

## Meeting ADB(M)023

### Minutes ADB(M)023 - MoM

Date of the Meeting .....: 26 October 2012  
 Time .....: 10:00-14:00  
 Place .....: SJU, av. de Cortenbergh, 100 - 1040 Brussels

#### Board members and other participants

##### SJU Members

##### Representative

European Union represented by the European Commission (EC)	Mr Matthias Ruete	Chairman
	Mr Matthew Baldwin	Alternate
	Mr Maurizio Castelletti	Observer
	Mr Marco De Sciscio	Observer
	Mr Paul Verhoef	Observer
EUROCONTROL (ECTL)	Mr Bo Redeborn	Vice-Chairman
AENA	Ms Mariluz de Mateo	Alternate
Airbus	Mr Pierre Bachelier	Alternate
ALENIA Aeronautica (Alenia)	Mr Maurizio Fornaiolo	
	Mr Fabio Ruta	Alternate
DFS	Mr Ralf Bertsch	Alternate
DSNA	Mr Philippe Merlo	Alternate
ENAV	Mr Iacopo Prissinotti	
Frequentis	Dr Christian Pegritz	Alternate
Honeywell	Mr Jean-Luc Derouineau	Excused
INDRA	Mr Ramon Tarrech Masdeu	Alternate
NATMIG	Mr Aage Thunem	
NATS	Mr Alastair Muir	Alternate
NORACON	Mr Niclas Gustavsson	Excused
SEAC	Dr Roland Krieg	Alternate
SELEX S.I. (SELEX)	Mr Stefano Porfiri	Alternate
Thales	Mr Luc Lallouette	Alternate

##### Stakeholder representatives

##### Representative

Military (MIL)	Air Commodore Chris J. Lorraine	
European Defence Agency (EDA)	Mr Giampaolo Lillo	Alternate
Civil users of airspace (CUA)	Ms Mildred Troegeler	Observer
	Mr Pedro Vicente Azua	Alternate
Air Navigation Service Providers (ANSP)	Mr Bernard Martens	Alternate
Equipment manufacturers (EM)	Mr Michael Von Gizycki	Excused
Airports (APT)	Mr Olivier Jankovec	
Staff in the ATM sector (STAFF)	Mr Loïc Michel	
	Mr Joël Cariou	Alternate
Scientific community (SC)	Prof. Peter Hecker	Excused

##### Other participants

SJU Executive Director	Mr Patrick Ky	
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SJU Deputy Executive Director of Administration and Finance	Mr Carlo M. Borghini	
SJU Deputy Executive Director Operations and Programme	Mr Florian Guillermet	
SJU Internal audit	Mrs Véronique Haarsma	
Secretary of the Board	Mrs Servane Woff-Lhuissier	

### Distributed meeting documents

SJU-AB-023-12-DOC-01

Revised Budget 2012

Item 5

### Item 1 Introduction

The Chair welcomed the Board members and in particular the new representatives of SJU members and stakeholders: Mr Bertsch and Dr Pegritz were appointed alternate representatives of respectively DFS and Frequentis. The Chair welcomed also Mr Jankovec, Director General of ACI Europe, who will now represent the airports at the Board and Mr Lillo who was appointed alternate representative of EDA.

#### Verification of the voting quorum

- ▷ The Chair noted that the meeting had the required voting quorum.

#### Adoption of the agenda

No Board members proposed changes to the draft Agenda.

- ▷ The Board adopted the agenda.

#### Disclosure of conflicts of interests

The Chair reminded the participants of their obligation to declare any real or potential conflict of interest on any agenda items. Board members and participants were required to fill in and sign the relevant declaration in accordance with Article 2.4 of the Board decision on conflict of interest ADB(D)-10-2008 as modified by Decision ADB(D)-03-2012. The complete text of the decision was attached to the declaration in order to allow participants to better understand their obligations in terms of declaration of conflict of interest.

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

### Item 2 Programme status

- Main achievements: Mr Guillermet informed the Board that the update of European ATM Master Plan (Master Plan) had been finalised and integrated the recommendations of the Board Members.

To address the lack of top-down approach in the Programme, a Tiger Team identified, beginning of 2012, 5 priority Business needs, fully aligned with the Master Plan “essentials”. All future Releases will be defined on that basis and a pre-

planning of Releases 3 to 6 is already available. Other efficiency measures related to programme management are being implemented and should be fully up and running beginning of next year.

