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NOTE

From: Presidency
To: Permanent Representatives Committee/Council
Subject: The future of the Single European Sky
– Policy debate

1. At the meeting of the Council (Transport) on 2 December 2019, Ministers will be invited to hold a policy debate on the future reform of the Single European Sky. The Presidency has prepared a background paper and questions (in annex) to help structure the discussion.
2. Subject to confirmation by the Permanent Representatives Committee, Ministers are invited to hold a policy debate on the basis of the background paper and questions in Annex.

Future of the Single European Sky

Twenty years have passed, yet we are still not there

Building on the achievements of the internal market, the European Commission launched the Single European Sky (SES) initiative in 1999, in response to an unprecedented air traffic congestion crisis. Its core objective was to reform the architecture of air traffic control in the EU in order to meet future capacity and safety needs, by improving the overall performance of air traffic management and air navigation services. The key performance areas of the European Air Traffic Management (ATM) system – safety, capacity, cost-efficiency and environment – remain as valid today as they were 20 years ago.

Today, the European airspace is approaching its capacity limits again due to the way the ATM system in Europe operates. Traffic will continue to grow in the years ahead. EUROCONTROL STATFOR has produced a baseline forecast of 12.5 million flights in the ECAC region by 2025, based on an average annual growth rate of 1.8%. This will generate an extra 1.5 million flights compared to the total in 2018. On that basis, even a short delay in the legislative process could result in substantial problems within the next 3-5 years, affecting both passengers and airlines.

Fifteen years after the first legal framework for the SES, the time has come to provide a fresh boost for all actors involved to deliver a truly Single European Sky, one that serves the travelling public while reducing aviation's environmental footprint.

Air traffic management has traditionally been developed and provided at national level by air navigation service providers (ANSP). Each ANSP has its own procedures and tailor-made support tools, effectively limiting integration and interoperability. This has led to a situation where the European sky is fragmented into numerous sectors along the national borders of the Member States.

Furthermore, airlines plan their flights in order to optimise costs, and due to the differences in unit rates between states, the chosen trajectories often differ from the most environmentally friendly trajectories. Aviation should reduce its CO₂ emissions in line with EU commitments in the ICAO and under the Paris Agreement. However, the inefficiencies in the European ATM system result in unnecessary emissions as constant delays force airlines into longer flight routes and holding patterns, leading to additional fuel consumption and consequently higher CO₂ emissions. Improving the efficiency of the ATM system to enable airspace users to operate optimal trajectories will directly contribute to a better environmental performance of the system. Overall ATM performance is still estimated to generate around 6% avoidable emissions.

In December 2018, Ministers discussed the capacity crisis after the record high level of delays in the summer of 2018. In order to avoid even greater delays in the summer of 2019, the EUROCONTROL Network Manager, together with the ANSPs, implemented a set of crisis management network measures to mitigate the situation including rerouting certain flights in order to avoid the most crowded airspaces. The measures were successful in stabilising the delays, but the overall situation remains in crisis management territory:

- Delays in 2018 and 2019 were double those of 2017.
- Every fourth passenger now faces a delay of 15 minutes due to air traffic flow management, to which should be added other causes of delay (which in 2018 accounted for an additional half hour).
- More flights are cancelled and connections are missed. Passenger compensation claims have soared. The overall economic cost of the delays was estimated by the Eurocontrol Network Manager at EUR 17.9 billion euro in 2018.
- The serious congestion situation would have produced an estimated additional 5-6 million tonnes of avoidable CO₂ emissions in 2019, if it had not been partly mitigated by the re-routing measures taken by the Network Manager and a number of air navigation service providers.

The SES legislative framework

A lot has been done, but a lot more can still be achieved in the framework of the Single European Sky. The last legislative initiative concluded within the SES framework was the SES II in 2009. The SES II package stimulated structural changes in air navigation service provision. SES II aimed for closer cross-border cooperation between Member States in the form of mandatory Functional Airspace Blocks (FAB). However, it has turned out that FABs did not eliminate the fragmentation as planned. There are very few cross-border services, and even less dynamic sectorisation based on the traffic situation, despite the existing supportive legal framework. In order to speed up implementation of the Single European Sky, the Commission undertook a review of the SES legal framework and presented a SES2+ package in June 2013. The European Parliament adopted its first reading position on the SES2+ package in March 2014. In December 2014, the Transport Council agreed on a partial general approach, with the disputed question of application to Gibraltar airport remaining unsolved. Thereafter no discussions have been conducted on the package in the Council.

Since the Commission proposed the SES2+ initiative, the aviation context has evolved. Continuous growth in air traffic is leading to a greater lack of capacity than anticipated at the time.

Digitalisation is progressing in ways not foreseen even a few years ago.

The four key priorities in the future SES

The Airspace Architecture Study (AAS), which builds on the research of the SESAR programme, and the report of the Wise Persons Group (WPG) provide views and recommendations on how to develop the Single European Sky. They have been further developed and discussed with the Airspace Architecture Study Transition Plan and at the Digital European Sky (DES) Conference held in Brussels in September 2019. Continuing “business as usual” is not an option for the SES. The time has come to reevaluate how we can foster the desired development, including through updated legislation.

The WPG’s vision for the European ATM is *“a customer-focused Single European Sky that meets future needs for aviation services and environmental goals. A safe, seamless, scalable and resilient aviation network will be delivered through digital air traffic management services for all airspace users (civil and military) and passengers.”*

The WPG underlined the need to see the big picture and focus on 4 priorities. First, we need to take a more network-centric approach. This means that the ATM network must function as a fully integrated system -including airports- where the Network Manager plays a central role in overcoming traffic challenges while maintaining safety levels. The ATM system must be safe, secure, interoperable and environmentally friendly.

Second, we need to take into account the fact that digitalisation is a driving force for providing flexible capacity and making the ATM system more scalable. We need to implement a Digital European Sky in order to reap the benefits of digitalisation in terms of resilience of the system.

Third, as the system becomes more capable, the tasks, skills, requirements and training of air traffic controllers need to evolve in order to facilitate the transition towards the Digital European Sky. These developments have to be anticipated and followed up in order to ensure proper change management.

Fourth, we need to simplify the regulatory framework. In particular, a competent economic regulator at European level, together with reformed regulation, could ensure better consistency of ATM at national level, and set incentives to invest in and modernise the ATM system.

What needs to be done?

Based on the evident inefficiency and capacity problems of the system and the urgency of reducing the environmental footprint of aviation, those involved in Single European Sky need a new framework and guidance. It is important that all stakeholders do their share and see what they can do to improve the situation. A very broad group of stakeholders signed a declaration to that effect in September 2019. The WPG also called on the EU and its Member States to take the necessary action.

To stimulate discussion at the meeting, Ministers are invited to consider the following questions and to limit their answers to three minutes.

1. Would you agree that urgent action is needed to reform and re-invigorate the Single European Sky?
 2. Would you broadly agree on the vision for the future Single European Sky as put forward by the Wise Persons Group, including the four priorities mentioned above? In your view, what are the key measures to accelerate the necessary improvements?
 3. Would you agree that, given how much time has elapsed since the SES2+ proposal was made, the Commission should be invited to provide detailed information on where there may be a need for updates to the draft legislative text, so as to allow the Council's preparatory bodies to make adjustments, where appropriate, and to make progress on the file?
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