

Meeting ADB(M)044

Minutes

ADB(M)044- MoM

Date of the Meeting..... : 18 October 2018

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 Henrik Hololei	Member	
	Ms Gaëlle Michelier	Observer	
	Mr Octavian Vasile	Observer	
Eurocontrol	Mr Eamonn Brennan	Member	
	Mr Philippe Merlo	Alternate	
	Mr Donal Handley	Observer	
Airbus	Mr Bruno Darboux	Member	
	Mr Hugues de Beco	Alternate	
AT-ONE	Mr Dirk Kügler	Member	
B4 Consortium	Mr Maciej Rodak	Member	
COOPANS	Ms Susanne Isaksen	Member	
Dassault	Mr Frédéric Falchetti	Member	
DFS	Mr Gerhard Tauss	Member	<i>excused</i>
DSNA	Mr Philippe Barnola	Alternate	
ENAIRE	Ms Mariluz de Mateo	Alternate	
ENAV	Mr Iacopo Prissinotti	Member	
Frequentis SESAR Partners	Mr Hermann Mattanovich	Member	
Honeywell	Mr Sander Roosendaal	Alternate	
INDRA	Mr Rafael Gallego	Member	
Leonardo	Mr Fabio Ruta	Alternate	
NATMIG	Mr Trond Bakken	Alternate	
NATS	Mr Dave Curtis	Alternate	<i>excused</i>
SEAC	Mr Gérard Batistella	Member	
Skyguide	Mr Thomas Buchanan	Member	
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 Roland Van Reybroek	Alternate	

Civil users of airspace (AU)	Mr Giancarlo Buono	Alternate	
Air Navigation Service Providers (ANSP)	Ms Tanja Grobotek	Member	
Equipment manufacturers (EM)	Mr Vincent de Vroey	Member	
Airports (APT)	Mr Olivier Jankovec	Member	<i>excused</i>
Staff in the ATM sector (STAFF)	Mr Michele Altieri	Member	<i>excused</i>
Scientific community (SC)	Mr Jacco Hoekstra	Alternate	

Permanent Observers

European Commission – Directorate General for Research and Innovation	Mr Sebastiano Fumero		
---	----------------------	--	--

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		

Item 1 Introduction

The Chairperson, Mr Hololei, welcomed the Board Members to the 44th Ordinary Meeting of the SJU Administrative Board, the second ordinary meeting of 2018.

He reminded the Board that the ADB Rules of Procedure were revised during the summer time and permanent observers from the European Commission/DG RTD were appointed. He then announced that:

- For Airbus, Mr Hugues de Beco, Head of Multi Program Projects & ATM, is replacing Mr Bruno Ley as alternate
- For the ANSP, Ms Tanja Grobotek, newly appointed as Director for Europe Affairs at CANSO is joining the Board as main representative:
- For the Airports, Mr Aidan Flanagan, ACI Manager Safety, Capacity, ATM&SES has been appointed recently as alternate.

Mr Sebastiano Fumero, Head of the Aviation Research Unit of DG RTD joined the meeting.

Verification of the voting quorum

- ▷ The quorum was verified.

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.

Mr Hololei provided an update on the most important developments on the Commission's side since the last meeting in May.

He first mentioned the "capacity" issue that materialised last summer and stated that new type of actions, a holistic approach involving several actors, including the Network Manager, are necessary in order to mitigate capacity risks expected for next summer and in the mid-term.

He continued by informing that DG MOVE has set up a so-called "Wise Persons Group on the future of SES", which met for the first time on 2 October. The aim of this Group is to consider the evolving aviation context and the last 15 years of SES implementation, and to develop recommendations to tackle the current and future challenges in this sector. The objective of the group is threefold: to listen to the views of all major ATM stakeholder groups (airspace users, ANSPs/staff, manufacturers, etc.) on the future of the Single European Sky; to consider new information, such as the airspace architecture study, the Challenges of Growth report and the European Court of Auditors report; to subsequently discuss and agree recommendations in a collective report on the direction that ATM in Europe should take while making use of existing tools and instruments, or proposing new ones.

The group will meet six times in total, hold three full-day hearings and have a number of bilateral meetings with all ATM stakeholders up until the final report is produced for publication in April 2019. The outcome of the hearings and bilateral meetings will serve as crucial input to the final report.

Mr Hololei added that a common and consistent approach to put new solutions in place was necessary and mentioned that penalties on negative performance could be introduced.

He then thanked Eurocontrol for the cooperation with the EC and its action to tackle the capacity issue.

Mr Brennan (Eurocontrol) stressed the significant issue of a further increase in traffic compared to last summer, and therefore an exponential increase in delays is forecast. He added that 4 ACCs are likely to be the main contributors to delay and a strengthened Network Manager is necessary to help compensate.

In terms of immediate actions, Eurocontrol had bilateral dialogue with different ANSPs and agreed to launch 10 airspace initiatives by next summer.

