not all the targets at the same time, highlighting the notion of trade-off between KPIs. He also reminded that this is a typical situation occurring in ATM.

The Programme is however working on integrating the different components and trade off between different areas. The fact that SESAR Solutions are not contributing to all the performance targets is an element that must be taken into account when building the Master Plan and managing the expectations on what can be achieved.

Moving to the “Maturity assessment”, the Executive Director explained that the SJU can currently assess the maturity of each functionality of the Master Plan giving a visibility on when this will be delivered and by which SESAR Release. This is fundamental to assess what needs to be handed over to the next SESAR 2020 Programme.

Finally Mr Guillermet highlighted some specific activities,

- a. “Datalink”: upon a mandate from EC to work on EASA recommendations, the SJU is currently deciding on the received proposal - the work should be launched beginning of next year;
 - b. Launch of Master Plan update: a campaign steering group has been set up to have a better monitoring of the activities to be undertaken and the launch event is scheduled for the 16th December;
 - c. Civil RPAS definition phase: the SJU is currently examining the elements to be included in SESAR2020 and defining the activities to be integrated into the Master Plan;
 - d. “Workstation service interface definition” and “options on high level architecture” are activities deriving from a request of the June 2013 Board to launch some work on the architecture: activities were launched in 2014, with validation and demonstration exercises planned for 2015.
- Mr González (ENAIRES) asked about more information on the assessment of Release 3, being a critical step to measure the real performance.
 - Mr Guillermet answered that information related to R3 performance results are currently being assessed and should be available in January at Programme Committee level.
 - Mr Bachelier (AIRBUS) expressed support to the Datalink study conducted by the SJU. He however pointed out that a possible decision of the Commission to delay by five years the Datalink Mandate could have a significant impact both on the project and on the whole Programme because of the lack of investment commitment. The decision of postponing of 5 years would overall give a message of lack of confidence and would not take into consideration the financial impact. He therefore invited to consider option 2 (3 years delay) or other arrangements (e.g. “stop the clock”).

- The Chairperson invited Airbus to write an official letter to the European Commission explaining their position. He recognized that “Datalink” is essential to develop any kind of solutions and this is the reason why the EC asked the SJU to deal with the technical assessment of the EASA Datalink recommendations. He agreed that it is necessary to move forward, but recognized legal constraints binding the EC action.
- Mr Roger (EDA) seized the opportunity to thank the SJU for having associated EDA to the preparation of the ATM Master Plan campaign. On the RPAS definition phase he emphasized the need to consider dual use and of having all stakeholders contributing to the success of the activity. He expressed concerns on the budget available, which does not seem of the appropriate order of magnitude to reach the overall level of ambition set by the EC.
- Mr Ruta (Alenia Aermacchi): stressed the importance of the dual use. Finally he asked how the current work will be linked to the on-going SESAR 2020 preparation.
- Mr Guillermet replied having the draft material ready; a final consultation stage is to be performed to make sure the different actors have the right visibility on what is done by the SJU. This information will then be transferred into the technical working groups that are preparing SESAR 2020. This activity is planned for January.
- Mr Merlo (Eurocontrol), shared the concerns expressed by Airbus on the Datalink issue and said that the postponement of 5 years could be an issue and invited to wait in order to have a complete view of the current situation before making any definitive decision.
- Mr McNamara (AU) underlined that if technology is redundant or obsolete, the AUs would not be interested in investing and invited to look further into the matter; on the ATM Master Plan campaign, Mr MacNamara asked to have a clearer view of the bodies, groups, committees working together and providing input to the ADB.
- Mr Guillermet agreed to provide more visibility to the governance bodies, their set up and way of working.
- Concluding, Mr Guillermet presented a short video on demonstration activities and referred to a workshop, hosted by Airbus and attended by a wide range of ATM stakeholders from across Europe and beyond, to illustrate the value of SESAR demonstrations for ATM modernization. An example of the work led by Air France and performed at Paris CDG to improve the departure sequence of the aircrafts was provided.
- Mr Bertsch (DFS) underlined the importance of demonstration activities for inspiring the work and bridging with deployment activities.
- The Chairperson concluded by recalling that all projects need to be concluded by the end of 2016 and then gave the floor to David Batchelor, the SJU Liaison Officer in the USA.
- Mr Batchelor provided an overview on US political context and on the FAA Administrator’s strategic priorities, he presented the “NextGen Priorities Implementation Plan”, the NexGen Facilities and Equipment Capital Investment Plan. He also mentioned the MITRE report, highlighting substantial progress made since 2008 and future major challenge.

