COUNCIL OF
THE EUROPEAN UNION

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AVIATION 68

INFORMATION NOTE
From: European Commission
To: Council
Subject: Recent developments in implementing the Single European Sky
- Information from the Commission

Delegations will find annexed an information note from the Commission on the above mentioned subject, which will be dealt with under "Any Other Business" at the meeting of the Council (Transport, Telecommunications and Energy) on 31 March 2011.
Information note from the European Commission on
Recent developments in implementing the Single European Sky (SES)

1. A number of significant achievements

1.1 Rule-making: work is done

The four implementing rules that are of particular importance for the success of SES were adopted in 2010 and early 2011:

- The Performance Regulation was adopted on 29 July 2010 (Regulation (EU) No 691/2010). On the same day the Commission appointed Eurocontrol as the Performance Review Body (PRB).
- The update of the Charging Regulation No 1794/2006, i.e. the economic dimension of the performance scheme, has put an end to the paradigm of automatic full-cost recovery that had prevailed for four decades. It was adopted on 16 December 2010 (Regulation (EU) No 1191/2010).
- The FAB Regulation and associated guidance material were adopted on 24 February 2010 (Regulation (EU) No 176/2010).
- The Network Functions Regulation received a unanimous positive opinion of the Single Sky Committee on 15 February 2011. The process of formal adoption by the Commission is ongoing.

1.2 Institutions are in place

- Performance Review Board has been nominated (Eurocontrol) and is at work.
- Mr Georg Jarzembowski has been nominated and is at work.
- Network Manager: The Commission proposes to nominate Eurocontrol as the Network Manager for the EU ATM network functions. Formal nomination is pending.
1.3 Progress in the safety area

- EASA starts delivering in ATM domain: ATCO License, Common requirements, safety oversight.

1.4 Progress with technology

- Signature in Budapest of the MoC with the USA on SESAR – Next Gen programmes.

2. There are two short term key challenges

2.1 Starting the performance scheme

Following the adoption of the Performance Regulation, the PRB and Commission worked on the setting of the EU-wide performance targets in the key performance areas of environment, capacity / delays and cost-efficiency\(^1\).

The Single Sky Committee expressed on 3 December 2010 a positive opinion on the proposed EU-wide performance targets. These were formally adopted by the Commission on 21 February 2011 (Decision 2011/121/EU).

Member States, at national or FAB level, are now expected to prepare and adopt their local performance plans and targets by 30 June 2011.

Performance is the keystone of the Single European Sky and the timely adoption of ambitious performance plans is crucial to ensure its success.

On its side the Commission, assisted by the PRB, now monitors the satisfactory progress of this important phase:

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\(^1\) Safety is only monitored for the first reference period. The Commission, EASA and Eurocontrol currently work on the setting up of safety key performance indicators allowing the setting of safety performance targets as of 2015.
Guidance material on how to prepare performance plans and comply with the new provisions of the charging Regulation has been prepared and is completed and improved on an ongoing basis.

The Commission and PRB follow and contribute to the work of the NSA platform where it relates to performance.

The PRB holds bilateral meetings with those Member States which ask for its support.

The Commission meets periodically the airspace user associations and ANSPs. It has recommended the organisation of consultation at FAB level and an early dispatch of supporting material to airspace users to maximise benefits of consultation meetings.

A "risk register" has been opened by the PRB in order to allow taking remedial action as soon as is detected in a FAB or Member State a problem that may cause delays or problems in the adoption of the performance plan.

The Single Sky Committee will be seized of any urgent problem that may arise.

2.2 Establishing the Network Manager and addressing the issue of summer 2011 delays

The High-Level Conference on the implementation of the Single European Sky jointly organised by the Presidency and the European Commission took place in Budapest on 3 and 4 March 2011. About 300 participants from the EU and non-EU aviation community attended the Conference's panels on the new integrated regulatory approach, the "gate-to-gate" perspective, the development of the functional airspace blocks and the pan-European dimension.

A complete regulatory framework is now in place for the implementation of the Single European Sky and the objective of the Conference was to trigger concrete and realistic proposals for its full achievement by all actors concerned. These proposals are consolidated in the "Budapest Charter for the implementation of the Single European Sky", dispatched to the Council by Information Note No 7495/11 Rev 1 of 10.03.2011.

Furthermore, a few days before the Conference, the Commission was informed of a risk of potentially high air traffic delays next summer. The Conference addressed this specific aspect in detail and identified ten urgent operational measures necessary to anticipate and mitigate the expected delays.
The first of these measures consists for the Commission in accelerating the entry into function of the Network Manager, the future body in charge of managing air traffic management functions centralised at European level. Pending the formal nomination of this body, due for June 2011, the Commission is seeking the support of the Member States and their air navigation service providers for the early implementation of further measures to be proposed by the Network Manager.