A capacity target is agreed in the NOP and record levels of traffic cannot be managed on an individual basis. Risks are many, but addressing capacity is a major issue for Aviation in general but might not deliver if the capacity indicator dimension is not taken into account.

On comprehensive air transport agreements, the Chairperson specified that the EC is involved in the following negotiations:

- ASEAN: 8th round will be taking place in November in Salzburg;
- Qatar: the 5th round is planned for the beginning of November;
- Turkey: last round of negotiations took place in March, but progress was not as fast as planned.
- Azerbaijan: work with the Azeri authorities is ongoing with a view to finalising negotiations next year;
- UAE: negotiations will start early in 2019. The EC received a mandate from the

Council to start negotiations with Oman and received confirmation from UAE that they intend to engage;

- Korea: horizontal agreement re-initialised, cooperation with ATM modernisation;
- BASA with Japan: aim to conclude before summer 2019;
- China: the EC could not sign neither the BASA nor the Horizontal Agreement during the EU-China Summit on 16-17 July due to the need to clarify a technical but important issue. The EC is working to settle this issue shortly with the help of EASA.

On the revision of 868/2004 (safeguarding competition): trilogue negotiations have started this summer and another trilogue took place on 17 October with the aim to be closed before the end of the year.

Regarding the Network Functions, the Chairperson informed the Board that the most recent ad-hoc Single Sky Committee on the NF-IR discussions focused on the following topics: tasks of the Network Manager, Network Operations Plan and remedial measures, links with the performance scheme, functioning and composition of the Network Management Board and relations with Member States.

The timeline for the next actions will be as follows: Member States will be invited to provide comments on the Annex to the NF-IR by 18 October. The NF-IR, including the Annex, will be published on the Better Regulation Portal by 22 October. This should pave the way for a positive vote at SSC70 on 27-28 November.

Mr Holelei continued by saying that the Commission decision on the appointment of the Network Manager will be aligned with the NF-IR and presented at SSC70. Thereafter, the Eurocontrol proposal for the NM appointment will be assessed by the Commission. Member States will be requested to give their opinion on the appointment decision, either via SSC written procedure or at SSC71 in March 2019.

The Chairperson continued by talking about the future of SESAR in the next MFF. After the Commission Proposal for the next Union Long-Term Budget 2021-2027, which was adopted on 2 May 2018, the Commission presented its Proposal for the next Framework Programme for Research under the name "Horizon Europe" on 7 June 2018.

Research partnerships will continue to play a role in implementing the Horizon Europe programme, but there is increased pressure to demonstrate that these partnerships are more effective in achieving the Union objectives and that they have a high positive impact on the lives of EU citizens. Annex III of the Proposal introduces additional criteria for the selection, implementation, monitoring, evaluation and phasing-out of partnerships.

Mr Hololei confirmed that DG MOVE believes that the SESAR partnership, with its achievements, has a strong case to make for continuation. However it should not rest on past results, but focus on what difference can the partnership make in the future and demonstrate that outside the aviation community.

The ongoing revision campaign for the ATM Master Plan thus plays a strategic role. It should focus on those solutions that can genuinely make a positive impact by delivering real performance benefits and address the most pressing constraints (e.g. capacity limitations).

Mr Hololei affirmed that the EC intends to propose the continuation of the SESAR partnership. As nine new partnerships are proposed in the Energy, Climate and Mobility cluster of Horizon Europe, and overall, tens of partnerships are being discussed, the competition to secure adequate funding will be high, considering that proposed budgets greatly exceed the resources available.

The Chairperson invited the Members to take appropriate actions at national level to promote the benefits of the SESAR partnership because Member States asked the European Commission to provide more clarity regarding the future of partnerships under the Horizon Europe Proposal.

DG MOVE expects to have more information towards the end of the year. In the meantime the following processes are being organised: a full-fledged impact assessment study to examine options, a public consultation, legislative drafting and approval of a proposal by the Commission College, by the end of 2019, to allow Member

States one more year to adopt a Regulation before the start of the new EU Long-Term Budget on 1 January 2021.

Ms de Mateo (ENAIRE) reassured the EC by saying that capacity is the top priority and expressed the commitment to work with the Network Manager and the other stakeholders to face the short-term capacity. As regards the long-term approach, it will be necessary to rely on the solutions coming out of SESAR 2020. Concerning the preparation of Wave 2, the partnership has worked very thoroughly on identifying those solutions that could contribute more to the performance increase and capacity in particular.

She also shared the ANSP willingness to actively participate to the AAS and the Wise group activities.

Mr Darboux (AIRBUS) welcomed EC and EUROCONTROL messages on capacity and stated that Airborne industry is ready to support any short term initiative.

Mr Rodak (B4) expressed support to ENAIRE position.

In replying to Mr Buono (AU), the Chairperson confirmed that there is a strong coordination between the work of the Wise men group and that of the Airspace Architecture study and both the SJU and Eurocontrol play an important role in these two activities.

The Chairperson expressed his appreciation for the ANSP readiness to address the current challenges.

