STATEMENT OF

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BEFORE THE SENATE ARMED SERVICES COMMITTEE

ON

17 MAY 2007

Senate Armed Services Committee – Written Statement

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INTRODUCTION

United States European Command (EUCOM) Area of Responsibility (AOR) comprises 92 diverse nations in Europe, Eurasia and most of Africa. The forward defense of the United States largely depends on our ability to work with our partners and allies to ensure common security. EUCOM's theater Strategy of Active Security supports the national defense strategy through a series of broad cooperative and engagement initiatives.

As the EUCOM Commander, I believe there are fundamental priorities that characterize our involvement in this AOR. While support to the Global War on Terror (GWOT) is the overarching priority, EUCOM is dedicated to retaining Europe as a global partner and furthering the U.S. security relationship with Africa through a new unified command. Embedded in these strategic priorities are our efforts to transform ourselves into a more expeditionary command, while cultivating and sustaining relations with numerous regional security organizations, such as the North Atlantic Treaty Organization (NATO), the African Union (AU), and the European Union (EU).

In addition to my role as Commander EUCOM, I have responsibilities as the Supreme Allied Commander, Europe, commanding all operational NATO forces. While these two roles have distinct mandates, there are many linkages between them. One fundamental linkage is transformation – both EUCOM's and NATO's transformation efforts are aggressive, ambitious, and geared toward realizing agile, flexible, and expeditionary forces capable of operating at strategic distances.

To fully capture how EUCOM will address these priorities I will provide an overview of the strategic environment in which we operate, explain our strategy and initiatives, highlight the contributions and requirements of my component commanders, and underscore the importance of the transatlantic security relationship.

STRATEGIC ENVIRONMENT

EUCOM's AOR is a vast geographic region covering over 21 million square miles and 16 time zones, extending from the Barents Sea in the north to the waters stretching south to Antarctica, and from Greenland to Russia's Pacific coastline (See Enclosure 1). The scope and diversity of these 92 sovereign nations include approximately 1.4 billion people, constituting 23 percent of the world's population. These 1,000 plus ethnic groups speak more than 400

languages, profess over 100 religious affiliations, and encompass the full range of human conditions and governments. The trends and issues which define the current environment in our theater include terrorism in all its forms, frozen conflicts, unresolved territorial disputes, complex geopolitical relationships between Russia and the nations of the former Soviet Union, the use of energy as a tool of foreign policy, Weapons of Mass Destruction (WMD), and illegal immigration.

Because the challenges in this theater are not confined to a single nation, EUCOM takes a regional approach at analyzing this strategic environment. Our analysis is structured around three European and five African regions (See Enclosure 2). Europe's regions are Western Europe, Southeast Europe, and Eurasia. Africa's regions are North Africa, West Africa, Central Africa, East Africa, and South Africa.

Political Geography

Western Europe is home to some of our oldest and closest allies. For six decades, its mature democracies have experienced an unprecedented period of security and stability. A major contribution to this stability lies in the NATO Alliance and multinational institutions that have successfully addressed numerous security challenges over the past almost 60 years. NATO remains Europe's premier security organization and the international security instrument of choice. However, not all trends are positive. The defense budgets of many of these NATO nations have fallen to levels that jeopardize their ability to make long-term strategic military commitments to meet the Alliance's 21st Century ambitions.

In Southeastern Europe, the political and military situations are improving, but there are unresolved issues which could destabilize the region. The Balkans remain somewhat volatile as new democratic governments attempt to deal with suppressed ethnic tensions, corruption, illegal immigration, and assimilation of citizens from different cultural backgrounds. The United Nations-led process to determine the future status of Kosovo is now in its critical and concluding stage, with discussions ongoing in the United Nations Security Council to address the Comprehensive Proposal for a Kosovo Status Settlement. Agreement and successful implementation of the provisions of a Status Settlement will be essential in maintaining stability in the Balkans.

As a regional leader, Turkey's European orientation for political and military security, along with its enduring relationship with the U.S., make

it a catalyst for stability in Southeast Europe, the Caucasus, Afghanistan, and the Black Sea region. Its key international lines of communication and proximity to Iran, Iraq, and the Russian Federation ensure Turkey will continue to play a vital role in international efforts to combat terrorism.

In Eurasia, some nations are at a decisional crossroads in terms of economic, political, and military reform. Other nations, such as [Comment: We recommend striking Azerbaijan from this sentence because of corruption concerns and regime pressure on independent media and NGOs.] Georgia, continue to pursue a positive trend towards economic sector, military, and political reform. After decades of life under the Soviet model, nations of this region struggle with balancing the challenging process of reform and the fundamental need for stability and predictability. Some nations have elected to freeze, stall or reverse reform, placing a greater priority on the maintenance of political power, internally and externally. Economic turmoil, unsettled interstate conflicts, insurgency, deteriorating infrastructure, and negative demographic trends exacerbate an already difficult and complex process of reform.

Despite continuing tensions from historical and unresolved ethnic and national enmity, the Caucasus is striving to gain regional stability and is of growing strategic importance to the U.S. and its allies principally due to its geostrategic location and the increasing flow of Caspian Sea hydrocarbons to the world energy market. In close proximity to Iran and Russia, Azerbaijan’s geostrategic location is key for access to Caspian Sea energy resources. An example of Azerbaijan’s and the region’s growing importance to the global energy market is the recently opened Baku-T’blisi-Ceyhan Pipeline, bringing oil from the Caspian Sea to the Mediterranean. Additionally, the future Caucasus pipeline currently under construction will carry natural gas along much of the same route.

Regional security in the Caucasus and Moldova is challenged by four frozen conflicts: Azerbaijan and Armenia’s dispute over the status of Nagorno-Karabakh, South Ossetia and Abkhazia’s separatists’ attempts to gain independence from Georgia, and Transnistria’s movement to separate from Moldova. Left unresolved, these conflicts remain the most significant obstacle to long-term stability in the Caucasus and have the potential to ignite into a high-intensity conflict in Europe’s neighborhood.

As the dominant regional power in Eurasia and central Asia, Russia’s cooperation with the U.S. and NATO is a strategic element in fostering security in the Euro-Atlantic arena. Progress has been made in engaging the

Russian military to build interoperable capabilities, instill Western operational concepts, and strengthen the bilateral military relationship. Russia demands specific concentration not only because of its influence in its “near abroad” border nations, which affects European stability, but globally because of its formidable nuclear capability, an extensive weapons trade program and influence on the international energy market.

While military-to-military relations with Russia are for the most part positive, much work remains to enhance cooperation and mutual understanding on key 21st century issues such as threats posed by WMD proliferation, terrorism, and the disruption of energy supplies. Additionally, recent Russian strategies to exert influence run counter to U.S. and NATO security. As the world's largest producer of natural gas and a critical supplier of energy to Europe, Russia has demonstrated that it is prepared to use its position in the energy sector to impose its will on other nations. Also, Russia’s recent aggressive tactics with Georgia and Ukraine raise concerns about its long-term security intentions. It is unclear to what future extent Russia may use energy or its military as leverage to achieve foreign policy goals, but it is a dynamic that needs to be monitored closely.

Ukraine’s strategic location, contributions to international operations, and policy of Euro-Atlantic integration make it an increasingly important regional ally. Ukraine is at the nexus of its Cold War past and achieving Western standards of political, economic, and defense reform. Internal and external opposition since the 2004 Orange Revolution have slowed the pace of Ukraine’s reform efforts. Ukraine’s ability to attain its reform objectives remains a central focus of both U.S. and Alliance efforts.

In the Middle East, Israel is the U.S.’s closest ally that consistently and directly supports our interests through security cooperation and understanding of U.S. policy in the region. Providing a platform of stable governance in the region, Israel steadfastly promotes democratic ideals and pro-western economics and values. A steward of the largest Foreign Military Financing (FMF) program with well-established agreements with the U.S. government, Israel is a critical military partner in this difficult seam of the Middle East.

On the Continent of Africa, we face a complex environment with enormous challenge and potential. While Africa is rich in both human potential and mineral resources, it has historically struggled with relatively unstable governments, internal political strife, and economic problems. Many states

remain fragile due to a variety of factors, including corruption, endemic and pandemic health problems, historical ethnic animosities, and endemic poverty.

In North Africa, broad expanses of minimally governed areas remain havens for extremists, terrorists and criminals. Authoritarian political structures inhibit political progress and reform on the continent. Developing economic systems have difficulty meeting the needs of a youthful and growing populace, hindering the emergence of an economically independent middle class. Additionally, an increasing percentage of Europe’s oil and natural gas imports come from North Africa, tying European security to North African stability.

