

Meeting ADB(M)020

Minutes ADB(M)020- MoM

Date of the Meeting: 15 December 2011
 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 Matthias Ruete	Chair
	Mr Matthew Baldwin	Excused
	Mr Maurizio Castelleti	Observer
	Mr Marco De Sciscio	Observer
EUROCONTROL (ECTL)	Mr Bo Redeborn	Excused
	Mr Bernard Miaillier	Alternate
AENA	Ms Mariluz de Mateo	Alternate
Airbus	Mr Pierre Bachelier	Alternate
ALENIA Aeronautica (Alenia)	Mr Maurizio Fornaiolo	Excused
	Mr Fabio Ruta	Observer
DFS	Mr Georg Dickhaut	Alternate
DSNA	Mr Philippe Merlo	Alternate
ENAV	Mr Iacopo Prissinotti	
Frequentis	Mr Johannes Prinz	Alternate
Honeywell	Mr Alexandre Laybros	Alternate
INDRA	Mr Ramon Tarrech Masdeu	Alternate
NATMIG	Mr Aage Thunem	
NATS	Mr Richard Deakin	Excused
NORACON	Mr Niclas Gustavsson	Excused
SEAC	Mr Giovanni Russo	
SELEX S.I. (SELEX)	Mr Stefano Porfiri	Alternate
Thales	Mr Luc Lallouette	Alternate

Stakeholder representatives	Representative	
Military (MIL)	Gp Capt. John Clark	
	Air commodore Chris J. Lorraine	Observer
Civil users of airspace (CUA)	Mr Vincent De Vroey	
	Mr Pedro Vicente Azua	Excused
Air Navigation Service Providers (ANSP)	Mr Bernard Martens	Alternate
Equipment manufacturers (EM)	Mr Patrick de Prévaux	Alternate
Airports (APT)	Mr Philip Ahrens	
Staff in the ATM sector (STAFF)	Mr Loïc Michel	
	Mr Joël Cariou	Alternate
Scientific community (SC)	Prof. Peter Hecker	Excused

Other participants		
SJU Executive Director	Mr Patrick Ky	
SJU Director Admin & Finance	Mr Carlo M. Borghini	

SJU Internal audit	Mr Ross Walton	
Secretary of the Board	Mrs Servane Woff-Lhuissier	
European Defence Agency	Mr Patrick Rey	Observer
	Mr Guillaume de la Brosse	Observer

Distributed meeting documents

SJU-AB-020-11-DOC-01	Annual Work Programme 2012	Item 4
SJU-AB-020-11-DOC-02	Decision on Budget transfers between Titles and Chapters and Revised Budget 2011	Item 4
SJU-AB-020-11-DOC-02 bis	Revised budget 2011 including the budget transfers under the authority of the Executive Director	
SJU-AB-020-11-DOC-03	Budget 2012	Item 4
SJU-AB-020-11-DOC-04	Decision on the SJU Annual Accounts 2010	Item 4
SJU-AB-020-11-DOC-04 bis	Final Annual accounts 2010 and Report of the European Court of auditors together with the replies of the JU	
SJU-AB-020-11-DOC-05	Third amendment of the MFA	Item 4
SJU-AB-020-11-DOC-06	Decision on the adoption of implementing rules to the staff regulations	Item 4
SJU-AB-020-11-DOC-07	Decision concerning the transparency and public access to the documents of the Joint Undertaking	Item 4

Item 1 Introduction

The Chairman welcomed the representatives of SJU members and stakeholders. He also welcomed Air commodore Chris J. Lorraine and announced that the Military ATM Board of Eurocontrol nominated the latter to replace Group Captain Clark as the military representative in the Administrative Board as well as Mr Per Coulet to act as his alternate. The Chair also noted that this was the last Administrative Board Meeting of Mr Walton, whose secondment to the SJU was ending on 1st January 2012. On behalf of the Board, the Chair thanked him for his excellent work and his high professionalism in the conduction of Internal Audit Affairs in the SJU.

Verification of the voting quorum

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

Adoption of the agenda

The Chair presented the agenda and proposed deferring the decision on the appointment of the Board's Vice-Chairman to the next Board meeting as Mr Redeborn, candidate for Vice Chair, could not attend the meeting (Agenda item 2). The order of the sub-topics of item 4 was also modified to allow the representative of the Court of Auditor to join the meeting. The Chair requested the Board members to present any other suggestions for changes.