Mr Gallego (Indra) confirmed that the solutions delivered will be able to support the capacity increase in the medium and long run.

Mr Barnola (DSNA) expressed support for the 10 initiatives proposed by Eurocontrol and stated that the SESAR solutions available can also be of help in the short-term.



Conclusions on item 1

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

Item 2 EU ATM Master Plan Activities

The SJU Executive Director reported to the Members the activities performed recently in the area of the EU Master Plan campaign and in the Airspace Architecture Study.

The ATM Master Plan update campaign aims to ensure stability with regards to the previous versions, confirming the need for investments in solutions addressing the capacity challenge and, at the same time, to introduce the driving changes associated with Digital transformation ambition prompted by the Tallinn Declaration (scalability, drones, ...).

The SJU elaborated technological roadmaps supporting the aspirations of the MP update. These roadmaps are stemming from SESAR activities throughout the innovation pipeline (ER to VLD) and are included in the ER catalogue (distributed during the meeting). The latter draws the picture of the current coverage in the key areas of air/ground automation & integration, virtualisation, connectivity, data sharing, Cyber-security & Safety, depicts what's coming next and evaluates the research gaps against the aspirations of the research community (ACARE, SESAR SC ...).

The ED underlined that this is an attempt to reflect on the future of ATM research in the frame of the ATM Master Plan update.

He continued talking about the Airspace Architecture Study, informing that the report and the recommendations on the way the current framework can evolve are planned to be delivered in December.

Bilateral consultations and an open workshop took place in July to better understand current issues: limited interoperability, connectivity and data sharing to optimise trajectories, limited flexibility in managing resources, insufficient ability to scale up capacity to demand, slow uptake of new technologies; insufficient resilience in the system to address unusual situations.

One of the conclusions of the workshop was confirmation there is no silver bullet but a holistic approach is required; a combination of airspace organisation and technology upgrade would be necessary.

Mr Guillermet then informed that the study is entering a new phase with a progressive focus on potential recommendations on the way services are delivered and on the regulatory framework.

Bilateral consultations with stakeholders are taking place and a new open workshop is planned in November, where the SJU will present the outcome of the consultations.

One of the key issues is how new technologies can be brought together and integrated in a system that needs to continue delivering at the same time. The way forward will probably consist of a phased combination of airspace organisation and technology upgrade.

The Executive Director finally emphasised the need of a progressive shift to a service-oriented approach to the users of the airspace, valuing the delivery of capacity, and reinforcing incentives to reward the first movers.

The European Commission thanked the SJU staff and the actors involved in the ATM Master Plan 2018 revision. The new version is also to describe the main operational changes required to achieve the vision and the areas that need to be explored to develop and validate the final solutions to reach the performance objectives.

On the airspace architecture study, the Chairperson said the Commission expects this to be a robust study that will propose innovative, clear and recognised concepts that will lead to implementation of SESAR Solutions. The study has to be supported by credible simulations providing clear figures to get stakeholders' and policy makers' buy in.

He concluded by saying that timeliness is critical in view of the Master Plan update, of the future conclusions of the Wise Persons group and the discussions on the future of the Single European Sky.

Mr Buchanan (Skyguide) stressed that a new charging regime is necessary but that will take a long time to be put in place, while short term solutions are needed at present.

Mr de Vroey (Equipment manufacturers) expressed disappointment for the slow progress of activities of the Deployment Manager and supported Mr Guillermet's idea about rewarding the first movers.

Mr Prissinotti (ENAV): supported the intention to put in place quick wins to tackle the capacity issue on the short term; expressed the need to find adequate means to put in practice all the work done in SESAR. To shorten the time to operations, the regulatory framework needs to evolve quicker. In addition to that, the decommissioning strategy is a very important factor to remove obsolete elements and to ensure that all the value chain is in place. Equally, VLD are very important.

Mr Buono (Airspace Users) commented that the AUs expect the new edition of the MP to be more performance oriented and to address the CNSS rationalisation.

Ms de Mateo (ENAIRES) commented that the hearing of ANSPs in November might be premature considering that the AAS will not be finalised by then and asked to plan hearings once the Study will be finalised.

Mr Hololei commented that the ANSPs input is important even if the AAS is not

concluded and that it will be possible to organise more hearings in the future.

Mr Guillermet added that decommissioning and CNS roadmap are part of the MP objectives and clear incentives to move faster are very important.

▷ Conclusions on item 2

- The Board took note of the information provided on the EU ATM Master Plan related activities.

Item 3 Report on the progress of the Programme and other on-going key activities

Item 3a Programme overview

Mr Hotham provided an update on Working Groups activities since the last ADB meeting and on the status of the calls for proposals, including U-space.