- On SWIM, significant progress was made over the last months. A first catalogue of SWIM services was defined and profiles to support these services were agreed. A first version of the functional architecture is also available. Concrete development should now take place and will include as well meteorological services. It is expected that the action plan related to SWIM should be completed by the end of the year.
- SESAR Mobile communication services and enablers need to be put in place to support the concept of operation. Datacom requirements to support the CONOPS in Step 1, 2, 3 have been identified and were mapped with the activities conducted on the same topics in the SESAR Programme. When performing this analysis, the need for a study on VDL Mode 2 limitations to support the full SESAR needs was highlighted. This study should be conducted as part of the Work Programme 2013.
- Regarding Release 2, the analysis of the results of completed exercises is on-going, but most of the exercises are taking place in October-November. An updated report on Release 2 execution will be provided at the next Board.
- Overall Programme Status: In terms of progress, Mr Guillermet underlined the significant improvement of the percentage of activities completed against what was planned (close to 80%). In terms of quality, the results were also very good. Only 8 deliverables required a revision over the last 6 months out of more than 150 deliverables which were reviewed during that period.
- Resource consumption is stabilising.
- Regarding risks, as already mentioned, SWIM action plan should be closed in December. Risks were identified with regard to the performance validation targets for Step 2, which were below expectations. SJU Members were asked to be more ambitious in particular for cost-efficiency and fuel-efficiency.
- Mr Guillermet also noted a lack of progress on the supervision projects. As part of the definition phase of the Programme, there was a requirement to establish a supervision system to monitor the SESAR system of systems. Projects dealing with that aspect in the SESAR Programme are not achieving good results. An action plan will be put in place to address that risk.
- Highlights Work Programme 2013: The full Release 3 plan will be presented in more detail to the Board in December, after an important review of the draft Release mid-November. At this stage, activities are expected to concern runway safety, connectivity between the airports and the network, the next step of the validation of i4D, the extended AMAN Horizon and the enhancement of flight planning processes between the CFMU and the airlines operation centres.
- The Airspace Users' Representative expressed a general concern on the concept of i4D, in particular with regard to the risk of not having enough competition among providers of such functionalities.
- Mr Ky reminded the Airspace Users' Representative that i4D was only the initial step towards 4D Trajectory Management, the core of the SESAR concept which was supported by all stakeholders, including the Airspace Users. He stressed that there was a similar concept in the US called "trajectory based operation". This concept should be endorsed at the 12<sup>th</sup> ICAO Air Navigation Conference in November. Mr Ky recognised Airbus' involvement in all the i4D trials conducted so far in the SESAR Programme. They were indeed the only one ready to provide test aircrafts for that purpose. However, avionics equipment is developed in an open manner and irrespective of any type of aircraft. The concern expressed by the Airspace Users' Representative thus does not seem justified.
- The Airbus representative confirmed the information provided by Mr Ky and indicated that Boeing also planned to provide an i4D solution. All aircrafts equipped with an FMS should be able to provide an i4D capability.

- The Eurocontrol representative stressed that the issue around i4D was related to the DataComm. In order to have message interchange, the need to agree on something that provides a service for a reasonable cost was acknowledged during the i4D trials. i4D should not be limited only to a particular system design. It is a concept that will be standardised by ICAO in order to reach global interoperability. Manufacturers will have to implement the concept in a manner that allows the required performance to be met.
- The Airbus representative provided further technical information regarding the EU and US manufacturers' approach towards Datacomm.
- The Thales representative stressed that on FMS, there was no doubt that competition would be preserved among manufacturers in Europe. He was less confident that such an open competition would be maintained by the US aircraft manufacturers in the US.
- Chair took note of this last remark and indicated that in order to bring up this issue hard evidence would be needed. He reminded the Board of the presence in Washington of a SESAR JU liaison officer and four persons in charge of transportation matters.
- Mr Guillermet then presented the status of SJU activities not directly related to the SESAR Programme:

- Initial concept of operation for UAS: It was developed by Associate Partners of the SJU and was delivered in the course of the summer. For the first time operational scenarios were defined for UAS in the context of the current situation. Around 16 different types of UAS operations were identified as part of this study. These results should be particularly valuable for the establishment of operational scenarios for the integration of UAS in the SESAR environment.

Answering to a question of the Alenia representative, Mr Ky clarified that the Concept of Operation for UAS should be made publicly available.

