

Meeting ADB(M)040

Minutes

ADB(M)040- MoM

Date of the Meeting..... : 5 May 2017

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 Filip Cornelis	Alternate	
	Mr Maurizio Castelletti	Observer	
	Mr Octavian Vasile	Observer	
Eurocontrol	Mr Philippe Merlo	Alternate	
Airbus	Mr Bruno Darboux	Member	
AT-ONE	Mr Dirk Kügler	Member	
B4 Consortium	Mr Maciej Rodak	Observer	
COOPANS	Ms Susanne Isaksen	Member	
Dassault	Ms Frédéric Falchetti	Member	
DFS	Mr Robert Schickling	Member	
DSNA	Mr Philippe Barnola	Alternate	
ENAIRE	Mr Mariluz de Mateo	Alternate	
ENAV	Mr Iacopo Prissinotti	Member	
Frequentis SESAR Partners	Mr Michael Holzbauer	Alternate	
Honeywell	Mr George Papageorgiou	Member	
INDRA	Mr Rafael Gallego	Member	
Leonardo	Mr Stefano Porfiri	Member	
NATMIG	Mr Trond Runar Hagen	Member	<i>excused</i>
NATS	Mr Dave Curtis	Alternate	
SEAC	Mr Gérard Battistella	Member	
Skyguide	Mr Pascal Latron	Alternate	
Thales Air System SAS	Mr Luc Lallouette	Member	
Thales Avionics SAS	Mr Philippe Benquet	Member	

Stakeholder representatives	Representative		
Military European Defence Agency (EDA)	Mr Chris Lorraine	Member	
	Mr Jorge Domecq	Member	
	Ms Maria Mas Rueda	Observer	
	Ms Jan J Andersson	Observer	
Civil users of airspace (CUA)	Mr Peter Curran	Observer	
Air Navigation Service Providers (ANSP)	Mr Eduardo García González	Alternate	
Equipment manufacturers (EM)	Mr Vincent de Vroey	Member	
Airports (APT)	Mr Panos Spiliotis	Alternate	<i>excused</i>

Staff in the ATM sector (STAFF)	Mr Michele Altieri	Member	
Scientific community (SC)	Prof. Jacco Hoekstra	Alternate	

Permanent representatives	Representative		
SJU Executive Director	Mr Florian Guillermet		
SJU Deputy Executive Director	Mr Peter Hotham		
SJU Chief Administration Affairs	Mr José Calvo Fresno		
SJU Internal Audit Capability	Mrs Véronique Haarsma		
Secretary of the Board	Mrs Ilaria Vazzoler		
Head of Budget and Finance	Mrs Rodica Mandroc	Observer	

Item 1 Introduction

The Chairperson, Mr Cornelis, welcomed the Board Members to the 40th Ordinary Meeting of the SJU Administrative Board, the first ordinary meeting of 2017.

He informed that Thales Avionics has recently appointed new representatives: Mr Philippe Benquet, VP R&T Avionics as principal and Mr Bertrand Larreiu, Advanced studies director, as alternate; ENAIRE has appointed a new main representative, Mr Ángel Luis Arias, Director General of ENAIRE; Air Navigation Service Providers have appointed an alternate, Mr. Eduardo García González, Manager European ATM Coordination and Safety of CANSO.

The Chairperson informed the Board that the Chief Executive of EDA, Mr Jorge Domecq, will join the meeting to make an intervention concerning an EDA initiative aimed at establishing a collaborative platform to facilitate the dialogue with relevant industrial partners and raise their awareness of dual use opportunities in R&T, notably in relation to RPAS air traffic integration.

For procedural reason quorum will be checked under item 2, after having adopted the decision on the allocation of the voting rights.

Adoption of the agenda

No Board Members proposed additional changes to the Agenda.

- ▷ The Board adopted the Agenda.

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 item. 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. Copies of the complete text of the decision were available in the meeting room in order to allow participants to better understand their obligations in terms of declaration of conflict of interest.

- ▷ The Chairperson noted that no conflict of interest was declared on any agenda item and that all participants had completed the declarations on conflict of interest.

Chairman's Briefing

Mr Cornelis informed the Board on the progress of the policy initiatives stemming from the Aviation Strategy adopted in 2015.

With regard to the comprehensive air transport agreements, a third round of negotiations was held with ASEAN during the first week of May. A third round of negotiations with Turkey and Qatar are scheduled for 10-11 July and September/October respectively. The start of negotiations with the UAE was not agreed yet. A first round of negotiations with Armenia was held on 27-28 April. A second round with Tunisia is planned for mid-May while negotiations with Azerbaijan will be scheduled when the EC receives comments on the draft agreement text submitted.

On the revision of safety regulation (EASA Basic Regulation): Council and Parliament held their first trilogue meeting on 21 March. A second meeting took place the first week of May. The Chair underlined that good progress has been made on the substance, even on more difficult topics, such as the scope of competences of EASA regarding the certification of organisations. The EC expects that the final agreement will be reached that under the Estonian Presidency.

Mr Cornelis added that the EC is expecting to adopt in June a Commission proposal on "Safeguarding Competition in Air Transport" to replace regulation on unfair practices on Air Services, as part of the air connectivity package which also includes the Guidelines on Public Service Obligations and Ownership and Control, and a Staff Working Document on Good Practices for ATM Service Continuity.

