

Meeting ADB(M)016

Minutes ADB(M)016- MoM

Date of the Meeting: 14 December 2010
 Time: 10:00-14:00
 Place: SJU, av. de Cortenbergh, 100 - 1040 Brussels

Board members and other participants

SJU Members	Representative	
European Commission (EC)	Mr Daniel Calleja	Chair
	Mr Luc Tytgat	Alternate
	Mr Marco De Sciscio	Observer
	Ms Katarzyna Gryc	Observer
EUROCONTROL (ECTL)	Mr Bo Redeborn	Deputy Chair
AENA	Ms Mariluz de Mateo	Alternate
Airbus	Mr Pierre Bachelier	Alternate
ALENIA Aeronautica (Alenia)	Mr Maurizio Fornaiolo	Excused
DFS	Mr Georg Dickhaut	Alternate
DSNA	Mr Thierry Liabastres	Alternate
ENAV	Mr Iacopo Prissinotti	
Frequentis	Mr Johannes Prinz	Alternate
Honeywell	Mr Jean-Luc Derouineau	
INDRA	Mr Ramon Tarrech Masdeu	Alternate
NATMIG	Mr Aage Thunem	
NATS	Mr Ian Mills	
NORACON	Mr Kurt Andreasen	Observer
SEAC	Mr Roland Krieg	Alternate
SELEX S.I. (SELEX)	Mr Stefano Porfiri	Alternate
Thales	Mr Luc Lallouette	Alternate

Stakeholder representatives	Representative	
Military (MIL)	Gp Capt. John Clark	
Civil users of airspace (CUA)	Mr Pedro Vicente Azua	Alternate
Air Navigation Service Providers (ANSP)	Mr Bernard Martens	Alternate
Equipment manufacturers (EM)	Mr Patrick de Prévaux	Alternate
Airports (APT)	Mr Philippe Ahrens	
Staff in the ATM sector (STAFF)	Mr Jean-Pierre Etienne	
	Mr Joël Cariou	Alternate
Scientific community (SC)	Prof. Peter Hecker	Excused

Other participants		
SJU Executive Director	Mr Patrick Ky (PKY)	
SJU Director Admin & Finance	Mr Carlo M. Borghini (CMB)	
SJU Internal audit	Mr Ross Walton (RW)	
Secretary of the Board	Mrs Servane Woff-Lhuissier	

Distributed meeting documents

SJU-AB-016-10-DOC-01	- Risk Management Report	Item 4
SJU-AB-016-10-DOC-02	- Report of the Executive Director to the ADB on the acceptance of proposed associate partners (2 nd call)	Item 5
SJU-AB-016-10-DOC-03	- Decision on the annual accounts 2009	Item 6
SJU-AD-016-10-DOC-03 bis	- Final Annual accounts 2009	Item 6
SJU-AB-016-10-DOC-04	- Decision on the Revised Budget 2010	Item 6
SJU-AB-016-10-DOC-04 rev1	- Decision on the Revised Budget 2010	Item 6
SJU-AB-016-10-DOC-05	- Annual Work Programme 2011	Item 6
SJU-AB-016-10-DOC-05 bis	- Budget 2011	Item 6
SJU-AB-016-10-DOC-05 bis rev1	- Budget 2011	Item 6
SJU-AB-016-10-DOC-06	- SJU Ex-Post Project Audit Strategy	Item 6
SJU-AB-016-10-DOC-07	- Decision on the amendment of SJU Financial Rules	Item 6
SJU-AB-016-10-DOC-08	- SJU Implementing Rules of the Financial Rules	Item 6
SJU-AB-016-10-DOC-09	- Decision on the Mission Charter of the Internal Auditor of the SJU	Item 7
SJU-AB-016-10-DOC-09 bis	- Mission Charter of the Internal Auditor of the SJU	Item 7
SJU-AB-016-10-DOC-10	- SJU Decision setting up a Staff Committee	Item 8
SJU-AB-016-10-DOC-11	- Draft rules governing the election of the Staff Committee	Item 8
SJU-AB-016-10-DOC-12	- Decision on the use by Eurocontrol of a new cost accounting method for its contribution to the SJU	Item 8
SJU-AB-016-10-DOC-12 bis	- Letter from Eurocontrol on its use of a new cost accounting method for its contribution to the SJU	Item 8