The Commission will present detailed forecast and initial lines of action on 31 March 2011. It will also report to the Council on this issue at its meeting of 22 June 2011.

3. The three longer term challenges

3.1 Deploying SESAR, the technological pillar

The important issue for the time being is to successfully address the deployment of the technology developed through the first Implementation Package (IP1) and SESAR, which are needed to achieve the SES II performance objectives.

a) IP1 deployment

IP1 deployment, which is itself a prerequisite to SESAR deployment, is facing serious problems: the industry had requested to be tasked with the coordination of this deployment through an IP1 Steering Group, but only 21% of the Operational Improvements (OIs) are currently planned to be implemented by the set target dates.

In the Single Sky Committee and in the presence of an industry delegation, States and the Commission expressed their serious concern on the lack of progress. The industry expressed the need for efficient leadership, clear allocation of responsibilities and funding (e.g.; TEN-T). The IP1 Steering Group will continue its work and the issue will be addressed again in the coming weeks. The Commission will seek input from Eurocontrol, the SESAR JU and the industry to propose corrective actions. It will also draw the attention of the PRB and Network Manager to this issue and seek their opinion on the measures that may need to be taken.

The industry's commitment needs to be renewed. The SSC requested the industry to clearly express what they need to recover from the present critical situation of IP1 deployment.
b) SESAR deployment

A March 2009 Council Resolution has requested the Commission to present to the Council and European Parliament proposals on the "governance and financing of the deployment of SESAR". The aim is to ensure a timely and synchronised deployment of the SESAR technology. The Commission target is to have a proposal ready around summer 2011.

Lessons have to be learnt from the current IP1 difficulties. The Commission's work benefits from the input of a Task Force. Consultation of all stakeholders, the European Investment Bank, Fund managers and the SESAR JU is ongoing.

At this stage, the Commission's services are exploring three options for governance mechanisms: "Business as usual", extension of the role of the Network Manager or a new European public-private partnership.

3.2 The gate-to-gate dimension: airports' involvement in SES

The gate-to-gate dimension of SES II is materialised by the integration of ANS airport operations in the Single Sky process. This will be a priority issue for the year 2011.

Airport operators and coordinators already have the obligation to report performance related information, to allow the setting up and monitoring of performance targets.

The performance of air navigation services at airports in terms of safety, capacity/delays and cost-efficiency will be monitored in the period 2012/2014 and performance targets will be applied on them as from 2015 in all these areas plus environment.

An "airport package" is currently being developed by the Commission. This airport package will dovetail with the SES II package and in particular the performance scheme. In order to encourage a gate-to-gate performance of flights, it intends to address the issue of coordinating airport and ATFM slots.

3.3 The establishment of long term relations between the Commission and Eurocontrol

Eurocontrol is expected to become the "executive arm" of the Commission for SES II implementation, bringing in addition its pan-European dimension and civil-military expertise.
To this effect two new instruments are being envisaged:

1. For the political cooperation: a High-level Agreement between the EU and Eurocontrol.
   To this effect the Commission will need to request a mandate from the Council before opening the negotiations with Eurocontrol. Member States will be associated with the negotiations through the Council Aviation Working Party, and the Commission will keep the Single Sky Committee informed of their progress.

2. For the financing mechanisms: a Delegation Agreement

4. **Update on the European Aviation Crisis Coordination Cell (EACCC)**

The crisis generated by the eruption of Eyjafjallajökull triggered a political request for accelerating the SES II implementation (Transport Council of May 2010) and the creation by the Commission and Eurocontrol of European Aviation Crisis Coordination Cell (EACCC).

The newly appointed Network Manager will be responsible for coordinating the management of the response to a network crisis with the support of the EACCC whose establishment and responsibilities have been integrated in the Network Functions Regulation.

More detailed information is to be found in the specific Commission document *Volcanic Ash Crisis follow-up and the wider scope of crisis management*.

5. **Update on Functional Airspace Blocks**

The Functional Airspace Blocks (FABs), a key step in the development of Single European Sky, are being developed in view of the deadline for their establishment by December 2012. To this end, the Commission has appointed a Functional Airspace Block coordinator, M. Georg Jarzembsowski, to facilitate at high political level the negotiations between the States engaged in the creation of functional airspace blocks, in order to meet this deadline. The FAB coordinator has already visited FABEC, UK – IE FAB, FAB CE, SW-DK FAB, Baltic FAB and Danube. He delivered two reports to the European Parliament.