

Meeting ADB(M)047

Minutes

ADB(M)047- MoM

Date of the Meeting: 10 October 2019

Time: 10:00-14:00

Place: SJU, av. de Cortenbergh, 100 - 1000 Brussels

Board Members and other participants

SJU Members	Representative		
European Union represented by the European Commission (EC)	Mr Filip Cornelis	Alternate	
	Ms Christine Bergh	Observer	
	Mr Octavian Vasile	Observer	
EUROCONTROL	Mr Eamonn Brennan	Member	<i>excused</i>
	Mr Philippe Merlo	Alternate	
Airbus	Mr Hugues de Beco	Alternate	
AT-ONE	Mr Dirk Kügler	Member	
B4 Consortium	Mr Maciej Rodak	Member	
COOPANS	Mr Mikael Ericssen	Member	<i>excused</i>
Dassault	Mr Frédéric Falchetti	Member	
	Mr Alain Boucher	Observer	
DFS	Mr Gerhard Tauss	Alternate	
DSNA	Mr Philippe Barnola	Alternate	
ENAIRE	Ms Mariluz de Mateo	Alternate	
ENAV	Mr Cristiano Cantoni	Alternate	
Frequentis SESAR Partners	Mr Michael Holzbauer	Member	<i>excused</i>
Honeywell	Mr Sander Roosendaal	Alternate	
INDRA	Mr Rafael Gallego	Member	
Leonardo	Mr Fabio Ruta	Alternate	<i>excused</i>
NATMIG	Mr Trond Bakken	Alternate	
NATS	Mr Dave Curtis	Member	<i>excused</i>
SEAC	Mr Frank Poetsch	Member	<i>excused</i>
Skyguide	Mr Thomas Buchanan	Member	
Thales Air System SAS	Mr Luc Lallouette	Member	
Thales Avionics SAS	Mr Pascal Combe	Alternate	

Stakeholder representatives	Representative		
Military / European Defence Agency (EDA)	Mr Christophe Vivier	Observer	
Civil users of airspace (AU)	Mr Giancarlo Buono	Member	<i>excused</i>

	Mr Robert Baltus	Alternate	
	Ms Sylviane Lust	Permanent Observer	
Air Navigation Service Providers (ANSP)	Ms Tanja Grobotek	Member	
Equipment manufacturers (EM)	Mr Vincent de Vroey	Member	
Airports (APT)	Mr Aidan Flanagan	Alternate	
Staff in the ATM sector (STAFF)	Mr Theodore Kiritsis	Member	
Scientific community (SC)	Mr Jacco Hoekstra	Alternate	

Permanent Observers

European Commission - Directorate General for Research and Innovation	<i>tbc</i>	Member	
	<i>tbd</i>	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		
EC IAS		Mr Reinder van der Zee	

Item 1 Introduction

The Chairperson, Mr Cornelis, welcomed the Board Members to the 47th Ordinary Meeting of the SJU Administrative Board, the second ordinary meeting of 2019. He remembered Mr Porfiri, his work within the SJU Administrative Board since its inception and his dedication to the SESAR project.

The Executive Director, Mr Guillemet, remembered Mr Porfiri for commitment and enthusiasm for his work and suggested to include a dedication into the Master Plan in the next edition.

Mr Cornelis asked for one minutes of silence at the memory of Mr Porfiri.

The Chairperson then welcomed:

- Mr Alain Boucher, participating as an observer for DASSAULT and accompanying Mr Falchetti. Mr Boucher will replace Mr Falchetti in his role as DASSAULT main representative;
- Mr Vivier, Head of Single European Sky / SESAR Unit, attending as observer for EDA because the main and the alternate representatives could not attend.

He also informed that COOPANS was represented by B4 and that Frequentis, NATS, SEAC and LEONARDO were excused as representatives could not attend.

Verification of the voting quorum

- ▷ The quorum was verified under Item 2.

Adoption of the agenda

No Board Members proposed additional changes to the Agenda.

▷ The Board adopted the Agenda.

Disclosure of conflicts of interests

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

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

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

The future of the Single European Sky policy

On 12 September, the Finnish Presidency together with the Commission hosted a High Level Conference on the Single European Sky. One of the key messages of the Conference was that ATM services in Europe have to be modernised to prepare for a sustainable and digital future of aviation.

