

Meeting ADB(M)041

Minutes

ADB(M)041- MoM

Date of the Meeting..... : 19 October 2017

Time : 10:00-12:30

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	
	Mr Maurizio Castelletti	Observer	
	Mr Octavian Vasile	Observer	
Eurocontrol	Mr Frank Brenner	Member	
Airbus	Mr Bruno Ley	Alternate	
AT-ONE	Mr Dirk Kügler	Member	
B4 Consortium	Mr Maciej Rodak	Observer	
COOPANS	Ms Susanne Isaksen	excused	
Dassault	Ms Frédéric Falchetti	Member	
DFS	Mr Robert Schickling	Member	
	Mr Ralf Bertsch	Alternate	
DSNA	Mr Philippe Barnola	Alternate	
ENAIRE	Mr Mariluz de Mateo	Alternate	
ENAV	Mr Cristiano Cantoni	Alternate	
Frequentis SESAR Partners	Mr Christian Pegritz	Alternate	
Honeywell	Mr George Papageorgiou	Member	
INDRA	Mr Rafael Gallego	Member	
Leonardo	Mr Stefano Porfiri	Member	
NATMIG	Mr Trond Bakken	Alternate	
NATS	Mr Dave Curtis	Alternate	
SEAC	Mr Gérard Batistella	Member	
Skyguide	Mr Pascal Latron	Alternate	
Thales Air System SAS	Mr Luc Lallouette	Member	
Thales Avionics SAS	Mr Philippe Benquet	Member	

Stakeholder representatives	Representative		
Military European Defence Agency (EDA)	Mr Chris Lorraine	Member	
	Mr Roland Van Reybroeck	Alternate	
	Mr Christophe Vivier	Observer	
Civil users of airspace (AU)	Mr Giancarlo Buono	Alternate	
Air Navigation Service Providers (ANSP)	Mr Guenter Martis	Member	
Equipment manufacturers (EM)	Mr Vincent de Vroey	Member	<i>excused</i>
Airports (APT)	Mr Panos Spiliotis	Alternate	

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

Permanent representatives	Representative		
SJU Executive Director	Mr Florian Guillermet		
SJU Deputy Executive Director	Mr Peter Hotham		
SJU Chief Administration Affairs	Mr José Calvo Fresno		
SJU Internal Audit Capability	Mrs Véronique Haarsma		
Secretary of the Board	Mrs Ilaria Vazzoler		
DG BUDG	Mrs Ilona Loeser		
	Mr Martin Koehler		

Item 1 Introduction

The Chairperson, Mr Hololei, welcomed the Board Members to the 41st Ordinary Meeting of the SJU Administrative Board, the second ordinary meeting of 2017.

He informed the members that the meeting should conclude at 12:30, as celebration for the SJU's 10 anniversary will start.

He referred that COOPANS was represented by B4 consortium and welcomed two colleagues from the Commission Directorate General for Budget, Ms Ilona Loeser and Mr Martin Koehler, joining to present the SJU Annual Accounts.

Verification of the voting quorum

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

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.

Chairperson's Briefing

Mr Hololei informed the Board that Mr Filip Cornelis was confirmed by the College of Commissioners as Director of Aviation in DG MOVE, as of the 1st October 2017.

He then continued talking about the progress of the policy initiatives stemming from the Aviation Strategy adopted in December 2015.

On comprehensive air transport agreements: steady progress has been made and the EC had productive rounds with ASEAN (4th round, 12-14 September) and Qatar (3rd round, 2-3 October); the following round with Azerbaijan was planned for 24-25 October. The agreements with Armenia and Tunisia are close to finalisation (one main outstanding issue is the definition of the EU's territory, e.g. Gibraltar situation); the EC had fruitful discussions with the UAE that will lead to the start of the negotiations in the coming months. Following the successful negotiation on the bilateral Air Safety Agreement with China, concluded at the end of September, the EC is currently working on the technical aspects in order to initial the agreement still this year - this will turn a new page in the EU-China relationship in aviation.

On the revision of safety regulation (EASA Regulation), the Chairperson affirmed that an overall agreement on the substance has been reached. The Estonian Presidency and the Parliament are committed to closing the file by the end of the year assuming that good cooperation continues at the level of Member States and MEPs.