He continued mentioning the H2020 interim evaluation of the SESAR JU and recalled that Mr Hololei mentioned in previous Board meetings the evaluation exercise for both the closure of SESAR 1 and the first years of SESAR 2020, whose conclusions and recommendations will provide useful guidance for the Commission with regard to the future of the SJU.

Unfortunately only 30% of project coordinators in SESAR replied to the consultation organised by the Commission and there were only 68 replies to the public consultation about SESAR.

However the independent experts selected by the EC have been able to interview a significant number of Board Members and the Chair expressed his gratitude for their availability.

Some initial findings were presented to the Commission the last week of April, which included feedback on positive experiences on the content of the research, good coordination by the SJU as well as difficulties with H2020 procedures.

In terms of next steps, following the finalisation of these external evaluations, over the summer, the Commission will prepare a Commission Staff Working Document summarising the conclusions of the evaluations of all JUs. The European Parliament and the Council will be informed about the outcome of these evaluations later on in October through a Communication on Horizon 2020.

This Communication is the starting point for discussions on the future Multi-annual Financial Framework Programme for Research (FP9/Horizon 27), which in the current uncertain circumstances (e.g. Brexit) will be very tough. Therefore, the Chairperson invited the SJU and the Members to do an exemplar job in outlining the success of SESAR in order to support the allocation of EU funding for coordinated ATM research in Europe.

On the second Common Project (CP2), the EC have tasked the SESAR JU to draft a recommendation for the potential content of a second common project by the end of October 2017.

The SJU has submitted a work plan to carry out this task, including the methodology to perform the work, a consultation process, and a timeline for delivering the recommendation.

The EC has instructed the SJU to focus on performance, maturity and synchronisation; to consider the lessons learnt from the setup and implementation of the PCP in close liaison with the SESAR Deployment Manager (SDM) and the Network Manager (NM) and to make the best use of its consultation, cooperation and governance mechanisms to ensure the full involvement of all relevant civil and military operational stakeholders.

SJU, SDM and NM should also assess the capability of the operational stakeholders to deploy the new common project in the light of the implementation effort already required by the PCP.

The Chairperson reported that on PCP Review, the EC had also tasked the SDM to assess the state of implementation of the PCP and to make recommendations for a possible review of the PCP Regulation; asking the SDM to coordinate their work plan with the SJU's work plan for preparing the proposal for a second common project.

The SDM has delivered a detailed work plan, which is currently being assessed by the EC together with the plan presented by the SJU.

The Chairperson stressed that the EC asked the SDM to work closely with the SESAR Joint Undertaking and to ensure the active involvement of SDA's members and its consultation platform for this task.

He stated that the EC is not expecting a major overhaul of the PCP, nor intends to add new functionalities to it, in order to avoid disrupting the on-going implementation activities.

The EC is expecting a consistency check and fine tuning of the content and of the timelines based on the progress of the PCP implementation and the developments after its adoption, e.g. considering the Datalink recovery plan.

On CP2, Mr Lallouette (Thales Air Systems SAS) commented that the manufacturing industry welcomes the mandate given to the SJU and is ready to support both the SJU and SDM in preparing the proposal; he also added that the industry has strong expectations in terms of content and deployment, currently not optimal.

Ms de Mateo (ENAIRE) asked the SJU to have the work plan submitted to the EC and pleaded for a strong coordination in handling PCP and CP2 processes in parallel, due to their strong connection; on CP2, she added that quality should prevail over quantity; in addition all PCP functionalities are already currently being deployed and due to the limited capability of operational stakeholders to deploy new functionalities, invited the SJU to make an assessment of this capability.

Mr Guillermet commented that the SJU informed the Master Plan Committee about the principles of the Work Plan submitted to the European Commission and will make the document available once approved by the EC.

In reply to Mr Lallouette's question, the Chairperson stated that is too early to communicate on the timescale of CP2, as the timeline depends mainly on the content of the proposal submitted by the SJU, as well as the link with the parallel process concerning the PCP.

Item 2 Voting Rights allocation

Mr Hotham reminded the Board that, being the first meeting of the year, a decision on voting rights needed to be adopted to modify or confirm the voting rights of each Board Member. The draft decision on the allocation of voting rights was circulated to the Board Members and did not contain changes compared to the allocation adopted in October with ADB(D)14-2016.

The European Commission and Eurocontrol expressed support for the proposal.

In reply to Mr Porfiri (Leonardo) question, Mr Hotham informed that the voting rights allocation is currently based upon the Membership Agreement and the first update is expected with Wave 2.

▷ **Conclusions on item 2** Decision ADB(D)05-2017

- The Board took note of the information and adopted the Decision ADB(D)-05-2017 on the allocation of voting rights to Board Members. The quorum was verified and the Chairperson noted that the meeting had the required voting quorum.

Item 3 Appointment of the Vice-Chairperson

The Chairperson stated that in lines with the Statutes and the Rules of Procedure of the Administrative Board, the EC proposed, as previous years, to appoint Eurocontrol representatives as Vice-Chairperson of the SJU Administrative Board.

▷ **Conclusions on item 3** Decision ADB(D)06-2017

- The Board took note of the information provided and adopted Decision ADB(D)06-2017 on the appointment of the Board's Vice Chairperson.

