

Performance scheme under SES II

ATCEUC 35th Meeting

Valencia, 3rd & 4th April 2009

Agenda

- 1) What probable changes in ANS industry?
- 2) Description of SES II Performance scheme (Art 11 Framework Regulation)
- 3) Preparation for implementation
- 4) Impact and role of various stakeholders
- 5) Conclusions

PRC assistance in preparing the EC performance scheme

- **Pragmatic approach to prepare the implementation of SES II (Art 11)**
 - EC proposed at last SSC meeting (1 April 09) to request the support of the EUROCONTROL PRC to prepare the implementation of the scheme;
 - Designation by the EC of a body to act as PRB to be decided later on.

What probable changes in ANS industry?

- **Stakeholders need to prepare to work in a different environment**
 - Total performance approach (safety, economic, operational and env. efficiency)
 - Multiannual performance plans
 - Incentives
 - Clear lines of accountabilities for performance
 - Enhanced role of European Commission and National Supervisory Authorities
 - Increase of safety oversight
 - Standardisation of operations, only adapted to local operational environments (EASA, FABs, Network Manager, SESAR JU, NSAs, PRB)
 - Crucial importance of consultation process
 - Setting the rules of the game at European and National level (2009 – 2011)
 - Before the setting of the Community target (2010 – 2011)
 - Setting / Adoption of National / FAB targets (2011)
 - Informed consultation process (based on facts, figures, performance indicators)
- **First reference period (target is frozen and applicable for the period):**
 - 3 years, probably 2012-2014
 - NB: make a distinction between preparing the reference period and running it.

Description of SES II Performance scheme (Art 11) (1/3)

- **New Community regulatory regime:** Performance regulation covering safety, environment, capacity and cost-efficiency;
- **Commission in charge of managing this scheme**, with the assistance of an independent “Performance Review Body (PRB)”.
- **3-5 year Reference Periods** for which European and national/FAB performance targets will be formally adopted and endorsed;
- **Community-wide performance targets for the ATM network** adopted by the Commission taking into account relevant inputs from NSAs at national level;
- **National or FAB plans elaborated by NSAs and adopted by MSs**, following consultation with ANSPs, airspace users and, where relevant, airport operators and airport coordinators, **containing:**
 - Binding national or FAB performance targets, consistent with Community-wide performance targets;
 - An appropriate incentive scheme;

Description of SES II Performance scheme (Art 11) (2/3)

- **Mechanism to ensure consistency between local and Community-wide targets:**
 - Assessment by the EC using assessment criteria defined in IR;
 - If assessment criteria are not met, EC can issue a recommendation (after consultation of Single Sky Committee) that concerned NSA(s) propose revised targets;
 - Member States shall adopt revised targets and appropriate measures to be notified to the Commission in due time;
 - If revised targets and appropriate measures are not adequate, EC may:
 - Decide (following vote of SSC) that MS shall take corrective measures; or
 - Revise Community-wide performance targets if adequate supporting evidence.

Description of SES II Performance scheme (Art 11) (3/3)

- **First reference period:**
 - 3 years, most probably 2012-2014.
- **Implementing Rules to be developed during the next two years, covering:**
 - KPAs to be consistent with those of ICAO and ATM Master Plan, adapted if necessary and associated indicators;
 - Various procedures related to the establishment of Community-wide performance targets, assessment of national/FAB plans;
 - Monitoring of national/FAB plans including appropriate alert mechanisms;
 - Criteria for the establishment of national/FAB performance plans;
 - Criteria to be used when assessing consistency of national/FAB targets with Community-wide targets.