On the cooperation between SESAR and NextGen, regular senior-level engagements occur (e.g. the joint FAA/US presentation to NAC meeting in June 2014) and an active cooperation under the EU-US Memorandum of Cooperation is in place. One key deliverable is a document called “State of harmonization report”, a snapshot on the status of the cooperation between SESAR and NextGen, to highlight success and existing potential divergences. This document is intended to be released at the end of 2014.

Mr Batchelor then enumerated the main areas of cooperation: DataComm, RPAS/UAS, Cybersecurity and Demonstration activities. Looking ahead to 2015, he finally stated that there might be a possible reform of FAA or ATO. As regards NextGen, its FAA's Assistant Administrator is strongly focused on implementation.

- The Chairperson thanked Mr Batchelor for his report and informed that Mr Batchelor is also in charge of following up some topics on behalf of the European Commission.
- Mr Buchanan (ANSP) expressed his interest in the mechanism foreseeing transition of the costs to users and asked about the impact of user charges transitions and if that would make the US and the EU situations comparable.
- Mr Batchelor said that the discussion on the user charges in the US is still at the level of principle; in fact, the users' fee element of the discussion about the reform of ATO is not mature. As regards the funding, there is no particular proposal tabled and the FAA is taking a neutral position. Therefore a comparison between the EU and US is currently not possible.

▷ Conclusions on item 2

- The Board took note of the information provided by Mr Guillermet, Mr Hotham and Mr Batchelor and thanked for the presentation on the progress of the Programme and of the other on-going key activities.

Item 3 SESAR 2020

- Mr Calvo transmitted the results of first phase of the selection process: 19 out of the 24 candidates were selected, corresponding to a total of 140 entities, with a very wide geographical scope. Mr Calvo underlined that the process has been managed under the H2020 rules, which will be the legal framework for the SESAR 2020 Programme.

The dialogue phase with the selected candidates should be completed by the end of March 2015. Offers will be evaluated between April and September 2015 and the completion of the membership process access is expected for the 3rd quarter 2015. This dialogue has started on the basis of the authorization given by the Board to the Executive Director to start the negotiations with the candidate members.

- Mr Rahuoja stressed what Mr Machado had already mentioned at the previous Board meeting: under the amended Regulation, the SJU has less flexibility on its financial rules. The SJU will have to apply the Horizon 2020 rules for participation, which will have an impact on the set up of the membership conditions compared to the past practices. He stressed that existing members are fully aware of H2020 rules since one year and the current approach can continue. No major issue of transition should occur if a proper interpretation of the rules is made in the context of the SJU. From that point of view, the Commission, together with the SJU, is committed to limit the impact of the new framework as much as possible, within the flexibility offered by the new rules.
- Ultimately, apart from the new funding rates and the statute of Associate, the European Commission considers that there should not be a dramatic change in how the SJU membership itself is set up. Nevertheless, the agreements will have to be adapted taking into account new models that have been approved for all Joint Undertakings. For example the minimum conditions for the award procedure for grants could be met under a framework partnership agreement, which would cover the PPP part of the SESAR 2020 Programme as a single action under H2020, leaving to

specific grants the definition of individual awarded tasks (e.g. the current projects assigned to the Members) based on the agreed description of work. The framework partnership agreement would in this case correspond most closely to the current MFA and thus reflect many of its clauses. The language of the standard Commission templates would need some adaptations which, if duly presented and justified, may be acceptable to the Commission Services. Finally, he stressed the need to ensure a timely and efficient transition from the existing programme to SESAR 2020 as already presented to the ADB at its previous meeting: a delayed process of negotiation would in fact be detrimental not only for the absorption of the financial resources already available to the SJU under H2020 in the years 2014 and 2015 but also for the credibility of the whole SESAR project, from its definition to deployment.

- Mr González (ENAIRE) underlined that the presence of all existing Members along with new ones among the candidate Members for 2020 is a sign of success. He recommended paying special to the transition between SESAR 1 and SESAR 2020, to have a smooth technical transition and to ensure the necessary level of resources - especially in 2015 - both in the members and the SJU sides.

