

ICB

Industry Consultation Body

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Annual Status Report
2012

1 INTRODUCTION

The Industry Consultation Body (ICB) consists of representatives of all stakeholders in the air traffic management (ATM) community, and was set up to provide the European Commission (EC) with strategic advice on the realisation of the Single European Sky (SES). The composition and scope of the ICB make it a unique body with the potential to speak with a strong voice. By adopting common industry positions, the ICB makes a significant and constructive contribution to the achievement of the SES objectives.

European airspace is among the busiest in the world. This, coupled with the fragmentation of the airspace, means that Europe cannot provide sufficient capacity to support current levels of air traffic. This leads to an unacceptable level of daily cancellations and delays. The removal of transportation bottlenecks is an essential part of the modernisation of Europe.

The development of Europe's air transport system is vital if Europe is to remain a leading world region.

Aviation has the potential to be a significant sector in our society. It is a catalyst for economic growth and skilled employment. Generating around 220 billion Euros per year¹, the economic and social contribution of aviation is substantial.

The creation of the SES is taking place against a turbulent backdrop. The European financial crisis continues to affect many countries, both those exposed directly to the debt crisis and those trading with them. There is a strong link between the road to economic recovery and the development of European air transport. However, this link has not been fully explored and there are still many opportunities for improvement.

The whole European air transport community is facing severe challenges. IATA has predicted a total loss of almost 100 billion Euros for European airlines in 2012. The high level of charges and inefficiency in air traffic management represent serious costs for the aviation community, and translate into potential negative effects for the rest of society.

The potential of the SESAR programme is huge. The deployment of the programme will create an additional 419 billion Euros of GDP from 2013 to 2030². SESAR will directly and indirectly create an additional 328 000 jobs in the air transport industry. Passenger experience will be improved with fewer cancellations and delays².

The SES is the way forward, but it is not easy to achieve the benefits set out by this programme. The realisation of SES benefits requires carefully orchestrated implementation and strict adherence to timescales by all stakeholders. Investment plans and funding priorities must be designed around the achievement of performance targets if the SES is to be a success.

The need for modernisation of airspace is obvious. However, the aviation industry cannot afford to fund such an extensive modernisation programme on its own, while struggling with the effects of the current recession. Soaring external costs, such as fuel and taxation, continue to hinder industry profitability.

¹ The economic and social benefits of air transport 2008, Air Transport Action Group

² Assessing the macroeconomic impact of SESAR, McKinsey and Company for the SJU.

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Unfortunately, we are still far from reaching the SES goals. The work of ICB intends to bring us closer to the realisation of these goals by actively engaging industry in the challenges the aviation community faces.

This Annual Status Report provides an overview of the main activities and achievements of the ICB in 2012, and highlights the challenges that await the ATM community, including the ICB, in 2013 and beyond.

2 REVIEWING THE YEAR: THE ICB IN 2012

Functional Airspace Blocks (FABS)

The Single Sky Regulation required all EU members to be a part of a Functional Airspace Block (FAB) by 4th December 2012. The intention is for Air Navigation Service Providers (ANSPs) to be performance driven and optimised as a result of enhanced cooperation with neighbouring ANSPs.

In spring 2012, the FAB Coordinator presented a progress report to the ICB. At that point in time, he considered the situation to be very disappointing since four FABs had not even signed a State Agreement. Only two FABs, UK-Ireland and Denmark-Sweden, were operational at this point. The FAB Coordinator called for action from the EC to demand more commitment from Member States. He stated that industry could also talk to Ministers in their respective countries to put pressure on them to commit to establish more ambitious FABs.

The ICB discussions have emphasised that whilst the approach taken differs from one FAB to the next, all FABs can learn from one another regarding best practice. The FAB process has brought some benefits; for example the forming of FABs has led to agreements between civil and military authorities. In some FABs there have been good endeavours to reorganise military use of airspace.

However, the current FAB initiatives neglect 'third countries', leaving a large hole in the western Balkan areas, which needs to be addressed.

It seems to be clear that the FABs will be operational by the end of this year but there is doubt as to whether they will be as mature as foreseen in the SES legislation. The nature of each FAB, and the improvement it delivers, differs from one FAB to the next, revealing the lack of a sufficiently coordinated common effort by all Member States.

The ICB has emphasised that the FABs have to be more than simply the sum of the national plans. They should represent added value in terms of common procurement and coordinated investments. At this point, they are too diverse.

The ICB has, on several occasions, discussed potential options to provide the Commission with relevant advice on how to realise the improvement potential of the FABs. The ICB plans to hold a workshop in 2013 to discuss the Commission's proposal for SES II + legislation and how this can be used, inter alia, to identify possible actions to add value to the deployment of the FABs.

TEN-T Funding

The use of public funding is essential to maintain the SESAR timelines. In particular the use of TEN-T funds in line with the proposed Connecting Europe Facility (CEF) budget is important.

In March 2012, transport ministers agreed to the approach of the new TEN-T guidelines for the next Financial Perspective (2014 – 2020), which lists ten priority

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corridors and horizontal priorities, including SESAR deployment. The CEF has allocated 3 billion Euros for SESAR deployment, and the ICB has worked systematically to ensure that this is the minimum level of funding provided.