The Programme Committee, the key points for discussion included:

- Concluded the W2 Consultation phase
- Endorsed the Release 8 Plan and committed to deliver the related SESAR Solutions
- Confirmed continuous commitment on IOP development for first Validation Exercises Q1 2019

The Master Plan Committee:

- Supported the SJU proposition on the conditions to realize the digital transformation by 2040
- Encouraged the SJU to develop this concept in the Master Plan, with the adequate degree of prominence
- Agreed with the high-level schedule for the delivery of the Master Plan

The Scientific Committee:

- Completed the recommendation & review of high-value topics for ER4
- Supported the SJU with recommendations for the evolution of the SESAR performance framework
- Started working on a white paper on the role of automation in 2035+

Mr Hotham then provided the latest status of the overall Programme:

ER - Exploratory Research (H2020)

- 1st Call for 20.4M EUR all 28 grants in closure process (H2020 Final Fin & tech reporting)
- 2nd Call (RPAS) for 9.0M EUR with 9 Grants in execution
- 3rd Call for 10.0M with 8 Grants in execution
- 4th Call under preparation; target date for launching: end Q1 2019
- 5th Call (final) under development with target date Q2 2020 (to use the remaining unused funding, scope of the call will depend on the available budget)

VLD - Very Large-scale Demonstration

- 1st Call for 18.0M EUR with 8 Grants in execution and 2 in the GAP (+ Reserve list)
- Geo-fencing call using 500K EUR with 1 Grant into execution
- U-Space call for 9.5M EUR, with 6 Grants awarded
- 2nd Call under preparation; target date for launching : Q3 2019.

Regarding the IR & VLDs (Membership), Mr Hotham underlined that:

IR & VLD - Industrial Research & VLD, Wave 1 (H2020)

- Wave 1 Call awarded:
 - 24 Grants in execution (PJ27 is terminated)
 - Projects review and reporting & payment process completed

- Specific Budget Grant Amendment process for the last budget instalment moved from consultation phase to formal H2020 phase.

IR & VLD - Industrial Research & VLD, Wave 2 (H2020)

- Wave 2 Call material under preparation
 - Target date for launching Wave 2 call: Jan 2019.
- Wave 3 Call (final) under consideration with potential target date Q1 2020

Mr Hotham then provided more details concerning the IR & VLD - Industrial Research & VLD, Wave 1 (H2020) amendment process. Due to exceptional circumstances, 5 projects (PJ02, PJ07, PJ08, PJ17 and PJ28) requested an extension of 2 or 3 months. The requests have routed via DMSC and PC and their compliance with AMGA Article 55 was assessed by the SJU. The extension requests required amendments of the respective grant agreement; these have been processed separately and prior to amendment of max grant amount.

Regarding the annual amendment to the maximum grant amount, Mr Hotham confirmed that the process is the same as for the last year and that the annual transfer of funds from the EC is complete. The grant amendments were in preparation at the time of the meeting.

As in 2018 no pre-financing will be paid after the signature of the amendments, but, as per the H2020 rules the contribution to the Guarantee Fund shall be maintained at 5% of the maximum grant amount, the delta between 'amount already transferred' and the '5% of the increased grant amount' will be transferred in cash to the GF.

The steps performed by the SJU and Members are described in the Written Procedure submitted to the ADB in order to provide for full transparency and explain that the process does not require any special derogation to the rules.

Regarding the Wave 2 preparation, Mr Hotham recalled that the definition of preparatory activities are documented in the SPD 2018 - 2020, adopted by the Board. The Programme Committee was consulted and Wave 2 call topics were, at the time of the meeting, being finalized by the SJU according to the Master Planning prioritization exercise. The objective of this exercise was to ensure that the SESAR vision in the Master Plan 2015 and the performance ambitions were properly addressed by the topics selected for Wave 2 and in particular in reference to the 'candidate solutions'. The criteria for the prioritisation exercise were based on:

- ATM Digitalisation Potential: advancing Automation, Connectivity/Sharing of information, Virtualisation, Integration of all vehicles, Flight- and flow-centric operations, Lean and modular systems.
- ATM Performance Improvement Potential: Performance gains in Environment, Capacity, Cost Efficiency, Operational Efficiency, Safety and Security.

Mr Hotham specified that the prioritization process included independent experts' assessment and stakeholders' consultation via MPC and PC. The 120 candidate solutions presented in the scope of Wave 2, had to be reduced to 30, due to budget constraints and the call will contain mandatory solutions and optional ones.

Considering the Master Plan KPAs capacity, efficiency, predictability and punctuality, the V3 percentage achieved in SESAR 1 was taken as baseline to show what remains to be done in SESAR 2020 against the ambition levels described the Master Plan 2015.

Capacity KPAs are covered by 10 out of 30 candidate ATM solutions of Wave 2. Efficiency KPAs are covered by 20 out of the 30 candidate ATM solutions of Wave 2 and predictability and punctuality are covered by 16 (see slides 13,14,15).

This covers solutions both developed under Wave 1, still awaiting to undergo the validation exercise, and expectations from Wave 2.

Mr Hotham underlined that applicants will be requested to both propose against a set of mandatory SESAR solutions and a selection of optional ones, demonstrating added value for the ATM network in particular about: defragmentation of service provision, interoperability, sharing of infrastructure, scalability, demonstrating contribution to increasing network capacity and/or access to , airports, ensuring a deployment oriented outcome.