Item 4 Report on the progress of the Programme and other on-going key activities

The Chairperson gave the floor to Mr Hotham who informed that the presentation was covering the main discussions within the Advisory Committees, the overall Programme View, the Release Planning, the IR/VLD Budget Grants Amendments 2017, IOP: Ground-Ground Interoperability, Cyber Security and Master Planning.

The Programme committee recent activities focused on the agreement on the Grant Amendment approach, a go/no-go decision for IOP by early June, on Cyber Security Strategy and support task force.

The Master Planning Committee expressed support for the CP2 workplan, the ambition level for activities leading up to next update of the Master Plan in relation to drones & CNS, and for the overall theme "The Digitalisation of Aviation" for the next update of the Master Plan.

The Scientific Committee established its Workplan for 2017 and agreed with 5 threads of activity, focused on transfer of research through the innovation pipeline, and producing a 'Scientific Agenda' to provide more detail on the longer-term needs.

Mr Hotham then presented the overall structure of the Programme, including key features and transversal coordinating activities (see slides).

Mr Hotham then continued presenting the results of the call for proposals and grant status:

- Exploratory Research:
 - 1st Call for 20.6M EUR with 28 Grants, all in execution;
 - 2nd Call (RPAS) for 9.0M EUR, with 9 proposals retained out of 59 submitted, 1st Grant signed on 24 April 2017;
 - 3rd Call for 10.0M EUR to be closed by 11th of May; evaluation planned to be completed in July to secure Grant award before the end of 2017.
- Very Large Scale Demonstration:
 - 1st Call for 18.0M EUR to be closed by 11th of May; evaluation planned to be completed in July to secure Grant award before the end of 2017;
 - Drones & Geo-fencing call using 500K EUR assigned revenue, to be launched in July and whose requirements complement results of the ER RPAS call.

- Industrial Research & Validation
 - Wave 1 Call awarded 25 Grants for 246.5M EUR, all Grants signed, pre-financed and now in execution;
 - Specific Budget Grant Amendment process for the second budget instalment is ongoing.

About the delivery of the Programme through releases, Mr Hotham highlighted the Programme Committee's decision about planning phasing: yearly releases will include Solutions reaching V1 and V2 maturity.

Mr Hotham reminded the Members the IR/VLD Budget Grants Amendments process was completed at the end of March with the agreement of the PC and that the SJU is expecting the EC response on a number of dependencies.

He continued stating that for IR Projects, involvement of Airspace Users is still at risk and mitigation actions are under definition through Project Management Plans definition; for a few VLD Projects the involvement of EASA is under clarification through Demonstration Plans definition, and two amendments are frozen till early June waiting a Go/No-Go decision on IOP issue.

Mr Hotham informed that the consultation on the Budget Grant Amendment Procedure closed the day of the meeting with the positive reply of the EC. However, the EC internal consultation on the Financing Decision was not closed at the time of the meeting and completion was expected by mid May.

The Chairperson informed that a lengthy consultation among the Commission's departments was being finalized and should be soon available. He explained that this process is particular to the SJU and the EC wanted to ensure that every legal, financial and in particular IT aspect was covered before launching it.

Mr Hotham concluded by saying that that the SJU will issue a letter to all Members confirming the beginning of the amendment process.

On IOP Mr Hotham reminded the Board that SESAR 1 Solution 28 on initial "I" IOP was delivered but, although progress was made on the design of the Features, Use cases and requirements, and all Use Cases were identified, only a few were fully specified; the specification maturity of the requirements was not yet in line with expectations due to some delay due to ramp up of the projects, new issues identified during Ops-tech teams discussions. The late execution of the first validation exercise puts at risk the preparation and execution of the Demonstration activity related to the IOP.

Mr Hotham referred that the Programme Committee has decided to provide a maximum of 2 additional months to PJ18-02 and PJ27 to further progress the specification of the Use Cases and requirements; further clarify and synchronise the sequence of activities in the roadmap and to deliver progress reporting every 2 weeks. He added that a Go/NoGo meeting is organised in June and the Grant Amendments of the 2 projects will remain frozen until the Go/NoGo decision is taken. Two scenarios are possible: either can be approved or PJ18-02b solution activities and/or PJ27 will be terminated, as regards the IOPs activities.

Mr Cornelis commented that it is really unfortunate that additional delays in delivering some milestone such as the "initial IOP" occur.

If these SESAR solutions produced by the SJU are not interoperable, should the IOP issue not be solved in the agreed timeframe, it would be perceived as a major failure for the SESAR project and a big question mark for its future, with major consequences for the SESAR deployment phase as well.

He supported the SJU monitoring activity on IOP progress and urged the Members to remain committed to delivering IOP.

Mr Merlo (EUROCONTROL) stated that IOP is a very important and challenging issue as ANSP should be able to operate in a seamless way; in case it will not be possible to reach solutions, Mr Merlo asked the SJU to prepare a backup plan.

Mr Gallego (Indra) underlined the great progress made in the last year and expressed appreciation for the extension given and trusted that situation will develop positively in the next months.

Mr Schickling (DFS) recommended focusing scarce resources to work on IOP during the months of May and June and thinking about back-up solutions only in case of no-go decision.

Mr Barnola (DSNA) expressed full support to the need to dedicate the right level of resources and budget to the initiative.