Mr Hololei reported that in June, the Commission adopted a series of measures to further support open and connected aviation markets in the European Union and beyond. More specifically, a legislative proposal for a Regulation on safeguarding competition in air transport (repealing Regulation 868/2004), as well Guidelines on public services obligations and ownership and control of EU airlines were adopted. The EC also published a Staff Working Document on Good Practices for ATM Service Continuity. As follow-up, the Economic and Social Committee will organise a public hearing on this topic on 6 November 2017 and the Chairperson invited all ADB Members to attend.

On the Second Common Project (CP2), the EC has mandated the SJU to prepare a proposal for the content of a second common project deploying SESAR solutions.

The SJU has respected the work plan agreed in May and has given the EC regular updates on the progress. The deadline has been moved by one month to end November, to allow for a better alignment with SDM's proposal for a revision of the Pilot Common Project.

The Chairperson underlined that the European Commission considers critical to have closer cooperation between the SJU and the SDM in the coming months to ensure that both proposals are submitted in time and meet the EC requests. He expressed his understanding regarding the difficulties to accept the results of the prioritisation exercise, which lead to the exclusion of some solutions from the final list but underlined that the SJU had a clear mandate to focus on performance, maturity and need of synchronisation, hence only solutions that meet these criteria will be eligible.

Concerning the PCP Review, the Chairperson informed the Board that the SDM has been working in parallel to assess the progress of the PCP implementation and make realistic recommendations for a possible review of the PCP Regulation. The EC is waiting for the two proposals on the PCP and CP2 to decide on the way forward.

He then continued informing that the Commission organised the Digital Transport Days - a major event on the future of digitalisation in transport, in Tallinn, between the 8 and 10 November, and invited the Board Members to participate to the event, which is expected to produce the "Tallinn Digital Charter", supporting the EC overall policies in the digitalisation of Transport. He also reminded the members about the ATM Master Plan launch event on 8 November.

He reported about the ICAO Regional Safety Management Symposium for the European and North Atlantic Region, convened in Tallinn, from 16 to 18 October 2017. The symposium, hosted by the European Commission and the Estonian Presidency of the European Union, provided a good information-sharing opportunity for regulators, service providers, operational personnel and other aviation professionals involved in safety management activities.

Regarding the H2020 interim evaluation of the SESAR JU, Mr Hololei informed that on 9 October, the Commission published a Staff Working Document (SWD) on the Interim Evaluation of the Joint Undertakings operating under Horizon 2020, as well as twelve evaluation reports on which this SWD is based upon, covering the final years of FP7 Programmes (in our case SESAR 1) and the first three years of Horizon 2020 (in our case SESAR 2020).

Overall, the evaluation reports were prepared by 39 independent experts, grouped in 7 Working Groups, working for a half-year, between November 2016 and June 2017.

He thanked the SJU members for supporting the evaluators, and in particular for taking the time for face-to-face interviews, but also for responding to the public consultation and for providing drafting suggestions which helped improving the quality of the document.

Overall, the general overarching conclusion is that the JUs operating under H2020, while still early to achieve significant outputs, have demonstrated efficiency improvements in comparison to FP7. They have also successfully managed to engage the key players in their respective industrial sectors and have contributed to improving Europe's industrial competitiveness.

The Commission's services view, shared by a vast majority of stakeholders, is that the JUs are on track to deliver against their objectives, despite a number of shortcomings that need to be addressed in the coming year.

Some of the key challenges to be addressed are: the inclusion of a wider range of stakeholders in the governance and in the projects themselves, a better alignment between the JU activities and the EU and national policies in the sector. The choices of Key Performance Indicators (KPIs) used to measure the performance of JUs were widely criticised, so they need to be re-defined. Lastly, the participation rate of the EU-13 Member States, who joined after 2004, is overall quite low.