- Participation to the European Commission initiative on RPAS: The objective of this initiative is to prepare the integration of unmanned vehicles in the European airspace as of 2016. 3 working groups were established to examine respectively the R&D, the regulatory and the societal aspects. The SJU is leading the R&D working group. It thus contributes to the development of an R&D roadmap that will identify the key requirements for the UAS integration in the European airspace, the technology and enablers, the ATM R&D activities, the key milestones and dependencies and the risks. This roadmap will be submitted to the European Commission in December for final integration with the other roadmaps. By beginning of 2013, Europe should have a clear roadmap for the integration of RPAS elements as part of the ATM system.
- Military effort in SESAR: 8 States are directly involved in the Programme with 96 experts participating to 53 projects. There are also requests from other States to participate. The main areas of involvement are on the advanced flexible use of airspace, Business/Mission Trajectory Management and interoperability related issues as well as Military Data link accommodation for avionics and ground infrastructure. External studies were conducted, for instance on avionics, the high level Business Case for the military or on the Mission trajectory concept, a complement to the SESAR ConOps from a military perspective. Information sessions and information days on SESAR were organised with Eurocontrol, EDA and NATO. A working arrangement with EDA is in place and the SJU participates to the EDA SES/SESAR Military Implementation Forum. NATO involvement in the Programme is organised through EDA and informal meetings between SJU, EDA and NATO take place regularly at executive level. Technical workshops were organised in 2012 on specific aspects of the Programme (trajectory management, information management...).

- **Pilot Common Project (PCP):** In accordance with the mandate given by the EC, the SJU will have to develop a proposal on the definition of the content of a pilot common project including the methodology to move from the implementation view in the Master Plan to a business view. Once adopted, the PCP will constitute the main basis for inviting the industry to submit proposals for the selection of the Deployment Manager and the implementation projects. A Steering Group composed of representatives of the different stakeholder groups advises the SJU on the content of the proposal. It will be supported by a number of expert groups. Consultation mechanisms are also established with the PRB, EASA and the staff associations. The SJU ADB and PC will be kept informed of the progress of the work. The work was kicked off mid-September and the first phase, during which candidate technical and operational changes had to be pre-identified, is about to be closed. In the next phase, the content of the candidate changes will be refined and impact assessments on the environmental, safety, regulatory and standardisation aspects will be performed together with cost-benefit analysis. This second phase will be closed at the end of March and the SJU will then proceed with the final drafting of the proposal.



### Conclusions on item 2

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- The Board thanked Mr Guillermet for his valuable report and took note of the presentation.

### Item 3 Update on the EC DG MOVE activities

- The Chair provided the Board with updated information on the multiannual financial framework negotiations. As from the following week, first ideas about figures should emerge and as from 5<sup>th</sup> November onward, bilateral consultations should take place between Mr Von Rompuy, the Cyprus Presidency and individual Member States. A meeting of the Heads of State and government will take place on 22-23 November 2012 to possibly take a final decision for the budget for the next seven years. Negotiations are expected to be difficult as positions are still very divergent.
- With regard to Horizon 2020, a good share is planned for transport research. As for the Connecting Europe Facility (CEF) proposal there is a high risk that the related funding will be cut during the arbitration between different policy areas. For that reason, President Barroso has asked CEOs to support the CEF. Picking up this initiative, Vice-President Kallas also asking CEOs of European companies to publicly support the CEF. A declaration was signed by 17 CEOs and sent to the Heads of State and Government. In order to create a snowball effect, the declaration is now open for signature to others with the aim of getting 500 signatures. The Chair invited all Board members to go on the DG MOVE website to have a look at the declaration and as far as possible, endeavour to have their CEOs sign it.
- If during the financial debate the EC manages to have the budget cuts distributed in a proportionate way, there should be enough money to sufficiently finance SESAR Deployment. If transport were to be the victim of the cuts, there would be a need to re-think dramatically what we want to achieve in the next 7 years. To conclude, the Chair stressed that anything that could be done to support the European Commission's efforts during the negotiations would be helpful.

Answering to a question of the Airspace Users' Representative, the Chair indicated that the EU financial perspectives would be determined as a result of an iterative process of negotiation between net contributors and net recipients and in the end would only be decided by consensus. He stressed that this was a difficult and complicated negotiating process and reiterated that any support from the private sector that could be heard by the negotiators could help.

- Mr Baldwin informed the Board about the results of the High Level Aviation Summit on the Single European Sky organised in Limassol, Cyprus, on 11 and 12 October. The EC and the European Parliament were represented at political level and both institutions expressed their frustration that SES was not progressing enough. The intense debates on each subject addressed at the Conference were fruitful:
  - On Performance: A sharp discussion was held and the EC had the opportunity to explain why it was pushing for the regulation of the ATM sector through the performance scheme. Detailed work for the preparation of the second reference period (RP2) of the performance scheme has started and the EC expects difficult discussions on uncontrollable costs and the establishment of the Performance Scheme at FAB level. The performance targets for RP2 will be very ambitious, to be truly consistent with the strong political commitment on SES.
  - On FABs: The hard work of Member States, ANSPs and NSAs to implement FABs was recognised, however they are not going far enough and by 4 December, all FABs will likely be infringing regulatory requirements. The EC wants to use the infringement procedure as a signal to show that it is expecting more in terms of SES implementation and also use it as a tool to accelerate the necessary adjustments in the FAB process.
  - On SESAR Deployment: Discussions showed a clear understanding of the 3 governance levels and the use of common projects.
  - On SES regulatory framework: Vice-President Kallas is strongly intentioned to come forward with a new package of legislation called SESII+. Although the SES framework is well established, it needs to be modernised and to go further. The EC wants to look at the unbundling of ancillary services in order to encourage FABs and ANSPs to focus on their core businesses. On performance, the EC would like to be able to address shortcomings in the system. In terms of timing, the EC should publish a Communication on this subject in late spring 2013. The consultation phase is currently on-going and should lead to the development of an impact assessment. Mr Baldwin stressed that this initiative should not be understood as the EC thinking that regulation and legislation are the only way to make things progress.