Mr Prissinotti (ENAV) underlined that a lot of resources have been allocated already to this work and expressed his support to work stronger on “plan A”. He added that technical complexity should be faced and also political obstacles removed to achieve good results. He asked the Board to make the necessary to ensure a proper commitment.

Mr Guillermet replied acknowledging the complexity of the matters, which is at the core of SESAR technical developments. However discussions on IOP are going on since two years at PC level, which highlighted IOP as one of the main risk area of the Programme. The ED took stock of the good progress made in the last year but the situation is nevertheless critical as the amount of public investment made versus the outcome needs to be justified. Furthermore, the IOP project has a significant value both in SESAR 1 and SESAR 2020 and is under the scrutiny of several audits, e.g. the European Court of Auditors.

The fact the i-IOP was delivered at the end of SESAR 1 shows some significant initial results, but as projects on IOP have started about 15 years ago and full results have not been delivered yet, the progress made is not commensurate to the public investment made.

This situation also has impact on the SJU credibility in terms of how fast ATM research can react to the evolution of technology.

Mr Guillermet concluded that the SJU cannot proceed with an amendment to the Grant Agreement (for the concerned projects), in absence of a strong plan to secure solutions at the end of Wave 1, in line with what was discussed in the Programme Committee.

In response to a question raised, Mr Hotham underlined that Cybersecurity shall be addressed during the whole lifecycle of the Programme. He reminded that the Cyber security policy was endorsed and a dedicated temporary task force set-up to support the initial implementation of the policy by the projects.

Mr Merlo (Eurocontrol) informed that cybersecurity projects are also developed by Eurocontrol to protect some NM databases. Two services are proposed, one for delivering public or private keys for authentication of exchange of messages, and one for exchange between operational centres to cover the NM need, MAC operations and other ANSPs that could be interested which would use dedicated keys to strengthen the protection.

He also underlined the strong ICAO link of cybersecurity issues.

Mr Guillermet presented the Master Planning activities in the next months.

The first activity consists of defining the next wave of deployment by delivering a proposal to the EC for the content of Common Project 2 (CP2) by the end of October, that needs to be synchronised with the DM.

The needs for performance, maturity and synchronisation are highlighted in the mandate and the SJU will work on content for which there is a sound basis provided by the SESAR Solutions.

In the PCP, half of the solutions were considered; the other half needs to be analysed and coupled with the essentials already identified in the Master Plan. The proposal will define the geographical scope, the targeted operational stakeholders and the deployment timeline, including target dates as appropriate. Activities will be supported by project 20 and overlooked by the MP committee.

The second activity is to define a clear vision for drones, by supporting the EU Task Force on drones and delivering a drones' specific update proposal for the European ATM Master Plan, including a vision for safe integration of drones including U-Space, by the end of October.

Mr Guillermet stressed the good cooperation with the US on the subject.

The third activity is defining a clear vision for CNS by developing a critical path for SESAR by integrating critical air & ground components of enabling aviation infrastructure.

The ED underlined that CNS is not only about physical assets but also structured around key services to be enabled to realise optimised ATM infrastructure (digitalisation).

Work is performed in connection with EC, EASA and FAA. The SJU intends to present an executive view to the ABD in December.

Mr Guillermet also informed that the ATM Master Plan update is planned in 2018 and its campaign will prepare the priorities for the next wave of the programme.

The campaign charter was prepared in coordination with the MP Committee and the launch event for the start of the campaign is planned to take place in Tallin in November in the context of the aviation event.

On the preparation for the next ATM MP update, Mr Cornelis informed that the European Commission will provide in the coming weeks its preliminary feedback on the ATM Master Plan Campaign Charter delivered by the SJU in order to prepare discussion for the 2nd ATM Master Planning Committee in June 2017.

On drones, he thanked the SJU for the efforts made to deliver a U-Space blueprint in a short period of time, while involving a wide array of new innovative stakeholders. He underlined the importance of keeping the momentum and delivering the addendum on drones for the ATM Master Plan by the end of this year.

On the CNS Roadmap he emphasized the need to coordinate efforts and contribute together to the update of CNS: SJU, EASA and Eurocontrol have to contribute together to the definition and the update of the CNS strategy. The EC is planning to mandate the SJU and/or EASA to create a dedicated working group to draft the CNS strategy to feed into the ATM Master Plan update.

Ms de Mateo (ENAIRE) enquired about relationships between the CNS plan and the CP2 preparation.

Mr Guillermet explained that CNS will be looked at in a 20 years' timescale to understand how technology and service evolution will fit together in a coherent way, to identify a critical path, and to look into practical rationalization options. CP2 deployment planning can address only the critical and early parts of an agreed CNS plan with account also taken for future deployments.

Mr Lallouette asked if CNS rationalisation has been discussed in the Single Sky Committee or recommended by Airlines.

Mr Castelletti explained that the failure in implementing Datalink and the SPI regulations has shown the failure of the EU approach in deployment of CNS, that should be then rethought.

A discussion took place in the Single Sky Committee on a strategy for a communication focussing on the possibility to revitalise datalink, in the context of a recovery plan managed by the SDM and having a look at the future; similarly the strategic context of the SPI regulation should be understood. There is a need to rationalize the European infrastructure, and to provide a way to implement these

technical enablers, in the context of the Master Plan; EASA is also active in this area.