In the evening before the conference, all stakeholders signed a joint declaration on the future of SES, showing their strong commitment to the upcoming transformation and modernisation efforts.

The Chairperson added that in practical terms, it is necessary to start implementing the changes that do not require a modification of the legal framework, at least at the early stage, i.e. the AAS follow-up, the preparatory work for the ATM data service provision or the definition of a Human dimension roadmap.

In the meantime, Council/States and the Parliament will have to restart discussions on the reform of the Single European Sky, which was blocked for a number of years, with a new set of relevant measures to improve the ATM sector.

The Chairperson added that the European Parliament has included the SES2+ file on its list of priorities and that the rapporteur, Mr Marinescu, confirmed for the new mandate, is eagerly awaiting the Member States' engagement to unblock negotiations.

Mr Cornelis continued by saying that the EC will follow up the discussion held at the Conference with a series of thematic workshops and discussions with the Member States. The Finnish Presidency will host a policy debate on SES during the December Transport Council to build the political support.

Network Functions

With the renewal of the appointment of ECTL as Network Manager, the EC is preparing the appointment of the Network Management Board and the European Aviation Crisis Coordination Cell for RP3 (2020-2024), as well as in the process to approve approval of the Network Strategy Plan and the Network Performance Plan.

Performance

By 1 October, the European Commission has received the performance plans for RP3 from all Member States. The Commission, assisted by the PRB, is assessing the consistency of the national targets with the Union-wide targets taking into account local circumstances.

Aviation strategy progress - key elements

On the progress of the EC aviation strategy implementation and on comprehensive air

transport agreements the Chairperson specified that:

- ASEAN: the EC is very close to signing agreement
- Qatar: the EC is preparing the necessary to sign the agreement that was concluded
- Oman: a second round of negotiations took place end of June and a third one is planned for November in Muscat
- Azerbaijan: a technical workshop was held the first week of May in Brussels which should help clear the way for a final round of negotiations before the end of the year
- Turkey: negotiations were suspended following Council's decision to condemn Turkey's illegal drilling activities in the Eastern Mediterranean
- China: the signing ceremony for both the BASA and the Horizontal Agreement took place on 20 May 2019. The EP should give its consent before the Council can adopt a Decision on the conclusion of the agreement
- Japan: the EC reached an agreement in July and is currently in the middle of the administrative steps to facilitate of the Council Decision, which could take place still this year
- On CORSIA: the ICAO Council has proposed to the ICAO Assembly that CORSIA should be the only global market-based measure applying to CO₂ emissions from international aviation. ICAO confirmed the endorsement that individual region of the world shall move forward in the interoperability. Regarding the Environment file, this was more contentious and was challenged by China, but still obtained an overwhelming majority supporting CORSIA.

The future of SESAR in the next Long-Term Budget

As already announced at the May Board meeting, Member States negotiating the future Horizon Europe programme have given the green light to the establishment of European Partnerships in several key areas, including one with the objective to "Accelerate competitiveness, safety and environmental performance of EU air traffic, aviation, transport and rail".

Work within and across the clusters of the Horizon Europe has resulted in the selection of a consolidated portfolio of 44 candidates for European Partnerships, nine of which are part of the Climate, Energy and Mobility Cluster. These include, among others, the themes Clean Aviation, Integrated ATM, Shift to Rail, Clean Hydrogen, Batteries and Automated Road Transport.

Upon the request of Member States to be more involved in research partnerships, there are regular consultations between the Commission and the Member States on the portfolio of partnerships as well as on each individual partnership candidates.

Mr Cornelis also added that the EC would organise a workshop with the Member States to discuss their particular interest to contribute to and to be more active in the transport partnerships. He also recalled that for SESAR, the EC has already involved Member States through the Single Sky Committee.

In parallel, for the preparation of potential institutional partnerships under Art. 185 and 187 of the Treaty, the European Commission has formally launched the internal processes to ensure that the Basic Acts can be adopted by the start of the Horizon Europe Programme on 1 January 2021.

The core discussion around these partnerships is the mode of implementation, where there are two options. The first is an institutional Partnership, similar to the current JU model, characterised by a multi-annual programming. The second is a co-programmed partnership, currently Contractual PPPs, characterised by a Strategic R&I Agenda agreed between all partners and the Commission and underpinned by a framework partnership agreement. The Union funding is implemented via Multi-Annual

Programmes translated into calls for the members of the partnership.