Item 1 Introduction

1. The Chairman welcomed the representatives of SJU members and stakeholders, as well as Mr Gray, Director General of the Internal Audit Service of the Commission. He informed the Board members that Mr Andreasen will attend the meeting as an expert from NORACON.
2. The Chairman informed the Board members that due to a last minute concomitant event, which required his presence abroad, he would not be able to stay for the entire meeting. In accordance with the Board's rules of procedure, Mr Luc Tytgat, Head of the Single Sky and ATC Modernisation Unit would replace him as representative of the Commission and, consequently, as Chairman of the Board's meeting.
3. Furthermore, the Chairman took the opportunity to congratulate Mr Tytgat for his upcoming appointment as Single European Sky Director in Eurocontrol.

Verification of the voting quorum

- ▷ 4. The Chair noted that the meeting had the required voting quorum.

Adoption of the agenda

5. The Chair presented the agenda and requested the Board members to present their possible suggestions for changes. Mr P. Ky (PKY) wished to have a discussion under AOB concerning the participation and reporting activity of the SJU in ICB meetings. No further changes or additions were proposed.

▷ 6. The Board adopted the agenda.

Disclosure of conflicts of interests

7. 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's decision on conflict of interest ADB(D)-10-2008. The new representatives present to the meeting were also required to sign the declaration of commitment and confidentiality in accordance with Article 2.2 of the same decision.
8. In accordance with Article 6 of the Statutes, the representatives of DFS, NATS, SELEX and Thales agreed to withdraw from the meeting during the discussion and vote on item 5, as it concerned the decision on the acceptance of the Associate Partners proposed by these SJU Members in the second call for tender.
- ▷ 9. The Chair noted that no other participants had declared a conflict of interest on any agenda item and that all participants had completed the declarations on independence, confidentiality, where applicable, and of conflict of interest.

Item 2 Intervention of Mr. Brian Gray (DG IAS of the European Commission)

- Mr Gray recalled the existence of the internal audit capability of the SJU and explained the complementary role of the Internal Audit Service (IAS) of the EC with regard to the Agencies and Joint Undertakings. The IAS intends to avoid any duplication of work. It is already used to work in coordination with the European Court of Auditors or the Audit Capabilities of the Directors General in the EC.
- The IAS will exercise the role of internal auditor of the SJU and will report to the Board and the Executive Director. Mr De Dios of IAS will be working for the SJU in close cooperation with the SJU management and will soon propose a Work Programme for the next 3 years. The IAS objective is to ensure that the SJU complies with the EU budgetary rules and financial regulations.
- The Charter of the Internal Audit Service describes the mission, objectives and reporting activity of the IAS as well as its working arrangements with the SJU. This Charter should be adopted by the Board under agenda item 7. The IAS has participated to the SJU Audit Panel as Observer so far and its future participation in this Panel has still to be determined.
- On a question from the Military representative, Mr Gray clarified that for the time being the IAS is not charging the SJU for the audit function.

▷ Conclusions on item 2

- The Chair thanked Mr Gray for his participation and his explanations and invited him to attend the next Board meetings.

Item 3 SESAR Deployment

- The Chairman reminded the Board of the request made to the Commission by the Transport Council of Ministers to present by the end of 2010 a formal proposal on SESAR deployment. A Staff Working Paper was prepared by the Commission Services. This document will be made available to the ADB Members. Furthermore, in view of the new Financial Perspectives period, the European Commission has to prepare a strategy for the SESAR deployment that should be presented to the Council around mid 2011.