In West Africa, specifically the Gulf of Guinea, the energy potential defines this as a region of emerging U.S. strategic interest. West Africa now supplies over 16 percent of U.S. hydrocarbons and by 2015 it is estimated that it will supply more than 25 percent. In the next 10 years the Gulf of Guinea will provide the bulk of U.S. imports of sweet crude oil. Threatening this potential are corruption, economic privation, political instability, and the challenges of potential civil unrest. This scenario has played out most recently in the crisis in Guinea. The civil unrest, subsequent martial law, and resultant departure of U.S. citizens highlight the fragile nature of democratic systems throughout the region. Ethnic and religious violence within and across porous borders also threatens Gulf of Guinea stability. With only marginal adherence to the rule of law and with no meaningful legal structures or political will present, the maritime security challenges in this region become almost insurmountable. Additionally, the security situation in the Niger Delta and other "promising" areas has been historically unstable and continues to demonstrate symptoms indicative of future problems. Violence between criminal gangs, often backed by powerful political or ethnic figures, makes the delta one of the most violent places in the region. Conflict will likely escalate further as the country approaches presidential elections in 2007.

Much of Central Africa and East Africa have been mired in armed conflicts that have defied the international community’s capacity for crisis response and management since the mid- to late 1990s. Numerous wars have been fought there, causing massive human suffering as well as political and economic stagnation. The Rwandan genocide of 1994, in which over 800,000 people lost their lives, left a devastated country in its wake and had a profoundly destabilizing effect on the region. Rwanda's neighbor Burundi, embroiled in ethnic warfare between 1993 and 2003, has completed its

political transition and entered a critical peace-building period. Meanwhile, the Democratic Republic of Congo, facing the end of its postwar transition, remains plagued by active militia, insufficient infrastructure and poor governance practices. Hopes for long-term peace in the long-running conflict between the government of Uganda and the Lord's Resistance Army (LRA) rebels were given new life in August 2006 after a cessation of hostilities between the two sides. However, many significant stumbling blocks remain.

Southern Africa’s great potential is threatened by widespread corruption and unequal distribution of resources, which undermine efforts to develop a transparent and healthy economy. While AIDS affects the entire continent of Africa, Southern Africa is the most HIV-AIDS afflicted region in the world, with HIV infection rates averaging in the high 20 percent range. According to U.S. Population Reference Bureau estimates, South Africa’s population will decline from 44.2 million to 41.9 million in 2009. The human costs aside, the AIDS epidemic has a direct negative impact on the region’s stability and security. Security forces are being decimated as key personnel are lost, the ability to conduct operations is reduced, and nations are hard pressed to field and deploy healthy soldiers for participation in peacekeeping operations.

Transnational Terrorism in EUCOM’s AOR

Like all Combatant Commands, EUCOM is dealing with terrorism in all its forms. Many terror networks are integrally tied to criminal and smuggling networks. Illegal activities such as drug smuggling, document forgery, and credit card fraud help fund extremist operations while Europe's open borders facilitate their travels across the region.

In Northern Africa, Al-Qa’ida-affiliated groups exploit ungoverned spaces to gain sanctuary, recruit, indoctrinate, train, equip, transit and mount operations. The Trans-Sahara region, in particular, offers sanctuary to Islamic extremist terrorists, smugglers of drugs and contraband, and insurgent groups. There is evidence of an increasing trend of North Africans being recruited as foreign fighters in Iraq; in addition, we are seeing increasing collaboration between Al-Qa’ida and North African terrorist groups. These negative developments are occurring despite many successful host nation security efforts. In the Trans-Sahara region, violent extremists continue to coordinate activities and interact with their associated networks

in Europe. These groups take advantage of vast "ungoverned" spaces to attack their host governments and advance their anti-moderate, anti-Western agendas.

Western Europe, Southeast Europe, and Eurasia are increasingly used as a sanctuary and logistics center for extremists. Due to the exploitation of well-established civil liberties and the capacity to travel freely across many borders, Europe’s ability to identify, arrest and prosecute transnational terrorists is an important element in the GWOT.

Another key characteristic of terrorism in the EUCOM AOR relates to the low-risk/high-consequence aspect of the use of WMD. With the majority of the world’s nuclear weapons in the EUCOM AOR, the loss of control of any associated weapon or material could lead to catastrophic results, making the security of these items a significant aspect of the EUCOM WMD effort.

Demographic Trends within Africa

Changing population demographics increasingly challenge good governance. Rapid population growth, particularly a disproportionate “youth bulge” in the developing world, especially Africa, will significantly strain governments’ ability to provide basic goods, services, and jobs. This could lead to a large pool of undereducated and unemployed youth presenting a potential source of instability and a lucrative target for violent extremist exploitation in countries where governments fail to meet the public’s needs.

Immigration Issues

Europe has become a magnet for people who see European countries as lands of refuge as well as lands of plenty. Inevitably, with 15 million people unemployed in the European Union (EU) alone, the influx of outsiders has been resented in some areas. Over 100,000 illegal immigrants enter Europe from Africa each year. Many EU citizens fear that asylum seekers are too great a burden for their countries' social welfare systems to bear. Others voice alarm that economic migrants may take their jobs. Some resent the dilution of traditional local culture from the influx of new arrivals. Coupled with legal immigration challenges are those associated with illegal immigration.

Criminal Issues

Directly connected to both immigration and organized crime is human trafficking. Human traffickers make annual profits of some $7 billion in prostitution alone. Only the drug trade is more profitable. In Europe,

human traffickers run the spectrum of criminal organizations. From complex networks like the Italian and Russian organized crime elements to countless small "freelance" family groups, modern slavery continues to be a big-profit business.

Around Africa, vast coastal areas provide havens for smuggling, human trafficking, illegal immigration, piracy, and oil and fisheries theft. Piracy and theft are major concerns along the nearly 2,000 nautical miles of the Gulf of Guinea coastal area. Large-scale illegal oil theft in the Niger Delta has become significant over the last several years. Industry analysts estimate up to 200,000 barrels of oil per day are siphoned from pipelines in a process known as "hot-tapping" and sold to Nigerian or foreign buyers at approximately $15 a barrel -- well below world oil price levels. Shipping ports, transit areas, harbors, oil production, and transshipment areas are largely uncontrolled, raising concerns regarding vulnerability to attacks by terrorist groups, criminal gangs, or separatist militias. Corruption and complicity in local, regional, and national governments only serve to exacerbate this problem.

A key challenge is drug use in Western Europe, and smuggling of drugs through Western Africa and Eurasia to the area of consumption. European cocaine use is at an all-time high (1.5 million users) and Europe is now the second most important destination for cocaine in the world.

Weapons of Mass Destruction (WMD)

On the periphery of the EUCOM’s AOR, Iran’s continued nuclear program poses a potential risk to U.S., NATO, and partner interests. Ballistic missile threats to the EUCOM AOR are well-researched. Russian ballistic missile programs are historically documented, well understood, and continually reviewed for changes. Evolving threats from nations such as Iran pose new challenges. Furthermore, in Europe and Eurasia, there are stockpiles which are vulnerable to international and internal threats posed by corruption, criminal activity, or rogue actors. Strategic weapons, including conventional missiles, WMD, and weapons of mass effect are capabilities sought after by our adversaries who desire the capability to attack the U.S., its allies, and its strategic interests.

U.S. EUROPEAN COMMAND

The U.S. European Command's developing Strategy of Active Security addresses the unique problems of EUCOM's nations and regions and the illegal networks that span those nations and regions. The goal is to marginalize the enemies of peace and foster the growth of good governance, strong institutions, and civil society that promotes lasting security and stability. Our strategy addresses theater challenges and opportunities by employing the full range of military activities, from building and sustaining peace to prosecuting war if necessary.

EUCOM's Support to the Global War on Terror

EUCOM's number one theater-wide goal is to defeat transnational terrorist entities and violent extremists that threaten the U.S., its allies, and interests. We seek to do this by denying them freedom of action and access to resources, building partner capacity to combat terrorism, and working with partners to promote regional stability and diminish the conditions that foster violent extremism. We focus on deterring and defeating these imminent threats across our AOR, stretching from the Caucasus, through U.S. Central Command's Middle East, across North Africa and into the Gulf of Guinea.

Regional War on Terrorism

Operation ENDURING FREEDOM - TRANS-SAHARA (OEF-TS) is the Department of Defense component of the Department of State's Trans-Sahara Counter Terrorism Partnership (TSCTP). TSCTP is a ground-breaking program that seeks to leverage the capabilities of those U.S. government agencies involved in building security on the African continent, with an emphasis on counterterrorism (CT) in North Africa. TSCTP seeks to maximize the return on investment by implementing reforms to help nations become more self-reliant in security and more stable in governance. OEF-TS – the military component - uses special operations forces to train partners on the conduct of CT operations.