An ICB delegation headed by the Chairman has met with members of the Transport Committee of the European Parliament to discuss the use of public funding for SESAR deployment. The ICB strongly advocated that SESAR funding should be available for both on-board and ground equipment. Synchronisation of technical equipment is a key enabler for success; developing and deploying airborne equipment is a lengthy process compared to that of ground systems. If technology is implemented in a fixed sequence with ground equipment first, an artificial time gap will be created that will delay the realisation of the Single European Sky.

The ICB delegation reminded the members of the European Parliament that air transport infrastructure is financed by the users, not by the governments. The ICB recommended a more aggressive approach to stimulate early investments and emphasised that public funds should be used more actively as incentives.

SESAR Deployment

The Commission requested that the ICB provide a common position on the SESAR Deployment Manager and SESAR deployment. The ICB's draft position paper from 2011 was considered a good starting point for this work.

The SESAR Deployment Task Force (SDTF) was established in early 2012 to provide advice to the ICB on the guidelines for the development of common projects and, in particular, the creation of a SESAR Deployment Manager.

The SDTF is composed of full ICB members and representatives from the Network Manager and the Military. It is chaired by the ICB Vice Chairman.

The SDTF has provided a set of recommendations to the European Commission on how to implement the Deployment Manager. Furthermore the group has developed guiding principles in response to the Commission Communication. The ICB foresees a simpler structure for deployment governance than the one initially presented in the Commission guidance material.

The task force has paid particular attention to the role and structure of the Deployment Manager, the definition of deployment projects, and the funding and financing mechanisms available to this function. The SDTF meetings have generated a constructive debate on the governance principles for SESAR deployment. Detailed positions have been developed and the role of the manufacturing industry has been carefully considered.

The Commission envisages the implementation of the Deployment Manager by the end of 2014. The SDTF has recognised the need for the Deployment Manager to work closely with institutional bodies such as EUROCONTROL, the SJU and the Network Manager. There is a phase related to industrialisation and a phase related to implementation. The roles of the respective stakeholder groups are different in the two phases.

Single Sky Committee

The Chair and Vice Chair presented the ICB's achievements in 2011 and Work Programme for 2012 to the Single Sky Committee. The ICB highlighted that, during the previous year, the ICB had seen the focus shift from definition to implementation. In 2011, the states had developed National Performance Plans, Deployment Manager discussions had begun and the Network Manager became operational. In response to

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this shift, the ICB has streamlined working arrangements such that it is better placed to provide input to the Commission at the right times.

The key points made by the ICB at the Single Sky Committee were:

- Emphasis on safety KPIs. Just Culture is a pre-requisite for monitoring safety.
- The success of the Performance Scheme is crucial in order to achieve more seamless ATM across Europe.
- The ICB supports the IDSG as an interim solution to facilitate interim deployment but overall, deployment is an industry issue and the ICB would like a steering mechanism more dedicated to industry.
- Financing: Industry needs substantial public funding and access to long term, low interest financing.

The ICB presentation was well received.

ATM Master Plan Update

The ICB provided comments to the update of the ATM Master Plan. The Commission acknowledged these comments and presented further information to clarify the expectations of the plan. Key areas of change prior to approval have been identified. The ICB has highlighted that further work is required, particularly in the chapters relating to performance and the business view.

Community Specifications

The work of the Interoperability Sub-group has focussed on Community Specifications. A dedicated workshop was held to discuss the role of Community Specifications in the modernisation of European ATM. To date, nine Community Specifications have been developed – three by the ESOs and six by EUROCONTROL. The workshop enabled stakeholders to provide feedback and comments to the Commission on the Community Specification development process, and to this end the ICB's position paper has been updated.

The Commission has issued a mandate to the ESOs defining a provisional set of standards to be developed. The IOP will host a workshop on 9th January 2013 to provide advice on the proposed list of standards and whether groupings of standards should be elevated to Community Specifications.

3 THE CHALLENGES AHEAD: THE ICB IN 2013

Firstly, I would like to sincerely congratulate my successor, Mr Olaf Dlugi, on his recent election to the position of ICB Chairman.

The financial pressure on the ATM industry remains, and the ICB has a role to play in helping Europe to recover from the financial crisis. The performance scheme is maturing. With 2013 being the middle year of the first reference period it will provide an opportunity to reflect on the performance in 2012 and to see how performance is progressing compared to the targets in order to ensure a successful outcome to RP1.

SESAR deployment will also take a step forward in 2013; particularly as the draft Implementing Regulation on using Common Projects for SESAR Deployment will be published. The ICB has an important role to continue to provide advice to the Commission on this important piece of legislation. In the first quarter of 2013 the ICB will work to provide a common ICB position on this draft Implementing Regulation.

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It is an important time for European aviation and I am convinced that Mr Dlugi is the right person to guide the ICB to provide the right advice to the Commission at the right time.