To develop this strategy, 10 principles have been identified:

1. The Single European Sky (SES) and SESAR are key priorities for the EU in the coming years.
2. SESAR is an integral component of the SES and both are mutually interdependent.
3. Deployment is the natural and necessary sequence after the development phase.
4. Any decision should be taken with the support of the SES method and through the European law.
5. An effective governance is needed.
6. The European Master Plan is an essential tool for deployment.
7. The SJU will have to deliver the expected results.
8. The Human Factor plays a key role in SESAR.
9. The deployment of SES technologies and procedures requires the involvement and buy-in of not only the civil but also of the military stakeholders.
10. Any EU funding for deployment should be focused on projects which deliver network benefits.

To create the right conditions for deployment it will be necessary to address a number of challenges that can be grouped in focus areas:

- The SES is the legal framework
- The transition to deployment
- Certification and standardization procedures
- Fair access to European airspace to all airspace users must be guaranteed
- Undistorted competition between different equipment suppliers should be preserved
- Civil-military cooperation needs to be enhanced
- Promoting greener air transport
- Funding and financing
- Global interoperability
- Introduction of SES technologies on the market

- As already indicated in previous meetings, 3 options are being explored with regard to the governance issue.
 1. Deployment would be done mainly by the users and service providers, but the EC as a regulator would exercise an oversight function.
 2. Extension of the role of the network manager, which would be responsible for the coordination, execution and maintenance of the deployment strategy.
 3. Creation of a PPP to organise the execution and maintenance of the deployment strategy. The EC would have a leading role in this PPP.
- The EC is going to create a task force, which will start its work early 2011. This task force will be composed of the EC, EASA, the SJU and ECTL. It will have to present a report by the end of March 2011 with concrete recommendations. On this basis, the EC will be able to prepare a proposal for the Council for adoption under the Polish Presidency. The Chairman concluded his presentation by inviting all the stakeholders to send to the EC and PKY written contributions on what they think is necessary for the deployment of SESAR.
- ECTL indicated that the 3 options presented by the EC for the governance of SESAR deployment could be complementary. Thales and the Equipment Manufacturers asked the EC to put more emphasis on the need for funding in the 10 principles identified. The Chairman clarified that any decision on the funding will have to be taken at the level of the Heads of Governments and reflection is still on-going in the EC on the possible usable tools (TEN-T, EIB...).
- The Military representative asked the EC how to ensure the buy-in of the Military Community. The Chairman stressed that the maximum was done within the limits of the existing institutional framework. It is essential to that effect to enhance military coordination and representation within the European Union framework so that their views are clearly put forward.

- The Airspace Users and DSNA mentioned the EC initiative on IP1 deployment and the work of WPC. AENA suggested coming back to this point during the discussion on the SJU Work Programme.
- PKY proposed that the position of the SJU would also result from the contribution of its Members and, in this respect, he will collect the comments and positions discussing them with a group of representatives of the SJU Members.



Conclusions on item 3

- The Board took note of the information provided by the European Commission. Luc Tytgat, acting as the Chairman of the Board as of the conclusion of Agenda item 3, invited PKY to organise the collection of the SJU members' comments and proposals on SESAR deployment.