Member States asked to demonstrate the added value of re-establishing the ATM partnership as a JU as compared to a contractual partnership.

Mr Cornelis also underlined that the EC is interested in knowing Members' preferred option. In order to help prepare, the EC presented the outline of a document that when completed could support the EC.

He explained that it is necessary to develop together a Partnership Proposal based on common guidance, while a consortium of consultants is collecting information that will be useful for the impact assessment studies.

He stressed that in September, the EC has launched a two-month long public consultation on these future partnerships and invited all members to express their opinion.

He added that the EC is working together with the SJU to translate the lessons learned from the implementation of H2020 into the text of the future JU Regulation, where some elements can and should be improved (e.g. multi-annual commitments would eliminate the redundant process of annual grant amendments on budgetary grounds).

The Commission proposals for future Article 187 initiatives should be adopted in Q1 2020, thus allowing the launch of the European Partnerships under Horizon Europe in early 2021.

These preparations require discussing Members expectations for the future partnership and to ensure that the future partnerships responds to both the SESAR policy ambitions including the recommendations from the European Court of Auditors, as well as the new Horizon Europe priorities and requirements.

The Chairperson warmly encouraged the Board to contribute to these consultations, to be available for questionnaires and interviews in the context of the study and to consider what kind of involvement they would prefer for the respective organisations/companies in the new Partnership, both in terms of content and funding.

Mr Merlo (Eurocontrol) expressed support to the continuation of SESAR partnership according to the current model. This position has been expressed also in the consultation. He also commented that the new edition of the European Master Plan constitutes a solid basis to continue the cooperation.

In replying to a question of Mr Rodak (B4), the Chairperson specified that EC consultants will soon contact Members.

Ms de Mateo (ENAI) welcomed the information presented on the process and commented that a partnership built on the continuation of current partnership is essential. She also confirmed that ENAI is answering the questionnaire and is available for the interviews to express support to the partnership.

Ms Berg (EC) specified that the Impact Assessment shall be completed by December and should include strong arguments in favour of the benefits of an institutional partnership. These need to be clearly explained, also considering that the file will be discussed by the Research Ministers in the Council, who might not be aware of the ATM environment.

The Chairperson also invited the Members to be prepared to contact national governments, once the impact assessment process is concluded, to support the SESAR proposal.

Mr De Vroey (Equipment manufacturers) confirmed that Equipment manufacturers are responding to the consultation and support the continuation of the SJU. He also added that the EU budget shall be set at the right level otherwise it would not look attractive.

Mr Buchanan (Skyguide) stated that Skyguide would support a partnership that remains Network centric, and therefore includes organisations that can make significant contribution that are coming from central and northern Europe who may not be part of the EU.

Mr Barnola (DSNA) underlined that in a partnership, besides the technical expertise and the availability of funding, data sharing is a key topic.

Mr de Beco (AIRBUS) confirmed that AIRBUS supports the continuation of the partnership.



Conclusions on item 1

- The Board took note of the information provided by the Chairperson.
- The EC invited the Board to contribute to the consultations and to work with the SJU to identify the necessary elements for the new partnership.

Item 2 European ATM Master Plan activities

The SJU Executive Director reported to the Members progress achieved in the area related to the Airspace Architecture Study and to the execution of the European ATM Master Plan.

He informed the Members that the SJU delivered the Airspace Architecture Study Transition on the day of the SES high-level conference in September 2019.

He recalled the three main measures as part of the transition

- Launch an airspace re-configuration programme supported by an operational excellence programme to achieve quick wins
- Realise planned implementations related to mature SESAR solutions supporting the roll-out of cross-border Free Route, air-ground and ground-ground connectivity
- Accelerate market uptake of the next generation SESAR technologies to prepare the de-fragmentation of European skies through virtualisation and the free flow of data among trusted users across borders

He underlined the importance of accelerating the pace to allow reaching the goals for 2025 and of demonstrators to bridge the gap between research and industrialisation phase.

Activities will be focused areas related to the 10 key traffic hotspots identified by the Network Manager.

Mr Guillermet then talked about the Master Plan update and recalled that the European ATM Master Plan campaign was launched at the Digital Transport Days in Tallinn in November 2017.

A lot of effort was dedicated to the updated process, where Eurocontrol played a major role in aggregating data and information. Before summer 2019 the SJU made available the final version, integrating comments received through workshops held with Members States, at SSC and PC level.