He stressed that the Capacity KPA is in the mandatory Wave 2 candidate solutions.

Mr Hotham reminded the Members that Wave 2 budget available is EUR 151.481.975, of which EUR 20.500.000 are allocated to VLDs, EUR 123.602.423 to IR and 7.379.552 to TA, as adopted in the Multiannual Work Programme 2015.

Wave 2 budget distribution respects as closely as possible the original Stakeholder groups breakdown provided in the Multi-Annual Work programme of 2015.

The detailed procedure has been reviewed by the Programme Committee and any additional funds will be distributed in a way that maintains the stakeholders breakdown detailed in the Multi-annual Work Programme dated 1 July 2015 (AS=20.5%, GS=44.1%, SP=35.4%).

In reply to Mr Lallouette's (Thales LAS) question, Mr Hotham specified that one solution can contribute to more than one KPA.

Ms de Mateo (ENAIRE) asked about proposal presentations for Wave 2 and Brexit impact on the preparation of proposals, considering that some SJU Members are British.

(note: reply has been provided during the Administrative Board meeting of 12 December 2018).

The Chairperson thanked the Members for the commitment on the work on IOP, but expressed concerns about the outcome of the go/no go decision expected in spring next year, about the timeline for the full integration of IOP throughout the network and about the impact that any further delay might have on other main functionalities of SESAR.

In particular, in case of a no go, Mr Hololei wondered what remedial actions would be put in place and what the impact on the SESAR 2020 programme, on the deployment programme and eventually on the Master plan would be.

Mr Gallego (INDRA) reassured the EC that progress is according to the plan and that a connection test involving REIMS, MUAC and KUAC IBPs was already planned for the week following the Board. A cooperation agreement with Eurocontrol Maastricht planned for the end of October.

On Wave 2 preparations, Mr Hololei confirmed that Wave 2 call should maintain a certain degree of continuity from Wave 1, as the SESAR 2020 work programme was split into waves.

Nevertheless, he underlined that the SJU should seize the opportunity to take stock of the results achieved so far with SESAR 1 solutions, ER and Wave 1 projects. It should also look at the benefits that these projects/solutions have delivered or are expected to deliver, namely in the light of short and medium term needs to improve network performance.

He added that the current priority is to increase capacity, in the short term in few area control centres and in the longer term across the whole network. That increase should materialise through both additional ATCOs and the deployment of advanced technologies through SESAR Solutions that, as indicated in the Solutions catalogue (on SESAR 1 Solutions), have the potential to increase capacity by 33%.

He then recalled that good SESAR solutions are not only those deployed through common projects and that EU funding is available for all SESAR solutions.

Mr Hololei enquired about any existing issue at the deployment level and asked the Board if quick wins in Wave 2 could be identified, if any SESAR 1 pending topic should be addressed in Wave 2 and if there is a need to rework some solutions.

He also commented that the topics in Wave 2 should be broader and not refer upfront to "solutions". The SJU should identify the existing problems, rate them in terms of urgency and complexity and seek projects to solve them.

Only after the related projects have successfully been closed and their results have been fully validated, they should be stamped as "solutions".

He continued by saying that the framework for making a change in ATM exists, but only the level of ambition of the stakeholders will generate a real change in ATM and will determine the speed at which performance improvements materialise.

He stressed that it is necessary to move out of the current framework, to think about new solutions to be faster in implementing SES and SESAR, and support fully interoperable solutions and automation through digitalisation, virtualisation of ground and ATM infrastructures.

He concluded by inviting the SJU and the Members to take the opportunity to fine-tune the objectives of the Wave 2 call, re-prioritise some topics and, if necessary, to take the decision to divert resources accordingly and reflect this in the SPD.

The Executive Director stressed the SJU prepared Wave 2 following the procedure described in the SPD 2017, adopted by the Board in December 2016. This included the consultation of all the different working groups (Programme Committee, Master Planning Committee) and the involvement of independent experts before establishing the list of topics that are contained in the SPD 2019 that is now the formal baseline (financing decision) of the Wave 2 call.

Mr Brennan (Eurocontrol) expressed some concerns that SESAR might be perceived as an open-ended Research project. Therefore it is important to demonstrate how SESAR can contribute to reduce fragmentation, how it can contribute to improve capacity, to reduce the impact on environment, to reduce delays.

Mr de Vroey (Equipment Manufacturers) reminded the need to maintain the technological ambition to ensure that work progresses to conclusion on concepts including Virtual centre.

Mr Lallouette (Thales LAS) asked about the state of preparation of the PCP proposal and CP2 implementation. The EC replied that the EC asked the SJU and the DM to revise the initial proposal to include the CP2 in the PCP proposal in order to have a single legislative proposal.

Mr Darboux (AIRBUS) commented that the end users assessment on the solutions will arrive after the deployment, and this will be out of the remit of the SJU. He concurred that no deployment funding should be granted in the absence of guarantees of benefits.