### Item 3a SJU extension

- Mr Castelletti reminded the Board of the context of the initiative launched by the EC with regard to the SJU extension. The SESAR Programme is the technological pillar of SES and was identified as a priority in a number of strategic documents such as the Transport White Paper, Flight Path 2050, the Strategic Research and Innovation Agenda and Horizon 2020.
 

The public-private partnership put in place by the SJU was a mean to rationalise and focus research efforts in ATM. It developed expertise in managing and coordinating a complex research programme. Thanks to the commitment of all the SJU Members, the partnership has also become a global reference in the field of ATM modernisation. For all these reasons, there is today almost unanimous consensus on the continuation of the work of the SJU.
- The SJU has also created a new way of coordinating and de-fragmenting ATM research. It has set up a framework for a performance oriented research programme with the definition of validation targets, the selection and prioritisation of projects to deliver performance. A virtuous circle has been established with a definition phase that delivered the Master Plan, a development phase based on the activities done at SJU level and a deployment phase that is being set up. This virtuous circle should be maintained.
- With regards to the needs and objectives, SES goals and their evolution should continue to be supported and we should avoid coming back to the previous fragmentation of efforts and resources. More focus should be put on pre-industrialisation and industrialisation, but we should also tackle new challenges such as long term research and innovation. In the context of ICAO, a driving role for standard setting should be maintained.

- Mr Castelletti presented the process for the SJU extension. This included the impact assessment carried out by the SJU before summer and the public consultation, including an on-line questionnaire, that will be closed by a Seminar on 23 November. The EC has started the work on preparing the draft legislative proposal in view of its adoption by the College early 2013. The existing SJU regulation should not be strongly modified.
- A key question relates to the future scope of the SJU, which could cover additional areas of research (UAS, security, airports...) and the entire cycle of research.
- Once the scope is defined, there will be a need to see how the membership could evolve while maintaining enough stability for the existing membership until the end of 2016. The role of Eurocontrol and the selection of new members through competitive procedures will also be looked at.
- In terms of governance, depending on the scope that would be decided, changes of the existing governance could be necessary. If additional areas or types of research were added, a specific roadmap would probably be needed.
- With regard to the budget, the possibility to use TEN-T/CEF funds in addition to Horizon 2020 will also depend on the scope of the SJU activities.
- Mr Verhoef complemented Mr Castelletti's presentation with further information on the consultation process. In parallel with the on-line public consultation, a number of bilateral meetings were conducted with the key stakeholders. The EC received 50 responses to the written consultation. 70% of the responses were coming from organisations, in particular ANSPs, manufacturers, research organisations and national authorities but unfortunately not from airlines and airports. Out of the 30% of responses coming from individuals, it was interesting to note that 40% of these individuals resided in Spain.

In terms of content, the written consultation and bilateral meetings showed a strong appreciation of the added-value of the partnership and the level of cooperation and trust achieved. This is a very important element that will unfortunately be extremely difficult to convert into monetary value in the impact assessment. The consultation also highlighted the almost unanimous support for the SJU extension. There is a general agreement on the need to reinforce long term research; however there are different views on how the governance should be organised. For the next phase, it will be important to consider also non-technical issues such as: cost-benefit analysis, the real synchronisation of investments between ground and air or the concrete follow-up of commitments. If on the one hand there is a wide agreement on the principle of including all ATM related matters (security, airport processes...) in the scope of the SJU; on the other hand, there is a significant resistance of stakeholders to the idea that SJU should conduct research work on aviation issues not related to ATM. With regard to the way the SJU is currently working, a number of stakeholders asked for more top-down decisions in order to better focus the activity. Without clear visibility on the results and progress on deployment, stakeholders also fear that it will be difficult to keep a high-level and continued investment in R&D. There is also a concern that certification may become a bottleneck. Among stakeholders, there are quite different views on the size of the budget for the next phase as well as on the size of the demonstrations. There were several requests for a more concrete involvement of the airspace users in the process and the airspace users asked for an increased voting power in the SJU Administrative Board. Questions remain on the role of Eurocontrol but also on the involvement of non EU partners. There was a consensus on the importance of global interoperability, international standard setting and the issue of reciprocity with the US. Finally, the question was raised whether the SJU should remain responsible for the execution of the Master Plan.