The need for TSCTP stems from concern over the expansion of operations of Islamic terrorist organizations in the Sahel region, a region that approximates the size of the United States. OEF-TS is a preventive approach to combat terrorism and enhance partner nation border security and military capabilities in Trans-Saharan Africa. It is designed to assist governments seeking better control of their territories and to prevent terrorist groups from utilizing the vast open areas as safe havens.

TSCTP's overall approach is straightforward: to build indigenous capacity and facilitate cooperation among governments in the region. Participating nations: Algeria, Chad, Mali, Mauritania, Morocco, Niger, Senegal, Nigeria and Tunisia. These countries have joined in the struggle against Islamic extremism in the Sahel region. OEF-TS builds upon the successful 2002 Pan-Sahel Initiative (PSI) which helped train and equip forces in four Sahel states: Mali, Mauritania, Niger and Chad. OEF-TS is a follow-on complementary effort, more ambitious in both programmatic and geographic terms.

This cooperation strengthens regional counterterrorism capabilities and assists participating nations in halting the illegal flow of arms, goods, and people through the region. OEF-TS has the added effect of institutionalizing cooperation among the region's security forces and reinforcing the military's subordinate role to democratic governance. It also helps nations better protect vast borders to contribute to common security.

In the past, instability in Africa has often required costly, reactive, and repeated interventions (e.g., Liberia). An upheaval in one nation has often resulted in destabilizing neighboring states. Today, in an age of globalization, the damage individual states or groups within those states can do is unprecedented. For a relatively small investment, TSCTP has the potential to produce significant, positive results in countering terrorism. It can be a powerful brake on future terrorist expansion.

Security Cooperation

Security Cooperation (SC) programs remain the cornerstone of our Strategy of Active Security to promote common security, which ultimately supports national objectives in the GWOT. These programs contribute to building key relationships which support U.S. strategic interests, enhance partner security capabilities, provide for essential peacetime and contingency access and en-route infrastructure, and improve information exchange and intelligence sharing.

Our SC programs represent a proactive approach to building partnership capacity with the aim of enabling emerging democracies to defend their homelands, address and reduce regional conflicts, defeat terrorist extremists, develop common economic and security interests, and respond to emerging crises. From airborne to non-lethal weapons training, EUCOM personnel and facilities provide practical and state of the art training. Assisting our allies and partners in developing their capabilities to conduct

effective peacekeeping and contingency operations with well-trained, disciplined forces helps mitigate the conditions that lead to conflict, prepares the way for success, and reduces the potential burden of U.S. involvement.

EUCOM SC efforts require consistent, predictable investment in order to impact the multitude of strategic, security, economic, and political challenges we face.

Security Cooperation Activities

Key among U.S. Combatant Commands' SC tools are programs which provide access and influence, help build professional, capable militaries in allied and partner nations, and promote interoperability. We execute larger security assistance programs using our 44 Offices of Defense Cooperation in concert with U.S. Embassy Country Teams, while smaller programs are executed by Defense Attachés and Embassy Offices.

International Military Education and Training (IMET) and Expanded IMET (E-IMET) provide education and training opportunities for foreign military and civilian personnel. The EUCOM portion of the FY 2008 IMET request is approximately $40.5M. IMET remains our most powerful security cooperation tool and proves its long-term value every day. For a relatively small investment, IMET provides foreign military and civilian leaders' access to U.S. military training, builds relationships, and enhances influence. Indeed, today's IMET graduates are tomorrow's Chiefs of Defense, Ministers of Defense and Heads of State. Today, we continue to see the value of this program in the professional development and transformation of militaries in such establishing partners as Poland, Tunisia, Romania and many other countries. In Africa, we assess IMET and E-IMET to be the most successful programs in promoting democracy and human rights.

However, we face stiff competition in Africa, most notably from China. Beijing clearly understands the importance of building relationships to help shape the future landscape of the continent. The importance of IMET cannot be overstated, and we seek Congress' help in sustaining this excellent program.

Foreign Military Financing (FMF) provides critical resources to assist strategically important nations without the financial means to acquire U.S. military equipment and training. This year's FMF request for nations in the EUCOM AOR totals approximately $2.5 billion, of which more than 93 percent is

earmarked for Israel. FMF is an essential instrument of influence, building allied and coalition military capabilities, and improving interoperability with U.S. and allied forces. When countries buy U.S. military equipment through the FMF program, they buy into a long-term commitment with the U.S. for spare parts and training. If FMF funding is reduced or forfeited as a result of U.S.-imposed sanctions, long-term military ties may be affected. A number of strategic EUCOM countries face this situation as a result of the American Servicemembers Protection Act. An example is the deterioration in our security cooperation relationship with South Africa.

In 1965 and 1978, the U.S. sold C-130 and Boeing 707 aircraft, respectively, to South Africa. Due to ASPA sanctions against South Africa, we are no longer able to provide spare parts or training under the FMF program. One consequence is that South Africa now has very limited capability to transport African Union peacekeepers into Darfur and other peacekeeping missions in Africa. As a result, the U.S. and a number of allies must provide air transport at great cost. Another consequence is the compromise of our once-solid relationships due to a perception that the U.S. is an unreliable and mercurial security partner over the long-term.

Foreign Military Sales (FMS) and Direct Commercial Sales (DCS) demonstrate our nation's continued commitment to the security of our allies and partners by allowing them to acquire U.S. military equipment and training. FMS and DCS sales are vital to improving interoperability with U.S. and NATO forces, closing capability gaps, and modernizing the military forces of our allies and partners.

Section 1206 of the National Defense Authorization Act, to Build the Capacity of Foreign Military Forces, is an experimental initiative provided by Congress in 2006. It couples the authorities of the Department of State with the resources of the Department of Defense to rapidly build and enhance military capacity of our key allies and partners. In 2006, EUCOM was provided over $11M to build intelligence-sharing capacity for Pan-Sahel countries along with maritime domain awareness systems for countries in the Gulf of Guinea. In 2007, EUCOM has requested funding for innovative Train and Equip programs for partners interested in assisting the U.S. in the GWOT and to provide security and stability throughout the AOR. This bold effort has laid the foundation upon which security cooperation reform can be built.

The *National Guard State Partnership Program (SPP)* continues to be one of our most effective SC programs. By linking our states and territories with

designated partner countries, we promote access, enhance military capabilities, improve interoperability, and advance the principles of responsible governance. The unique civil-military nature of the National Guard allows it to actively participate in a wide range of security cooperation activities. For example, the National Guard conducted over 89 SPP events and members of the National Guard and Reserve participated in over 50 of 150 Joint Contact Team Program (JCTP) activities in 2006 alone. Both National Guard and Reserve personnel have added depth and breadth to our effects in the EUCOM AOR.

In 2006, Serbia and Montenegro entered into SPP agreements with the Ohio National Guard and the Maine National Guard, respectively. Enclosure 3 details countries in the EUCOM AOR that have active SPP partnerships. Like the comprehensive SPP programs in place in Europe, we strongly encourage National Guard units to expand the number of SPP relationships with Africa.

Combating Weapons of Mass Destruction is among our highest priorities as the majority of the world's nuclear powers are located in the EUCOM AOR. In some cases, these weapons and their related systems and technology are inadequately secured or maintained. The *Defense Threat Reduction Agency (DTRA)* works in concert with EUCOM to cover the entire spectrum of this unique mission: Cooperative Threat Reduction programs address the non-proliferation of known WMD; detection programs address counter-proliferation, particularly interdiction of unknown items; and DTRA's exercise programs address our consequence management responsibilities, reassuring our partners and allies regarding EUCOM capabilities.

Georgia Sustainment and Stability Operations Program (SSOP) focuses on enhancing the capabilities of military forces to assist in preparing deployments in support of U.S.-led coalition and NATO Operations. The utility of this program has been proven in Georgia. U.S. and Georgia have developed a solid, cost-effective partnership dedicated to promoting peace and stability and countering terrorism. With three land force brigades forming the core of their armed forces, Georgia is the largest per capita contributor of forces to Operation IRAQI FREEDOM (OIF). Additionally, for the past three years, USAREUR has provided tactical human intelligence (HUMINT) collection and management training to our NATO Allies, to include Lithuania, Estonia, and Latvia. Recently, this initiative led to the training of the HUMINT force in the Romanian Army and for the last two Balkans rotations has allowed Romanian HUMINT teams to be embedded within the

U.S. Task Force. We look forward to expanding this program to other countries eager to build needed military capabilities.