Mr Merlo supported Mr Castelletti's view and said that a new CNS strategy, especially in rationalisation, is needed because the EU is approaching a turning point in terms of renewing all CNS equipment and because of the current fragmentation.

Mr Curran (AU) expressed support to this idea and underlined the importance of cost efficiency.

Mr Prissinotti stressed the importance of CNS and cost efficiency; EU industry is well behind technology level status. He asked the European Commission to provide a consolidated approach and to involve the ANSPs.

He also asked the EC to take a stand in respect of Satellite technology and considered it necessary to think about consolidation of CNS through the best technology available.

Mr Darboux (Airbus) expressed support for a reviewed and a clear strategy in CNS and stressed that satellite technology potentially decreases the number of solutions to be deployed and requires less staff training.

Mr Guillermet underlined that CNS is a complex topic and the SJU's intention is to involve all stakeholders in the discussion while connecting it to the actual projects. New elements, e.g. satellite based and A-PNT, are arising and should be included in the analysis of CNS, and suggest to start thinking in terms of 'CNS services' rather than CNS infrastructure.

Mr Schickling supported the re-assessment of the CNS strategy, but with a cost efficiency approach; old technologies shall be abandoned in order not to have to maintain them at the same time of investing in the new one.

Mr Curran agreed that old technologies shall not be maintained.

Mr Guillermet presented the status of External relations.

He underlined that the World ATM Congress in Madrid was a very successful event, with a very high number of visitors, also from outside the EU. He also mentioned that 3 SESAR projects won the SES awards. As regards the upcoming events, Mr Guillermet mentioned the SJU participation to the Paris Air Show in June 2017, the launch of the Master Plan campaign in margins of the Digital Transport Days in November in Tallin, the SESAR Innovation Days in November in Belgrade, and the ICAO GANIS/SANIS, in December 2017 in Montreal. In relations to Publications, Mr Guillermet announced that the second edition of the SESAR Solutions Catalogue, containing the second set of Solutions, also including a forecast on the Solutions expected by the SESAR 2020 programme was ready.

Regarding the cooperative arrangements, progress has been made with Professional Staff Organizations, thanks to the signature of a Memorandum of Cooperation signed on 3 April as a legal basis to be able to engage Staff organizations in the Programmed Activities; progress has been made also with the MoC with National Authorities, that will be in place by end of Q2: the SJU received 18 positive answers expanding participation to central-Europe and Scandinavia. He added that new cooperative arrangement with the GSA will be put in place Q3 2017 to synchronize technologies.

Regarding the active AGREEMENTS IN PLACE, Mr Guillermet listed the following:

- USA - Ongoing active engagement
 - State of Harmonisation 2nd edition now published
- UAE - MOC signed 2016, 1st Steering Committee, Dubai, 5 April 2017
- JAPAN - Steering Committee under preparation May 2017
- CHINA - No Agreement but cooperation on ATM under EU-China APP

Concerning the Agreements under preparation, the ED mentioned the one with Qatar, one with Brazil, expected to be signed by the end of 2017, the one with ASEAN countries, starting from EASA activities for the ATM parts (EU-ASEAN Air Transport Project “ARISE+” launch Q3 2017).

Mr Guillermet informed that there is currently limited activity with Singapore and Mexico.

Mr Guillermet then continued presenting the high level content of the MoC with Qatar, whose signature was planned for 17 May 2017, particularly sharing information, knowledge and expertise and Cooperation in activities related to ATM under the framework of international organizations and institutions, notably under the International Civil Aviation Organization.

The Chairperson stated that the European Commission welcomes SJU activities in third countries, as SESAR Solutions are not only crucial in Europe but are also considered as an ‘export’ product helping promoting global harmonisation and interoperability .

He updated the Board Members on the progress made recently on the process to amend the MoC between the EU and the FAA. The Commission's proposal to amend MoC has already been discussed twice with the Council's aviation working party. An overall support for the Commission's initiative was shown from all Member States, currently discussing some of the details on the wording of the Mandate. Mr Cornelis stated that that if Council adopts the mandate before the end of May, the EC would have little time to negotiate and try to at least initial the final texts of the amendment at the Paris Air Show on 20 June.

He recalled the main changes envisaged in the amendment: extending the scope of cooperation to all phases of ATM modernisation, including deployment cooperation; the new Annex 1 covering ATM Modernisation and including 3 Appendices: SESAR-NextGen, cooperation on R&D; Performance metrics and Deployment; review of governance mechanisms aiming to streamline processes, better involve operational services and ensure that the Executive level plays a stronger steering role.

Mr Lallouette expressed his surprise for the fact that SESAR elements are found more in an international call for tenders rather than in the European ones. This shows that the research performed under SESAR is valuable but unfortunately deployment is still very slow in Europe.

Mr Altieri (Staff Associations) thanked the SJU for the MoC with the PSOs.

Mr Guillermet then provided an overview of the progress of the SJU activities against the objectives fixed for 2017 in the 5 Strategic Areas of Operation and stated that the implementation of the Annual Work Programme objectives is overall on track and is being regularly monitored. The only areas where a delay is registered are: the grant amendment process; cybersecurity, where related policy has been adopted at the last PC meeting; and storage and archiving of SESAR 1 material, for which a project on a document management system is ongoing.