Mr Gallego (INDRA) warned not to mix up R&D with Deployment and stated that Wave 2 projects should start on time in order to avoid causing delays on deployment.

Mr Hotham, lastly, presented the timeline related to U-space projects: This is notable by the speed in which new initiative can move towards delivery - in this case only 2 years and 3 months from the Blueprint to planned flying demonstrations, recommendations for standardisation, regulation then towards implementation. Meaning that it will be less than 4 years from Blueprint to planned full deployment.

He informed that in Q4 2018 the SJU is already dealing with:

- 9 U-space Exploratory Research projects, including CORUS (operational concept);
- 4 Demonstration projects (more will join), U2+ and 6 more
- 5-10 Demonstration projects to be awarded from the CEF call

Furthermore, since July 2018, the SJU is working closely with Eurocontrol to coordinate the U-space activities.

He also added that at the "EU Demonstrator Network" on the 19 October the SJU would announce 6 projects to be awarded under CEF funding.

Mr Hotham then presented the coverage of all U-space demonstrations, highlighting the contribution that the new 6 projects are expected to bring to the operational scope and the geographical range.

▷ Conclusions on item 3a

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

Item 3b External Relations and communication

Mr Guillermet provided an overview of the key strategic upcoming events for 2018 and beginning of 2019, in particular: the SESAR Innovation Days, on 4-6 December 2018 in Salzburg, bringing together the Research community, Industry, ANSP and Airlines to look at SESAR Innovation progress; the World ATM Congress in March 2019 in Madrid; the Aerodays, hosted by the EU Romanian presidency in May 2019 and the Paris Air Show in June 2019.

In terms of Publications, Mr Guillermet mentioned the publication to promote SESAR and create visibility on the outcome of the SESAR programme:

- Best of 2018 brochure (2019 Q1)
- SESAR Solution Catalogue 3rd Ed. (2019 Q1)
- SESAR Innovation Days - scientific papers (2019 Q1/2)
- Master Plan 3rd Edition (2019 Q3)
- U-space results brochure (2019 Q2/3)
- Consolidated annual activity report 2018 (2019 Q3)
- Ad hoc factsheets

Concerning International Affairs activities, Mr Guillermet mentioned the publication of the SESAR Next-Gen State of Harmonisation Report - 3rd edition and the EASA-CAAC conference (China - October 2018) where several SJU Members participated.

Mr Guillermet concluded with the main outcome of the first week of ICAO ANC/13, where the SJU participated to the coordination activities led by the EC together with EASA and ECAC. He also underlined that all papers on 'Committee A' on Air Navigation and ATM are either directly or indirectly related to the Master Plan with a good outcome and with a GANP/ASBU's mirroring structure and content.

The Chairperson thanked all SJU Members contributing to the ICAO Thirteenth Air Navigation Conference, stressing the very good European preparation and coordination, leading to an excellent European spirit during the Conference.

On the ATM content, Mr Hololei stressed that the strategic European Working Papers have been very much appreciated so far, specifically the one on Integrated CNS and Spectrum as well as Trajectory Based Operations (TBO).

TBO is clearly recognised as the required concept for ATM to accommodate further growth and attract new entrants. Within TBO, it has been recognised that a global network-centric collaborative approach is needed.

Discussions also focused on the Spectrum, and this should lead to a more proactive approach and strategy at ICAO level in the future.

He added that Americans are showing a great interest in higher airspace operations, which will be a major point for discussion at the next Assembly.

He continued by saying that discussions on Cyber Security were planned for the ongoing week and that Europe's position is that the concept of a trust framework is not mature for implementation yet and its governance aspects need to be shared and discussed in depth. In addition, States and stakeholders also managed to reach a compromise on the uptake of GNSS and the issue of mandates.

Mr Hololei concluded by commenting that it was a very good conference for Europe. There remains some lack of clarity over the process to finalise the sixth edition of the GANP, and Europe is working to ensure we have greater clarity and transparency on this important aspect.

The Chairperson then talked about the 2019 World ATM Congress, where the European ATM community will host a common stand.

Building and expanding on the positive experience in 2017, the Commission, Eurocontrol, the SESAR JU, the Deployment Manager, EASA, the European Defence Agency, INEA, Eurocae and also the European GNSS Agency will be represented in a sort of “European Village” at the heart of the venue.

The main objective of the stand is to show to the global aviation community how all the European actors of the Single European Sky working together within the innovation cycle we have built over the past decade.

SESAR members will perform demonstrations of specific solutions at their own stands, where visitors will be guided starting from the “Village”.

The stand will also host the third edition of the Single European Sky Awards. The contest will be launched soon on a dedicated portal.

The EC has planned to assign five awards: the Network performance improvement award; the Innovation award; the Sustainability award; the Cooperation award and the Single European Sky excellence award.

The novelty of this year is that the first four awards will be assigned on the basis of a selection of applications submitted by stakeholders; while the Single Sky excellence award will be assigned by the jury based on a list of nominations proposed by various entities involved in the Single Sky (ICB, PRB, NSA, etc.).