HIV/AIDS Prevention Programs continue to be an activity of key importance within our AOR. EUCOM works with DoD and other governmental and nongovernmental HIV/AIDS programs to improve the health and medical well-being of the African people. We advocate projects and programs sponsored by the country teams and work to incorporate these into our theater security cooperation plans. These programs are designed to stem the spread of HIV/AIDS and improve the readiness levels of African military units.

EUCOM is an active participant in the *U.S. Humanitarian Mine Action (HMA) Program*, executed by Departments of Defense and State and the U.S. Agency for International Development. HMA assists in relieving the plight of civilian populations experiencing adverse effects from landmines and explosive remnants of war (ERW). EUCOM's efforts span 15 nations on three continents, with a focus on training the trainer and providing a mine action force multiplier capacity.

EUCOM's *Clearinghouse Initiatives* ensure that U.S. SC actions are coordinated with other nations involved in the same region or issue. Clearinghouse Initiatives help deconflict programs to avoid duplication and find ways to collaborate on matters of mutual interest. They are in place for Africa, the South Caucasus, and Southeast Europe, and enable interested countries to share information about security assistance programs. The goal is to capitalize on limited resources by merging various SC programs into a comprehensive, synchronized regional effort.

Global Peace Operations Initiative (GPOI) is a Department of State program, planned in consultation with, and implemented by DoD to train and equip peacekeepers. In Africa, GPOI funds supplement the existing Africa Contingency Operations Training and Assistance (ACOTA) program to provide training, equipment, and logistical capability to meet United Nations peace operations standards. The bulk of GPOI activities in EUCOM lies within the framework of ACOTA, which assists 19 ACOTA "partners" in developing the ability to participate in peace support operations.

In the coming months, the ACOTA program will provide multilateral battalion and brigade-level training for African sub-regional organizations. It will also increase training support to the AU staff and forces in joint operations.

ACOTA remains a crucial African engagement program, directly supporting U.S. national objectives of promoting stability, democratization, and

military professionalism in Africa. GPOI funding sustains African peacekeeping forces to enable these units to address the multiple crises on the African continent.

With *Caspian Maritime Security Cooperation,* EUCOM seeks to coordinate and complement U.S. government maritime security cooperation activities in Azerbaijan and Kazakhstan. Our maritime security cooperation efforts enhance the capabilities of Azerbaijan and Kazakhstan to prevent and, if needed, respond to terrorism, nuclear proliferation, drug and other trafficking, and additional transnational threats in this littoral.

We are working with U.S. Central Command (CENTCOM), the Defense Threat Reduction Agency, the Department of State, and the Department of Energy to improve Azerbaijan's and Kazakhstan's capacities in these vital areas of mutual interest. Related projects include providing maritime special operations training and equipment as well as WMD detection and response training and equipment. We are also assisting in the upgrade of operations centers, naval vessels and communications in order to develop rapid reaction capabilities. Finally, we are building their capacity to counter narcoterrorism and conduct border control training, naval infrastructure development planning, and inter-ministry information exchange.

EUCOM has *Regional Centers* providing professional development of emerging civilian and military leaders, reinforcing ideals of democratic governance and stable apolitical militaries, and facilitating long-term dialogue with and among current and future international leaders. The George C. Marshall European Center for Security Studies and the Africa Center for Strategic Studies (ACSS) play a central role in our engagement strategy by building trust and cooperative relationships with the leaders of nations across Europe, Eurasia and Africa.

The Marshall Center, co-sponsored by and located in Germany, is the preeminent transatlantic security and defense educational institution. In addition to offering a robust resident program, the Center is working to expand its non-resident activities to provide increased, shorter-term focused events conducted in nations across the AOR. The Marshall Center alumni network includes approximately 5200 graduates from 89 nations who are linked through the Regional International Outreach Website. This network preserves partnership capacities for the future with minimal additional investment. Since its inception, 92 graduates have been promoted to general officer or serve in civilian equivalent or senior positions.

The Africa Center for Strategic Studies (ACSS) counters ideological support for terrorism, fosters regional cooperation on security issues, promotes democracy and good governance, and assists nations in improving their security. However, as the ACSS is located in the U.S, its effectiveness would be enhanced by a permanent presence in the region it is designed to influence. A significant increase in the effectiveness of the ACSS was achieved in the Fall of 2006 when a small regional office was established in Addis Ababa, Ethiopia. This office will serve to demonstrate our purpose and give Africans a sense of ownership. Additionally, committing personnel and resources in these regions enhances relationships with African leaders, the AU, and sub-regional organizations by providing a continuous, efficient, low-cost presence on the African continent.

EUCOM's *Maritime Domain Awareness* initiatives are designed to assist partner nations in their efforts to address numerous maritime challenges. The West Indian Ocean and Gulf of Guinea regions of Africa demonstrate complex maritime challenges such as illicit and criminal activity, piracy, environmental and fisheries violations, resource theft, and trafficking.

The nations of the West Indian Ocean region of Africa, with over 4750 miles of coastline, have only 25 boats to provide maritime security. The region possesses virtually no capability to interdict fishery theft, piracy, narco-trafficking, or any other illicit activity in the maritime domain. Like the Western Indian Ocean region, the Gulf of Guinea region lacks significant naval forces, coastal security forces or security structures to provide any meaningful or realistic deterrent to the lawlessness that is currently the status quo. These threats are particularly relevant to U.S. national strategic interests given the Gulf of Guinea's energy potential.

EUCOM is committed to building strategic partnerships in order to expand our warfighting capabilities. Through funding activities such as the Coalition Warfare Program, we expect to extend our relationships with existing allies, and develop new relationships with countries eager to become members of the transatlantic alliance.

In short, though each region's issues are unique, their needs for comprehensive maritime security and domain awareness solutions are the same. Through these maritime security initiatives, EUCOM is assisting partners to build the naval capacity to effectively combat and counter these threats.

Strategic Theater Transformation

EUCOM is also applying our Active Security strategy towards our ongoing transformation. This strategy relies on a mix of forward-based and deployed U.S. presence to provide security and stability with governments and countries located in the AOR. Our forward-based and rotational forces are powerful and visible instruments of national influence. Central to EUCOM's efforts is the continuation of our Strategic Theater Transformation (STT) plan. This involves a basing strategy that seeks to sustain and leverage commitments to our long-standing allies and U.S. operations in other theaters, such as Operations ENDURING FREEDOM (OEF) and IRAQI FREEDOM (OIF).

EUCOM's STT plan, in execution since 2002, ensures that operational forces and prepositioned logistics are correctly postured to meet current and potential challenges. We have consolidated forces from broadly dispersed locations to Main Operating Bases and Forward Operating Sites in the United Kingdom (UK), Germany, Italy, Spain, Turkey, Greece, Belgium, The Netherlands, Bulgaria and Romania. Currently approved EUCOM plans include retaining two permanently stationed brigade combat teams in Germany and Italy respectively along with eight fighter aircraft squadrons in the UK, Germany, and Italy. Despite recent political turmoil within Italy, we expect the government will continue to abide by its agreement with the U.S. and avoid any unnecessary delay in approving infrastructure projects. We will continue to monitor the situation closely. EUCOM has requested rotational forces in Romania and Bulgaria for Joint Task Force-East (JTF-E) using the Global Force Management Process (GFMP).

The EUCOM AOR has experienced numerous changes in the security dynamic. Over the past four years since decisions to adjust U.S. Force Posture in Europe were made, the Defense Department has embraced Theater Security Cooperation and issued a strategy to guide our operations. The GWOT is now guided by established and approved regional plans. NATO is no longer a static defensive alliance, but has commenced a transformation in its approach to new and emerging threats that has resulted in operations at strategic distance and a serious effort to transform its nations' military forces. Our current operations in Iraq and Afghanistan have also altered the calculus in EUCOM's ability to source forces to address our theater's operational requirements. And, finally, the decision to establish a combatant command in Africa will ensure that our current robust engagement on that continent, especially Operation ENDURING FREEDOM – TRANS SAHARA, achieves tangible results.

These dynamics, individually or in combination, compel us to review the previous assumptions and document changes in the security and geo-political environment to determine if our planned posture fully supports the tasks and missions we have been given -- to include assessments on effectiveness and efficiency.

In addition to our conventional forces, special operations forces (SOF) help enable EUCOM to develop and maintain trust and long-term relationships with partner nations as we help build their capabilities and capacities. Rotational SOF reinforces our ability to meet operational requirements and conduct large-scale exercises involving multiple partners.

EUCOM Transformation is not only happening in Europe, but in Africa as well. EUCOM has identified 13 Cooperative Security Locations (CSL), four of which have recently been utilized in support of OEF-TS. These CSL's secure our ability to respond to actual or potential future instability. CSL sites such as Libreville, Gabon, are located in nations where traditional examples of bilateral cooperation exist. Sites have also been established through fueling contracts in places where EUCOM is seeking increased engagement. CSLs in Africa represent minimal investment in infrastructure / operating cost, but provide access and broad freedom of action in times of crisis.