Looking at SESAR 1, the evaluators had 3 main recommendations:

- 1) "Strengthen the partnership approach including links to deployment". The ATM Master Plan has grown in importance with the launch of the deployment phase. As such, it should become a strategy document that contributes to the achievement of the SES goals and should better involve a wider range of stakeholders, including the PRB, the NM, the SDM or EASA. I believe the Master Planning Committee which started to operate this year goes in the right direction to address this recommendation.
- 2) "Strengthen the "architecture" of the Master Plan to enable the Commission to streamline deployment planning and monitoring". The evaluators recommend a reorganisation of the ATM MP structure to transform it into a more coherent tool for planning the overall SESAR deployment and monitor its achievement.
- 3) "Strengthen the links to academia to ensure the innovation pipeline is fed with new ideas". As SESAR becomes a long-term project, it needs to take account of influences beyond ATM and respond to challenges facing the community, such as drones, cyber, big data, machine learning. To achieve this, links to academia need to be strengthened.

For SESAR 2020, the evaluators had 2 additional recommendations:

- 4) "Resolve issues with application of H2020". This is a recommendation mainly addressed to the Commission that will seek to simplify and clarify the rules, if not for the current programme, for sure in the new multi-annual financial framework (MFF). We have already started discussions about the next Framework Programme for Research (FP9) and the possible derogations for the SJU from it (e.g. the possibility to have multi-annual commitments).
- 5) "Take steps to further close the industrialisation gap". The evaluators have identified an important gap in the product industrialisation process between the maturity level of SESAR solutions (TRL 6) and maturity required for industrialised products to be deployed (TRL 8). This gap mainly concerns the standardisation and product certification phases. EU funding for these activities (possibly through the SJU) could certainly help steer the works on a right track.

As these recommendations concern both the SJU and the Commission, the Chairperson proposed to work together on developing an action plan to address these recommendations, with an aim to discuss and approve this plan at the upcoming Board meeting in December.

Mr Hololei stressed that these two evaluations are the starting point for planning the future of SESAR in the next multi-annual financial framework (MFF).

Pending the outcome of recent developments regarding the future of EU budget (e.g. Brexit), for the next MFF, DG MOVE's intention is to propose the continuation of the support for the full lifecycle of SESAR, i.e. definition and development coordinated by the SESAR JU and the deployment coordinated by the SESAR Deployment Manager.

In practical terms, in 2018 the EC will carry out a study examining future options for the Joint Undertaking, which should be followed by an impact assessment and a legislative proposal for a new/amended SJU Regulation.

The focus of the next SESAR programme will be built on the upcoming edition of the ATM Master Plan, with a particular emphasis on digitalisation and cross-border data applications and services.

As far as financial instruments are concerned, the EC is assessing internally the financial needs for a future ATM research programme, as well as the deployment needs to monetise the upcoming activities during the period 2021-2027; the Chairperson invited the ADB members to assist the SJU to prepare a solid assessment.

Ms de Mateo (ENAIRE) stressed the need to resolve the issues concerning the application of the H2020 rules, and to have derogations allowing the SJU to make multiannual commitments; she underlined that currently the time spent on administrative tasks is too high, (e.g. the yearly amendment process to the budget grants is too cumbersome). She welcomed the EC's intention to support the funding of research activities for the development and deployment phases. She asked clarifications about impacts on Wave 1 activities due to possible cuts to the 2018 EU Budget.

Mr Hoekstra (Scientific Community) welcomed the idea of cooperation with Academia on the various subjects and pointed out an issue related to PhD Researches' ruled by different national legislations and plead for a level playing field for researchers.

Mr Brenner (EUROCONTROL) underlined the importance of External Relation activities presented by the Chairperson, because of the importance of the European outreach; commented that the Evaluations demonstrate the good job done; regarding the strengthening of the ATM MP and the streamlining of the planning, reporting and monitoring, an action plan needs to be defined, as fragmentation and duplication of work between SJU and Deployment Manager are still present; on the Network Manager, he confirmed Eurocontrol is ready to support the SJU and a bigger engagement of the SJU is necessary on IOPs, on data exchanges, needed not only at the EU levels, but also with international players, as interoperability needs to be set at a wider level.

In answering Ms de Mateo, the Chairperson confirmed that derogations should be asked to better suit the SJU needs (e.g. multiannual commitment); he supported the idea that support to R&D activities should be also maintained.