Mr Guillermet commented that in the past years, the WAC has opened up to other non-EU regions: he considers this a valuable asset to demonstrate the European “way of doing” business.

▷ Conclusions on item 3b

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

Item 3c Annual work programme objective’s implementation

Regarding the Annual Work Programme implementation in the period 2018 Q3, Mr Guillermet underlined those elements where the timescale is challenging. First, the IR-VLD grant budget amendment process is closely monitored as it needs to be concluded by the end of the year; second, the Airspace Architecture Study, due to its complexity, presents a short delay compared to the plan but it is expected to be delivered in December; third, regarding the 2018 SESAR outreach programme, the workshop on Solutions was postponed.

Mr Hololei noted and commented that there is good progress in on all areas of operation and encouraged Members to carry on with the good work to ensure that activities are completed by the end of the year, as planned.

▷ Conclusions on item 3c

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

Item 4 Planning and Reporting documents

Item 4a SPD 2019 status

Mr Hotham recalled the Board Members that the SPD 2018-2020 was amended in January 2018 to adopt carry-over of unused 2017 appropriations.

For the SPD 2019-2021, the second draft was planned to be sent to ADB by 31/10/2018 for final review; the comments were expected from ADB by 16/11/2018 and the final edition submitted to ADB on 22/11/2018 in view of adoption by ADB during the last Board meeting of the year. Mr Hotham warned that, as before, there would be an amendment 1 in January 2019 to adopt carry-over of unused 2018 appropriations.

Regarding the SPD 2020-2022, Mr Hotham informed the audience that the initial draft was in preparation within the SJU, the submission of the initial draft to ADB was planned after the December ADB meeting, and the deadline for submission of the draft document to the Budget Authority was 31 January 2019.

Mr Hotham explained that in the SPD 2019-2021, the Multi-annual and annual work programme remains structured into 6 Strategic Areas of Operation, linked to the Master Plan key features. The main highlights of the document are about finalising the Master Plan Update (2018 Edition), the call conditions for the 3 calls to be published in 2019, the yearly 2019 Budget, the 2019 Procurement Plan, the Staff Establishment Plan and the Corporate risks and mitigation plan.

Mr Hotham informed that the SJU was working on integrating all comments received from the EC and on refining the following aspects: the multi-annual work programme related to the definition of the 'pipeline' of ER, IR and VLD; the call conditions in line with process documented in the SPD 2018-2020; the objectives for annual work programme 2019, the annual budgets for 2019 (in view of adoption) and the draft budgets for 2020 and 2021.

He then presented the timeline for the SPD 2020 (see slide 6 - item 4) and stressed that it will follow the same structure as previous years' documents but would also begin planning for winding-up to SESAR JU. As required by the SJU regulation, the SJU needs to plan for a controlled winding-up by end 2024. More specifically, a complete plan shall be developed in detail for the SESAR 2020 programme by the end of 2020 and for the SESAR JU Partnership and legal entity by the end of 2021.

The Closure activities will begin in 2022 until the end of 2024.

The Chairperson commented that the EC has shared a stable draft of the Commission Opinion on the Single Programming Document 2019-2021 (agreed with BUDG & HR) with the SJU in the beginning of October. The key recommendation from the Commission Opinion is that the priorities for the upcoming Wave 2 call duly address the capacity issues in the EU airspace.

He concluded by saying that in view of the SPD adoption at the December Board, the EC we would like to receive feedback from the SJU on how recommendations have been addressed.

▷ Conclusions on item 4a

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

Item 4b SPD 2020 timeline and content overview

See above

▷ Conclusions on item 4b

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

Item 5 General Administrative and financial items

Item 5a Budget execution overview

Mr Calvo confirmed that for SESAR 2020 the budget execution is progressing according to plan in terms of commitments and payments. The latter is a bit lower due to the standard reporting and payment cycle.

He reminded that the net in-kind contributions value is important as it demonstrates the partnership's performance. The level of execution is currently at 26%, which can be considered a bit lower than the theoretical value foreseen in the Membership Agreement. He therefore invited the Member to monitor the in-kind contributions.

Regarding the SESAR 2020 running costs budget execution, the level of execution for Title I is 87% which shows efforts in making savings on administrative costs.

The value is more irregular for Title III, Operational costs, but this reflects the dynamics of the project financial lifecycle. By the end of the year the value should be at around 80%.

▷ Conclusions on item 5a

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

Item 5b Annual Accounts and ECA Report on the SJU Annual Accounts 2017

On the 2017 Annual Accounts, Mr Calvo informed that the observations from the European Court of Auditors acknowledged a low Budget execution in 2017, but recognized that this was necessary to ensure the continuity of operations in the first months of in 2018. They stressed a work overload in the Finance area that was mitigated with the recruitment of two staff in 2018; commented that SME participants to the Programme should lower the error rate in financial reporting; warned the SJU to closely monitor the leverage factor and the contribution coming from Industry.