Mr Ky asked to add under the Agenda Item "Any Other Business" the topic of the SJU relationship with NATO.

Other subjects added under AOB were:

- Request of Prestige International Holding to become an SJU Member
- Relationship between the SJU and EASA
- Update on SESAR deployment

No additional changes were proposed.

▷ **The Board adopted the modified agenda.**

Disclosure of conflicts of interests

The Chair reminded the participants of their obligation to declare any real or potential conflict of interest on any agenda items. Board members and participants were required to fill in and sign the relevant declaration in accordance with Article 2.4 of the Board's decision on conflict of interest ADB(D)-10-2008. The new representatives present at the meeting were also required to sign the declaration of commitment and confidentiality in accordance with Article 2.2 of the same decision.

Mr Walton stressed that SJU Members in receipt of public funds should abstain from voting for the approval of the Third Amendment to the MFA. He also invited them to declare a conflict of interest on that item. Mr Borghini clarified that the conflict of interest was more precisely related to the decision on the reallocation of resources taking the form of an amended Schedule 14 presented in Annex 4 to the Amendment of the MFA.

In this context, the Chair indicated that it would be necessary to revisit next year the provisions on conflict of interest.

▷ **The Chair noted that SJU Members concerned agreed to declare a conflict of interest on agenda item 3 (Third Amendment to the MFA) and that all participants had completed the declarations on independence, confidentiality, where applicable, and of conflict of interest.**

Item 3 Report on the progress of the Programme

- Mr Ky offered the Board a short update on the Programme status.
Regarding Release 1:
Out of the initial list of 29 validation exercises for Release 1:
 - on 15 December, 19 exercises were already completed;
 - 4 exercises were to be completed before the end of the year;
 - 2 exercises were to take place in January, February 2012;
 - 4 exercises were substantially delayed and therefore integrated into Release 2.
 Mr Ky indicated that there was an average delay of one month and a half, which was a very good result for such a big Programme. He expressed all his appreciation to the SJU members for the continuous commitment to the Programme which resulted in achieving such good results, in particular maintaining tight deadlines. He especially thanked the operational and technical staff for their contribution and participation in Release 1. Mr Ky underlined that Release 1 could already be considered a success.
- Regarding Release 2: In 2012, there will be 33 exercises including the 4 delayed exercises from Release 1. Activities related to trajectory management and initial 4D will continue and more activities will be based at airports. Release 2 will also

address the airlines priorities. Airlines will be involved for instance in a number of exercises to examine how the flexibility in the way ATFM slots are handled could be improved. There will also be specific exercises on the flexible use of airspace to enhance civil-military interoperability.

▷ **Conclusions on item 3**

- The Chair expressed his wish that Release 2 results will help the EC promote the SESAR Programme to a wider community. The Board thanked Mr Ky for his report and took note of the presentation.

Item 4 General Administrative and budget issues

- The Chair suggested delaying the presentation by the European Court of Auditors (ECA) of its report on the SJU Annual accounts 2010 as well as the decision for the approval of the Annual accounts in order to give time to Mr Mueller from the ECA to join the meeting. The Board having agreed to this proposal, the Chair then moved directly to the rest of the Agenda items.

Item 4b Approval of the Annual Work Programme 2012

- Mr Borghini reminded the Board participants that the draft Annual Work Programme 2012 was submitted to the Board on 18 November. An iterative process was organised to consult the SJU Members and the EC. Comments were first requested in writing and then were discussed during a conference call on 5 December.
- A clean version of the final document and one with track changes were presented, and the Programme Committee informed of the final results on 14 December. The SJU endeavoured to keep a strategic dimension to the document by introducing for example some indicators on the achievements to be realised in 2012 and beyond.
- Mr Borghini explained that only two aspects were not changed following the consultation process:
 - The SESAR Vision 2014 proposed by the SJU Management was maintained in the document to offer a forward looking perspective to the Programme. As agreed with the Board and the PC Members, this Vision 2014 should be further discussed in 2012 to take into account the results of Release 1 and 2 maturity assessment.
 - Regarding the European ATM Master Plan update, the ambitious objectives to be reached by spring 2012 were maintained in the Annual Work Programme.
- The Military representative drew the attention of the Board to paragraph 4.3 of the Annual Work Programme where the SJU highlighted the gap between the assessed initial need of 110 military experts and the contribution of 86 experts made today by Member States through Eurocontrol. The Military representative underlined that this gap could be filled also through a NATO contribution at expert level and noted that this would be further discussed under the “Any Other Business” Agenda Item.
- The Chair stated that the Commission noted the SJU’s intention to revisit the Vision 2014 during 2012 and also called for an increased traceability and consistency in the Work Programme between objectives and risks reported in the Risk Management Report.