With STT, contributions of the Reserve Component (RC) are increasingly important in maintaining EUCOM's operational capability. On any given day, 4500 members of the RC, which includes 10 percent of the uniformed personnel on the EUCOM staff as well as over 50 percent of the community law enforcement for U.S. Army theater-wide installations are deployed across the theater.

EUCOM's STT has been closely synchronized with the Office of the Secretary of Defense (OSD), the Joint Staff, Services and NATO to ensure that global efforts of other combatant commands, NATO, and the results of the Base Closure and Realignment Commission process in the United States are mutually supportive. We have closed 43 bases and installations and returned approximately 10,000 servicemembers and 13,800 family members to the U.S. Subject to developments in the geo-political environment, by 2012, current plans anticipate the closure of several hundred bases and installations, and the return of over 44,000 military personnel and over 57,000 family members, and the downsizing of 14,500 DoD civilians and host nation employee positions.

Strategically, relocating our forces at the Joint Multinational Training Center (JMTC) and at CSL's within our AOR, and establishing JTF-East in

Eastern Europe, better positions EUCOM forces to conduct security cooperation activities and operations with our allies and partners.

Ballistic Missile Defense (BMD)

As highlighted in the strategic environment, an increasingly important aspect of EUCOM's Strategy of Active Security is to defend against threats posed by emerging ballistic missile capabilities in Southwest Asia. EUCOM is working with the Joint Staff, U.S. Strategic Command, and the Missile Defense Agency to help field capabilities, consisting of a mix of interceptors, sensors, and command and control that will counter this threat. The right combination of these systems is vital to protecting U.S. interests and sending a strong signal to our partners and allies as well as potential adversaries.

EUCOM is planning to assist in the deployment of long-range Ground-Based Interceptors and supporting radars to Europe to enhance the defense of the U.S. homeland, U.S. forces stationed in Europe, partners, and allies from Intercontinental and intermediate range ballistic missiles. While the acquisition and planned/projected deployment of these systems to the Czech Republic and Poland will be funded through the Missile Defense Agency, the infrastructure requirements to support personnel and other site requirements remain undetermined. Once resolved, future military construction requirements will need to be programmed within the Department of Defense and submitted to Congress for its consideration. Additionally, we are planning for the potential deployment of AEGIS ballistic missile defense capable ships, Terminal High Altitude Area Defense Fire Units, and other systems to provide expanded coverage and improved levels of protection against Medium and Intermediate range threats. Finally, the planned upgrade of PATRIOT forces from PAC-2 to PAC-3 will improve EUCOM's ability to defend against short-range ballistic missiles significantly.

Component Command Activities

U.S. Army, Europe (USAREUR)

For the past several years, USAREUR has aggressively pursued two initiatives to strengthen the Combatant Commander's ability to execute the GWOT and interoperability between the U.S. and our allies and partners. First, EUCOM is restructuring the Army posture further south and east in Europe to ensure strategic access to geopolitically unstable areas and

protect lines of communication critical to sustaining operations on the front lines of the GWOT. Secondly, we are promoting the transformation of European ground forces into effective expeditionary partners through military-to-military engagement activities, exercises, and exchanges. Substantial progress has been made in both areas despite heavy commitments to ongoing conflicts in Iraq and Afghanistan.

USAREUR remains heavily engaged supporting the GWOT. During the past year, more than two-thirds of the soldiers assigned to USAREUR were either preparing to deploy, were deployed, or had recently returned from a deployment. V Corps, the warfighting headquarters of USAREUR, deployed to OIF as the Multinational Corps-Iraq (MNC-I) Headquarters. The Southern European Task Force (SETAF) served as joint task force headquarters, along with the 173d Airborne Brigade Combat Team (ABCT) in Afghanistan from March 2005 to February 2006, and returns to Afghanistan in May 2007.

Since 2005, USAREUR has integrated an infantry company into a Romanian Infantry Battalion in Afghanistan. USAREUR Soldiers have conducted two six-month deployments to the Republic of Georgia to train three Georgian Infantry Battalions in support of OIF.

In line with the transformation of EUCOM's strategic posture, we are consolidating the 173rd ABCT at Vicenza, Italy. Additionally, USAREUR is establishing FOSs in Romania and Bulgaria to accommodate the rotational presence of a brigade-size unit. The JTF-E headquarters will represent USAREUR and U.S. Air Forces, Europe (USAFE) in Eastern Europe and provide the command, control and support for rotational forces. A squadron from the 2d Stryker Cavalry Regiment (SCR) will conduct a "proof of principle" rotation in the summer of 2007. Subsequent rotational forces will be scheduled through the Department of Defense's GFMP. From these FOSs, U.S. rotational forces will conduct SC activities and training exercises with our NATO allies and partner nations in both bilateral and multinational training exercises. When this rebasing process is complete, two-thirds of USAREUR's maneuver forces will be positioned in southern and eastern Europe, closer to areas of instability in the Caucasus, the Balkans and Africa.

As USAREUR's transformation continues, the end-state will be a smaller, strategically mobile force postured to meet the needs of EUCOM and other Geographic Combatant Commanders through the GFMP. Future transformation efforts include combining USAREUR and V Corps Headquarters into a single headquarters – 7th Army. In addition to the main 7th Army Headquarters, the objective command and control structure includes two rapidly deployable JTF

capable headquarters. Combat capability will be provided by two permanently assigned combat brigades, the 2d SCR in Vilseck, Germany, and the 173d ABCT in Vicenza, Italy. These two brigades, along with a combat aviation brigade, an engineer brigade, a military police brigade, a sustainment brigade, an air defense artillery battalion, and a rocket artillery battalion comprise the in-theater Army forces that are available for the GFMP.

Along with the arrival of the 2d SCR in Vilseck, Efficient Basing Grafenwoehr (EB-G) project consolidates a majority of the remaining permanently stationed Army forces in Germany and co-locates them with the Army's best training facilities in Europe. Completion of EB-G infrastructure investments will allow for the repositioning of 3,500 Soldiers and begins the closure of non-enduring installations.

Plans are in place for the consolidation of the six battalions of the 173d ABCT from their current positions in Vicenza, Italy, Bamburg and Schweinfurt, Germany, into new facilities at Vicenza once all required MILCON has been completed by FY11. This consolidation better positions U.S. forces for security cooperation in regions to the south and east of Western Europe. The 173d ABCT expanded into a full modular Airborne Brigade Combat Team in 2006. This conversion doubled the size of the brigade creating a greater capability for rapid deployment and forced entry operations and enhances the brigade's ability to sustain itself during joint and coalition operations.

Additionally, our land forces transformation efforts include returning Army personnel, family members, and units from Europe to the United States. One brigade of the First Infantry Division headquarters returned to the U.S. in 2006. A First Armored Division Brigade and the Third Corps Support Command will return to the U.S. in 2007. The headquarters and remaining units of First Armored Division will return to the U.S. when preparations for receiving installations are complete.

A key initiative for USAREUR is assisting European ground forces in their efforts to break from the Cold War model and become more expeditionary. USAREUR is playing a leading role in their transformation through a wide variety of security cooperation programs, mission rehearsal development assistance, OIF deployment assistance, Non-Commissioned Officer (NCO) development, senior leader interaction, unit partnerships, and intelligence sharing. The conversion of USAREUR's training center in Germany into the Joint Multinational Training Command (JMTC) has greatly contributed to the acceleration of European ground force transformation. The JMTC exports high quality collective training, such as International Security Assistance Force

(ISAF) mission rehearsal training to prepare NATO staffs to direct and conduct combat operations in support of OEF. The NATO Observer Mentor Liaison Training (OMLT) mission trained teams from Germany, The Netherlands, France, Italy, Norway, Sweden, Croatia, Slovenia, and Afghanistan to enable them to operate and survive in a counter-insurgency environment. This training and logistics support has been indispensable to allies and partners which have deployed units to Iraq and Afghanistan.

U.S. Naval Forces, Europe (NAVEUR)

In 2006 NAVEUR moved forward rapidly in executing the vision to develop partner nation maritime capability and capacity in areas south of the Mediterranean and in the Black Sea to the east and will accelerate that trend in 2007.