Mr Cornelis congratulated the SJU for the good performance and called on the Members to support the SJU to achieve its objectives.



Conclusions on item 4

- The Board took note of the information provided during the presentation and the discussion.

Item 5 Planning and Reporting documents

Item 5a Consolidated Annual Activity Report

Mr Hotham provided an update on the preparation of the Consolidated Annual Activity Report 2016 informing that the document was prepared on the basis of the template provided by the EC for 2016 and included the SESAR close-out report, taking a look back to the entire Programme. The document was submitted to the Board on 1st April for initial review; 12 comments were received and implemented in the document. Mr Hotham announced that the updated version would be submitted to the Board after the meeting for final review and assessment by the end of the May and that the Written Procedure for the formal adoption of the final version by the end of June.

Item 5b SPD 2018-2020 and 2019-2020 timeline

Regarding the Planning document, Mr Hotham reminded the Board that the Single Programming document 2017-2019, a complex document including the Budget, the Staff Establishment Plan, the Annual Work Programme and the Multiannual Work Programme was adopted in December 2016.

He informed the Members that in accordance with Regulation 1271/2013 (FFR for 208 Bodies), in particular, Article 32 Paragraph 4; "The management board may delegate the power to make non-substantial amendments to the annual work programme to the authorising officer of the Union body." In the specific case of the SJU the annual work programme means the SPD.

He explained that with their approval the SJU intends to make three amendments: update the budget in line with an approved ADB Decision; update the Staff Establishment plan in accordance with an approved ADB Decision; address an IAS action plan item by including the possibility of the SJU to add its own internal experts to the minimum of 3 external independent experts used to evaluate calls (selected for relevant skills on the topic and subject to an ED appointment Decision).

He therefore requested the Board to note the intention to make these non-substantial amendments under approval of the Authorising Officer, for which a dedicated decision will be prepared for adoption by the ADB.

Regarding the SPD 2018-2020, he informed the Members that it will contain 6 Strategic Areas of Operations and that it was being analysed by the EC and expected to be submitted at the Administrative Board for adoption in October or December at the latest.

The SPD 2019-2021, that takes account of transition into Wave 2, is being prepared within the SJU and discussion will take place with the EC and Members in Q3 2017. First draft will be submitted for review to the Board in December 2017 and feedback will be expected in January 2018.

The Chairperson thanked the SJU for its efforts to provide the Commission with an early draft of the CAAR by the end of February as this helped the external evaluators with their work, especially because 2016 was a critical year, both for the closure of SESAR 1 and the launch of SESAR 2020. He reminded the Board that the CAAR is a formal requirement stemming from the financial rules, but it is also an opportunity to show results and increase the awareness of SJU among politicians and stakeholders. As the Board needs to assess the CAAR and to provide an opinion on the report and on the work of the SJU in general, he encouraged the Board to make comments and suggestions, either during the meeting today or in writing by the deadline.

On the SPD Mr Cornelis congratulated the SJU for submitting this year's SPD in time

(by the deadline of 31 January) and informed the presents that the EC had started the assessment process. Once the Commission proposal for the 2018 EU Budget will be adopted and the exact amounts allocated to SJU for 2018 known, the formal Commission inter-service consultation will be launched in view of adopting the EC Opinion on the SPD in July.

On the possibility to delegate the power to make non-substantial amendments to the SPD under the authority of the SJU Executive Director, the European Commission committed to look internally whether this is a common practice in other agencies and revert to the SJU.

▷ **Conclusions on item 5a and 5b**

- The Board took note of the information provided by the SJU.

Item 6 General Administrative and financial items

Item 6a

Mr Calvo reminded the Board that all SESAR 1 Members are requested to submit their Interim Financial Statements (IFS) 2016 before the 2nd half of June with the target to close the process before the end of July. He informed that two Members have sent their IFS so far and requested to send the SJU draft documents and to proceed with a reconciliation before IFS is sent to the SJU.

Regarding the Final Financial Statement (FFS) 2016, all Members were requested to submit them at the latest in September-October with a view to closing the process by the end of the year. This will consist in one consolidated Cost Breakdown Form (CBF), summarizing all costs incurred per project and Affiliate/Associated Partner throughout the SESAR1 Programme plus any additional costs incurred in relation to the closure process, based on a template already available on the Extranet.

Since all IFS are certified, certification of the FFS can be limited to any additional cost declared under the FFS.

Regarding HR matters, Mr Calvo informed that the SJU has proposed to opt out from the three EC decisions on staff matters, as these decisions are not adapted to the size/type of organisations; for the latter cases the EC is developing model decisions for JUs. He informed that a written procedure would be launched to approve decisions on unpaid leave for Temporary Agents and Contract Agents, for exemption from the "7 year" rule, for the appraisal of Temporary Agents and Contract Agents.

Regarding the identification of SESAR 1 Foreground IP, Mr Calvo reminded the Board that by the end of 2016, 67% of SESAR 1 deliverables was clarified and adopted by ADB decisions ADB(D)-08-2013 and ADB(D)-23-2016; in 2017 two additional ADB decisions will be necessary: one in Q2 2017 to cover 31% clarified deliverables, to facilitate SESAR 2020 Programme execution and one in Q4 for the 2% remaining.