The final version, including the work done on the AAS and comments received during the formal consultation, was circulated to the Administrative Board, in view of the adoption of the document at the meeting of December (subject to the outcome of the internal approval process at the EC and Eurocontrol).

Mr Guillermet concluded by saying that the final document constitutes a sound basis for identifying and defining future activities.

The Chair thanked the SJU and all colleagues involved in the AAS transition plan and MP update. He specified that the EC shall issue a formal opinion on the Level 1 - Executive view and that was consulting the other Commission services. Furthermore, the EC should also consult the SSC and secure Member States support to the significant changes in the Master Plan.

Once agreed with the member States, the Union position on the ATM Master Plan will be tabled at the College of December in time for the adoption at the ADB meeting.

He added that after the Master Plan - Level 1 is adopted by the Board, a more detailed implementation plan shall be developed next year.

Mr Cornelis added that the Commission sees this new edition of the Master Plan as an opportunity to launch a reform in the way SESAR will work in the future, to focus

efforts and investments on game-changing solutions that exit the development phase with a higher level of maturity ensuring a rapid and seamless transition into the operational environment.

To this end, the Commission suggested to put in place a high-level reporting tool covering the state of implementation of the SESAR Vision defined in the ATM MP.

Mr Merlo (Eurocontrol) mentioned that in the workshop of 20 September, feedback were gathered and passed to the SJU for consideration; the position paper on the Master Plan update was presented and received a positive feedback. This is now in the approval process. This process is important because it allows seeking support from non EU Members States having nonetheless a certain relevance in ATM.

Ms de Mateo (ENAI) expressed support to the Master Plan new edition and underlined Members collective responsibility to implement AAS Transition plan - phase C for 2035. She underlined the importance of continuing Research and Development beyond SESAR 2020 and expressed agreement to accelerating the pace. However, programme, budget, framework, governance for the implementation of demonstrators need to be defined.

She added that whereas capacity is the priority for the new edition of the Master Plan, environment shall also be an essential element for future commitments.

Mr Cornelis commented that the EC is reflecting on the possibility to have the future SJU more connected to deployment and supporting growing the activities related to demonstrators.

Ms Berg commented that the budget framework is under discussion, along with the most appropriate form of governance. She underlined that cooperation with EASA will be important for the demonstrators to secure and accelerate the industrialisation phase.

Once the certification is achieved, then the most suitable link to the infrastructure manager needs to be put in place.

Mr Guillermet presented a first overview of future ATM research needs stemming from MP2020.

This should be based on the current founding Members, the European Commission, bringing in financial contribution, and Eurocontrol, contributing with development of data services and network services.

The work would be articulated in three phases: exploratory research, whose relevance in the research pipeline has been demonstrated in the past programmes, industrial research and demonstrators, the latter with a more prominent role, to accelerate the market uptake.

The three phases would be structured in relation to the priorities identified in the AAS and the MP.

On the Aviation green deal demonstrator, the first aspect would be to make sure that environmentally friendly behaviour is supported by the whole Network; the second is to ensure a good articulation between SJU and CleanSky activities.

Besides that, standardisation and certification are two important elements to be embedded in the demonstration process.

The governance should be set up in order to support the different phases and priorities.

The Chairperson underlined that the upcoming weeks will be key to define the content of the future partnership.

Mr De Vroey (Equipment Manufacturers) welcomed a good articulation between the work performed by the SJU and the one performed by CSJU.

Prof Hecker (Scientific community) welcomed the proposal of a closer cooperation between the SJU and CSJU, because both entities can benefit from the respective areas of expertise and from activities performed by demonstrators.

Mr Roosendal (Honeywell) invited to move forward to the deployment of the SESAR solutions that are ready.

Ms de Mateo underlined that the governance for the different phases should not be the same. She also stressed that the level of public funds shall be at the appropriate level to carry out the activities.

Mr de Beco concurred that governance structured should be differentiated.

Ms Lust (Airspace Users) noticed that some elements included in the research needs for the future should actually be already in place within the current research framework. Invited then to focus on the delivery of those elements that should be already in place.

Mr Rodak (B4) supported the idea of the differentiated governance for different research phases.