Item 4 Report of the Executive Director

4a Progress of the Programme

- Mr Ky offered the Board a brief presentation on the latest progress of the Programme:
 - a. As of December 2010, 80% of the projects are in execution. 7% of the projects are not yet launched: some coming from IBAFO2, some which need first inputs from other projects. 9% of the projects are in initiation and 4% are suspended.
 - b. The SJU has started to receive deliverables from projects, with a noticeable peak for WP8. In a normal production year of the SJU, there will be a few hundred deliverables.
 - c. The SESAR Release for 2011 requested an important effort by the SJU and the Members, nevertheless as presented in the AWP 2011 concrete deliverables are expected in 2011 and in preparation for the future years. A release embeds groups of projects delivering, in a determined timeframe, R&D results that will support decision to move related activities to the industrialisation stage. The Programme Committee on 13th of December formally approved the content of release 1 and all members committed to deliver according to this plan. Work has already started to define the content of Release 2 around March 2011.
 - d. In the framework of Release 1, 29 validation exercises are expected to take place in 2011. Those validation exercises will be made in real life operational conditions.
- DSNA supported the approach of validation exercises in real life operational conditions. AENA and DFS stressed the need to establish in the next Releases a proper link between the validation exercises and the performance gains achieved. In order to be able to take decisions for deployment, validation exercises should be accompanied by the associated Business Cases, Safety Case... PKY clarified that the concept of validation in SESAR not only addresses the operational dimension, but also takes the form of business cases, safety cases... He recalled the role of WP16 in this respect.
- PKY offered further explanations upon other comments formulated by some board members.



Conclusions on item 4a

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

4b Presentation of the Airspace User Representatives involved in the Programme

- Mr M. Mohr (MMO) offered a presentation on the involvement of the Airspace User Representatives in the Programme. The presentation focused on the following aspects:
 - a. All the different types of airspace users are now involved in SESAR (major airlines, General Aviation, Business Aviation...).
 - b. 144 registered experts from the participating airspace users already reviewed more than 200 projects and produced more than 250 deliverables.
 - c. Airspace users are involved in all the work packages and are also participating actively to the AIRE programme.
 - d. This participation has been a learning process.
 - e. There are areas for improvement: more live trials should be organised, performance gains are needed very rapidly, there are risks of duplication of efforts around deployment planning and monitoring and the focus should be on the successful execution of WPC, and finally cooperation between SESAR and NextGen should be accelerated.
- PKY acknowledged that not enough live trials are foreseen, but there is a certification issue for equipment to be put on board commercial flights and this is currently being discussed with EASA. The SJU would like to use AIRE flights for some of the trials which will be made next year. The need for cooperation between SESAR and NextGen should also be promoted by the Airspace Users on the other side of the Atlantic.



Conclusions on item 4b

- The Board took note of the information provided on the involvement of the Airspace Users in the Programme and thanked MMO for his presentation.

4c Presentation of the Professional Staff Representatives involved in the Programme

- Mr F. Burgues (FBU) offered a presentation on the involvement of the Professional Staff Representatives in the Programme. The presentation focused on the following aspects:
 - a. Around 100 operational staff are involved in nearly 175 projects.
 - b. The SJU is creating an international validation team gathering a pool of ATCOs, ATSEPs and Pilots, who will provide their expertise in various domains such as En Route, Terminal/Approach/Departure, CNS... This will not create any additional costs for the SJU as the related activities will be performed in the framework of the existing contracts.
- Mr Etienne, Staff representative, emphasized that the involvement of staff in SESAR is really a win-win process. PKY supported this statement and recalled that the Human Factor was identified by the EC as key to the success of SESAR deployment.



Conclusions on item 4c

- The Board took note of the information provided on the involvement of Staff in the Programme and thanked FBU for his presentation.

4d Results of the 2010 Risk Management exercise

- Mr Borghini (CMB) presented the results of the 2010 Risk Management exercise. Through both a top-down and bottom-up approaches, 4 categories of risks have been identified and escalated at SJU Management level:
 - a. Corporate risks (11 risks)
 - b. SESAR Programme R&D risks (12 risks)
 - c. Wide SESAR scope risks (2 risks)
 - d. Administrative/Financial risks (5 risks)

The EC had forwarded its comments in writing prior to the meeting. Answering to an EC's request to include risk mitigation action in the 2011 Annual Work Programme (AWP), CMB indicated that there is indeed a close link between the SJU Risk Management Report and the AWP.

- AENA made several observations on the content of the Risk Management Report, in particular on the allocation of the risks and the maturity of the report. CMB gave some explanations, and then PKY invited all the members to provide their inputs so as to improve the document and allow the next report to be a more mature and insightful risk management exercise.