He continued specifying that the modifications planned for the update version of the SPD are related to the use of SJU experts in addition to the three independent experts required by the H2020 Regulation.

The ED specified that this is the result of recommendation of auditors and that the SJU would like to continue engaging its own staff in the evaluation H2020 calls, using the relevant H2020 provisions.

In reply to Mr Lallouette (Thales Air System) question, Mr Calvo answered that Members will be paid back on the excess of cash contribution with the FFS at the end of 2016.

▷ Conclusions on item 6a

- The Board took note of the information provided by Mr Calvo.

Item 6c Audit activities

The Internal Audit Capability (IAC), Ms Haarsma, informed the Board about the status of the large number of audits that took place at the SJU over the last 12 months.

First she explained that the *'Annual audit of the SJU accounts 2016'* is ongoing. For this exercise, the SJU is subject to the scrutiny of the European Court of Auditors (ECA) and an independent audit firm (i.e. Moore Stephens UK). The SJU has received initial observations in April and final conclusions are expected in June. The final results will be presented by the Court to the European Parliament (EP) in Q4 2017.

She continued by saying that the *'Performance Audit of the SES'* performed by the ECA is coming to an end after more than a year of fieldwork. In total the Court visited 9 SJU Members regarding 16 projects in 5 different countries. The Court has shared high level intermediate observations with the SJU but final conclusions are expected in June 2017.

Furthermore, she informed the Board that the *'Audit of H2020 grant processes'*, led by the Internal Audit Service of the European Commission (IAS), came to an end in March. The IAS set out 5 recommendations which were all accepted by the SJU. An action plan to implement these recommendations has been set up by the SJU and is expected to be implemented by year end 2017.

In addition, the SJU is currently evaluated by a team of experts appointed by the EC in the context of the *'Interim Evaluation of the SJU'*. The scope of this evaluation includes both SESAR 1 and SESAR 2020 and it expected to be fully finalized by Q4 2017 (presentation of the results to EP and Council).

In parallel of this exercise, the SJU is evaluated in the context of the *'H2020 Interim Evaluation'* which is currently ongoing. This exercise, also led by the EC, is expected to be fully finalized by Q4 2017 when results will be presented to the EP and Council.

Mrs Haarsma continued by saying that the SJU is currently in the process of implementing action plans related to two previous IAS audits: the *'Audit of operational governance and Master Plan update (2016)'* and the *'Audit on Risk Management (2014)'*. Implementation of both action plans is expected by Q4 2017.

She also informed the Board that an *'Audit on common support H2020 coordination'* by the IAS is planned for October 2017.

Finally, the Board was informed that the EP granted discharge to the SJU regarding the financial year 2015 in April 2017. In their final decision, the EP acknowledged the transition from SESAR 1 to SESAR 2020, welcomed the development of a SESAR vision 2035+ and highlighted the vital role of the SJU in coordinating and implementing research into the SESAR project.

Mrs Haarsma concluded by saying that in summary, over the last 12 months, 60 audit interviews took place at the SJU, around 1650 documents were exchanged with audit teams and auditors were present in SJU premises for a total of 31 days. In parallel, the SJU is currently following up on 32 follow up actions related to past audits.

The EC flagged the relevance of the SES performance audit, which will have an influence on the development of the SES policy as a whole.

In reply to Mr Merlo (Eurocontrol) question, Ms Haarsma answered that the draft report on the SES performance is expected by summer time.

Mr Barnola (DNSA) reminded Eurocontrol, the SJU and the SDM to remember the

importance on avoiding double reporting.

The SJU ED reassured the Members that this is taken into account and that no further step will be undertaken until a CP2 is consolidated.

Mr Merlo confirmed that the pilot experiment frozen due to difficulties in deployment manager side.

Both EDA and ENAIRE expressed support in respect of avoiding the double reporting; as regards the PCP element only the SDM is responsible for this reporting.

The ED thanked the IAC and Members for supporting the auditors work and wished to continue the good cooperation.

The chairperson thanked both the SJU and the Members staff involved in the audit process for their dedication to this work, which brings assurance that efforts and investments made by all of us are well safeguarded.



Conclusions on item 6c

- The Board thanked Ms Haarsma for the information on the audit activities.

Item 7 AOB

The Chief Executive Director, Mr Jorge Domecq, presented EDA's new initiative of establishing a collaborative platform to facilitate the dialogue with relevant industrial partners and raise their awareness of dual use opportunities in R&T, notably in relation to RPAS air traffic integration.

He underlined that over the last years, there has been a clear push in the EU to strengthen cooperation with the defence industry. The "EU Global Strategy" (EUGS) for one called for a structured dialogue with defence industry to "ensure a solid European defence technological and industrial base".

The EUGS and several EDA Steering Board mandates have led the Agency, together with our Member States, to engage with industry, with the aim to maximize industry participation and to attract innovative industries to the defence sector with a predominantly capability driven approach.

EDA is tasked with facilitating the coordination of military views from and in support of Member States and relevant military organisations, and to inform military planning mechanisms of the requirements stemming from SESAR deployment.

In addition, during the last meeting of the EDA SES Military Aviation Board (ESMAB) at policy level - newly established mechanism to deal with SES and SESAR issues - Member States reiterated the need to explore how to achieve a more active participation of industry.