With regards to the SESAR 2020 preparation, he expressed his understanding that an extra effort is requested to the Members, but underlined that it is important that the costs born during the dialogue phase remain very limited and that co-financing possibilities would be considered.

- Mr Lallouette (Thales) noted that an increased number of candidates could also be considered as a bad news as this might have an impact on the budget available.
- Mr Tarrech (INDRA) concurred that the SJU needs to adapt to the H2020 rules, being an external factor. However, so far the PPP was able to structure the Programme and to determine its success. This is why the Programme level spirit should be kept, as it was an example of good practice recognised among all JTIs.
- Mr Guillermet ensured that the SJU is paying a lot of attention to the transition phase and that the preparation of the SESAR 1 handover has been added to the objectives of the SJU Annual Work Programme 2015 as recommended at the previous ADB. Regarding the resources, he informed that the SJU is currently examining the possibility to temporarily increase its staff for the transitional phase (2015-2017) and that the Board will be informed accordingly in due time.
- The Chairperson concluded stating that the European Commission will support the SJU that will have to play by the new rules for the SESAR 2020 Programme. He also agreed with the SJU Members that the SJU should remain a good example of public-private partnership; he finally underlined that the work of the SJU should focus on development of projects that will be fit for deployment in the future; a clear line should therefore be drawn between development and deployment activities.



Conclusions on item 3

- The Board took note of the information provided by the SJU and the EC on SESAR 2020.

Item 4 Presentation of the SJU Communication Strategy 2015-2020

- Mr Guillermet explained that since the last Communication Strategy was presented five years ago, he considered necessary to have an update to clarify to the Board Members the Communication line for the next years.

The update has been done building on the feedback received through a wide consultation process, where a series of interviews were made not only to SJU

Members but also to external stakeholders who provided input for calibrating the SJU communication strategy.

The outcomes of consultations were that there are positive aspects (e.g. strong SESAR branding, good cooperation, effective information channels) and areas of improvements (limited budget available within the different actors/companies, long term milestones difficult to be communicated, lack of clarity about how SESAR is being implemented).

The SJU then looked at the way to target the different audiences, starting from the “general public” - as the SJU makes use of public funding, it is ultimately accountable to the taxpayers and has an obligation to refer on how the funds are used and what the added value is - and the EU and national decisions makers, continuing with ATM/Aviation experts and the SJU staff. The SJU realized that the internal communications within the programme could also be improved.

The objective of the Communication Strategy is basically to move from a focus on “what SESAR will do” to a focus closer to the stakeholders, in order to reach the end users of the system (e.g. pilot, controllers) and to ensure a sufficient buy-in for what the Programme delivers. Mr Guillermet underlined the importance of persuading the right audience versus other communication channels, e.g. brochures. Finally the Communication Strategy aims at enhancing the partnership spirit and make sure that SESAR is one endeavour. From this stand-point, the SJU intends to liaise with the Deployment Manager to ensure a coordinated communication.

An example of this cooperation is the preparation of the WAC 2015, where it is intended to show the SESAR results jointly with the DM.

For further details, the ED invited the Board to refer to the SJU Communication Strategy - Executive Summary, distributed before the meeting.

- Mr González (ENAIRE) fully supported the document presented, and especially the need to focus on results and performance that the SESAR is achieving. He suggested strengthening the concept of PPP, where public and private money are used to work for a common objective: this is an element that should be emphasized as it represents a model to be showcased outside Europe. He equally stressed the need to underline that the SESAR is advancing, to sell the idea that R&I and Deployment activities are conducted under the same umbrella, to emphasize that the SJU will in the future work with the DM under the SESAR brand.

Mr González also suggested:

- Point 6 of the Communication Strategy 2015-2020 - Executive Summary: suggested to rephrase the objective to strengthen the worldwide recognition of the SESAR brand and create a link with NextGen, in order to communicate the external world that SESAR and NextGen are at the same level;
- EC second mid-term evaluation included a recommendation to better address the communication to the Member States: as this element seems not to appear in the Communication Strategy, this could be added to the item 8.3 of the table to explain that the benefit of SESAR should also be sold to the Member States

He also recommended completing the Communication Strategy linking objectives with KPI and measurable targets.