Conclusions on item 4d

- The Board took note that the Risk Management Report will now be reflected in the AWP. The Chairman recalled the strong interest of the Council with regard to the risk management of the programme, as indicated in the Council resolution of 30 March 2009 on endorsement of the European Air Traffic Management Master Plan.

Item 5 Associate Partners of the SJU Members

- PKY recalled that in the last call for the Associate Partners, 16 proposals from 9 SJU Members were accepted. A second call for proposals was launched after summer to accept 5 more Associate Partners. The report presented today to the Board for approval is based on the recommendations made by the Proposal Analysis Board (PAB). The PAB was assisted in its work by two groups of independent experts: an administrative and a technical group.
- The Chairman asked Mr Walton to recall the procedure to be applied in case of a decision where there are conflicts of interests. Mr Walton indicated that at the time of taking a decision on the acceptance or not of proposed Associate Partners, any member involved in the call for tender should leave the room.
- DFS indicated to the Board that it would need to subcontract anyway to the organisations proposed as associate partners some of the activities to be performed by DFS in the Programme, in particular for the University of Braunschweig.
- SELEX made the following statement:
*Chairman, Members of the SESAR AB,
 Boeing is an important partner for SELEX: its participation will allow us, on a basis of a Memorandum of Cooperation, to participate in the Next Gen Programme, according with a reciprocity criteria.
 We strongly believe that this is an added value for the SESAR Programme because the participation of US Companies in SESAR and European companies in Next Gen is a "facilitator" for the interoperability between the 2 Programmes.
 SELEX has proposed Boeing (the Advanced ATM organization within the Engineering, Operations, & Technology (EO&T) business unit) as associate partner, for a collaboration with a value of 3,7 Million Euros mainly on 5 areas as Trajectory Management, Air Ground Data Link, 4D Trajectory, SWIM/Information Management and Navigation.
 The proposal was detailed in 15 Projects with a Boeing participation on Average equal to 16% of total eligible costs per project; we proposed Boeing to participate in the requirements specification activities, in all projects as part of the SELEX team.
 In the ED Report it is written that the PAB recommends SELEX proposal to be accepted with Reservation, indicating that the scope of work has to be completely*

redefined under the SJU supervision and a new proposal has to be submitted for possible endorsement to a future ADB Meeting.

It was not really clear to us or maybe our proposal was not enough clear.

As already stated SELEX believes that Boeing Participation as our associate has a strategic relevance for the SESAR Programme and also for SELEX and we would like to have time to explain better our proposal to SJU and to the members of SJU in an accurate and comprehensive manner.

Therefore, SELEX kindly requests that its proposal to include Boeing as an Associate Partner is not discussed today and to postpone the decision at a later time.

- Airbus recalled to the Board that Boeing is already an associate partner to Airbus, in projects directly related to interoperability issues. Airbus is willing to discuss with SELEX to help them review Boeing's contribution in the more efficient manner.
- Thales stated its understanding of the conditions defined in the report for the full acceptance of its proposed associate partner.

In accordance with Article 6 of the Statutes, the representatives of DFS, NATS, SELEX and Thales agreed to leave the room.

- PKY proposed to the Board the following approach with regard to the associate partners proposed for acceptance with reservation or for rejection:
 - a. With regard to the SELEX proposal: the Board can decide to postpone the decision.
 - b. With regard to the Thales proposal: the Board could accept it subject to the conclusion of an agreement with the EU in the field of aviation.
 - c. With regard to the DFS proposals: the Board is invited to reject the CASSIDIAN proposal because it is proposed as an associate partner for project 12.01.09 where there is only 3 members and DFS is the only ANSP involved and able to provide its operational expertise and its view as user. With regard to the University proposed, there will be a call dedicated to Universities beginning of next year. Nevertheless, PKY indicated that in any case DFS would need the expertise of the University to realize the activities in the Project.
- At the request of AENA, CMB clarified that a proposal accepted with reservation would be a proposal deemed valid, but with work still to be done. In the case of SELEX, it would mean that the new proposal would need to be reviewed and submitted again to the Board.
With regard to the first call for the "Associate Partners of SJU Members", the decision on the acceptance of the proposals is subject to the conclusion of a "Subcontract for Research Assistance" between the interested Member and its respective Associate Partner(s). As requested in the last Board meeting, CMB presented the state of play of the approval by the SJU of the subcontracts for research assistance already sent by the Members.