In the context of the implementation of the Dual Use Strategy on RPAS Regulation, the R&T Steering Board of EDA on 29 June 2016 noted EDA's intention to consider setting up a collaborative platform in support of the tasking given by Ministers of Defence.

Moreover, building on an EDA Ministerial tasking to develop a dual-use strategy on RPAS ATI, a "Technical Coordination Mechanism", was established last October between the Commission, SJU, EASA and EDA, for the development and implementation of a joint civil-military roadmap towards RPAS Air Traffic Integration.

Work performed will be part of the drone addendum to the Master Plan to be delivered in autumn. A high level meeting is planned for the first week of July to take stock of progress achieved.

In parallel to this effort by EDA and Member States, the Warsaw Declaration on “Drones as a leverage for jobs and new business opportunities” from November 2016 called for a number of well-coordinated actions to develop the EU drone ecosystem which resulted in, among other actions, DG MOVE’s initiative to establish an “Informal Expert Group on Drones”, to advise on “Drone Policy” and the development of the associated regulatory framework.

Industry’s interest is focused on first-hand information related to technical work strands in EDA with an initial focus on the certified RPAS category. In this context, the main short term aim of the collaborative platform is to harmonize development of the European regulatory framework with the military needs around the development of large European RPAS systems.

In response to the tasks given by the EDA Steering Board and to complement the initiatives taken so far, EDA now intends to establish an EDA Industry Exchange Platform for RPAS ATI which could have as main aim to:

- establish a constructive and pin-pointed dialogue with industry related to technical and financial requirements in support of an ATI roadmap for certified RPAS as quickly as possible and complementary to the above mentioned Technical Coordination Mechanism;
- coordinate with European Industry on the topics related to Military RPAS Air Traffic Integration in a first step; based on a common mapping of ongoing activities, common EDA and industry objectives could be identified and deriving actions agreed;
- harmonize the civil and military aspects within companies, in close cooperation with SJU in the progression of the ATM Master Plan updates;
- to include the definition of R&T demands and the identification of corresponding multiple funding sources, both civil and military.

The Industry Exchange Platform on RPAS ATI will be a “hands on” forum dealing with opportunities for dual-use R&T projects. This Platform will bring together Member States’ Ministries of Defence and the defence industry.

Mr Domecq informed that an informal kick-off meeting is planned for July 2017 to which industry will be invited via ASD and via National Defence Industry Associations to meet Member States in a first discussion to further define the scope of this platform.

EDA CE illustrated also the potential agenda items, in particular mapping of current and planned activities and clarification/coordination of respective EDA and Industry objectives.

As a next step, taking into account the outcome of the kick-off meeting, EDA plans to launch a call for papers in view of organising a first formal meeting of the Industry Exchange Platform on RPAS ATI in the October/November timeframe.

This is a separate initiative from the Call for Papers related to the Workshop on RPAS capability development that is being launched in the coming days and which aims to build a long term vision on capability requirements in the coming 20 years. This workshop will take place in the framework of the industry engagement of the review of the capability development plan and will be the first on a specific capability priority of a series of other workshops on other capabilities.

Mr Domecq underlined that EDA does not intend to duplicate existing fora or expertise, but on the contrary, aims at exploring synergies to interact in the most efficient way. Given the growing landscape of meetings between European stakeholder organisations (Commission, SJU, Eurocontrol, EASA) and industry, the possibilities for harmonisation and coherence merits further exploration.

Mr Domecq concluded inviting ADB Members to provide feedback on the EDA initiative with regard to the establishment of an Industry Exchange Platform on RPAS ATI.

The EC stressed the importance of civil military cooperation as they share the same airspace and the same industry is involved. He highlighted the importance to cooperate closely in this area, and considered EDA's proposal as a timely initiative, considering the intention of integrating RPAS in the ATM Master Plan. He also mentioned the existence of opportunities for complementarity, also in terms of financing.

Mr Merlo (Eurocontrol) also welcomed EDA's initiative and added that Europe is lacking expertise in this domain; military involvement is therefore welcomed as it is necessary to pull all expertise together in a common path.

Mr Curran (AU) mentioned that this initiative is very important and expressed support to the idea of looking for synergies with the aim not to duplicate efforts.

The Chairperson concluded that the EC is in touch with the different actors to clarify the details of a future collaboration and to understand the way this should be coordinated with ongoing work, e.g. the update of the Master Plan.

Mr Guillermet recalled the Members that the SJU was requested to look at some provisions of the Membership Agreement that could not be examined during the negotiation phase. A small task force with some Members was organised to cater and to better understand their needs.

Mr Calvo reminded the Members that a webex took place in November, and exchanges occurred from November to January resulting in the Members' request to clarify aspects related to, for example on IPRS, confidentiality. The SJU is consulting the EC on the most suitable approach to make these clarifications available to the members.

The Chairperson informed that the EC will have to analyse if the Amendment is the best option or if there is any other way forward and that the EC will get back to the SJU after his analysis.

The dates of the next Administrative Board meetings are:

- Thursday 19 October
- Thursday 14 December.

Annexes

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

Done in Brussels, 05/05/2017



Chairperson
Mr Filip Cornelis

Secretary
Ms Ilaria Vazzoler



Annex 1
Attendance list

Annex 2
Declarations on conflicts of interest