Mr Verhoef underlined that only a few of the elements coming from the consultation are relevant for drafting the revised SJU Regulation. It will indeed be mostly an adaptation of the current one. Most of the remarks are related to the SJU internal governance, structure and processes. Mr Ruete and Mr Ky will have to see what they want to take on board from this feedback. The main question to be solved is the size of the budget and contributions expected from the different parties.

- The SELEX representative asked what would be the respective “weighting” of the different stakeholder views resulting from the consultations organised so far by the SJU and by the EC. Regarding the SJU extension, he underlined the need to enlarge the existing SJU scope to all matters directly related to ATM in order to reach concrete results. He also stressed that it would be interesting and valuable in the next phase to have some airlines as full members of the SJU. In the demonstration activities the work with airlines is indeed really appreciated.
- The Airspace Users’ Representative (Ms Troegeler) observed that the SJU was a useful body to overcome fragmentation of European ATM R&D activities and stated that the airspace users could support the SJU extension under certain conditions. The SJU scope should not be extended to activities not clearly related to ATM. The work of the SJU is already very complex and the focus should be on improving its current performance. In the next phase, the airspace users would like to be more involved at Programme level and would like for instance to participate to the Programme Committee. The future governance scheme should ensure that the SJU extension does not impair the competition between manufacturers. A transparent and robust financial management approach should be put in place in the next phase.
- The Eurocontrol representative indicated that in terms of SJU scope more effort would need to be put on long term research and innovation and applied research. Otherwise, the Strategic Research and Innovation Agenda would not properly be taken into consideration. The Eurocontrol representative observed that Validation and Demonstrations activities were nonetheless very important.  
At the Eurocontrol Provisional Council in December, the Agency will present 5 recommendations, asking the PC to:
  - Take note of the ideas expressed in the paper;
  - Agree with the relevance of the Agency’s reflections and arguments;
  - Agree on provisional figures, in the order of 55 to 60 Mio per year;
  - Authorise the Director General to enter into negotiations with the EC with a view to conclude suitable conditions for the Agency to engage in an extended SJU, in accordance with the precepts of the financial perspectives;
  - Authorise the Agency to negotiate with the EC with no other constraint than the budget.
- The Airspace Users’ Representative (Mr Azua) welcomed the comment made by SELEX with regard to the need to have airlines becoming members of the extended SJU. He explained that due to the economic situation of most airspace users, it would be very difficult for them to make an up-front investment in addition to the EUR 1 billion per year already invested by the ANSPs through user charges.
- The ENAV representative reminded the Board of the huge efforts that were required to create the SJU partnership. To minimise as much as possible the technical and administrative efforts needed for the SJU extension, we should go towards an improvement of the existing solution and not a complete change. As already stated by previous speakers, the airlines should be physically involved in the programme in the next phase whatever the financial means are. The economic and financial engineering capability should be embedded more strongly in the extended SJU. Regarding the Master Plan, it is very important not to separate the planning cycle from the R&D cycle. Both aspects should be embedded in one single entity. To conclude, the ENAV representative stressed that the SJU PPP was already providing successful results on deployment as is shown by the fact that the ANSPs have gathered together and aligned their investment plans for several years now.
- The AENA representative supported what was said by the previous speaker with regard to the need to preserve a successful solution. It indeed took a long time to overcome fragmentation and put under the SJU umbrella all the ATM R&D activities. With regarding to the Master Plan, the link should be kept between the planning and the R&D activities. The SJU should remain responsible for the maintenance of the Master Plan.
- The Thales representative also voiced his strong support with regard to the involvement of the airlines in the programme. This would be welcome, more than

having new members, in particular non-EU members. He also asked clarifications to the EC on the decision process and enquired whether the SJU Administrative Board would be responsible for the final decision on the SJU extension.

