

PRB Annual Report 2020

January 2021

Foreword

2020 was an unprecedented year for the world. Aviation suffered immensely as governments closed borders and demand for air travel dropped to exceptionally low levels in the wake of the COVID-19 pandemic. This change required the PRB to adapt. Rather than supporting the Commission to implement a performance scheme defined in 2019, the work moved towards providing advice on how to adapt the performance scheme and to support the industry to cope with the most devastating downturn in the history of aviation.

In 2018 and 2019, the European air traffic management system had reached its limits in terms of capacity and environmental performance. Whilst remaining extremely safe, it was not contributing sufficiently to reduce CO2 emissions or providing sufficient capacity to meet demand. The traffic downturn has shifted the focus on how the aviation industry can survive. The PRB concentrated its activities on providing advice to the Commission on how to adapt the legal framework for RP3, on revising the targets and the performance plans, as well as improving the monitoring.

The pandemic has tested the flexibility and scalability of air navigation services, with its high fixed costs and mostly long-term investments. This makes it difficult for ANSPs to adapt to changes in demand. The industry will have to rethink many of its approaches to become more agile.

Although 2020 will close with a mostly gloomy sky, the situation should improve in 2021 with more and improved testing and a vaccine. The PRB looks forward to supporting the Commission in 2021 on its activities to guide the industry through this incredibly challenging time.

The work of the PRB would not have been possible without the help of many: I would like to thank my colleagues from the PRB, the Support Team, our colleagues from DG MOVE, Eurocontrol and EASA and last but not least the authorities from Members States, most of all the national supervisory authorities, for the excellent cooperation in 2020. I look forward to fruitful collaborations in 2021.



Regula Dettling-Ott
PRB Chair

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1 Introduction to the PRB and this report

- 1 The Commission has designated an independent group of experts as the Performance Review Body (PRB) to provide assistance regarding the implementation of the SES performance and charging scheme.¹
- 2 The PRB consists of nine members, including a Chairperson, appointed by the Commission in 2019 for two years and is supported by a dedicated support team. The PRB develops impartial, evidence-based recommendations on the performance of air navigation services at Union-wide and local levels as well as of network functions, on the basis of data submitted by Member States. Eurocontrol and European Union Aviation Safety Agency (EASA) validate and pre-analyse this data.
- 3 The Commission Decision establishing the PRB requires the PRB to adopt an annual report on the work performed.

2 PRB activities in 2020

2.1 Overview

- 4 During 2020, the priorities of the PRB drastically changed as a result of the of the COVID-19 pandemic, which caused the worst crisis of the aviation industry on record.
- 5 The COVID-19 pandemic has reduced traffic by an unimaginable degree. In April 2020, traffic was over 85% lower than in April 2019. Shortly after, it became apparent that the downturn would not be short-lived and that the traffic forecasts on which the performance plans Member States had submitted for 2020 and for the 2020-2024 reference period (RP3) were no longer valid. Exceptional measures for the implementation of the performance and charging scheme in light of such drastic traffic reductions became necessary.
- 6 The focus of the PRB shifted from providing advice and support to the Commission on the approval of performance plans (which Member States submitted in November 2019) to supporting the Commission amending the performance and charging scheme to manage the completely changed circumstances for RP3. This proved to be a challenging process, taking into account the requirements of the Single European Sky Basic Regulation, and at the same time defining a solution to enable ANSPs and airlines to survive the crisis and to prepare for a recovery. The Commission Implementing Regulation adopted in November 2020 on exceptional measures for RP3², providing a framework for the revision of targets and of performance plans for RP3, required the PRB to start preparing respective proposals and recommendations for the Commission. The exceptional measures included the mandate for the PRB to elaborate an Interim Monitoring Report 2020 to collect and assess data on the measures ANSPs had taken responding to the COVID-19 pandemic (see the annual monitoring activities, below).
- 7 The activities of the PRB in 2020 are described in the following sections. They are divided into two groups: **standing** activities and **ad hoc** activities.

¹ Commission Implementing Decision (EU) 2016/2296 of 16 December 2016 setting up the independent group of experts designated as Performance Review Body of the single European sky.

² Commission Implementing Regulation (EU) 2020/1627 of 3 November 2020 on exceptional measures for the third reference period (2020-2024) of the single European sky performance and charging scheme due to the COVID-19 pandemic.

2.2 *Standing activities*

- 8 The standing activities represent work items in accordance with Article 11 of Regulation (EC) 549/2004.³ These are covered in more detail in Article 3 of the Performance and Charging Regulation⁴ and can be divided into three key activities for 2019: (i) the PRB monitoring activities that are carried out on an annual basis, (ii) the Union-wide target setting and (iii) the assessment of national and FAB performance plans.