- Mr McNamara (AU) underlined that it would be important to reach the wider community, e.g. the small AU, who are currently ignoring the existence of SESAR. He also recommended coordinating the communication message with the DM. Regarding the target audiences (page 2 of the document) he recommended breaking down further to make sure of targeting the right people.
- Mr Roger (EDA) congratulated for the document presented and suggested mentioning the existence of the SESAR Military implementation forum, an event hosted by EDA

and jointly organised by EDA, SJU and Eurocontrol and a good arena to pass messages to the military environment.

- Mr Rahuoja thanked all the Board Members for their inputs. He highlighted the challenge to encompass the Research aspects and the Deployment aspects. In this respect the slogan used “from innovation to solutions” covers the JTI side, but the Deployment aspects should also be included. He congratulated Mr Guillermet for the idea of having a single brand including the DM.
- As regards the military involvement in the Single Sky, he underlined that it is important that EDA makes suggestions to the EC on how to include military aspects in the SES elements.



Conclusions on item 4

- The Board took note of the information provided by Mr Guillermet and of the exchange of views on the Communication Strategy.

Item 5 General administrative and budget issues

Item 5a Overview on Administrative and Finance activities

- Mr Calvo provided an update on procurement activities performed in 2014, representing in total EUR 40 million of the SESAR budget: 18 calls for tender/proposal have been processed, resulting in 26 contracts/grant agreements (e.g. VDL call, Cyber security study, Large Scale Demonstrations); 13 work orders/specific contracts and 30 contract amendments have been dealt with.

Mr Calvo underlined that through 2014 procurement activity, all the SJU supporting activities have been renewed (project audit, support programme manager legal and financial support).

- Regarding the last point, Mr Guillermet added that the transition period (phasing out of the previous contractors and phasing in of the new ones) is almost complete. Whereas the critical phase (October-November) might have had an impact on the SJU/Members activities, Mr Guillermet stressed that this was a necessary process to ensure a proper know-how transfer to the new contractors and their ramp-up that will soon bring the relevant value to the SJU activities.
- The Chairperson underlined that information on Administrative and Finance activities will be regularly presented to the Board, as it is interesting to have an insight of the SJU tasks beyond the work Programme.



Conclusions on item 5a

- The Board thanked Mr Calvo and Mr Guillermet and took note of the information provided.

Item 5b Report on the Interim Financial Statements 2013 status

- Mr Calvo continued by presenting the status of the Interim Financial Statements (IFS) 2013: all have been presented by the Members, representing over EUR 80 million in terms of co-financing claims; most of the clarification requests have been issued; one IFS has been paid and three are in the payment process and expected to be paid by the end of the year together with most of the remaining IFS.
- Mr Guillermet stressed the enormous effort made during this exercise both from the Members and SJU side and thanked the Members for the fruitful cooperation.

▷ Conclusions on item 5b

- The Board took note of the information provided on the status of the IFS 2013.

Item 5c Annual Work Programme 2015 and Financing Decision complementing the AWP 2015

- Mr Guillermet briefly referred on the main changes compared to the Draft Annual Work Programme 2015 circulated to the Members after the last meeting, resulting from the comments received particularly on the vision and on the objectives. Regarding the second objectives the Executive Director mentioned that the coupling between “launching the SESAR 2020 activities” and “prepare the SESAR1 handover” was introduced as a result of the discussion had in the past Board meeting.
- Mr González (ENAIRES) thanked the SJU team to take into account ENAIRES comments and suggested updating the figure under section 3.2.1 to take into account the discussion occurred at the last Board.
- Mr McNamara (AU) underlined the usefulness of the document and recommended to ensure a wide spread of SESAR results and outcome across all types of operators and carriers. He also stressed the importance of involving the AU in achieving the objectives set for 2015 and for the whole Programme.
- Mr Bachelier (Airbus) expressed support to the involvement of all type of AUs, and stressed possible positive progress in the context of the SESAR 2020 set-up with the involvement of a wider range of aircraft manufacturers.
- Mr Calvo then continued talking about the Financing Decision complementing the AWP2015. This new process is an obligation stemming from the EU financial regulation for implementing the EC delegated budget and EU policies:
 - it is a pre-requisite to spending SJU funds & for issuing calls for proposals or for tenders; and
 - it is required for all operational expenditure (implementing EU policies) covering either grants, procurement or other financial contributions (it is not required for administrative expenditure covering the running costs of the SJU (i.e. principle of “administrative autonomy“).