Mr Hololei commented that the EC noted that the figures for the net in-kind contributions are slightly below of what was expected at this point of the programme. He re-emphasised the importance of having a visible and substantive private contribution to the Public-Private Partnership. This leverage (the ratio between private and Union funding) is a key performance indicator under Horizon 2020 and it will be closely examined by the Member States and the Parliament in the renewal of the SESAR partnership. He therefore encouraged the Members to maintain and possibly increase efforts and commitment to the SESAR 2020 programme.

▷ Conclusions on item 5b

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

Item 5c HR

Mr Calvo explained that, after the ADB decisions on Opt-out of COM decision on contract agents and on Application mutatis mutandis of the Commission decision "Mission guide", adopted in 2018 by written procedure, other HR related decisions will be submitted to the Board (Learning and Development, Temporary occupation of management staff, Others - Advisors, Middle management...).

Mr Calvo informed that the new Staff Committee would be elected before the end of 2018 according to the revised rules.

He also informed the Members that the recruitment of 3 Seconded staff from Members took place in 2018 and additional 3 are planned for the period 2018 Q4 and 2020 Q1.

In addition, the SJU staff was reinforced with the arrival of a Planning and Programming Officer, a Financial Officer and a Legal Officer. The Administration and Finance team will be further supported with 2 Financial Assistants for which the vacancy has been published in October 2018.

Mr Calvo also said that the reclassification exercise of SJU staff would be conducted before the end of the year.

On Brexit, a case-by-case assessment of each UK national in the SJU staff would be performed based on harmonised rules applied in the DG MOVE and other Joint Undertakings. The final decision will be formalised on the Brexit date.

The Chairperson, commented that the EC is satisfied with the measures put in place to minimise weakness identified in the administrative department and is confident that, despite an uncertainty about the future, which is normal in this cyclical lifetime of such bodies, the SJU has a strong grip on the management of the SESAR 2020 programme and the other activities it was entrusted with.

▷ Conclusions on item 5c

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

Item 5d SESAR 1 ex-post audit and revenues

Mr Calvo continued informing that the remaining SESAR 1 ex-post audits are planned and the schedule was shared with the Members.

The SESAR 2020 ex-post audits are conducted by the Common Support Service and 4 batches have been launched, comprising 3 on ER projects and 1 on IR-VLD. 16 additional ones will be launched in the coming months.

The excess of revenues from industrial Members, which is estimated at 2.161.497, will be reinjected in the SESAR 2020 running costs for SESAR 1 Members. The calculation of attribution per Member will be done on the basis of the actual running costs that should have been paid. Mr Calvo added that in few cases, this would result in an additional payment in order to endure a fair treatment.

▷ Conclusions on item 5d

- The Board thanked Mr Calvo for the information provided.

Item 6 AOB SES Digital Backbone initiative

Ms de Mateo (ENAIRES) informed the Board that White Paper setting on the SES Digital Backbone (SDB) proposal has been developed by the A6 with the support of Eurocontrol. It aims to answer the current emerging needs of all ATM operational stakeholders, and proposes to manage the ATM data exchange infrastructure as a coherent overarching framework, whose first components would be NewPENS, Data-Link and SWIM.

It is an industry-to-industry proposal, consisting in establishing a common governance structure to govern the future service provisions of NewPENS, Data-Link and SWIM.

The initiative proposes the establishment of an all-inclusive SES Shared Services Alliance (the "3SA").

The main objective of the common governance structure, based on an inclusive, transparent and collaborative process and on a light administrative approach, is to ensure that all the necessary information are available to all operational stakeholders.

Thanks to this governance structure, it will be possible to select the future service providers in an open manner, via public procurement process.

Mr Merlo (Eurocontrol) supported Ms de Mateo and added that for Eurocontrol the SES digital backbone is a crucial initiative to enable the digitalisation of the European Air

Traffic Management. The SWIM project, the i4D, trajectory based operation are examples demonstrating that importance of including Datalink services in the SES Digital Backbone.

He added that NewPENS is a very successful project, having a very efficient and inclusive governance and could become a role model for the governance of the SES Digital Backbone. He added that the latter should be open to all aviation stakeholders, including not only industry but also the Network Manager, the Military.

Mr Merlo expressed Eurocontrol's satisfaction to cooperate with the A6 on such initiative.

The Chairperson stated that the EC welcomes the A6/Eurocontrol initiative on a "SES Digital Backbone" to tackle common concerns for the future SES vision in particular in the field of rationalising CNS services in a flexible, market-based manner.

He commented that the three components of the initiative are crucial to fully deploying SESAR and are currently presenting considerable delays.

He added that it will be interesting to see how the initiative can be integrated into the ATM innovation cycle and define synergies with other SES bodies.

The next meeting will take place on Wednesday 12 December 2018.

Annexes

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

Done in Brussels, 18/10/2018

Chairperson
Mr Henrik Hololei



Secretary
Ms Ilaria Vazzoler



Annex 1
Attendance list

Annex 2
Declarations on conflicts of interest