



A6 Alliance position on the recommendations of the European Court of Auditors (ECA) on the Single European Sky

The A6 Alliance is pleased to note the acknowledgment of the culture change in ATM. The A6 Alliance would like to stress the importance of this change, which is not always measurable. The ANSPs have been making a constant effort to improve their daily operations and they have gone through the process of the shift from full cost recovery system to performance-based approach. The results are seen in the introduction of the internal performance indicators, supporting systems and procedures as well as increased transparency and better cooperation and quality consultations with the airspace users.

The ANSPs are part of the aviation chain and all parties in the chain are working for the benefit of the final customer – the passenger. The A6 Alliance strongly believes that the success of the Single European Sky, which is the improvement of the system resulting in benefits for passengers will be possible only with an extensive involvement of all the ATM community stakeholders.

This paper sets out the A6 Alliance view on each of the recommendations made in the ECA report¹, which are presented in Annex A for ease of reference.

Recommendation 1

The A6 Alliance supports the high level goals revision. The high level performance goals established thirteen years ago when setting out the SES framework were developed with reference to the air traffic evolution foreseen in 2005; as the air traffic growth did not follow the original estimations, the original targets could not be considered to be reliable. Future goals should be developed in an open and transparent manner knowing that there is a high degree of uncertainty on traffic forecasts, and involving stakeholders who are accountable for delivery. A very clear distinction should be made between long-term, high level, goals and binding targets that ANSPs are expected to deliver for a specific reference period, and ANSPs should not be directed (e.g. through regulation) how to achieve the performance outcomes required. The high level goals should be seen as political aspirations which set a direction to push for improvements. Furthermore, ANSPs should only be accountable for delivering those aspects that are within their control: the impact of other influencing factors such as traffic levels and weather conditions should be considered separately. Moreover, the actions & behaviours of other stakeholders can also have a supporting or adverse impact on overall network performance and these need to be considered. Therefore, the aviation system should be seen as a whole, as a chain of different stakeholders who are very closely cooperating and influencing each others' behaviours. Only an extensive involvement of all the ATM community stakeholders will make a key contribution to successful Single European Sky achievement and improvement of the system resulting in benefits for passengers.

¹ ECA Special Report 18/2017: *Single European Sky: a changed culture but not a single sky.*

Recommendation 2

The A6 Alliance supports this recommendation. The A6 Alliance acknowledges that the establishment of FABs has both supported performance improvements, and played its role in providing a positive ground to enhance ANSP cooperation. Having said this, additional mechanisms to FABs should also be investigated, such as industrial partnerships (as already proposed in the SES2+ regulation) or new SESAR concepts. Decisions to deliver more efficient services should be business driven and avoid over-regulation. A6 Alliance members proved that there are other ways to address inefficiencies caused by the fragmentation of service delivery, such as industrial collaborations/partnerships (already mentioned in SES2+), e.g. iTEC or new SESAR concepts.

Recommendations 3

The A6 Alliance supports this recommendation, supporting the view that NSAs should be separate entities from ANSPs, and that ANSPs should be accountable for delivering performance outcomes at a national level for factors that are within their control.

Recommendations 4

The A6 Alliance does not support the recommendation that the Commission and NSAs should conduct inspections on the eligibility of costs and the allocation between en-route and terminal areas. These are national matters that should be addressed by the ANSP and their respective NSA if required and appropriate.

Recommendation 5

The A6 Alliance does not support this recommendation. Targets should also be developed using a bottom-up process with full engagement of those accountable for delivery (i.e. ANSPs) and not only imposed top-down from the Commission. The A6 Alliance believes that performance target setting should better recognize the local dimension. Furthermore, ANSPs cannot be accountable for exogenous factors outside their control (e.g. weather) which have an impact on overall service delivery outcomes. The A6 Alliance believes that the EC should consider the following process:

- The PRB should involve NSAs in the development of realistic EU-wide target range proposals;
- EU-wide targets set as ranges (depending on traffic forecasts), based on preliminary inputs from NSAs followed by stakeholder consultation with refined consistency criteria;
- Strengthened provisions for local planning processes run by NSAs, including enhanced customer consultation and transparency requirements;
- The process for a revision of the performance plans in case of justified unforeseen circumstances needs to improved/simplified and resolutions simplified; and,
- Consideration of the impacts of other stakeholder behaviours on network performance.

All these proposed changes to the target setting process are aligned with the overall goal of enabling NSAs to set binding local targets that reflect interdependencies whilst making an adequate contribution to EU-level target ranges. The establishment of Performance Plans at FAB level has not added significant value to the performance scheme.

Recommendation 6



The A6 Alliance supports both the capacity and environmental aspects of this recommendation. Consideration of end-to-end delays need to consider all aspects of the service delivery chain, not just delays generated by ANSPs, and reflect that many causal factors are outside ANSP control (e.g. weather conditions). Furthermore, performance ambitions within the R&D activity (as set in the European ATM Master Plan) shall not be used in the context of the SES performance scheme.

Recommendation 7

The A6 Alliance supports the recommendation that ATM R&D needs a stable structure. Funding for future R&D should continue to build upon the successful SESAR programme, which defines the required performance levels at a European level and subsequently develops and deploys solutions that best support the European network. During SESAR, both the EC and the SESAR members have realized that a long terms view must be adopted, with the ability to refine the ATM Master Plan to meet unforeseen changes in the operating environment. The A6 Alliance remains convinced that the two main functions of SESAR, the central coordination of R&D (today performed by the SJU) and the management of deployment (performed by the SESAR Deployment Manager), will be required beyond their current lifetime. The A6 Alliance therefore supports the ECA's recommendation to adapt the SESAR structures to enable long-term support to R&D. The governance structures of the SJU and SDM should remain separate.