Regarding the adoption of the EU Budget for 2018, Mr Castelletti (EC) explained that the procedure is still ongoing: the Council proposed cuts due to economy reasons and the EP is reinstating the budget. The final discussion is planned for November.

In relation to the support to PhD research, Mr Hololei reinforced the importance to link more proactively with the academia and the scientific community.

Mr Guillermet confirmed that the SJU is aware of the need to provide support for PhDs and has recently started the Grant Agreement preparation with a project which will be dealing with this topic.

The Chairperson supported the proposal to have common tools for planning and reporting between the SJU and SDM, as far as possible, and to continue the cooperation.



Conclusions on item 2

- The Board took note of the information provided.

Item 2 SJU Evaluation results

See above



Conclusions on item 2

- The Board took note of the information

Item 3 EU ATM Master Plan activities

The Executive Director reported to the Members the activities performed recently in the area of the EU Master Plan, namely CP2 definition, CNS roadmap and drones. Concerning the CP2 definition, Mr Guillermet said that the scope was being stabilised and covers three main areas: the first one consists of adding specific elements related to PCP, the second concerns safety related aspects, in particular for airports, and third one is related to the CNS rationalisation, considered as a new ATM functionality, the 7th to be added to the 6 current in place.

Mr Guillermet continued informing that the costs-benefits analysis is ongoing and that the SJU has worked with experts to assess the return on investment and its timeline. He informed that some difficulties related to RP3 are to be expected. All elements are being de-risked with stakeholders within PJ20 and with the Master Planning Committee in view of the later formal consultation phase to be launched under the auspices of the European Commission. Mr Guillermet concluded by saying that the SJU is overall making good progress with producing the content for CP2 with a target end of November, despite the complexity represented by the CNS rationalisation issue which constitutes the main risk area in preparing the proposal.

Regarding the CNS, it is necessary to clarify the roadmap currently in the ATM MP, driven by the objective of preparing for next year's update campaign. Key drivers are increased digitalisation, connectivity and higher automation levels; safe, secure and resilient infrastructure; moving away from the idea of physical infrastructure towards data services; performance based and integrated CNS; combined satellite-based, airborne and ground-bases CNS; rationalisation infrastructure; increased civil-military synergies; efficient use and long term availability of suitable radio spectrum.

On Drones, Mr Guillermet reported that the SJU is working on finding the better way to integrate Drones components and U-Space in the next edition of the Master Plan, as the current version does not include enough information. Good progress has been made on the roadmap, both in terms of small and large drone integration. The key drivers are gradual increase in the level of connectivity and automation. He showed that by 2035 the cumulative benefits would be quite significant compared to the cumulative investments.

The Chairperson stated that DG MOVE intends to present to the College one full package, including both the Drones Addendum and the 2018 Master Plan update. On CP2 in particular, the EC expressed satisfaction with the progress made by the SJU towards submitting the CP2 recommendation. He insisted that a limited number of solutions have been included in the CP2 proposal in order to respect the mandate which focuses on performance, maturity and the need of synchronisation.

In replying to a question raised by Mr Lallouette (Thales), Mr Guillermet confirmed that the SJU intends to integrate aspects related to industrialisation and is reflecting on the most appropriate way to address that in the next updated.

Mr Martis (ANSPs) enquired about reliability of figures related to CP2 benefits, which seemed extremely positive and wondered how much efforts would be needed.

Mr Guillermet confirmed that the figures presented were “work in progress”, but firm basis exists for some elements like the CNS rationalisation, where monetisation and way ahead are clear. The final documentation will however be transparent on the key underlying assumptions.

He concluded with a short presentation of the Tallinn event, which will focus on the future trends implying challenges for European aviation (sovereignty, market players), the necessity to move to a digital European Sky.



Conclusions on item 3

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

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

Mr Guillermet continued informing that the presentation covered the main discussions within the Advisory Committees, the overall Programme View, the IR/VLD Grant amendments, and the IOP Ground- Ground interoperability.

The Programme Committee agreed on delivering SESAR Solutions according to the Release Strategy, to further commit on IOP development and to support the Transition Plan towards Wave 2.