2.2.1 *Annual monitoring activities*

- 9 The PRB conducted its annual activities of monitoring, benchmarking, and reviewing the performance of European air navigation services. The final version of the PRB Monitoring Report 2019 was published in October 2020. Monitoring data was analysed by the PRB and supported by an overview provided by the Aviation Intelligence Unit of Eurocontrol for the capacity, cost-efficiency and environment key performance areas (KPA). EASA provided the data for the safety KPA and the PRB coordinated with EASA regarding the analysis and recommendations proposed.
- 10 The PRB Monitoring Report 2019 included recommendations to the European Commission on areas of improvement for operational performance. Whilst operational performance improved slightly in 2019 compared to 2018, the targets for the environment and capacity KPAs were not achieved. This led the PRB to reiterate several recommendations from the PRB Monitoring Report 2018 where action is required to address the causes of underperformance.
- 11 In addition to the annual monitoring activities, the PRB is supporting the Commission to collect data on the response of Member States and their ANSPs to the COVID-19 pandemic and to assess them. The new Regulation² on exceptional measures for RP3 requires Member States to complete a template produced by the PRB. Member States submitted their data in December 2020, and the PRB commenced work to analyse it. The PRB will also consider the results of this monitoring when defining its recommendations on the revision of targets for the Commission.

2.2.2 *Union-wide target setting and assessment of performance plans*

- 12 In early 2020, the PRB finalised the assessment of the draft performance plans submitted by Member States for RP3. It delivered its report to the Commission in March 2020, accompanied by a factbook for each Member State.
- 13 In view of the then emerging substantial downturn of traffic and the changed circumstances, it was decided not to proceed with the adoption of the draft Commission Decisions assessing the national or FAB performance targets in March 2020. Instead, work began on adapting the legal framework for the economic regulation of the single European sky. This was finalised in October 2020. Throughout this process, the PRB provided advice and recommendations to the Commission on the impact of the proposals to adapt the legal framework for performance and charging schemes to the pandemic.
- 14 After the Implementing Regulation on exceptional measures was adopted in November 2020, the PRB focused its activities on setting the revised performance targets for the reference period in course. This work will conclude in March 2021. The target setting and performance plan assessment process provided valuable experience for the PRB. The lessons learned from these activities will be put into practice in 2021 when proposing revised targets for RP3 and assessing the performance plans that will be prepared in 2021.

³ Regulation (EC) No 549/2004 of the European Parliament and of the Council of 10 March 2004 laying down the framework for the creation of the single European sky.

⁴ Commission Implementing Regulation (EU) 2019/317 of 11 February 2019 laying down a performance and charging scheme in the single European sky and repealing Implementing Regulations (EU) 390/2013 and (EU) 391/2013.

2.2.3 Other activities

- 15 The PRB may support competent authorities at their request in assessing the noise situation at airports for which they are responsible, in accordance with Regulation (EU) No 598/2014.⁵ There were no such requests in 2020.

2.3 Ad hoc activities

2.3.1 Overview

- 16 The PRB provides the Commission with an independent assessment on aspects of the implementation of the performance and charging scheme. Such ad hoc activities can include:
- Gathering the specific information from NSAs in relation to the performance plans to improve the monitoring the performance of the European air traffic management network.
 - Contributing to stakeholder meetings and workshops.
 - Participating and presenting specific topics at the Single Sky Committee.
- 17 Additionally, the PRB undertook three activities defined in the Work Programme for 2020.
- A report to assess how the performance and charging scheme can contribute to reduce the impact of aviation on the environment and how such changes can be measured, considering existing data of the environmental performance of aviation. The report identifies how key performance indicators may be appropriate to capture current performance and how they could be used in future reference periods to drive improvements in environmental performance. The PRB report was finalised in November 2020.
 - A report to assess the impact of the civil-military dimension on the performance and charging scheme, including improved monitoring. The PRB also analysed the link between civil-military coordination and the ANSP delivery of capacity and cost-effectiveness. The PRB report was finalised in November 2020.
 - The development of a methodology to quantify how the SESAR-related investments impact performance with the aim of evaluating the benefits with respect to the KPAs of the performance and charging scheme. This work commenced in October 2020 and will continue in 2021.

2.3.2 Bilateral meetings with Member States and stakeholders

- 18 Bilateral meetings with Member States and stakeholders have been more challenging given the COVID-19 pandemic. During 2020, the PRB Chair and the Support Team met regularly with stakeholders, especially after the onset of the COVID-19 pandemic.

2.3.3 Single Sky Committee

- 19 The PRB Chair attended the following Single Sky Committee (SSC) meetings during 2020:
- 74th meeting of the SSC on 24th – 25th March 2020, where the PRB Chair presented a summary of the Union-wide assessment of the performance plans for RP3.
 - Ad-hoc meeting of the SSC on 6th May 2020, where various issues relating to the performance scheme and the COVID-19 pandemic were addressed.