Recommendation 8

The A6 Alliance supports this recommendation. The ATM Master Plan needs to be a rolling plan flexible enough to meet future needs and challenges and the approach currently being taken by the SJU of stepwise improvement of the quality of the R&D process based on lessons learnt is the most appropriate. Whilst the A6 agrees that the SJU's accountability can be reinforced, it needs to be insured that there is enough room for manoeuvre to adapt to the changing circumstances and the needs of the aviation sector. By nature, the results of R&D cannot be pre-determined. Sometimes even negative results can be beneficial as they protect from wrong investments and sunk costs. Furthermore, R&D in aviation should not be hampered by additional and unsuitable (especially administrative) constraints that derive from other regulatory frameworks (e.g. the HORIZON 2020 rules).

Recommendation 9

The A6 Alliance supports this recommendation. The comprehensive SESAR solution datasets and the CBAs in the Master Plan or Common Projects provide the best available information to support the selection of the most network beneficial changes and most effective application of EU funding. The performance gain should be the ultimate indicator for the selection of SESAR solutions. Criteria like defragmentation, interoperability, sharing of infrastructure or fostering of competitive environment will finally translate in network performance gains. Although R&D should be focused and prioritised, it is essential that a broad spectrum of solutions is developed covering all key performance areas. Furthermore, only at the end of the R&D life cycle do investment decisions need to be taken, and the selection of solutions must be made based on the actual performance needs at that time.

Annex A: Recommendations from the ECA Report.

Recommendation 1 – Review High Level Goals.

The Commission should propose a definition of the Single European Sky that includes the key dimensions of airspace architecture, service provision and infrastructure. On this basis, it should then review the SES high level goals, ensuring that they are sufficiently ambitious to foster performance and have realistic timescales for achievement. Revised high level goals should also be linked with EU-wide targets in the performance scheme to allow progress towards those goals to be measured. Given that the current reference period (RP2) will end in 2019, targets for reference period 3 should be set with that in mind. Revised high level goals should also become the reference to evolve the current master Plan.

Recommendation 2 – Analyse other policy options targeting fragmentation

The Commission should:

- (a) assess the added value of maintaining the regulatory requirements of FABs, given their ineffectiveness in targeting defragmentation;
- (b) review policy options which, on their own or in addition to FABs, could effectively deliver defragmentation and potentially generate economies of scale, and monitor their implementation through relevant performance indicators and targets. Options could include the active promotion of integrated or cross border service provision, taking also into account possible restructuring of ANSP services.

Recommendation 3 – Ensure full independence and capacity of NSAs.

NSAs should be fully independent and have the capacity to fulfil their functions. To this end, Member States should ensure that NSAs are hierarchically, financially and functionally independent from ANSPs and have the resources necessary to oversee and monitor the performance and charge scheme. We note that prompt adoption of the applicable provisions in the SES2+ legislation package would be beneficial in this regard

Recommendation 4 – Ensure inspection coverage of the charging scheme.

The Commission and the NSAs should regularly conduct the inspections set out in the current legislation, covering in particular the eligibility of costs charged and their allocation between en-route and terminal charging zones. The Commission should provide additional guidance on cost allocation to ensure a harmonised accounting treatment.

Recommendation 5 – Streamline the performance scheme

The Commission should streamline the process of approving performance plans. To this end, it should actively promote exemptions from the scheme in the case of services rendered under market conditions or under service level agreements between service providers and airspace users. In the absence of such conditions, the Commission should have enforcing powers to directly establish binding targets on the basis of the assessment of the Performance Review Body.

Recommendation 6 – Review certain key performance indicators

For the next reference period, the Commission should:

- (a) in respect of capacity, ensure that KPIs capture the overall gate-to-gate delay while maintaining adequate accountability of ANSPs. KPIs should also be able to measure not only the capacity to deal with peaks in demand but also whether resources are used efficiently in peak and off peak periods;
- (b) in respect of the environment, modify KPIs to measure the responsiveness of the ATM system to the desired trajectories of airspace users, both in their horizontal and vertical dimensions.

Recommendation 7 – Review the EU’s support structure to ATM R&D in light of its objectives

In accordance with the principles of “Better Regulation”, political decisions should be prepared in an open, transparent manner, informed by the best available evidence and backed by the comprehensive involvement of stakeholders. Therefore, if the Commission proposes to continue funding ATM R&D efforts beyond 2024, it should:

- (a) adequately justify the EU support, in particular as to why that support should continue, to achieve what, by when and what would be the amount of public support required to maximise its value for money;
- (b) analyse whether the SESAR JU, a temporary structure, is appropriate to address that long-term R&D effort and, if not, make the necessary adaptations.

Recommendation 8 – Reinforce the accountability of the SESAR JU

The Commission should reinforce the accountability of the SESAR JU by defining clear and time-bound milestones, with an associated budget, for the execution of the Master Plan. The Commission should also require that the SESAR JU regularly reports on its progress relative to the full implementation of that Plan.

Recommendation 9 – Prioritize EU support to R&D solutions that promote defragmentation and a competitive environment

The Commission should ensure that:

- (a) only projects with a demonstrated added value for the network are supported by EU funding. This could be achieved, for example, through the implementation of a system that evaluates the added value to the network of projects, by the establishment of such as a needs analysis or a cost-benefit analysis for projects;
- (b) within the framework of the SESAR JU, EU funding is prioritized towards ATM R&D solutions that promote defragmentation, interoperability, sharing of infrastructure and foster the conditions for a competitive environment.