Mr Tauss (DFS) commented that the SJU presentation covered all the ingredients. As far as the governance is concerned, the right partnerships should be chosen; as regards processes, they need to accelerate and to be managed by the right entity. The SJU is doing an excellent job and, in case this is not confirmed, there might be delays in the processes.

Mr Barnola (DSNA) stated that cybersecurity theme should also be included in the list of future ATM research needs.

Prof Hecker informed that the Scientific Committee is working on a paper on the innovation pipeline to better connect the exploratory research to the industrial research and to ensure a flow of results and a stronger link between the different phases of research. Besides that, he added that currently ATM research is also conducted outside SESAR; the Scientific committee would recommend gathering all research activities under a single umbrella.

Mr Guillermet acknowledged that the role of demonstrators in terms of benefits and acceleration should be better explained.

On the relation with Clean Sky, the SJU is working on a joint document explaining how the two programmes will complement each other. A slide could be presented at the next Board meeting.

The Chairperson commented that it would be important, on the one hand, to demonstrate that there is no overlaps within partnerships and, on the other hand, to underline possible interactions and synergies among them.

He invited Members to reflect on the most suitable demonstration activities to be carried out in the future programme. The latter should also take into account how SESAR can contribute to the political priorities of the next Commissioner-elect: environment, digital economy, geopolitical importance of the EU in the world.

Mr Rodak (B4) stressed that cooperation and dialogue between the different actors will be fundamental also in the next phase.

Ms Berg stressed that data analytics will be very important and invited Members to reflect on how far data analytics can be brought in the current partnership and the new one.

The Chairperson underlined that the reflection on content, resources, governance, on the basis of the slides presented by Mr Guillermet during the meeting, needs to be deepened and accelerated.

▷ **Conclusions on item 2**

- The Board took note of the information provided on the ATM Master Plan

related activities and on the future partnership.

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

Item 3a Programme overview

Mr Hotham referred the Board Members to the most relevant information about the Programme progress. In particular, regarding Wave 1 maturity pace, he stressed that the average cumulative time to reach V2 is 21% shorter than that used to reach V1 and 32% shorter to reach V3. This demonstrates an acceleration in the research lifecycle, due to a better connection between exploratory research and industrial research and to the continuity and stability of the partnership.

Regarding Release 9, Mr Hotham informed that Release 9 Plan covers SESAR Solutions validated from May 2019 until the end of Wave 1 and includes 74 SESAR Solutions and 4 VLD projects for final demonstration activities.

Looking at the high level view of the SESAR Solution exercise planning, the execution is in line with the schedule. Mr Hotham added that for W2, the SJU wishes to bring the reporting date closer to the reality and to have a better ability to manage proactively.

As regards Wave 2 topics, Mr Hotham underlined that its objective is to ensure achieving the SESAR vision given in the Master Plan 2015. The SJU has conducted a prioritization exercise for the selection of the topics according the following criteria: ATM performance improvement potential and ATM digitalisation potential. The prioritization process involved independent experts assessment and stakeholders consultation via the Master Planning Committee and the Programme Committee. As part of this process, 30 solutions were chosen from 43 candidate solutions.

Mr Hotham explained that applicants were requested to propose against a set of mandatory candidate Solutions and a selection of optional ones, using justification criteria: i. demonstrating added value for the ATM network (in particular about: defragmentation of service provision; interoperability, sharing of infrastructure, scalability); ii. demonstrating contribution to increasing network capacity and/or access to airports including regional/secondary airports; iii. demonstrating that the candidate Solution development will ensure a deployment oriented outcome.

Out of the 30 priority solutions, 29 were selected during the evaluation phase.

In terms of process, Wave 2 was, at the time of the meeting, in the grant agreement preparation phase, with extensive coordination with the Members to ensure common understanding about GAP phase and facilitate the progress of the grant agreements to the signature before the year end.

Mr Hotham stressed the vital importance of the continuity of operations and complementarity between Wave 1 & Wave 2, as well as starting activity in new areas of research and highlighted the need to proceed swiftly to Wave 2 grants signature.

Looking at the SESAR research scope, Mr Hotham explained that W1 achievements and the expected achievements of W2 should cover the Master Plan 2015 performance ambitions.

On Wave 3, this will ensure path to achieving the SESAR Vision given in the Master Plan 2015, its performance ambition and preparation for the AAS, by :

- Addressing remaining Master Plan gaps;
- Addressing Airspace Architecture Study elements not already fully covered in the Wave 2;
- Completing the scope of Wave 2 call to cover topics not covered (or only partially covered) in the awarded grants due to the limited budget.