- The INDRA representative stressed that in his opinion the SJU was successful first of all because it could manage EC instruments such as public tender processes, but also because it made the public sector talk to the private sector in a dynamic and regulated manner. Getting to this result took 3 years. When preparing the SJU extension, the EC should make use of the existing instruments and keep things as easy as possible to limit transition costs and avoid the complexity such as the one that resulted from the SESAR definition phase. In the next phase, a clear focus should be put on deployment.
- The Chair clarified that all the consultations with stakeholders were organised as part of the impact assessment process. The final impact assessment will be written by DG MOVE. It will confront the “business as usual” scenario with 2 to 3 other scenarios presented together with cost and benefit elements. On this basis, Vice-President Kallas will take a political decision in favour of one of the scenarios. In the case of the SJU extension, consultation with stakeholders is particularly important because it concerns a partnership and not a usual legislative proposal. This process gives the opportunity to stakeholders to indicate what would need to be done differently. The legislative proposal on the SJU extension will be part of a broader exercise for the extension of other Joint Undertakings. The EC will endeavour to find the right fine tuning on the SJU extension in a manner supported by all stakeholders.
- Mr Verhoef clarified that the final decision on the SJU extension would be taken by the Council and the European Parliament. Hence, it will be unavoidable to have a public discussion on the question of the SJU extension. Mr Verhoef emphasized the need to strongly argue and make the case in favour of the extension. All the 6 existing Joint Undertakings are asking for their extension. Concerns are expressed by the European Parliament and some of the Member States about the Joint Undertakings. They are perceived as closed clubs of big industries together with the European Commission. These concerns will have to be lifted.
- Mr Ky concurred with the comment made by SELEX and confirmed that there were different weightings in the advice and recommendations provided to the EC and SJU. A recommendation made by an individual does not have the same weight as one made by a big company. 95% of the investors in ATM Research are involved in the Programme and they should not be put on an equal footing with others that are not investors. At Limassol, Mr Kratky from Lufthansa recognised that the airlines have just very recently realised that they needed to be more involved in the Programme. The SJU spends EUR 25 million to get the airlines and airspace associations technically involved in the Programme. A managerial involvement in the Programme is something different and the SJU will work on that. With regard to the SJU extension, before the end of November and through a bottom-up approach, the SJU should be able to provide members with precise ideas on budget requirements, the type of activities that are envisaged to take place and an outline of what should be the Work Programme of the SESAR continuation. The figures that will be provided should be sufficiently mature to provide a good basis for discussion.
- The Chair observed that at the last Aviation Platform, 3 CEOs of major airlines committed themselves to involve their companies in SESAR. The Chair agreed with Mr Ky’s previous observation and noted a real change of the airlines’ mentality.
- Mr Castelletti clarified that, in accordance with Article 5(1)k of the SJU Statutes, the Board has the authority to decide on a proposal to the European Commission on the extension of the SJU. The Board recently adopted by written procedure such a decision.



### Conclusions on item 3a

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

### Item 3b Guidance material on Common Projects for SESAR Deployment

- The Chair informed the Board that he had to leave the meeting due to other commitments and was replaced by his alternate, Mr Baldwin.
- Mr Castelletti reminded the Board that the work on the guidance material on common projects for SESAR Deployment was a long process, which started as early as 2009. On the basis of a working document prepared by DG MOVE, consultations with stakeholders and a seminar took place before the summer break. Moving to the decision-making process, the EC is now drafting the guidance material with the aim of discussing the proposal at the next Single Sky Committee on 6 and 7 December. The document will be based on the results of the consultation process, but will also be built upon the principles of a performance-driven and industry-led SESAR Deployment and the three levels of governance as reflected in the Communication published in 2011. The guidance material will be set in a concise legal framework. By mid-2013, the Pilot Common Project should be adopted as an EC Implementing Regulation. The deployment manager should then be selected through a competitive dialogue. The work done for the other building blocks of SESAR deployment should not be forgotten: the update of the Master Plan, the work of the Interim Deployment Steering Group or the on-going discussion with the Financial Committee of the TEN-T to give a financial support to the actions planned in the interim deployment programme. The EC is confident that this solid process will result in the implementation of the SESAR operational and technical changes and will demonstrate that SESAR can deliver.



#### Conclusions on item 3b

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- The Board took note of the information provided by the EC with regard to the guidance material on common projects for SESAR deployment.