▷ **Conclusions on item 4b** Decision ADB(D)-07-2011

- The Board agreed with the proposed Annual Work Programme 2012 and adopted decision ADB(D)-07-2011.

Item 4c Approval of Revised Budget 2011 including the budget transfers under the authority of the Executive Director

- Mr Borghini presented to the Board the Revised Budget 2011. He highlighted in particular the effort made by the SJU to keep the year-end cash balance to a minimum in accordance with the requirements of the European Court of Auditors and the budgetary authority. Regarding expenditure, the SJU also endeavoured to contain its costs for instance by reducing mission and contingency costs, by using appropriations from previous years or by using web conferencing tools.
- Finally, budget transfers are also proposed taking into account the postponement to 2012 of some operational complementary activities initially planned in 2011 such as the revised AIRE programme or the activities of the Associate Partners.

▷ **Conclusions on item 3c** Decision ADB(D)-08-2011

- The Board adopted decision ADB(D)-08-2011.

Item 4d Approval of Budget 2012 and revised organisational chart

- Mr Borghini reminded the Board participants that the initial draft Budget 2012 was submitted on 30 September. A few changes were introduced to the document to take into account comments made by members and events that took place between September and December 2011 as well as a revised increased contribution from Eurocontrol.
- Mr Ky added that a new and more important change was also proposed concerning the SJU organisational chart due to the need to rationalise the organisation on the technical/operational side. He reminded the Board participants that any change to the organisational chart should be approved by the Board in accordance with the SJU regulation. The proposed changes will however have no budgetary implications as they would consist only in a reshuffling of the organisation. The SJU Management would be reorganised with the creation of 2 functional positions of deputy Executive Directors: one for the Administration and Finance and one for the Operations and Programme. A matrix organisation would be put in place regarding the Operations and Programme. A new position of Chief Strategies and International Relations would also be created due to the increasing effort and time spent by the SJU in this field.
- Answering a question of the Manufacturing industry representative, Mr Ky clarified that the Chief Technology and Innovation would be the deputy of the deputy Executive Director Operations and Programme. Mr Ky also took note of the suggestion of the Manufacturing industry representative to put the Liaison officer with the USA under the responsibility of the Chief Strategies and International Relations.
- In reply to a question of the Airspace Users' Representative, Mr Ky indicated that the deputy Executive Director Operations and Programme should be Mr Guillermet. He however underlined that any decision of nomination was under the responsibility of the SJU Executive Director.

▷ **Conclusions on item 3d** Decision ADB(D)-09-2011

- The Board agreed to the proposed Budget 2012 together with the changes in the SJU organisational chart and adopted decision ADB(D)-09-2011.

Item 4f Approval of the Third amendment of the MFA

- Mr Borghini explained that the Third amendment to the MFA was drafted to take into account the development of the Programme since the launch phase in June 2009 up to 15 December 2011, in particular the results of the initiation phase and the exercise of reallocation of resources concerning IBAFO I and II performed in mid 2011. The Third amendment to the MFA also clarifies financial aspects which were discussed with the lawyers of all the SJU members for more than 2 months. The Third amendment to the MFA formalises all these aspects and should enter into force on the 1st January 2012.
- Mr Borghini concluded by indicating that now there is a general agreement on the Third amendment to the MFA together with the reallocation table, Schedule 14.
- Answering to a concern raised by Airbus on the potential difficulties created for some projects by the reallocation of resources, Mr Ky explained that all project managers impacted by major changes in the level of contribution (more than 30%) of one or several project members were consulted and no major issues were reported.