This new process is intended to complement the SJU 2015 AWP providing details on: financial instruments chosen for each action; objectives and expected results of each action; co-financing rates; eligibility, selection and award criteria; indicative timetable for signing SJU grant agreements or procurement contracts. This will increase transparency on SJU future expenses and will allow sufficient time for potential applicants (for grants) or contractors (procurement) to prepare quality proposals/offers.

Mr Calvo concluded by notifying that the financing decision proposal will be submitted for ADB approval through Written Procedure and will be based on the AWP2015 document.

▷ Conclusions on item 5c

Decision ADB(D)-14-2014

- The Board took note of the information provided by Mr Calvo and adopted Decision ADB(D)-14-2014 on the Annual Work Programme 2015.

Item 5d Budget 2015

- Mr Dedic, the SJU Accounting Officer, provided an overview on the changes introduced since the presentation to the Board in October. Mr Dedic reminded the Board that the Budget 2015 is presented in two sections, due to the obligation of

keeping separate accounts for the two Programmes. Annex III has been currently introduced providing a consolidated view for information purposes.

As regards SESAR 2020, only high level figures have been presented taken from the initial estimate of revenue and expenditure; a revised Budget 2015 is likely to be presented in the course of 2015 (if needed, it will be submitted to the Board by Written Procedure).

As regards SESAR1 budget the only change consisted in the update of Commitment Budget Outturn with Revised Budget 2014 (14.5 instead of 15.0 million EUR).

As regards SESAR2020, the EC requested a full alignment with the EU general Budget: Commitment Budget (50.0 instead of 51.5 million EUR); Payment Budget (35.0 instead of 40.0 million EUR, including 10.0 million EUR for Exploratory Research). EFTA contributions are to be introduced in a 2015 Revised Budget.



Conclusions on item 5d

Decision ADB(D)-15-2014

- The Board took note of the information provided by Mr Dedic and adopted Decision ADB(D)-15-2014 on the Budget 2015.

Item 5e Annual Accounts 2013 and ECA Report

- Mr Dedic explained that the SJU Final Accounts 2013 have already been presented and approved by the Board in June; however the Board is required to adopt them after having received the European Court of Auditors Report. The latter was received on 21 November, bearing an unqualified opinion and no other comments on the Accounts as such. This represents the cleanest report ever received by the SJU. ECA also confirmed that the follow-up of previous observations has been fully implemented.
- Mr Dedic seized the opportunity to thank all the Members for their cooperation and support, explaining that the IFS payment process requires amongst others so much time because the SJU is endeavoring to fully implement the ECA recommendations, focusing for example on the quality of the work in progress estimations. He also mentioned that the SJU will make its best to continue obtaining such good results, knowing that next year will be particularly difficult, as from 2015 on an additional independent external auditor (besides the European Court of Auditors) is required by new Financial Regulations to perform audits on the SJU Financial Accounts and therefore plead the Board Members to continue the good cooperation.
- The Chairperson congratulated the SJU for the excellent report.
- Mr González (ENAIRE) enquired about the meaning of “unqualified opinion”.
- Mr Dedic replied that that in the audit terminology unqualified opinion means clean opinion/positive results.
- Mr Lallouette (Thales) asked about payment expectations for next year.
- Mr Dedic explained that there is a clear need - to the extent possible within the current SESAR1 framework- to improve the IFS process, which is currently taking a lot of resources both from the Members side and from the SJU. The fastening of the payment process will also require an extra effort from the Members to increase quality of the data provided and to disclose more information, when needed. As regards SESAR 2020, the SJU and the Members should set up a quicker way of processing payments.



Conclusions on item 5e

Decision ADB(D)-16-2014

- The Board took note of the information provided by Mr Dedic and adopted Decision ADB(D)-16-2014 on SJU Final Annual Accounts 2013.

