



8.1.2018

WORKING DOCUMENT

on ECA Special Report 18/2017 (2016 Discharge): Single European Sky: a changed culture but not a single sky

Committee on Budgetary Control

Rapporteur: Marian-Jean Marinescu

SUMMARY

The Court of Auditors (ECA) reviewed selected key components of the Single European Sky (SES) initiative, which aims at improving the overall performance of Air Traffic Management (ATM).

The Court concluded that the initiative addressed a clear need and has led to a greater culture of efficiency in ATM. However, European airspace management remains fragmented and the SES as a concept has not yet been achieved. Navigation charges have not been substantially reduced and ATM-related delays have started to increase again. The SES's technological pillar, the SESAR project, promoted coordination and is gradually releasing technological improvements, but has fallen behind its initial schedule and has become significantly more costly than anticipated. In substance, the EU's intervention in SESAR has evolved from one with a target deadline for achievement to a more open-ended commitment.

The ECA concluded that the Commission should:

1. 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 timelines 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 (RP 2) 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.
2. The Commission should:
 - (a) assess the added value of maintaining the regulatory requirements for 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.
3. 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 charging schemes. We note that the prompt adoption of the applicable provisions in the SES2+ legislative package would be beneficial in this regard.
4. 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 harmonized accounting treatment.

5. 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.
6. 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.
7. 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.
8. 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.
9. 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.

Recommendations by the rapporteur

1. Points out the lack of full implementation of the Single European Sky due to resistance of certain air professions, which defend their own prerogatives, and due to lack of strong

political will of the Member States to fulfil the needs for implementation of this directive;

2. Deplores that although the European Union managed to eliminate land borders between the Schengen Member States, it has not been so far been able to eliminate borders in the air among the same Member States, which leads to common losses of the value of 5 billion EUR annually;
3. Points out that the implementation of the Single European Sky would reduce CO2 emissions of the aviation industry up to 10%, which would significantly help in reaching the fulfilment of the Paris Climate Agreement;
4. Asks the Commission to look more into the details of the deliverables of the SESAR Joint Undertaking as they might not be applicable to the current situation where the Single European Sky has not been implemented and they risk being applied in air systems which are not able to cooperate with each other;
5. Asks the Commission to present details of its contract with Eurocontrol in order to monitor the spending of EU taxpayers' money;
6. Points out to the need of implementation of the independence of the National Security Authorities (NSA) and tasking them with sufficient financial and organisational needs;
7. Asks the Commission to inform the Committee why it has not launched infringement procedures on the non-implementation of the Functional Airspace Blocks (FABs), which were supposed to be operational in 2012 but have not been functioning until now.