The Master Planning Committee expressed their support to the approach chosen for CP2 (e.g. close out planned in November), noted the significant progress achieved concerning the drone addendum, and noted that the preparatory activities in view of the next update of the Master Plan are well on track (digitalisation).

The Scientific Committee Taskforces are progressing on 3 key topics: focus on transfer of research through the innovation pipeline, Automation workshop planned early 2018, and producing a ‘Scientific Agenda’ to provide more detail on the longer-term needs.

Regarding the Programme view, Mr Guillermet informed that a number of projects have started and are progressing in complement to the projects awarded previously. He then provided the Board an overview of the calls for proposals:

Exploratory Research (Open Calls)

- 1st Call for 20.4M EUR with 28 Grants, all in execution
- 2nd Call (RPAS) for 9.0M EUR with 8 Grants in execution and 1 Grant still in GAP
- 3rd Call for 10.0M EUR in the GAP phase, with 8 proposals retained out of 29 submitted
- 4th Call under preparation; target date for launching : Q1 2019

Very Large Scale Demonstration (Open calls)

- 1st Call for 18.0M EUR in the GAP, with 8 proposals retained out of 34 submitted
- Geo-fencing call using 500K EUR, launched on 15 September, closure on 15 November 2017
- U-Space call for 10.0M EUR to be launched Q1 2018 to be able to deliver results by mid-2019

IR & VLDs (Membership)

- Wave 1 Call awarded :
 - 25 Grants for 246.5M EUR, all Grants in execution (PJ27 to be terminated)

- First specific Budget Grant Amendment process completed by 95%
- some delay compared to the targets
- Wave 2 Call under preparation :
 - high level topic description by December 2017 (draft SPD 2019-2021)
 - target date for launching the call : Q1 2019

He continued presenting the Budget Grant Amendments status (on a total of 25 projects):

- 23 Amendments signed;
- 17 pre-financing paid
- PJ18 reinstating its amendment (IOP)
- PJ27 under termination process.

He also informed the members that the next Budget Grant Amendment will be launched around February 2018 and that Technical Amendments are to be launched separately and are under preparation where required.

On the IOP Ground-Ground interoperability, Mr. Guillermet reported that the SJU has provided DG MOVE the recommendations issued by the Programme Committee in July to secure the delivery of IOP and a plan to mitigate the identified risks and to put in place a close monitoring of its implementation. The Chairperson replied supporting the recommendations and inviting the members to reiterate their commitment and secure resources to the delivery of the IOP solution.

A short meeting took place before the ADB, with the SJU Members involved in projects delivering the IOP solutions: the importance of IOP solutions was highlighted, as IOP is the cornerstone of the future ATM system, and highlighting the risks in case this is not properly delivered, not only for the current SESAR Programme but also in terms of jeopardising the funding for ATM research the future. All Members contributing to IOP signed a joint letter to the Chairman, highlighting their commitment to implementing the Plan proposed by the Programme Committee.

Mr Gallego (INDRA) intervened to stress that the commitment is essential also for the deployment and industrialisation.

The Chairperson expressed satisfaction for the completion of the first budget grant amendment, despite the painful process, which will also have to be used for the next amendment in 2018.

He thanked the SJU for the efforts made to deliver a U-Space blueprint in a short period of time, while involving a wide array of new innovative stakeholders. He added that the EC/DG MOVE is fine-tuning the last details of the delegation agreement between the EC and the SJU for transferring EUR 10M from the CEF budget to support demonstration activities on phase 2 of the U-space development. The call will have to be published in full compliance with the CEF Regulation criteria and the Chairperson informed that DG MOVE legal teams in MOVE and INEA will assist the SJU with the preparation. This CEF funding will support the launch by the SJU of a call early 2018 to demonstrate some preliminary U-Space services by 2019.

Mr Hololei stressed the critical importance of IOP and thanked Mr Guillermet and the Members for the constructive discussion had before the Board meeting and the suggested roadmap.

Mr Martis (ANSP) welcomed the approach proposed on IOP, considered its vital importance.

Mr Lallouette (Thales) stated that, in the context of Wave 2 preparation, considering the link between the Exploratory Research and the Industrial Research, it is important that Members participating in the Industrial Research be involved as early as possible, in the definition of priorities for the Exploratory Research.