4 SUMMARY

It is vital for Europe that the Single European Sky is a success. In the face of this, there are serious threats to the modernisation of European airspace. The industry must evolve and shift its approach to overcome these obstacles. In particular, increased cross-border cooperation and the use of new technology and outsourcing are key enablers on the path to improved quality of air navigation services.

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A ICB MEMBERS AND OBSERVERS FOR 2012

A.1 Leadership

Mr Per Arne Watle	Chairman
Mr Kurt Andreasen	Vice-Chairman

A.2 Members

Airports (2 members)

Airports are represented by ACI. The members are:

Mr Mark Burgess	BAA plc/ACI Europe
Dr Rolf Felkel	Fraport/ACI Europe

Airspace Users (8 members)

Airspace users are represented by IATA, AEA (2 members), IACA, ERAA, ELFAA, EBAA and IAOPA. The members are:

Mr Horst Bittlinger	AEA
Ms Mildred Troegeler	AEA
Mr Pedro Vicente Azua	EBAA
Mr John Hanlon	ELFAA
Mr Mike Ambrose	ERAA
Ms Sylviane Lust	IACA
Mr Martin Robinson	IAOPA
Mr Peter Curran	IATA

ATSPs (4 members)

ATSPs are represented by CANSO. The members are:

Mr Guenter Martis	Director European Affairs CANSO
Mr Michel Rocca	DSNA
Mr Alastair Muir	NATS
Mr Alessandro Ghilari	ENAV

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CNS Service Providers (2 members)

CNS Service Providers are represented by Communication and Navigation Service Providers.

Communication Service Providers are represented by ARINC and SITA alternately:

Mr Patrick Geurts SITA

The member for the Navigation Service Providers seat (one member) will be nominated once there is a certified service provider.

Manufacturing Industry (4 members)

Manufacturing industry is represented by ASD. The members are:

Mr Patrick de Prevaux ASD

Mr Luc Lallouette Thales/ASD

Mr Stefano Porfiri SELEX/ASD

Mr Marc Hamy Airbus/ASD

Meteorological Service Providers (1 member)

Meteorological Service Providers are represented by the Aviation Meteorology Group. The member is:

Mr Bart Nicolai EUMETNET/AVIMET

Professional staff associations (5 members)

Professional staff associations are represented by 5 members:

Mr Alfonso Guerrero ATCEUC

Mr Paul Vissers ECA

Mr Olivier Joffrin ETF

Mr Paul Neering IFATCA

Mr Luc Veroft IFATSEA

A.3 Observers

EASA (1 member)

EASA is represented by:

Mr Jussi Myllarniemi EASA

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EUROCONTROL (2 members)

EUROCONTROL holds two observer seats; one for a representative of the Directorate of Single Sky (DSS), and one for a representative of the Network Manager(NM).

EUROCONTROL is represented by:

Mr Bo Redeborn EUROCONTROL (DSS)

Mr Pascal Dias EUROCONTROL (NM)

European Defence Agency (1 member)

Observer Status was granted at ICB/44. The representative is currently unknown.

GAMA (1 member)

Observer Status was granted at ICB/44. The representative is currently unknown.

IOP Sub-group Chair (1 member)

The IOP Sub-group chair represents the interests of the Interoperability Sub-group

Mr Steve Williams IOP Sub-group chair

Military (1 member)

Military interests are represented by MilHAG. The member is:

LtCol Jos Laarhoven MilHAG

Non-European Interests (2 members)

Non-European Interests are represented by the FAA and AIA. The members are:

Mr Chris Benich AIA

Ms Tricia Stacey FAA

Research Establishments (1 member)

The interests of research establishments are represented by EATRADA. The member is:

Nicolás Suárez EATRADA

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SESAR JU (1 member)

The SESAR JU is represented by:

Ms Fiona McFadden SESAR JU

Standardisation Bodies (1 member)

The Standardisation bodies are represented by ATMSCG. The member is:

Mr Terry Dunford ATMSCG

In addition, it should be noted that the European Commission attends plenary and sub-group meetings with Observer status on an ad hoc basis.

B ICB ACTIVITIES IN 2012

B.1 Meetings

During 2012, the ICB held the following meetings:

Plenary meetings

- ICB/43 27th March 2012
- ICB ANC/12 preparation meeting 1st June 2012
- ICB/44 18th June 2012
- ICB/45 17th September 2012
- ICB RP2 Performance and Charging Scheme Workshop 23rd October 2012
- ICB/46 3rd December 2012

Institutional Sub-group meetings

- ISG 46 25th January 2012
- ISG 47 2nd May 2012
- ISG 48 9th July 2012
- ISG 49 1st October 2012

Interoperability Sub-group meetings

- IOP 26 18th April 2012
- IOP Community Specifications Workshop 18th April 2012
- IOP 27 6th September 2012
- IOP 28 9th November 2012

SESAR Deployment Task Force meetings

- SDTF 01 14th February 2012
- SDTF 02 15th March 2012
- SDTF 03 24th April 2012
- SDTF Ad-Hoc 01 7th May 2012
- SDTF 04 31st May 2012
- SDTF Guidance Material for Common Projects Workshop 12th July 2012
- SDTF 05 4th September 2012