Africa continues as an area of increased Naval emphasis. Last year our Naval presence in Africa was nearly continuous in contrast to 2004, a presence limited to some 20 days. The 2006 engagements include the deployment of the USS EMORY S. LAND, which provided training to eight Gulf of Guinea countries, consisting of over 750 African military personnel in a variety of subjects, such as: small boat maintenance, leadership, and C2 organization. Coupled with Mobile Training Teams, these deployments are representative of our future cooperation with these nations. Additionally in August 2006, USNS APACHE conducted harbor survey operations in the Port of Monrovia, Liberia, to significantly increase the port’s capacity to support commercial maritime trade. In the Summer of 2007, NAVEUR will serve as a test bed for the Global Fleet Station concept with the long-term deployment of an amphibious ship to the Gulf of Guinea to provide the U.S. an opportunity to build upon previously established relationships.

NAVEUR has made significant progress in the military-to-military cooperation with Gulf of Guinea countries. Working with the U.S. Department of State, EUCOM and the Africa Center for Strategic Studies, NAVEUR led a ministerial level conference on Maritime Safety and Security in the Gulf of Guinea that was attended by representatives from each of the 11 Gulf of Guinea nations. The resulting communiqué provided a framework for future regional initiatives with commitments from these countries at the ministerial level. The overall goal of these efforts is to develop the capacity of Gulf of Guinea nations to provide regional maritime safety and security solutions.

Much of NAVEUR's focus is centered on activities designed to positively demonstrate our commitment to maritime safety and security by educating and exposing partners to issues and potential solutions. These missions require non-traditional skill sets of U.S. Navy professionals. Language and cultural training for Navy personnel will remain priorities in preparing them for service in the strategically important areas of Africa and the Black Sea.

Maritime Domain Awareness (MDA) is a key building block of maritime safety and security. Critical to the success of MDA is the information sharing among participating nations on the detection and identification of possible maritime threats at sea. The Automatic Identification System (AIS) is the first step to achieving MDA and will provide a critical foundation to the U.S. Navy's "Global Maritime Partnership." AIS shares data similar to the International Civilian Aeronautical Organization (ICAO) system used by civilian and military aircraft throughout the world. NAVEUR's goal is to bring this system to all maritime nations in the EUCOM AOR. Improving MDA and Maritime Interdiction capability will result in improved maritime safety.

In addition to engagement activities, NAVEUR conducts traditional naval operations. This was demonstrated in August 2006 when a substantial portion of the NAVEUR staff embarked on the Sixth Fleet flagship, USS MOUNT WHITNEY, to form the core of EUCOM's Joint Task Force-Lebanon (JTF-L). JTF-L took over from U.S. Naval Forces, Central Command Task Force 59, with the mission of supporting the U.S. Ambassador in Beirut during the Israeli - Hezbollah conflict in southern Lebanon. As the non-combatant evacuation operation drew to a close, JTF-L provided U.S. Embassy Beirut with security, logistical support, and contingency evacuation capability, ensuring the U.S. Embassy could continue operating throughout the crisis.

Like its fellow components, NAVEUR is maintaining its ability to execute its missions while continuing force transformation. NAVEUR has reduced its end strength from 14,000 in 2004 to nearly 8,000 today. The departure of the USS EMORY S. LAND this October and the pending closure of NSA La Maddalena continue NAVEUR's transformation.

U.S. Air Forces, Europe (USAFE)

Over the last year, USAFE continued comprehensive transformation efforts: restructuring and streamlining its major command headquarters; enhancing and improving its warfighting headquarters support of EUCOM; working on joint transformation initiatives, while continuing to conduct

current operations and support the GWOT. USAFE also continued to foster Theater Security Cooperation relationships in key geographical areas.

In 2006, over 4,500 USAFE Airmen deployed in support of OIF and OEF. USAFE's number one priority continues to be providing expeditionary-ready Airmen. In addition to providing forces, USAFE infrastructure plays a major role in supporting GWOT operations in the EUCOM AOR as well as in support of CENTCOM. For the majority of aircraft entering and exiting CENTCOM's AOR, USAFE installations serve as the primary en-route support for combat aircraft, as well as the mobility aircraft that sustain our ongoing operations. Ramstein Air Base, and specifically the 435th Contingency Aeromedical Staging Facility, processed over 61,000 patients since March 2003, supporting our servicemembers hospitalized at Landstuhl Regional Medical Center (LRMC) as well as those returned to the U.S.

USAFE supported JTF–Lebanon by deploying personnel to man the JTF Headquarters and provided medical support with initial primary care capability, a level II resuscitative surgery team, and aerial port operation, to include air terminal operations center, joint inspection, load team, in-transit visibility and equipment maintenance, and was prepared to provide KC-135 aerial refueling and C-130 transport aircraft. In November 2006, 3rd Air Force and its associated Air Operations Center effectively deployed personnel, equipment and aircraft to the Baltics to support NATO's Summit in Riga, Latvia. Augmenting and enhancing NATO's air policing function in the Baltics again demonstrated USAFE's ability to rapidly adapt to multinational airspace command and control.

USAFE, together with USAREUR, is providing warfighter integrated constructive simulations with virtual and live fire instrumented ranges. This provides theater forces and NATO allies training opportunities in both joint and combined operations at the operational and tactical level. By linking warfighters in live, virtual or constructive scenarios, the Warrior Preparation Center and Joint and Multinational Training Center (JMTC) is able to link warfighters from across Europe and around the world to each other in conducting exercises and training initiatives.

Consistent with EUCOM's shifting focus to the south and east, USAFE has joined with USAREUR in leading the way toward establishment of JTF-E in Romania and Bulgaria. Leveraging 2002 OIF investments to infrastructure in Romania, USAFE will provide a small number of forward stationed personnel to support Air Force, joint and combined air and ground operations as well as to stage bilateral and multilateral engagement exercises.

USAFE's leadership in SC and the Joint Exercise Program support EUCOM's Strategy of Active Security. In 2006, USAFE participated in 438 security cooperation events in 61 countries, including 24 Joint Staff-sponsored exercises. A key example of USAFE's Security Cooperation engagement was Exercise MEDFLAG 06, supporting Economic Community of West Africa States (ECOWAS) and the Gulf of Guinea region. This USAFE-led joint and combined exercise, with strong Reserve Component participation, provided medical outreach and humanitarian assistance to approximately 14,000 patients in Ghana, Nigeria, Benin and Senegal. Bilateral medical and civil assistance training was also conducted with 355 host nation and ECOWAS staff personnel.

SC also extends to the operational arena. In order to further interdependence and extend the capacity of limited U.S. Intelligence, Surveillance, and Reconnaissance (ISR) assets, USAFE has taken a two-pronged approach to SC. First, it has almost doubled its traditional intelligence exchanges and added new contacts with our partner nations. Second, because USAFE currently operates a limited number of airborne ISR assets in this theater, it has aggressively pursued working with partner nations who have or are developing airborne ISR capabilities. ISR collection shortfalls can be partially mitigated by building relationships and working with these nations to standardize tactics, techniques, and procedures while simultaneously pursuing methods to integrate ISR architectures and leverage coalition assets to satisfy mutual requirements.

As part of NATO assistance to the AU in Darfur, USAFE conducted airlift for African nations participating in peacekeeping operations. In February and April, 2006, USAFE supported the Botswanan Defense Force (BDF) with operational airlift mission planning, maintenance contingencies, airfield site surveys, and logistics efficiencies. These efforts directly supported successful joint BDF and USAFE airlift missions to Darfur in Sep 06.

USAFE has added depth to its engagement with the Russian Federation Air Force. Starting with a visit to Moscow and their main fighter training base, USAFE is developing that high-level relationship that will lead to more cooperation along with improved transparency and trust.

USAFE's comprehensive transformation program, critical infrastructure, development, wide-ranging SC initiatives, coupled with a focus on the joint and combined prosecution of the GWOT, continue to make lasting contributions to EUCOM's efforts throughout the AOR. USAFE will continue to be a leader of air, space, and cyberspace for EUCOM, its allies, and partners.

U.S. Marine Forces, Europe (MARFOREUR)

With a small headquarters of approximately 100 personnel, but no permanently assigned forces, MARFOREUR integrates its active duty and civilian staff with reserve Marines to augment its headquarters activities. MARFOREUR supports EUCOM's theater initiatives in OEF-TS; participates in numerous security cooperation activities; assists with troops and equipment transiting the theater; facilitates strategic pre-positioning programs; supports the Regional Medical Center in Landstuhl, Germany; and serves as EUCOM's Executive Agent for non-lethal weapons.

Supporting EUCOM's efforts in OEF-TS, MARFOREUR has been instrumental in helping to build the operational-level capacity of the militaries in the countries of Chad, Niger, Mali, Senegal, Algeria and Morocco. MARFOREUR instituted an intelligence capacity building program to close the gap between unit-level intelligence training provided by SOF, and the headquarters-level expertise needed to employ those tactical forces. MARFOREUR is also providing tactical level support to this year's Exercise FLINTLOCK, the premier SOF training exercise in OEF-TS.