Mr Guillermet commented by saying that timing is very tight, but it is necessary to start defining Wave 2, as this is connected to the EU Budget execution cycle. To ensure the circulation of information, an overview of Exploratory Research activities will be provided during the Programme Committee meeting, and a representative of Members participates to the Scientific Committee meetings. In addition to that a number of industries participate in ER projects. The ED invited all Members to attend the SESAR Innovation days, where a paper on automation and advanced ATM systems will be tabled. Regarding the prioritisation, the SJU will aim at ensuring a broad consultation of the Members but as well of the wider stakeholders community through the established governance arrangements.

In replying to a question raised by Ms de Mateo (ENAIRE) regarding the possibility that CEF funds are used for other demonstration actives in the future, as suggested in the SJU evaluation reports, Mr Hololei replied that the possibility will be explored should there be the opportunity in the future.

Mr Pegritz (Frequentis) asked about the Drone conference in Helsinki and Mr Guillermet replied that the purpose of the meeting is to assess what has been achieved since last year meeting in Warsaw and what is to be done in the next future. Mr Hololei confirmed that the European Commission, EASA, the SJU and Eurocontrol will attend.

Mr Guillermet provided an overview of the main activities related to the External Relations: the European ATM Master Plan Event in Tallinn, the SESAR Innovation Days 2017 in Belgrade, the ICAO Ganis/Sanis in Montreal, and the WAC 2018 in Madrid. At the WAC, a joint SJU & SDM stand will be set up, an innovative space demonstrating the digital transformation of ATM and for which a contribution will be requested to the Members to showcase solutions. In parallel the Women ATM event will take place, to boost women profile in ATM and to attract female participation in the field.

On the Cooperative Arrangements, Mr Guillermet continued by saying that new cooperative arrangements with National Aviation Authorities are in place starting from July 2017; 19 Aviation Authorities expressed willingness to participate in SESAR 2020 programme; closer EASA involvement within SESAR work is foreseen and the first quarterly meeting will be held on 12 October 2017.

The Memorandum of Cooperation with the Professional Staff Organisations was signed on 3 April 2017 to secure strategic and tactical expertise from PSOs in support of the SESAR 2020 Programme, or particular projects, when needed. The signature of the contract with each of the 5 PSOs is foreseen for mid-December for effective start date Q1 2018.

The Airspace users' support to the SESAR JU is secured through contracts aiming at delivering the provision of "civil airspace users advice services to support SESAR 2020 activities" and four Framework Contracts have been signed with four groups of airspace users:

1. European scheduled aviation (Airline team 2020 consortium)
2. Global airlines, focusing on inter ICAO regions business and operational interoperability (IATA)
3. Business aviation (EBAA consortium)
4. General aviation and rotorcraft (AOPA + EHA consortium)

A new cooperative arrangement with the Global Navigation Satellite Systems Agency - GSA is under preparation to establish a cooperation framework on matters related to the use of satellite navigation in SESAR, to ensure a proper exchange of information on project activities of common interest. The target for signature is Q1 2018.

The ED briefly informed that the SJU has a series of arrangements in preparation with Qatar (signature is expected in December in Montreal), Brazil (work will still ongoing), ASEAN (technical cooperation approach).

Mr Hololei expressed support to the work done in the front of external relations as SESAR is an important tool to support external Aviation Policy.

He provided a brief update on the progress made recently on the process to amend the MoC between the EU and the FAA, further to the formal mandate from the Council to negotiate. After the successful round of negotiations in July, when the new version of the MoU was agreed with the American counterparts, the EC is now expecting the approval from the Council for the signature of the MoU in November 2017. The main changes envisaged in the amendment are: the extension of the scope of cooperation to all phases of ATM modernisation; the review of governance mechanisms aiming to streamline processes, better involve operational services and ensure that the Executive level plays a stronger steering role; the new specific arrangements will cover SESAR deployment.