Conclusions on item 5

Decision ADB(D)-18-2010

- The Board, after having examined in detail the ED Report, taking into consideration the different argument brought forward by the concerned Members,
 - adopted the recommendations contained in the ED Report on the **acceptance** of Nav Canada (Nats), ACSS Ilc and ANS of the Czech Republic (Thales) as Associate Partners of their respective fostering Members;
 - adopted the recommendations contained in the ED Report on the **acceptance with reservation** of The Boeing Company (Selex) and FGUP "GosNIIAS" (Thales) as Associate Partners of their respective fostering Members, under the conditions formulated in the ED Report;

- adopted the recommendations contained in the ED Report on the **non acceptance** of Cassidian (EADS) as Associate Partners of its respective fostering Member, while decided to accept the Technische Universität Carolo Wilhelmina zu Braunschweig as Associate Partner to DFS. The Board adopted the relevant Decision ADB(D)-18-2010.
- The Board requested the Executive Director to report in a next meeting of the Board on the results of the revision of the proposal of SELEX on Boeing as Associate Partner.
- The Board took note of the information provided by CMB on the progress made by the approval process of the subcontracts for research assistance related to the first call for Associate Partner of an SJU Member.

Item 6 General Administrative and budget issues

6a Decision for the final approval of the annual accounts 2009 together with the Report of the European Court of Auditors

CMB presented the Annual Accounts for the year 2009, together with the report of the European Court of Auditor. He presented the two opinions of the ECA: one on the reliability of the accounts and the other on the legality and regularity of the transactions underlying the accounts. CMB reported also on the other comments of the ECA

- The Chairman proposed to approve the Annual Accounts 2009 together with the report of the ECA.



Conclusions on item 6a

Decision ADB(D)-19-2010

- The Board agreed to the proposal and adopted the decision ADB(D)-19-2010 to approve the Annual Accounts 2009.

6b Decision for the approval of the Revised Budget 2010 including the budget transfers under the authority of the Executive Director

- CMB presented a revised draft decision for the approval of the Revised Budget 2010 as well as an amended revised budget 2010, documents distributed during the meeting to all participants. The initial documents have been amended to take into account comments sent by the Commission shortly before the meeting. CMB clarified that those were mostly formal comments.



Conclusions on item 6b

Decision ADB(D)-20-2010

- The Board adopted the decision ADB(D)-20-2010.

6c Decision for the approval of the Annual Work Programme 2011 and final approval of the Budget 2011

- CMB recalled that the Board in its previous meeting already agreed in principle on the Draft Budget 2011. A new version of this draft budget has been distributed during the meeting to the participants. This amended version of the budget was prepared to include requests for changes made by the Commission, which improve the form of the document by providing more detailed information or clarifications.

The main modification concerns the amount of the payment appropriation provided by the EC: it will be increased from 76 mio € to 96 mio €, subject to the final approval of the EU budget.