Item 5f Internal Audit Capability Work Programme

- Ms Haarsma, the SJU Internal Audit Capability explained that, contrary to the previous years in which the IAC Work Programme was adopted by the Executive Director, as of 2015 it needs to be approved by the Board (art. 84 of the SJU Financial Rules). This will be done by Written Procedure at the beginning of January 2015.
- Ms Haarsma started with providing the description of the IAC mission, which is to provide the Executive Director an assurance of the effectiveness and efficiency of the governance, risk management and control processes in the SJU, i.e. checking if risks are appropriately identified and managed, if information is accurate, reliable and timely and if rules and regulations are complied with. The IAC also reports on fraud, informing the Executive Director if any of the staff members has accepted an unreasonable level of risks. The IAC reports directly to the Executive Director.
- Mr Haarsma explained that the Work Programme is based on a risk assessment, taking into account results of risk assessment done by other auditor and the SJU management, and the audit reports from the European Court of Auditors.
- For 2015 the IAC Work Programme includes auditing activities, consulting services and other coordination/reporting tasks (for further details, see the presentation).
- Ms Haarsma concluded reporting that in November the European Commission has performed a risk assessment of all SJU processes, the results of which will be disclosed in 2015 and communicated to the Board meeting in June 2015.
- As a final remark, Ms Haarsma wanted to communicate that the transitional phase from the former Executive Director to the current one was very smooth; she ensured the Board that that she is largely involved in all risk management and governance issues and that her work is free from interference in defining the scope and carrying out of her tasks.



Conclusions on item 5f

- The Board thanked Ms Haarsma and took note of the information provided on the IAC Work Programme and the proposed adoption through written procedure.

Item 5g SJU Organisation Chart

- Mr Guillermet explained that, as anticipated to the Board in June, the rationale driving the structuring of the organisation was to align it to the strategic objectives of the SJU, to have a clear accountability, particularly for what concerns the core mission in order to match it both with the governance and with the objectives, as defined in the Annual Work Programme.

Mr Guillermet then presented the main structure of the SJU Organisation Chart. As regards the governance, he underlined that the current Chart reports the main lines showing the connections organisation - governing bodies - working groups

- Mr Mc Namara (AU) asked Mr Guillermet to complete the presentation explaining how all the different governance bodies, committees, groups work together and provide input to the Board.
- Mr Guillermet committed to provide a further view on the different governance bodies currently in place and specified that they will be subject to some revision with the introduction of SESAR 2020.

The Chart also reports the staff level, per SJU staff and PSO staff and shows a good balance between the resources dedicated to administrative/financial matter on one side and the operational and technical activities on the other side.

- The Chairperson emphasised the need to secure enough resources to ensure a smooth transition from SESAR 1 to SESAR 2020 - concern shared and raised several times by the Board Members - to keep up the good work and the reputation of the SJU. He concluded saying that the European Commission supported the proposed organisation chart.



Conclusions on item 5g

Decision ADB(D)-17-2014

- The Board took note of the information provided and adopted the Decision ADB(D)-17-2014 on the SJU Organisation Chart.

Item 6 Any Other Business - ADB meeting dates in 2015

- The Chairperson had to leave the meeting and gave the floor to the Vice-Chairperson, Mr Merlo, the representative of Eurocontrol, who presented the dates proposed for the Board meetings in 2015: 25 June, 22 October, 10 December.
- Mr Baldoni (ENAV) notified the Board that being the 10 December a holiday for the aviation /air transport in Italy, he would appreciate if the SJU could consider an alternative date for the December Board meeting.
- Mr Hotham proposed to keep the 10 December as provisional date, subject to verifying alternative solutions, considering that December is a particularly busy time for the SJU activities. *(The SJU confirms the 10 December, as the only practical date)*



Conclusions on item 5b

- The Board took note of the suggested dates for next year meeting.

Closing of the meeting

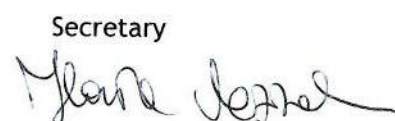
- The Vice Chairperson concluded the meeting thanking the Board members for their active participation.

Annexes

Annex 1	Board members attendance list
Annex 2	Declarations on conflicts of interest

Done in Brussels, 11/12/2014

Chairperson


Secretary


Annex 1
Attendance list

Annex 2
Declarations on conflicts of interest