MARFOREUR's security cooperation activities provide maximum impact with minimal forces. In Africa, efforts are focused upon stability and capacity building in key countries through the Department of State's ACOTA program where MARFOREUR is one of the largest military contributors. MARFOREUR is an important participant in EUCOM's military-to-military programs, focusing its efforts in the OEF-TS countries, West Africa, the Gulf of Guinea states, and in the Black Sea/Caucasus region. In FY 2007, MARFOREUR is expanding its involvement in Africa, and plans to conduct two to three events per month over the course of the year. MARFOREUR will also provide support to the Humanitarian Mine Action program and the International Military Assistance Training Team in Sierra Leone.

Conducting exercises involving units up to the battalion/squadron-sized level, MARFOREUR supports EUCOM's Joint Exercise Program which relies largely on the Marine Corps Reserve. This exercise program offers U.S.-based reservists unique annual training opportunities, while offsetting the impact of limited active duty force availability. Major exercises conducted by Marine forces include Exercise SHARED ACCORD in Senegal, Exercise AFRICAN LION in Morocco, and Exercise SEA BREEZE in Ukraine. Additionally, MARFOREUR was the most active component in Exercise AFRICAN ENDEAVOR, which conducted interoperability and capacity building training in the area of communications.

MARFOREUR also facilitates Marine operations in support of OEF and OIF. The majority of deploying Marines and Marine equipment and supplies pass through Europe — via both air and maritime means — and is expedited by the MARFOREUR headquarters staff. In FY 2006, some 91,000 Marines and 4,000 tons of equipment and supplies flowed through the EUCOM AOR. MARFOREUR has also assisted with the deployment of our coalition partners to Iraq in support of U.S. efforts in OIF, having last year moved 1,150 troops and 40 tons of equipment and supplies from Republic of Georgia to Iraq. The two strategic prepositioning programs managed by MARFOREUR are largely committed to OIF and OEF. Of note, MARFOREUR has facilitated the current deployment of about 65 percent of the equipment from the Marine Corps Geo-Prepositioning Program-Norway (MCPP-N) to the CENTCOM AOR. MARFOREUR also helped deploy equipment from the caves of Norway in support of JTF-Lebanon.

The first faces that our wounded Marines see after being evacuated out of Iraq and Afghanistan are the MARFOREUR Hospital Liaison Team at Landstuhl Regional Medical Center. This extraordinary team facilitates the in-theater visits of family members with their wounded Marines. Since January 2003, approximately 930 Marines have been treated at Landstuhl.

As EUCOM's Executive Agent for non-lethal weapons, our forces enjoy a wider range of flexible response options. Non-lethal weapons provide another tool to help foster cooperative relationships with countries in the AOR. We will continue to expand our non-lethal weapons program through Mobile Training Teams, Professional Military Education, and the introduction of new and improved technologies.

U.S. Special Operations Command, Europe (SOCEUR)

Throughout 2006, SOCEUR remained focused on the GWOT. By executing a series of synchronized humanitarian, train and equip, and information operations under OEF-TS, the command enhanced the security capabilities of partners in the Trans-Sahara region of Africa and thereby enabled them to better enforce their sovereignty across ungoverned border regions. SOCEUR deployed an assessment and advisory team to Chad in response to a crisis in April 2006. SOCEUR performed a key role in the interagency effort to ensure security of American citizens during the Winter Olympics in Turin, Italy. Additionally, SOCEUR components and staff continue to deploy in support of Operations OEF, OIF, and the International Security Assistance Force (ISAF) in Afghanistan. Finally, SOCEUR has a commitment to the NATO Response Force and will soon lead the transformation of NATO's SOF capability.

SOCEUR's main effort in 2006, and for 2007, is support of the Trans-Sahara Counterterrorism Partnership through EUCOM's OEF-TS. SOCEUR completed its Phase I assessments and analysis and established a Joint Special Operations Task Force-Trans-Sahara (JSOTF-TS) that will command and control all U.S. and assisting outside partner nation military elements participating in OEF-TS. In addition, liaison elements in U.S. embassies and Joint Planning and Advisory Teams linked to host nation counterterrorism units have been very successful at facilitating coordination, solidifying partner nation relationships, and ensuring continuity of effort. The austere geographic conditions and challenging political nature of working in Africa make the environment ideal for specialized SOF forces. U.S. Army Special Forces and Navy SEALs are continuously engaged in the role of training, advising, and assisting host nation forces to build capacity and to patrol and control vast desert regions. Marine Special Operations Command Foreign Military Training Units are adding to security capabilities in the theater and the Air Force Special Operations Command is increasing the number of Aviation Advisor forces to assist partner Air Forces. SOCEUR also deployed Military Information Support Teams to several African countries in support of U.S. public diplomacy efforts and conducted various Humanitarian Assistance and Civic Action projects targeted at reducing the underlying conditions that contribute to violent extremism.

In 2006, SOCEUR conducted a major European counterterrorism exercise in the Baltic States to improve multi-national interoperability with these new NATO members, further improving SOCEUR's contingency response capabilities. In 2007, SOCEUR plans to deploy almost 1,000 personnel to Africa for Exercise FLINTLOCK to work with our African partners on eliminating terrorist sanctuaries within their borders. With major operations ongoing in U.S. Central Command's area of responsibility, SOCEUR has focused its security cooperation efforts on coalition SOF development. In FY 2006, SOCEUR executed 19 Joint Combined Exchange Training (JCET) events in 11 different countries, building the capability of U.S. and partner nations' Special Forces. The JCETs as well as other bilateral and multi-lateral engagement events, targeted primarily OEF-TS nations, with secondary emphasis on Caucasus and Baltic regional partner development and traditional NATO cooperation. In FY 2007, SOCEUR plans to conduct 47 events with 21 countries across the EUCOM AOR.

SOCEUR continues to promote theater transformation, in particular the transformation of NATO SOF. Recently, SOCEUR's role was expanded to become

the chief proponent for efforts to establish a NATO SOF Coordination Center and NATO Federation of SOF Training Centers, both intended to develop, organize, and train interoperable SOF across the Alliance.

As SOCEUR recognizes that many of its successes to date have resulted from the trust earned from partner nations through focused, consistent engagement, we are working closely with U.S. Special Operations Command to plan the transition from forward-stationed SOF to the new rotational Joint Special Operations Groups under the Global SOF Posture. This planning will ensure that rotational SOF are ready to support our need for persistent presence in priority countries, operational flexibility to respond to emerging crises, and supporting our NATO SOF transformation initiatives.

Theater Investment Needs

Theater Infrastructure

EUCOM's ability to transform and achieve U.S. national security objectives depends in large measure on the investment provided for military construction. This investment will also enable the U.S. to continue the recapitalization of our Main Operating Bases (MOBs), as well as establish new and, by design, relatively austere FOSs in Eastern Europe. We are not investing MILCON resources in non-enduring installations.

To continue EUCOM's effort to transform the theater in concert with the Department's Global Defense Posture, the FY08 President's Budget requests a total of $645.6M in military construction (MILCON) funds for EUCOM (Enclosure 5). This investment will enable us to continue the recapitalization of our enduring MOBs, as well as establishing new, austere FOSs along the Black Sea. It also includes projects that will pay dividends as we divest non-enduring bases and consolidate our forces into more efficient communities.

STT and Operational Programs

The FY08 MILCON request includes $400.1M for five significant STT and operational programs:

- $173M for completion of Army infrastructure at MOB Vicenza, Italy, and continued consolidation of the 173rd Airborne Brigade Combat Team (ABCT), the only split-based brigade in the Army;
- $73.6M for completion of expeditionary Army infrastructure at FOS Mikhail Kogalniceanu (MK) Air Base, Romania and to establish a FOS in Bulgaria in

support of Joint Task Force-East(JTF-E), (formerly called Eastern European Task Force (EETAF));

- $62M for completion of Army operational facilities at MOB Grafenwoehr and to complete the Efficient Basing-Grafenwoehr(EB-G) program;
- $50.5M for five USAFE operational projects at MOB Ramstein, Germany and MOB Lakenheath, U.K.;
- $41.0M for National Security Agency (NSA) infrastructure improvements at MOB Menwith Hill, U.K.

EUCOM Quality of Life (QoL) construction investments affirm our commitment to our servicemembers and families. Our request for Family Housing renovation and replacement projects and unaccompanied service member facilities will ensure our forces are afforded quality housing and barracks. Investment in medical facilities ensures our servicemembers and their families receive first-rate medical care. In addition, continued investment in our Department of Defense Education Activity (DoDEA) schools provides high quality education facilities for tomorrow’s leaders.