Mr Ley (Airbus) enquired about working arrangements with ESA and Mr Guillermet confirmed that the SJU already has an agreement in place with ESA and the importance to have a focal point dedicated to matters of mutual interest. Members were invited to express their interest to establish a focal point for ESA in reply to ESA's proposal to second one expert to the SJU.

Regarding the Annual Work Programme implementation, the Mr Guillermet underlined those elements where the timescale is challenging; in particular GAP for one project of the ER-RPAS call due to Ethics issues, the budget grant amendment procedure, IFS&FFS 2016 payments (SESAR 1), and archiving the relevant SESAR 1 information. Despite these delays, the implementation of the activities is progressing and does not present major risks.

The Chairperson took note of the progress made.



Conclusions on item 4

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

Item 5 Planning and Reporting documents

Item 5a SPD 2017 information

Mr Hotham recalled to the Board Members that: the Amendment n.1 to the SPD 2017-2019 was adopted through Written Procedure on 15/09/2017; the final draft of the SPD 2018-2020 was planned to be submitted to the ADB on 20/10/2017 for review and comments were expected by 17/11/2017 in order to target the adoption at the ADB meeting of 14/12/2017; the initial draft of the SPD 2019-2021 was in preparation within the SJU, and the plan for Members contribution was underway, which is considered particularly important as the document will include the Wave 2 definition, e.g. high level description of the content, call conditions, financing decisions. The initial draft will be presented at the December Board meeting for subsequent review.

Item 5b SPD 2018 and SPD 2019 presentation

Taking a closer look to the SPD 2018-2020, Mr Hotham said that the document is structured in 6 strategic areas of operation and closely linked to the ATM Master Plan key features. The document needs to include all information for call for proposals and tenders to be launched in 2018 (as the SPD is the financing decision), the 2018 Budget, the SJU staff establishment plan, the corporate risk and mitigation plan.

He continued by explaining the overall content of the 6 strategic areas of operations.

Strategic Area of Operation 1 consists of the Strategic Programme Steering, i.e.

- ATM Master Plan update campaign: updated Master Plan delivered by June 2018
- Preparation for the three calls to be launched in 2019: IR-VLD Wave 2 (restricted); ER4 (open); VLD Open 2.

- Technical assistance on other areas of SES: 2018 Airspace Architecture study procurement (financing decision)

Strategic Area of Operation 2, Exploratory Research & Fast-track integration to VLD, includes the launch ER3 call projects in execution (subject to the completion of the GAP phase).

Strategic Area of Operation 3, Industrial Research & Validation, aims to defining a Solutions Delivery schedule aligned with updated Extended Release Strategy.

Strategic Area of Operation 4, Very Large-Scale Demonstration Activities, includes

- Signature of grant agreement for VLD Geo-fencing call and launch project into execution
- 2018 call on U-space demonstrations (financing decision)

Strategic Area of Operation 5, SESAR Outreach, consists of key Publications & communications, events management, international activities and international stakeholder relationships, supporting DG MOVE and securing the SESAR brand in the international field.

Strategic Area of Operation 6, Financial, Administrative and Corporate Management, includes managing the Budget 2018, securing the internal governance, delivery of legal advice, ensuring compliance with the Financial Regulation, etc.

The Chairperson stated that the Commission inter-service consultation on the amended SPD 2017-2019 closed in September and the opinion was being translated in view of adoption by written procedure by early November. He added that the EU Opinion on the draft SPD 2018 was shared with the SJU the week before the Board meeting and that the EC was expecting a feedback from the SJU on how the EC recommendations have been addressed, before proceeding with the document approval at the December meeting.



Conclusions on item 5a and 5b

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

Item 6 General Administrative and financial items

Item 6a Draft Budget 2018

Mr Hotham informed the Board that, after the Amendment 1 to the Budget 2017, adopted by written procedure on 15 September 2017, a second amendment is needed for the following reasons:

- Use of SESAR 1 cumulative budget outturn (EUR 31,7 million) from audited annual accounts 2016 to ensure payment appropriations for activities carried out by the Members in SESAR 1 programme
- Cash contributions to secure the payment execution
- EUR 37 million cash contribution from EU to ensure payment execution related to SESAR 1 activities
- EUR 5,5 million additional cash contribution for SESAR 2020 activities to ensure payment execution in due time during the first weeks of 2018 - awaiting the Financing Decision on 2018 Budget by the Commission

Mr Hotham informed that the amendment was under review by the Commission colleagues and would be circulated under a written procedure and also included in the 2018 SPD for review.