▷ **Conclusions on item 4f** Decision ADB(D)-10-2011

- The Board agreed to the proposed Third Amendment to the MFA and adopted decision ADB(D)-10-2011.

Item 4g Adoption by analogy of implementing rules to the Staff Regulations (leave, parental leave, family leave and part time work)

- Mr Borghini reminded the Board participants of the adoption in 2009 of the Implementing Rules to the Staff Regulations. He explained that these rules were updated in 2010 and 2011 by the European Commission and as a result the Board is invited to adopt by analogy the updated rules in order to allow their application in the SJU.
- The Chair informed the Board participants that the EC recently presented to the Council a proposal in view of changing these implementing rules to adapt European civil service to the current economic and financial constraints.

▷ **Conclusions on item 4g** Decision ADB(D)-11-2011

- The Board adopted decision ADB(D)-11-2011.

Item 4h Approval of the modified decision concerning the transparency and public access to the documents of the Joint Undertaking

- Mr Borghini reminded the Board participants of the adoption in 2010 of the decision concerning the transparency and public access to the documents of the SJU. A modification of the decision is proposed to the Board in order to introduce a new Article 7 on the classification of documents.
- The Chair underlined that, in his experience, the processing of applications for access to documents was extremely time consuming and required a lot of resources. He recognised however that this was the price to pay to ensure an adequate level of transparency.



Conclusions on item 4h

Decision ADB(D)-12-2011

- The Board adopted decision ADB(D)-12-2011.

Item 5 AOB

Item 5a Relationship between the SJU and EASA

- Mr Ky informed the Board of the need to develop the working relationship between the SJU and EASA and gave two supporting examples:
 - EASA recently certified from an airworthiness point of view the Airbus A380 for the new use of an ACAS (Airborne Collision Avoidance System) logic. However this certification was done considering the aircraft in isolation, in particular not taking into account the ATC impact. In the future, new technologies will require going beyond this aircraft-isolated certification approach and looking also at aircrafts as part of the ATM system.
 - The SJU recently launched a call for tender for demonstration activities, in which new type of equipments would be put on board and operated on commercial aircrafts. The SJU would like to have EASA guidelines on safety requirements to execute such trials with new airborne equipments.
- As a consequence, Mr Ky and Mr Goudou (EASA Executive Director) agreed to set up a steering committee. This committee will meet 3-4 times a year and will decide what on the need to develop new activities based on presentations of EASA and SJU activities. In order to prepare the first meeting of the steering committee end of January, the SJU will consult all the SJU Members to collect inputs deemed relevant.
- The Airspace Users' Representative welcomed the initiative and stressed that it was really important for the airlines to know at an early stage what EASA will require in order make an informed decision based on a CBA.
- Mr Ky explained that EASA gave an initial negative answer concerning the possibility to conduct trials with non-certified prototypes on board commercial aircrafts. Performing trials only with certified equipments would lead to a longer duration of development and higher costs; it would create difficulties in the economic assessment of solutions, which would need to be finalised before industrialisation is launched. It will thus be necessary to discuss with EASA on that kind of issues in order to make EASA understand that in terms of ATM, the level of certification that will be required is not necessarily the same as the one which is required for the aircraft itself.
- Airbus supported the approach and emphasised the need to ensure EASA's involvement in all the standardisation activities. Otherwise the assessment of costs will be more difficult and there will be a risk of delay if the airworthiness rules are

not available in time. The case of RNP where EASA imposes more stringent requirements than the FAA is a typical example.

- ENAV asked for the direct involvement of EASA at technical level in the demonstrators in order to ensure the success of the SJU objective to have things done as closely as possible to real life operation.



Conclusions on item 5a

- The Board took note of the information provided by Mr Ky. The Chair noted that it would be useful in the future to examine whether changes of rules in the current regulatory framework are necessary in order to support EASA in doing what is required by SESAR.