### Item 4 Status of work on the Business View Review (EU ATM Master Plan)

- Mr Borghini explained that the work on the Business View Review was launched following the adoption in principle of the update of the Master Plan by the Board on 3<sup>rd</sup> July and its final adoption after the adoption of the EU position on 8 October. The SJU set up a Tiger Team of the PC as well as a Sherpa Group to support the work of the Tiger Team. The objective of the work is to examine the cost elements of the Business View Chapter of the Master Plan and in particular to look at the costs of the ANSPs, the regional airlines and the airports. The work of the Sherpa Group is progressing well and clarifications are made and the group should enable the harmonisation and better understanding of assumptions. By year end, the work should be finalised.
- The EU's position on update of the Master Plan, contains a number of requests for clarification regarding, for instance, the update of the risk management plan, the assessment of ANC12 results, and the inclusion of military costs. The SJU will also work on these aspects and make use if necessary of the Tiger Team and the Sherpa Group. With regard to the military costs, the SJU is in contact with the EDA and has started to organise the work. However, it is a complex task because it very much depends on the ability of the military community to provide figures.
- The AENA representative observed that some elements included in the final Edition 2 of the Master Plan were substantially changed compared to the version presented to the Board in July. In accordance with the procedure, the final document should have been submitted again to the Board for approval. For future updates, it is really important that the procedures be fully respected.
- The ENAV representative recognised that the SJU and its Members were still in a learning curve regarding the Master Plan. However, as already indicated by AENA, the Board should have the final say on the approval of the final version of the document. It is and shall remain also for the future indeed the entity accountable

for the Master Plan. It would not be acceptable to have something similar happening for the next editions of the Master Plan.

- The Military representative fully acknowledged the remark made by Mr Borghini with regard to the military costs. He also noted that the military community will have to find a way of communicating between them in an efficient manner in order to be able to provide the requested information.
- The Eurocontrol representative informed the Board of the availability of the Master Plan 2012 and its 3 levels on the electronic portal. He stressed that the value of the content of the Master Plan was extremely high and the objective of having it available for the global community in time for ANC12 was achieved. In the last Board, due to the concerns expressed with regard to the EUR 30 billion costs presented in the Business View, it was agreed that this Chapter would need to be revisited afterwards. The right decision was made. It was very important to be able to communicate the Master Plan to the global Community, even if it meant postponing to a later stage the final consensus of the Board on the Business View.
- Regarding the comments made by AENA and ENAV, Mr Castelletti clarified that the role of the Board for the approval of the Master Plan was in no way put into question. This role is clearly stated in the SJU Regulation. On the EC side, the process to adopt the EU position is very long and complex. The EC proposal came late and had an impact on the content of the Master Plan. It is one of the reasons why the Board had to give an approval in principle at the last Board and there is now a slightly modified version.
- Mr Ky commented that he shared all the points made by the previous speakers. We are all learning by doing and are also making mistakes. End of September was the deadline by which the Master Plan had to be ready for ANC12. Thus there was no time to go for another round of consultation, in particular considering the complexity of the Eurocontrol and the EC consultation processes. The SJU will dig into the specific change identified by AENA in the final version of the Master Plan and will provide explanations on where it came from.
- Mr Ky supported the comment made by the Military representative. He stressed that in the working arrangement established with the EDA, the SJU specifically mentioned the need for the EDA to liaise with the MAB. It is indeed important to make sure that the military community is fully informed and involved in the work that is being performed in SESAR. Nobody should be left outside of the consultation process.
- The NATS representative suggested putting in place a fast-track process in case of changes in the Master Plan, in order to keep Board members involved. Mr Ky stressed that most of the changes made to the Master Plan were minor and would not have needed to be specifically reviewed by the Board. For the most substantial changes, the SJU needs to ensure sufficient buy-in of the community. The SJU will work on this issue in order to do better for the next update of the Master Plan.
- The Airspace Users' Representative welcomed the changes introduced in the Master Plan at the request of the airspace users with regard to the performance targets. He indicated however that when looking at the breakdown of the targets, the airspace users were not satisfied with the performance targets for Step 1. Targets for Step 2 should be much more ambitious, particularly having in mind the SJU extension and the need for SES and SESAR to deliver.



#### Conclusions on item 4

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- The Chair stressed that, in his opinion, the right decision was taken with regard to having the Master Plan Update available on time for ANC12. He underlined nonetheless that the Administrative Board remains, in accordance with the SJU Regulation, the only entity responsible for the approval of modifications of the Master Plan.
- The Board thanked Mr Borghini for his valuable report and took note of the information provided on the Business View Review.

**Item 5 General Administrative and budget issues****Item 5a Interim Financial Statements 2011: status**

- Mr Borghini thanked all the SJU Members for having submitted the Interim Financial Statements much earlier compared to the previous year. It allowed the SJU to perform already a lot more payments compared to 2011. The aim is to proceed with all the rest of the payments by end of November, subject to the receipt of the answers to the clarifications' requests. To achieve this objective, Mr Borghini urged the Members that received clarification questions to answer rapidly. Members that have not yet been audited in the previous years will be subject to ex-post audit probably from January to April 2013. The Court of Auditors indeed will base its opinion also on the work done by the SJU project audit sector. The collaboration of all Members during the ex-post audits will be essential to ensure that there will be no issue also during the discharge procedure.