He continued underlying that the Budget 2018 is integral part of the SPD and

highlighted the revenue and the expenditure (see slides).

Item 6b IFS 2016 and FFS (SESAR 1)

Regarding the Financial Statements, at 19 October, 81% of IFS 2016 and 69% of FFS were paid. Mr Hotham reminded the Board Members about the letter sent by the SJU reminding about the deadline submission of the financial statements (20 October 2017) to secure the execution of the payment in 2017.



Conclusions on items 6a and 6b

- The Board thanked Mr Hotham for the information on Budget 2018 and IFS.

Item 6c Annual Accounts and ECA Report on SJU Annual Accounts 2016

Mr Koehler, responsible for the preparation of the Annual Accounts of a series of Joint undertakings in DG Budget, expressed appreciations for the SJU work. He reminded that the Annual Accounts are composed of two parts: the Financial Statements with explanatory notes and Reports on the Implementation of the Budget.

Regarding the Financial Statements 2016, he commented that these are very characteristics of an organisation moving from one programme to another. This is evident from the balance sheet and pre-financing payments increases. He stated that the Administrative Board approval of the Final Annual Accounts 2016 will be provided once the European Court of Auditors will have submitted its Final Audit Report on the SJU Annual Accounts 2016, which is expected with positive opinion ("unqualified") on the reliability, legality and regularity of the underlying transactions.

Ms Loeser, responsible for the preparation of the budgetary part of the Accounts in DG BUDG, underlined the high level of revenue due to a low level of implementation, i.e. a low level of payments compared to previous years. The low level is mainly due to the late reception from EUROCONTROL 2015 Interim Financial Statement that could not be registered in time (missing in 2016 Budgetary Accounts and will be reflected in an over implementation in the 2017 Accounts). This was agreed with the European Court of Auditors.

Whereas the commitment implementation is fine, the payment implementation is relatively low, due to administrative agreements that did not take place (e.g. secondment, additional appropriations carried over from last year). The low implementation on the IT budget line is due to the late reception of the Interim Financial Statement from Eurocontrol. The non-utilisation of all funding is linked to the fact that for the operational expenditure in SESAR 1, many projects reached the threshold foreseen in the Membership Agreements (retention of the due amounts until finalisation of Final Financial Statement expected by the end of 2017) and for SESAR 2020 it is due to the implementation in Waves (the implementation is limited to the level of the Annual Financial Implementation Agreement with the Commission).

Mr Guillermet stated that in 2016 the SJU transferred the Accounts and the Treasury to DG BUDG and thanked the Commission colleagues for the good cooperation.

Mr Lallouette (Thales) informed that overhead costs cannot be disclosed on the H2020 portal as these are considered commercially sensitive information.



Conclusions on item 6c

- The Board thanked Ms Loeser and Mr Koehler for the information provided on the SJU Annual Accounts.

Item 7 AOB

Mr Roland Van Reybroeck (EDA) provided a short update on the EDA's initiative establishing a collaborative platform to facilitate the dialogue with relevant industrial partners and raise their awareness of dual use opportunities in R&T, notably in relation to RPAS air traffic integration.

The kick off meeting of the platform took place in July, with a good participation of Industry and relevant stakeholders; the first platform meeting was scheduled for 2 November in EDA. A call for papers was issued to gather the views from industries and other stakeholders about several topics in the RPAS ATI area and to contribute to set the initial scope of this Industry Exchange Platform. 22 responses were received and EDA is now preparing a White paper on the Industry views.

The dates of the next Administrative Board meetings are:

- Thursday 14 December 2017
- Thursday 3 May 2018
- Thursday 18 October 2018
- Wednesday 12 December 2018

Annexes

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

Done in Brussels, 19/10/2017

Chairperson
Mr Henrik Hotolei



Secretary
Ms Ilaria Vazzoler



Annex 1
Attendance list

Annex 2
Declarations on conflicts of interest