Item 5b Request of Prestige International Holding to become an SJU Member

- Mr Ky presented the request of Prestige International Holding, an Abu Dhabi Aircraft Operator, to become an SJU Member and requested the opinion and guidance of the Board on this request.
- Some Board participants and the Chair underlined the need to have more detailed information on Prestige International Holding, its motivation to become an SJU Member as well as on the added-value this operator could bring to the Programme. The Military representative indicated that new participation in the SJU should aim at filling capability gaps identified in the programme. However, as reminded by Mr Ky, SJU membership is open to new partnerships, especially involving third countries.
- The Chair indicated that a horizontal air transport agreement was signed with the United Arab Emirates. He also reminded the Board participants of the clear distinction to be made between the membership to the SJU and the overall economic and commercial strategy with third countries. He highlighted the need to explore further how the SJU could engage with other partners. He suggested organising in one of the next Board meetings a discussion on the overall international strategy taking the opportunity of an update on ICAO and NextGen.



Conclusions on item 5b

- The Board asked the SJU to further investigate on the membership request of Prestige International Holding, in particular on the added value for SESAR and the SJU. The Board tasked the SJU to request the Aircraft Operator further information on:
 - the constituency of Prestige International Holding
 - its activities and experience in research and innovation programmes such as SESAR
 - risks and opportunities in the participation of SESAR linked to their potential contribution to the Programme and their expected benefits from their participation
- The SJU was asked to present the result of this investigation in the next Board meeting.
- The Board shall discuss, in one of the next meetings, the overall international strategy of the SJU.

Item 4a Presentation by the European Court of Auditors of its report on the SJU Annual accounts 2010

- The Chair welcomed Oliver Mueller from the European Court of Auditors (ECA) and invited him to present the ECA report on the SJU Annual accounts 2010.
- Mr Mueller first presented the institutional positioning of the ECA as well as its organisation and structure. He indicated that the team today in charge of auditing the SJU was located in Chamber II: “Structural Policies, Transport and energy” in the unit dealing with Employment and Social Affairs. In 2012, it is expected that the audit of the SJU should be transferred to Chamber IV “Revenue, Research and internal policies, Institutions and bodies of the EU”. After an explanation on the mission of the ECA, Mr Mueller presented the methodology applied to produce the report on the SJU Annual Account 2010.

In its Statement of Assurance regarding the SJU Annual Accounts 2010, the ECA concluded that the Annual Accounts were presented fairly and that the transactions underlying them were, in all material respects, legal and regular. Mr Mueller however drew the attention of the Board to the list of 5 issues identified:

1. Positive budget outturn of EUR 53,5 million and deposits in bank accounts of EUR 57,2 million (EU budgetary principle of equilibrium)
2. For two budgetary headings, authorised expenditure exceeded budgetary appropriations
3. The SJU’s operational programme management system is not integrated into its financial reporting systems; the underlying business processes had not been validated by the Accounting Officer
4. Late payment of membership contributions
5. Clarification of the role of the Commission’s internal auditor (IAS) as Internal Auditor of the EU Joint Undertakings.

Regarding the audit of the SJU Annual Accounts 2011, Mr Mueller informed the Board participants that a first audit visit took place in September. He stressed that the late payment of membership contributions was again a potential subject of concern. The next audit visit should take place in March 2012 when the Provisional Annual Accounts 2011 will be ready.

- Mr Ky thanked Mr Mueller for his presentation and for the very clear message he delivered concerning the late payment of the membership contributions. At several occasions the SJU Members were indeed reminded that a delayed submission of their interim financial statements could create issues for the SJU from an audit point of view.
- Mr Borghini provided a brief explanation on each of the issues identified by the ECA:
 - The SJU made an additional effort to reduce the bank account balance and budget outturn. These amounts were now reduced to around EUR 18 million, which is the amount deemed necessary to start the year.
 - Taking into account the multi-annual nature of the Programme, the SJU used payment budget appropriations still available from previous years and it has never exceeded the budget authorized by the Board.
 - The SJU is not allowed at the moment by the European Commission to link directly the SJU extranet with the financial reporting ABAC system of the Commission.
 - In fact, 90% of the members compensate the payment of their cash contributions by deduction from payment due by the SJU. The late payment of the membership contributions is therefore due to the late submission of the interim financial statements.
 - The Internal Audit Service of the Commission is now the internal auditor of the SJU. An Internal Audit Capability was however maintained in the SJU.
- In reply to a question of the Manufacturing industry representative, Mr Borghini explained that because of the nature of the members’ contributions to the SJU would never be able to respect the budgetary principle of equilibrium (ie use of all the budget appropriations by year-end). On one hand the SJU indeed needs an

amount of money at the beginning of each year for its activities and the European Commission is not able to execute any payment in January. On the other hand, some contributions, such as the one from Eurocontrol, are provided at year end and can only be allocated to specific activities and not be used to compensate other expenditure. However the SJU endeavours to minimise the year-end balance and the outturns.