W3 consultation closed on 2nd October and the shortlisted topics are

- Virtual Centre
- Increased flexibility in ATCO endorsement

- Collaborative U-space-ATM SWIM interface
- Automated air/ground data synchronisation
- Collaborative management of TMA & Airport throughput
- Integrated Runway Throughput and Terminal Efficiency (VLD-like)
- Downlinking Flight Trajectory to improve ATM performance (VLD-like)

Mr Hotham also provided Wave 3 call high level planning:

- Q1 2020 : opening of the call (tentative date : 31st of march 2020)
- May 2020 : call deadline (2 months for drafting the proposals)
- End July 2020 : GAP opened
- By end of December 2020 at the latest : Grant(s) signed
- By December 2022 : Projects closed

The SESAR 2020 Programme will be complemented by a VLD open call, that should cover the Digital European Sky Demonstrators, U-Space and Urban Air Mobility, Demonstrating environmental sustainability. These topics will supporting the ATM Masterplan Essential Operational Changes.



Conclusions on item 3a

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

Item 3b External Relations and communication

Mr Guillermet provided an update on the 40th ICAO assembly, where GANP and GASP were endorsed and SESAR and SESAR Solutions were well recognized as promoting global interoperability.

He informed the Board that the SJU has signed a letter of intent with Georgia and will organise a workshop in Georgia at the beginning of next year.

Also, the SJU will run a workshop in Qatar in Q1 or Q2 next year. Members will be consulted and engaged for the preparation of the two events.

The SJU is conducting some preparatory work with Singapore to establish a “Joint Future ATM vision”, similar to the State of Harmonisation with NextGen, to exchange views on the future of ATM.

Among the main upcoming events, Mr Guillermet mentioned the SIDS in Athens at the beginning of December, hosting the Digital Sky challenge.

Looking at the publication, Mr Guillermet named the Master Plan edition 2020 and the U-space results brochure that will collect the different demonstrations related to Drones.

He concluded by exhorting the Members to team up for communication activities, to amplify the marketing of the “SESAR brand”.



Conclusions on item 3b

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

Item 3c Annual work programme objective's implementation

Regarding the Annual Work Programme implementation in the period 2019 Q3, Mr Guillermet confirmed that most of the elements are on track despite the intense year.



Conclusions on item 3c

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

Item 4 Planning and Reporting documents

Item 4a SPD 2020

Mr Hotham recalled the Board Members that the SPD 2019-2021 was amended in February, in April and in July 2019.

He then provided the timeline for the SPD 2020-2022: the first draft was approved by the ADB in January and submitted to the Budgetary Authorities; the second draft of the SPD 2020-2022 was submitted to the European Commission in May 2019 and the Commission's opinion on the updated version is being processed; the submission of the third draft to the review of the ADB is planned for the end of October in view of the adoption during December ADB meeting. As usual practice, the first amendment is expected in January 2020 to amend the budget (re-inscription of unused 2019 appropriations in the 2020 budget).

Mr Hotham underlined the changes in the final draft, i.e. refined descriptions of the 2 scenarios identified for the future of SESAR JU, refined annual budget for 2020 (final), 2021 (draft) and 2022 (draft), including in-kind contributions, refined 2020 calls conditions and objectives for annual work programme 2020, completed 2020 Procurement Plan, clarified potential impacts from BrExit on the SESAR 2020 programme and the SESAR JU

Mr Hotham presented the main milestones related to the definition of the future of the SJU:

- November 2019: during the open consultation the ADB will express its opinion on the two scenarios on the future of the SESAR JU. *(in accordance with Article 5(k) of the Statutes of the Joint Undertaking)*
- December 2019: Adoption of the SPD2020-2022 closes the ADB opinion on the future of the SESAR JU
- By April 2020: the SESAR JU expects further input from the Commission. *(coming from the ongoing process determining the future for a partnership in ATM)*
- During 2020: the SESAR JU will prepare more detailed administrative and operational planning to be documented in the draft SPD2021-2023
- By December 2020: the final SPD 2021-2023 will reflect the chosen scenario and include sufficient detail for future years.

In terms of call conditions, the SPD 2020-2022 presents a budget refinement.