- CMB then presented the Annual Work Programme for 2011 (AWP 2011) structured around the new concept of the Release. It identifies in particular the areas and the projects which will participate to Release 1, as well as the possible resources to be allocated to those activities. The second part of the AWP presents the other areas of work of the SJU such as AIRE, OPTIMI...
- AENA made several proposals for the improvement and greater consistency of the AWP and the Budget.
- The Airspace Users representative suggested an increase of the budget dedicated to AIRE, as this programme has shown very good results.
- On a question of SEAC, CMB clarified that the important positive cash balance at the end of each year has to keep in a risk-free situation.
- The EC had presented written comments on the 2011 WP prior to the meeting. The EC warmly welcomed the presentation of the AWP in a Release form but it stressed, supported by ECTL, that a wider perspective should be introduced in order to respect the spirit of the Master Plan. The EC also recalled its request that the main risks presented in the Risk Management Report be reflected in the AWP.
- PKY reminded the Board that the description of work (DOW) is based on the ATM Master Plan and constitutes the basis for the MFA. The AWP for 2011 is a snapshot of what will be done during that year. There is no a great added-value to recall each time in the AWP the global perspective.
- The EC highlighted the need to ensure consistency between the IP1 Steering Group and the SJU contribution through WPC and asked for traceability between the OIs and the Service Levels.
- DSNA, ENAV and AENA requested clarifications on the relations between the IP1 Steering Group and WPC and indicated the need to solve the issue of who does what by the beginning of next year.
- The Airspace Users representative stressed that in the opinion of the Airspace Users WPC should take the lead and do the work. The other groups should be kept in case there are areas still not covered.
- NATS supported by PKY suggested solving this issue in a high-level tri-partite (EC, ECTL, SJU) meeting in January.
- The Chairman asked the SJU to prepare and circulate a new AWP based on the different comments made as well as an aligned Budget 2011.
- CMB clarified that it is essential for the SJU to have its budget 2011 approved for the execution of the administrative expenditure, with the exception of chapter 3.3 as it concerns commitments for the members which are subject to the approval of the AWP.
- PKY added that the SJU should not be able to start its work in 2011 in the technical areas without an approved AWP. It has to be reminded that the formal existence of the Release 1 is only defined in the AWP for 2011.
- ECTL suggested the adoption of the AWP as presented and asked the SJU to finalise it according to the different comments received.



Conclusions on item 6c

Decision ADB(D)-21-2010

- The Board adopted the 2011 AWP and the 2011 Budget, subject to the presentation by the end of January of a revised AWP integrating the various observations made. The Board adopted decision ADB(D)-21-2010.

6d Decision for the approval of the SJU Ex-post Project Audit Strategy

- CMB explained that the SJU Ex-post Project Audit Strategy is a mean for the SJU to

support the Members in order to ensure the compliance and sound financial management of their expenditure so that to maximize the benefit of the resources available for the Programme. A few comments from the Programme Committee members have already been received and integrated into the document.

- As the EC's comments were received shortly before the meeting, the SJU was not able to prepare a modified document taking them on board.

▷ **Conclusions on item 6d**

- The Board took note that the SJU will prepare a revised Ex-post Project Audit Strategy to include the comments made by the EC. It will then be sent to the Board for approval by written procedure.

6e Decision for the approval of the amendment of SJU Financial Rules

- CMB explained that an amendment of the SJU Financial Rules is needed, in particular to recognise the role of the IAS in Articles 71 and 72 and to take into account the fact that the notion of European Community does not exist anymore. This document will not need to be submitted to the College of Commissioners as there is no derogation to the Framework Regulation.
- As the EC's comments were received shortly before the meeting, the SJU has not been able to prepare a revised document.

▷ **Conclusions on item 6e**

- The Board took note that the SJU will prepare a revised draft Amendment to the SJU Financial rules to include the comments made by the EC. It will then be sent to the Board for approval by written procedure.

6f SJU Implementing Rules of the Financial Rules

- CMB presented the draft SJU Implementing Rules of the Financial Rules. They will have to be approved by the College of the Commission, under a procedure which requires inter-service consultation. This document was only submitted to the Board for consultation. CMB invited the Board to send its comments on this document by the end of January. Once received, a single revised document will be produced in coordination with DG MOVE and will be submitted to the College for approval before its final adoption by the Board.