Preparation for implementation (1/4): Eurocontrol PRC background

- **EUROCONTROL PRC has been in charge of performance review since 1998;**
 - Regular annual reports covering main KPAs: Safety, Quality of service (Flight Efficiency, Capacity, Punctuality, Predictability), Cost-effectiveness;
 - Benchmarking reports focusing on ANSPs cost-effectiveness and productivity
 - Ad-hoc reports on various important issues:
 - Legal & regulatory impediments to safety reporting;
 - Evaluation of Civil/Military airspace utilisation;
 - Punctuality drivers at major European airports;
 - Comparison of performance in US and European ACCs.
 - Reports for the European Commission:
 - Impact of SES I on ATM Performance;
 - Evaluation of FABs and their contribution to performance improvement.
 - European targets adopted by the Provisional Council:
 - Safety maturity of 70% to be reached by ANSPs and regulators; 1 minute average ATFM delay; 3% annual reduction in unit cost; annual reduction of 2km of additional route extension.
- **No doubt that lot of experience has been gained in terms of performance review**

Preparation for implementation (2/4): Safety

- **Reinforcement of European Legislative Safety Framework**
 - Certification of ANSPs (EC 550/04, CR2096/05)
 - Progresses in alignment with the global safety regulatory framework, ICAO (CR2096/05, CR668/08, CR1315/07)
 - Safety Oversight duties for NSAs (CR1315/07)
 - NSA peer reviews (CR2096/05)
- **New safety data sources emerging from :**
 - Oversight audit reports: ICAO USOAP, EUROCONTROL ESIMS, NSAs audits on ANSPs
 - NSA annual reports
 - NSA peer reviews reports
 - ANSP business and annual plans
- **Leading to enhanced safety performance monitoring capabilities**

Preparation for implementation (3/4): Next steps

- **Lot of work to be undertaken to start the first reference period in 2012**
 - All stakeholders involved, including staff representatives;
- **Need to move from existing practices (PC targets, individual objectives or targets) to a common and structured approach consistent with the proposed scheme for EU and associated States**

Preparation for implementation: tasks to accomplish (4/4)

- **Need to work on:**
 - Implementing rules (in the form of Commission Regulations);
 - Community-wide performance targets;
 - N x National or FAB performance plans (Performance targets + incentives);
 - Procedures and processes;
 - Criteria and methodology to assess the consistency of local performance targets with Community-wide performance targets;
 - Guidelines on incentive schemes;
 - Information system;
 - Role and capabilities of NSAs;
 - Role of ANSPs.

Impact and role of stakeholders (1/2)

- **European Commission:**

- Manages the scheme, assisted by the PRB
- Adopts implementing rules
- Adopts Community-wide performance targets
- Assess consistency of national/FAB targets with Community-wide performance targets:
 - Possibly address recommendation to NSAs to revise performance targets;
 - Possibly ask States to take corrective measures;
- Monitor overall performance, achievement of performance targets and present results to the Single Sky Committee.

- **NSAs:**

- Elaborate national or FAB Performance Plans;
 - Define targets and appropriate incentive scheme;
 - Consult ANSPs, Airspace users and, where necessary, airport operators and airport coordinators.
 - Decide if targets at national or FAB level.

Impact and role of stakeholders (2/2)

- **States:**
 - Adopt national or FAB Performance Plans;
 - At EC request, adopt revised targets and corrective measures;
 - Work at national or FAB level.
- **ANSPs:**
 - Prepare business plans and annual plans (CR2096 Annex I)
 - Advise the relevant NSA on performance plans (targets + incentive scheme);
 - Work at national or FAB level;
- **Staff:**
 - Opportunity to have a common level playing field on Performance in Europe (all ANSPs are covered);
 - Opportunity to shape a pragmatic scheme based on operational expertise;
 - Opportunity for MOSAIC model to develop and to contribute to meeting the future performance targets.

Conclusions

- **Changes ahead. Need to adapt to a total performance approach.**
- **First review period to start in 2012 for three years.**
- **Lots of preparatory work ahead for all stakeholders:**
 - European Commission, States, NSAs, ANSPs, Staff.
 - PRC requested to prepare the implementation of the scheme, pending future designation of the PRB.
- **Opportunities for staff:**
 - to have a common level playing field on Performance in Europe (all ANSPs are covered);
 - to influence the implementation of SES II in the development and establishment of a pragmatic performance scheme;
- **5th May 2009: PRC consultation workshop on performance regime**
 - Review of national performance plans
 - First workplan by PRC to meet the request for support by EC