For VLD Open 2, the indicative maximum budget is €19.3 M.

For the IR Wave 3, the objective is to maximise the consumption of available EU budget on priority research needs.

Potential indicative maximum budget is around €26M, of which €12.2M is coming from Wave 1 grant budget amendments 2018 and Wave 2 budget not awarded, and €14M from a release of Wave 1 budget after the closure of 17 projects.

The forecast of budget release from closed IR-VLD Wave 1 projects will be calculated by the SESAR JU based on CBFs received from Members, in February-April 2020.

The SPD will refer to an indicative maximum, explaining that calls will be awarded by end of Q4 2020 up to final available budget.



Conclusions on item 4a

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

Item 4b SPD 2021 timeline and content overview

Concerning the SPD 2021-2023, the SJU is preparing the initial draft that will be submitted to ADB for review after the December meeting. The Members' feedback to the SJU is expected by 10/01/2020 to integrate it in the version that will be approved by the ADB via written procedure by 29/01/2020 and subsequently forwarded to the Budgetary Authorities by 31/01/2020.

The SPD 2021-2023 may introduce a 7th Strategic Area of Operation, which would consist of the implementation of the selected scenario for the future of the SESAR JU. This will include detailed plans for the wind up and/or the extension/transition scenarios, will not plan for new calls, but for monitoring of ongoing calls.

Ms de Mateo (ENAIRE) plead for a simplification of the administrative process, in particular in relation to the necessity of having a multiannual programme.

Ms Berg (EC) pointed out that this is ultimately related to the status of the SJU and that EU budget is administered by the SJU.

The ED commented that the main issues in SESAR 2020 was the yearly budgetary amendment and efforts should be made to have a multiannual approach for the next cycle.



Conclusions on item 4b

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

Item 5 General Administrative and financial items

Item 5a Budget execution overview

Mr Calvo informed that commitments percentages are in line with plan: Title 3 consumption is above 50%; Title 1 and Title 2 consumption are lower now a days, but the timeline horizon for these costs is also longer, for what the trend is acceptable. Regarding the in-kind contribution, Mr Calvo said that for the first reporting period the figures are validated already, except for a small amount that is in the last stages for validation. For the second reporting period, 8 reports are still subject to clarification, and in one case no reporting has been provided yet. He reminded the members that the deadline is 4 months after the beginning of the year. Regarding the validated in-kind contributions, its level is reasonable compared to what could be theoretically expected.

The running costs for Title 1 and Title 2 have a linear trend to finish the year at around 70%-75% of the planned ones, therefore for 2019 the SJU will make some savings in the running costs.

Operational costs were low in the first half of the year compared to the planned ones, but have significantly increased mainly due to the fact that payments for second reporting period of Wave 1 were done in June and July. This year could end with a budget execution rate close to 100%.

Mr Guillermet underlined the importance of making the reporting on in-kind contributions available on time, as this serves as a basis for a sound planning and reporting of the SJU.

▷ **Conclusions on item 5a**

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

Item 5b Annual Accounts 2018 and ECA Report on SJU Annual Accounts 2018

Mr Calvo informed that the Final 2018 Annual Accounts have been submitted by DG BUDG to the Budgetary Authorities by the 01/07/2019 as required by the Financial Regulation (SJU FR), and will be sent for approval to the Board in Q4 2019 together with the ECA report.

He specified that the preliminary ECA report conclusions contain a clean opinion, they mention that the accounts present fairly the financial position of the SJU that the ex-ante control procedures are reliable. It also refer to a low implementation in 2018 due to a “conservative approach” chosen by the SJU; it mentions overlaps with U-space call in the sub-criteria but mitigated before the beginning of the evaluation. This can be explained by the fact that this was the first call for proposal funded by CEF being managed by the SJU.

▷ **Conclusions on item 5b**

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

Item 5c SJU Financial Rules

Mr Calvo explained that the new SJU Financial Rules are based on a model text, to which the SJU obtained few derogations to ensure compatibility between contradictory obligations stemming from the SJU regulation, e.g. latest reception of EU funds in 2020 and maintain the SJU in operation until 2024.

The new text will not entail major impacts for members, but contains some novelties like the possibility to use appropriations for running costs until 2024, which is very positive.

▷ **Conclusions on item 5c**

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

Item 5d HR model decisions

Mr Calvo explained that model decisions affecting management posts, middle management and function of adviser were approved. A series of other model decisions are in the adoption process.