**Conclusions on item 5a**

- The Board took note of the information provided by Mr Borghini with regard to the Interim Financial Statements 2011.

**Item 5b Revised Budget 2012**

- Mr Borghini explained that the objective of the revised budget 2012 submitted for adoption to the Board was to take into account two main aspects:
  - The SJU received a cash contribution from Eurocontrol of EUR 30 million from the previous year. As a result, the SJU reduced the payment request to the EU in order to arrive to a break-even balance at year-end.
  - The SJU needs to register in the budget the outturn of the previous year which the Board already authorized to be used in 2012, to perform inter alia the payments of the interim financial statements.

The final version of the Revised Budget 2012 will be presented at the next Board in order to allow the SJU to decommit the money for expenditure that were not realised and commit it on the Programme activities.

- The EC stated that it could approve the revised budget 2012.
- The AENA representative asked Mr Borghini to confirm that before the end of the year the figures for staff and administrative expenditure would be reviewed to reflect the real number of staff that was working in the SJU in 2012. Mr Borghini was able to confirm.

**Conclusions on item 5b**

Decision ADB(D)-12-2012

- The Board took note of the information provided by Mr Borghini and adopted Decision ADB(D)-12-2012 on the Revised Budget 2012.

**Item 5c Presentation of the Draft Annual Work Programme 2013 and the Draft Budget 2013 in view of their adoption on the next Administrative Board meeting**

- Mr Borghini explained that the Annual Work Programme 2013 was about to be finalised. It will include the vision and objectives 2014 and will present how in 2013 these mid-term objectives will be achieved. The AWP will mainly be focused on Release 3 and some other activities such as the large demonstration activities that should be launched by the end of 2013 or the final reallocation exercise that will be

carried out from April to year-end. The SJU should release the AWP around the 15<sup>th</sup> of November and Board members will have until the end of November to provide their comments. On that basis, the SJU will update the AWP and present it to the Board in December for its approval. Mr Borghini stressed that the AWP 2013 would be really an important document in terms of content, in particular considering the approach of the final phases of the Programme.

In accordance with the financial rules, the draft Budget 2013 was submitted to the Board by the 30<sup>th</sup> of September. The SJU expects to receive the comments on the document if possible by the end of November. On that basis, the SJU will submit to the Board an updated version including the Revised Budget and the new figures for 2013 for its approval in December.

- The AENA representative asked for traceability purposes to get for Chapter 3.3 a table summarising the commitment and payment appropriations for the Members since the beginning. It will allow the better understanding of the figures proposed for 2013. She also commended the SJU for the containment of the running costs through the reduction of the mission costs in 2013 in front of an increase of the costs related to the premises security. Finally, she asked further information on the new call for demonstration activities foreseen by the end of 2013 as well as information on the timescale envisaged for BAFO3.
- Mr Borghini agreed to put in the Budget a table with all the commitment and payment appropriations for the Members. He observed that 2013 would be the year of the last commitment from the EC. By year end, EUR 700 million should be committed from the EC and as a consequence also all the commitments from the Members. The only remaining part will be the one from Eurocontrol.

Mr Borghini reminded the Board of its decision on large demonstration activities, which had established an overall budget of EUR 30 million. The first call was launched in 2011 with a maximum amount of EUR 10 million and the activities will be finalised probably beginning of 2014. The second call for large demonstration activities should cover the period 2014-2015 with a budget of EUR 10 million. This call should be focused on the maturity and the results of Release 3. The call should be published late 2013 or early 2014.

Regarding BAFO 3, the process should start at the latest by the end of March in order to get the final decision of the Board at the meeting planned in October 2013. If there were any issues, there would still be the possibility to have the final decision of the Board in December for an entry into force of BAFO 3 on 1<sup>st</sup> January 2014.



#### Conclusions on item 5c

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- The Board took note of the information provided by Mr Borghini with regard to the Annual Work Programme and the Budget 2013.

#### Item 6 Any Other Business

- The Chair presented the dates proposed for the ADB meetings in 2013:
  - Thursday 14 March
  - Thursday 27 June
  - Thursday 24 October
  - Thursday 12 December.
- In case there would be any issue with one of the proposed dates, Board Members were requested to inform in writing the Secretary to the ADB.

**Closing of the meeting**

The Chair thanked the Board members and the other participants for their active participation and their contribution to the meeting.

**Annexes**

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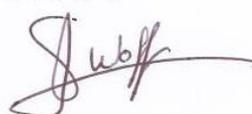
Annex 1      Board members attendance list  
Annex 2      Declarations on conflicts of interest

Done in Brussels, 26/10/2012

Chairman



Secretary



**Annex 1**  
**Attendance list**

**Annex 2**  
**Declarations on conflicts of interest**