▷ **Conclusions on item 6f**

- The Board took note of the information given by CMB on the SJU Implementing Rules of the Financial Rules.

7 Decision for the adoption of the Charter of the Internal Auditor

- CMB presented the Charter of the Internal Auditor as a standard charter of an Internal Auditor. It establishes how the Auditor will operate and report.
- CMB explained that as a consequence of the fact that the amendment of the Financial Rules of the SJU was not approved, the Board is not in a position to adopt the Charter of the Internal Auditor as this document makes reference to the amended SJU Financial Regulation. The Charter of the Internal Auditor will also have to be adopted by written procedure.

▷ **Conclusions on item 7**

- The Board will adopt by written procedure the appropriate decision for the adoption of the Charter of the Internal Auditor.

8 AOB

8a Draft SJU decision setting up a Staff Committee

8b Draft rules governing the election of the Staff Committee

CMB informed the Board that it is mandatory for the SJU to set up a Staff Committee. The draft SJU decision setting up a Staff Committee and the draft rules governing the election of the Staff Committee have already received a positive opinion from the DG of Human Resources in the Commission. Those two documents will go now in inter-service consultation for formal adoption by the College of Commissioners next month and then will be submitted to the Board for final approval.

8c Decision on the use by Eurocontrol of a new cost accounting method for its contribution to the SJU

- CMB presented the request made by ECTL to be allowed to apply a new cost accounting method as from the 1st of January 2011 to its contribution to the SJU. The SJU will ensure that the changes will not undermine the 700 mio € contribution of ECTL and that they are compliant with the SJU rules and procedures.
- NATS, DSNA and ENAV expressed some concern that this change in the cost accounting method would reduce the effort of ECTL in the Programme.
- ECTL reassured them that this change will have no impact on ECTL cash contribution, because ECTL is still much below its commitment both in IBAFO1 and IBAFO2. ECTL however needs to adjust the figures to have a consistent bookkeeping methodology.

▷ **Conclusions on item 8c**

Decision ADB(D)-22-2010

- The Board took note of the information provided by ECTL on its new cost accounting method and adopted the relevant decision ADB(D)-22-2010.

8d Planning of 2011 ordinary meetings of the Administrative Board

The planning for the 2011 ordinary meetings of the Administrative Board was presented:

1. 30/3
2. 21/6
3. 04/10
4. 14/12

Two dates (30 March and 14 December) will have to be modified due to the unavailability of some participants. The Secretary will circulate to the Board alternative possible dates. It was agreed to organise a high-level meeting of the Board with the participation of CEOs on the 21st of June.

8e Reporting and participation of the SJU in ICB meetings

PKY explained to the Board that the ICB chair asked several times the SJU to report in writing to

the ICB. So far, the Executive Director has refused on the grounds that all organisations participating to the ICB meetings are also represented in the SJU.

After a short discussion, the Chairman concluded that an oral report of the SJU in the ICB meetings was sufficient.

8f Representation of the SJU in the USA and to ICAO

PKY informed the Board that following the last Board meeting, bilateral discussions had been organised with DSNA and Airbus, the two organisations having expressed reservations on the idea of a representation of the SJU in the USA and ICAO.

PKY now would like to have the green light of the Board in order to start discussions with the EC services and launch the recruitment procedure.

▶ Conclusions on item 8f

The Board agreed with the proposal made by the SJU Executive Director to launch the appropriate procedures for the representation of the SJU in the USA and to ICAO.

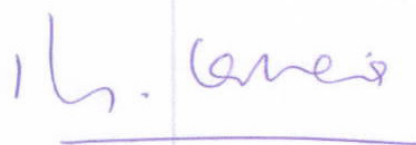
Closing of the meeting

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


Annexes

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

Done in Brussels, 16/12/2010



Daniel Calleja
Chair



Servane Woff-Lhuissier
Secretary

Annex 1
Attendance list

Annex 2
Declarations on conflicts of interest