- The ECA observed that it has the obligation to report this issue but also takes note of the fact that the SJU has provided good reasons for not having been able to respect the principle of equilibrium and welcomed the efforts made by the SJU to reduce the bank account balance and budget outturn at year-end and complimented it for its good work.

▷ **Conclusions on item 4a**

- The Board thanked Mr Mueller for his useful and very interesting presentation.

Item 4e Approval of the Annual accounts 2010 together with the Report of the European Court of Auditors

- Following the presentation made by the ECA, the Chair invited the Board to approve the Annual accounts 2010 together with the Report of the ECA.

▷ **Conclusions on item 3e** Decision ADB(D)-13-2011

- The Board agreed to the proposal and adopted the decision ADB(D)-13-2011 to approve the Annual Accounts 2010.

Item 5 AOB

Item 5c Involvement of NATO in the SESAR Programme

- Mr Ky reminded the Board participants of a discussion on NATO in a previous Administrative Board Meeting. He explained that NATO recently identified in a paper submitted to one of its committees a list of topics related to SESAR where NATO thought it had an interest in participating. Mr Ky underlined that the identified topics were in fact of different types. Some of the topics are pertaining to the need for internal military coordination, others are related to the Single European Sky at large and finally 3 topics are directly relevant for SESAR:
 - Business Trajectory versus Mission Trajectory
 - NATO ACCS interoperability with SWIM
 - NATO network enabled capabilities

Concerning these 3 topics, the SJU would like to receive guidelines from the Board on how to deal with the relationship with NATO.

- Mr Ky then presented a sketch from the European Commission on a possible way to organise the involvement of NATO in the SESAR Programme. He indicated that the relationship between the SJU and Eurocontrol currently takes care of the military ATM related aspects, which cover 70% of the topics to be addressed with the Military Community. However, there are areas where another type of expertise is needed, in particular on fleet replacement planning, technical systems infrastructures, procurement.

- Following discussions between the SJU and the European Defence Agency (EDA), the EDA received a mandate from Defence Ministers to coordinate the related activities on SESAR and thus created a SES/SESAR Military Implementation Forum (SMIF) including NATO nations, the EC, the SJU and the MAB. It could be used as an exchange forum in which the NATO expertise could be brought and discussed. To conclude, Mr Ky proposed using the EDA as the focal point for the SJU relationship with NATO. In this case, the SJU relationship with the EDA should be formalised and the EDA would have to organise the contribution from NATO in the Programme.
- The Chair complemented Mr Ky's presentation from an EC perspective. He underlined the useful contribution brought by Eurocontrol in terms of military expertise. He however emphasised that the military Community through various channels had expressed worries and concerns in the last 18 months regarding what was happening in the SESAR Programme. As a result, the EC worked intensively with the EDA to see how to establish a focal point who could speak for the Military Community with one voice also on the matters not covered by Eurocontrol. In the Conference on SES in Warsaw, the EC was happy to see that the EDA is indeed playing this role and helping to focalise. To conclude, the Chair explained that the idea was to have Eurocontrol and EDA acting as the focal points in terms of concentrating the messages and working together with the Military Community including NATO.
- ECTL stressed that an important element was the general understanding that ATM was only one part of the Military Community. One challenge for SESAR is to get the attention of the procurement agencies in Member States, because they are those who make the decisions in terms of investments. Regarding SESAR deployment in the Military Community, one difficulty to be expected will be with flight operations and not with ATC. It is typically on net-centric issues that the civil side will be able to learn from the military experience.
- The EDA representative emphasised the complexity of the EU-NATO relationship and that it was important to measure the progress made since the beginning of the year, in particular regarding NATO involvement. He specified the EDA is working within the framework of the mandate given by the Ministers of Defence. He also pointed out that the MAB was also taking part in the SMIF and that in his view the extension of the SMIF to all the Eurocontrol nations should not be a major issue.
- The Military representative restated that there was a shortfall in terms of direct Military expertise brought to the SJU. NATO is able to provide the appropriate technical expertise to fill that gap. Today, the Military expertise is routed through Eurocontrol with the Military Engagement Plan for SESAR (MEPS). Looking at the diagram, the Military representative wondered how the technical expertise from NATO could be brought in isolation from that contribution. The idea of the MEPS was to have a single entity managing the contribution from the Military Community to avoid duplications. He indicated that the Military Community was willing to support fully SESAR to enable its success.
- The Chair recognised that further work and reflection was needed and suggested coming back to the next Administrative Board meeting with a more comprehensive analysis. The main principle is that EDA should help to avoid having part of the Military Community speaking through Eurocontrol and the other part speaking in anarchy.
- The Military Representative supported the approach proposed by the Chair and called for a complete solution in which no part of the Military Community would be excluded. A mechanism has to be found to allow everybody to contribute in an effective and balanced manner.
- Mr Ky agreed that no decision was expected to be taken immediately and asked for a mandate from the Board to discuss with the EDA and NATO in order to come back to the Board in March with a complete proposal on a concrete way forward. There are issues such as the protection of intellectual property rights and confidentiality of information that need to be looked at. The 3 technical items identified by NATO