Regarding staff policy, three vacancies processes are being handled: those for Chief Financial Officer and Legal and Procurement Officer are ongoing and the one for Facility Coordination Assistant is to be published.

In addition the SJU conducted the reclassification exercise for the staff between August and October.

The ED added that following of the arrival of the CFO, a new organigram will be tabled to the Board in December.

► Conclusions on item 5d

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

Item 6 AOB EC Internal Audit Service: presentation of the Strategic Internal Audit Plan

Mr van der Zee, director of Directorate A in the Internal Audit Service (IAS), presented the Internal Audit Service Strategic Internal Audit Plan for the period 2019-2021. He explained that the IAS is the Internal Auditor of the SESAR Joint Undertaking and reports to the EC, through the Board. The IAS is independent and decides the Audit Plan independently, although in cooperation with the SJU management and on the basis of a risk assessment.

Mr van der Zee presented the new IAS Risk Assessment methodology, the IAS Strategic Internal Audit Plan 2019-2021 and the status of past IAS audit recommendations.

In terms of the new risk assessment methodology, the SJU is considered a mature organization. Therefore the IAS will apply a leaner risk assessment for mature organisations and will focus on high risk (impact * likelihood) regardless of maturity of key controls, in line with the European Commission approach.

The risk assessment process followed three steps:

1. Desk Review (Founding Regulation, other applicable regulations, Annual Work Programmes, Budget, Annual Reports, reports from other assurance providers)
2. Risk Assessment Interviews on-site with the Director and key agency staff (final risk analysis and scoring, review of the entity risk rating)
3. Validation & Reporting (SESAR JU was invited to comment on the draft version before the final SIAP was issued.)

Mr van der Zee stressed that there is a coordination between the IAS plan and the SJU Internal Audit capability and the European Court of Auditors.

He highlighted that risks were scored according to their impact and the likelihood which were measured according to given criteria. After this assessment, a dialogue with the SJU management took place and Audit Topics and Reserve Audit Topics for the next period were selected.

Regarding the Strategic Internal audit plan for 2019-2021, the IAS selected three topics:

- Topic A: *“Grant implementation and programme management”*
- Topic B: *“In-kind contribution validation process”*
- Topic C: *“Human Resources Management”*

Regarding topic A, in 2016 the IAS already looked at the early phases of the grant management process; now the IAS will look at the adequacy of the SESAR JU management and control systems for the financial and operational management and performance monitoring of H2020 grant projects.

Regarding topic B, the IAS will assess whether management and control processes on in-kind contributions are adequately designed, ensure compliance with the regulatory framework, and are effectively and efficiently implemented.

Regarding topic C, the aim is to assess the adequacy of the design and effectiveness of

the internal control systems related to HR management in SESAR JU regarding all categories of workforce (temporary and contract agents, seconded staff from Eurocontrol, seconded staff from JU private members, seconded national experts).

As reserve topics, in case one of previously selected topics become less important, the IAS has identified the following topics:

- Limited review of the internal control framework
- Audit on the implementation of the Internal Data Protection Regulation

Mr van der Zee informed the Board of the status of pas IAS recommendations. The only open recommendations relates to the audit on "*Coordination with the Common Support Centre*" conducted in 2017: one action is ready for review; one action is overdue (due date Q1 2019); one action is open (due date Q4 2019).

In replying to Mr Rodak's questions about auditors' qualification and "technical" knowledge, Mr van der Zee specified that auditors do not evaluate content but processes, even with the new methodology. The move from compliance to performance audits has already happened in the past years, and auditors have already gone through a learning phase allowing them to assess operational processes, although always focusing on processes efficiency (rather than technical content).

The ED highlighted the excellent cooperation with the IAS and confirmed sharing the choice of risk areas identified for the future audits.

Regarding the risk related to HR, he highlighted that the SJU is concerned about the acceleration of the turnover rate, determined by getting closer to the end of the SESAR 2020 programme and the current SJU lifetime.



Conclusions on item 6

- The Board thanked Mr van der Zee for the information provided.

The next meeting on 17 December.

Annexes

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

Done in Brussels, 10/10/2019.

Chairperson
Mr Filip Cornelis

Secretary
Ms Ilaria Vazzoler

Annex 1
Attendance list

Annex 2
Declarations on conflicts of interest