⁵ Regulation (EU) 598/2014 of the European Parliament and of the Council of 16 April 2014 on the establishment of rules and procedures with regard to the introduction of noise-related operating restrictions at Union airports within a Balanced Approach and repealing Directive 2002/30/EC.

- 75th meeting of the SSC on 23rd – 24th June 2020, where the PRB Chair presented the PRB's recommendations for additional monitoring activities in response to the COVID-19 pandemic.
- 76th meeting of the SSC on 8th September 2020, where the PRB Chair presented the PRB's view on exceptional measures proposed by the EC and the template for collecting additional monitoring information relating to the actions taken by ANSPs in response to the COVID-19 pandemic.

3 PRB meetings

3.1 PRB Board meetings

- 20 The PRB held six meetings in 2020, to discuss and approve the standing and ad hoc items.
- PRB Meeting 20 21st – 22nd January 2020
 - PRB Meeting 21 18th March 2020 (virtual meeting)
 - PRB Meeting 22 19th May 2020 (virtual meeting)
 - PRB Meeting 23 14th – 15th July (virtual meeting)
 - PRB Meeting 24 22nd – 23rd September 2020 (virtual meeting)
 - PRB Meeting 25 17th – 18th November 2020 (virtual meeting)

3.2 Sub-group meetings

- 21 In line with Article 6(3) of Commission Implementing Decision (EU) 2296/2016⁶, three PRB sub-groups have been established. Sub-group meetings are held when required according to the PRB's activities.

3.2.1 Sub-group 1

- 22 Sub-group 1 is responsible for supporting and advising the PRB for the cost-efficiency and capacity aspects of the Performance and Charging Regulation.
- 23 Sub-group meetings were held on the following dates in 2020:
- 13th – 14th January 2020 (virtual meeting)
 - 12th February 2020
 - 17th April 2020 (virtual meeting)
 - 9th June 2020 (virtual meeting including Sub-group 3)
 - 23rd June 2020 (virtual meeting including Sub-group 3)
 - 7th July 2020 (virtual meeting including Sub-group 3)
 - 18th August 2020 ((virtual meeting including Sub-group 3)
 - 2nd October 2020 (virtual meeting)
 - 19th October 2020 (virtual meeting including Sub-group 3)
 - 9th November 2020 (virtual meeting including Sub-group 3).

⁶ Commission Implementing Decision (EU) 2016/2296 of 16 December 2016 setting up the independent group of experts designated as Performance Review Body of the single European sky.

24 Sub-group 1 areas of discussion included:

- Finalising assessment of performance plans submitted by Member States;
- Assessing the impact of COVID-19 on the performance scheme;
- Defining information required to understand the action taken by ANSPs in response to the COVID-19 pandemic;
- Developing the relevant parts of the PRB Monitoring Report 2019;
- Discussion and development of the revised targets.

3.2.2 Sub-group 2

25 Sub-group 2 is responsible for supporting and advising the PRB for the environment and safety aspects of the performance and charging scheme.

26 Sub-group meetings were held on the following dates in 2020:

- 13th – 14th January 2020
- 12th February 2020
- 25th March 2020 (virtual meeting)
- 23rd October 2020 (virtual meeting)
- 13th November 2020 (virtual meeting).

27 Sub-group 2 areas of discussion included:

- Concluding the assessment of draft performance plans for RP3;
- The PRB ad hoc tasks relating to the evolution of the environmental key performance area and the significance of the civil-military dimension in air navigation services;
- Format, timeline and development of the PRB Monitoring Report based on 2019 data;
- Revised target setting activities;
- Format, timeline and development of the PRB Interim Monitoring Report based on 2020 data.

3.2.3 Sub-group 3

28 Sub-group 3 is responsible for supporting and advising the PRB regarding the application of new technology in ATM.

29 Certain issues are within the remit of more than one sub-group. Therefore, some of the PRB subgroups hold certain meetings on the same day to join discussions of common issues. The information discussed in these meetings is covered in Section 3.2.1. In addition to those, a sub-group 3 meeting was also held on the 12th February; the sub-group also held a number of virtual meetings throughout the year.

30 Apart from the topics which overlap with sub-group 1, sub-group 3 areas of discussion included:

- Liaising with the SESAR Joint Undertaking;
- Liaising with the SESAR Deployment Manager;
- The PRB ad hoc task on the methodology to quantify gains and costs from SESAR-related investments;

- Regulatory recommendations from the Airspace Architecture Study and the Wise Persons Group report;
- Possible transformation of the European ATM industry, as foreseen by the ATM data services concept.