should also be examined in order to organise the dialogue at the right technical level.

- The Chair supported this proposal specifying that such discussions should take place in the context of EDA avoiding to open a separate channel of communication thus preserving EDA's added value in focalising the Military Community's view.



Conclusions on item 4c

- The Board gave mandate to the SJU to discuss with NATO in the context of the EDA and asked the SJU to present a solution in the next Administrative Board meeting in March 2012.
- As this was the last participation of Gp Capt. John Clark at the SJU Board, the Chair thanked him for his constructive contributions and the way he was always oriented on finding solutions rather than raising problems. He also wished him good luck for the future.

Item 5d SESAR Deployment

The Chair indicated that the Communication on SESAR deployment would be adopted on 22 December. The Communication describes an approach will allows an industry-led perspective for the second level of deployment management but will also give a specific role to the public institutions. Guidelines should be developed in the first quarter of 2012, which will lead to a call for tender to understand how the industry will organise itself to manage the deployment. t the next Board meeting, this will be discussed in much more details.

Regarding the budgetary discussions at EU level, they will only really start beginning of 2012. There will be probably tough discussions in terms of potential cuts to the EC aspirations. The objective will be to maintain the relative increased share of transport in the research budget and infrastructure budget. Only by the end of 2012 will it be possible to see how the overall EU budget is shaped, if we assume that we will be in a business as usual exercise. The Chair stressed that in the context of the EU financial and institutional crisis, we also need to develop a joint EU economic growth strategy in which SESAR is part of the solution. In this context, hopefully we should be able to describe very clearly how the deployment will be organised by the end of 2012.

Last but not least, the Chair indicated that he had no doubt that the SJU will have a role to play also in the next EU Financial Perspectives. The way to do it still has to be defined but the success story of the SJU in the last few months and years show that there is a clear future perspective for the SJU.

ENAV stressed the important responsibility the SJU Members have to deliver considering the trust and means the EC is devoting to SESAR.

In reply to a question of DFS, Mr Castelletti clarified that the Communication on SESAR deployment would be discussed in the Council while the guidelines would be adopted by the Commission through the comitology procedure consulting the Single Sky Committee.

The Chair highlighted that the Communication has been decided by College based on EC internal thinking and on the results of the consultation of stakeholders. The next actions that will be taken based on the Communication will follow a formal process involving EU Member States. The Chair concluded that the guidelines should as much as possible be drafted in a better timeframe than the one followed for the Communication.

Closing of the meeting

The Chair reminded the Board members that the next ADB meeting would take place on 29 March 2012.

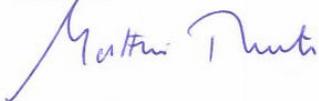
The Chair also thanked the Board members and the other participants for their active participation and their contribution to the meeting.

Annexes

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

Done in Brussels, 21/12/2011

Chairman



Secretary



Annex 1
Attendance list

Annex 2
Declarations on conflicts of interest