Quality of Life

We are requesting the following QoL projects in the FY08 MILCON request:

- $166.8M for Family Housing renovation and replacement:
  - -- $52.0M in MILCON funds to construct 138 replacement housing units at MOB Ansbach, Germany;
  - -- $114.8M for new construction and renovation of 688 housing units to meet the family housing requirements at MOB Ramstein, Germany; FOS Incirlik, Turkey; and FOS Croughton, U.K.
- $14.9M for unaccompanied dormitory at MOB Ramstein, Germany;
- $1.8M as the U.S. cost-share for construction of a dormitory at Albacete, Spain;
- $30.1M to construct a replacement Medical/Dental Clinic at MOB Spangdahlem, Germany;
- $6.0M for construction of a gymnasium and classrooms at Brussels, Belgium;
- $5.4M for construction of a gymnasium and expansion of a multi-purpose room at MOB Ramstein, Germany;
- $20.5M for expansion and renovation of classrooms at MOB Wiesbaden, Germany.

Family Housing in the EUCOM AOR will meet Defense Planning Guidance Standards with an additional investment in FY09. NAVEUR and USAREUR continue to improve their housing inventory through the Build-to-Lease (BTL) program. USAREUR is in the progress of constructing over 1,600 BTL houses in the Grafenwoehr area and is planning to construct over 215 in Vicenza. All service components continue to explore additional BTL housing opportunities throughout Europe to meet our housing requirements.

EUCOM continues to aggressively pursue the common funding of operational facilities for U.S. forces that support approved NATO plans through the NATO Security Investment Program (NSIP). NSIP has a long history of supporting NATO infrastructure in Europe. In the future it will be key to leverage the necessary resources to strategically transform NATO from a static posture to one that is flexible and expeditionary, able to meet emerging security threats thousands of miles from Europe.

Quality of Life (QOL) Programs

Taking care of our most precious resource, our people, is fundamental to the character of the American Armed Forces and a key combat multiplier that positively affects our warfighting effectiveness. The GWOT has called for significant sacrifices on the part of our servicemembers and places a tremendous burden on their families. As we transform our defense posture in Europe, our military communities must continue to be able to provide predictability and capacity to meet the needs of our Soldiers, Sailors, Airmen, Marines, Civilians, and their families.

While there are many facets to QOL, few are more important to our servicemembers, and their continued service to our nation, than those affecting their families. EUCOM’s QOL focus continues to identify and improve critical family issues. One identified area of need involves providing needed child, youth and teen services. To that extent, we are requesting $3.2M in “direct,” non-construction supplemental funding to support the higher costs of doing business in a high deployment, transforming environment with few off-base options and unique joint service challenges. Off-base child care subsidies at remote sites and joint youth/teen summer camps to support at-risk youth would benefit from these funds. We are committed to executing MILCON requirements by identifying joint support options and construction of purpose-built facilities at enduring locations for school age, youth and teen programs which promote easy access to services and support healthy lifestyles and fitness.

Family member access to both health and dental care is challenging as military facilities must ensure a ready military force. Family members must often use services in a local community characterized by a different culture, language and medical practice standards. Additionally, family members are required to navigate complex insurance claim systems which can involve costly up-front payments. These unique circumstances overseas dictate reliance on U.S. medical care professionals and liaisons to assist in accessing care in an often cumbersome system. Our ability to strengthen programs and deploy beneficiary awareness campaigns will lead to a healthier community.

The EUCOM operational tempo has increased counseling service needs and thus created shortfalls across disciplines for servicemembers, spouses and children. Supplementing overseas counseling through off-base providers is extremely challenging due to language differences, standards of care and the inability to access the OSD sponsored Military One Source counseling referral program. We look forward to the DoD Mental Health Task Force team visit to the EUCOM theater to assist in determining our counseling shortfalls or needed improvements. We will continue to provide any service men and women, their families, and our support personnel the right services.

Overseas spouse education and career opportunities remain a concern. As employment opportunities are limited and not expected to grow, EUCOM and the Department of Defense have partnered in the past year to broaden the focus on improving both programs and resources. As a result, the Spouses to Teachers program has expanded to include European Theater spouses. While that is a step in the right direction, there is much more that can be done. Family readiness, and ultimately force readiness, can be best served by improving tuition assistance and targeted scholarship options for OCONUS spouses.

The quality of the Department’s dependent education programs is a major contributor to the Quality of Life of EUCOM servicemembers. The 2006 TeraNova standardized test results show DoDEA students scored 10 to 26 points above the national average in all subject areas at all grade levels tested (3rd through 11th grades). We are very proud that this system is recognized as a benchmark for other public school systems and we need your continued support and funding to ensure high educational standards are maintained.

Education is not only important to our students, but also to our national interests and our NATO partners. We are most grateful for Congress’ help to provide educational support for school-aged family members of foreign military personnel assigned to Supreme Headquarters Allied Powers Europe, in Mons, Belgium, which demonstrates your commitment to furthering

our joint nation partnership. An international education begins the process of bridging diverse cultures and creating a joint mission-focused team.

Theater C2, Communications Systems, and ISR

In much of the EUCOM AOR, terrorist groups and support networks exploit international lines of communication with limited interference from U.S. and allied security. Moreover, the threat of a potential surprise attack on U.S. and partner nations remains very real. To minimize an adversary's use of these lines of communication and the likelihood or impact of an attack, Command and Control (C2) and communications systems, as well as ISR assets, provide necessary preventative and responsive safeguards against such threats. A critical investment need relates to the dissemination, analysis, and sharing of information. It is imperative that our C2 and communication system requirements include information sharing, electromagnetic spectrum access, assured information networks, and a robust and reliable Satellite Communications (SATCOM) architecture to operate in today's environment.

Our theater transformation plan places operational forces in regions not currently supported on a day-to-day basis by the DoD Global Information Grid (GIG). Establishing and sustaining a network and information sharing capacity with our allies and partners is a critical step to mitigate this problem. We need long-term investment in persistent ISR capability with assured electromagnetic spectrum access. Using up-to-date collection technologies to find, track and interdict mobile and technologically competent terrorist groups and platforms operating within the vast regions of Africa, Europe, and Eurasia, including both air and maritime environments, is key to achieving information dominance with regard to ongoing and future contingencies.

SATCOM is a critical enabler to both our information sharing initiatives and ISR capabilities. However, with aging military communications satellite constellations and the high and growing demands on limited satellite availability, all combatant commanders are burdened with greater risk in their areas of operation. We need to maintain funding for SATCOM programs that meet both near-term requirements and the longer term goals of Transformational Communications Architecture, maintaining the continuity of current and future services.

Interoperability is crucial in the current operational environment because the likelihood of deploying unilaterally is low. EUCOM continues to execute the largest command, control, communications, and computer interoperability security cooperation events in the world through Exercises COMBINED and AFRICAN ENDEAVOR. Both the U.S. and partner nations successfully used experiences/lessons learned from Exercise COMBINED ENDEAVOR to integrate multinational command, control, and communications in Iraq, ISAF, and UN Humanitarian Relief missions. Likewise, Exercise AFRICAN ENDEAVOR participants successfully used skills developed to support OEF-TS C2 integration efforts. Long-term funding is essential to sustain the ENDEAVOR series of exercises which enhance multinational interoperability and prepare partner nations for U.S.-coalition deployments with 71 of the 92 nations in our AOR. Specifically in Exercise AFRICAN ENDEAVOR, we are working with Africans to develop and plan collaborative communications links, as well as developing a leadership capable of organizing C2 planning, execution, and modernization. In coordination with the Joint Interoperability Test Command (JITC), we provide all ENDEAVOR exercise participants a resource guide that identifies all known compatibility issues between their collective architectures and systems. Groundwork laid today through documentation of technical interoperability issues and exercise of C2 architectures will prove to be a key enabler to future success with multinational forces.

We need to address the chronic shortage of information assurance personnel and the tools needed to defend networks that are critical to enabling theater command and control, both for warfighting and stability operations. All information professionals must be trained and certified to manage DoD networks securely. Information assurance tools must be procured in an enterprise-wide managed manner that operates across spectrum of conditions.

Strategic Mobility and Maneuver

Our ability to respond rapidly to crises depends greatly on strategic lift. The distance from central Europe to southern Africa is equivalent to that between Europe to California. This vast distance, combined with limited civilian rail, road, and air transportation infrastructure, constrains the full range of EUCOM engagement and contingency activities. Due to the expanse of the African Continent and our desire to engage in Eastern Europe, we are expanding our en-route infrastructure system to respond to emerging contingencies in the underdeveloped regions of Africa and Eastern Europe.

The requirement to deploy troops and cargo rapidly across Africa and Europe has increased dramatically. The size of the EUCOM AOR and our operational experience requires strategic reach for intra-theater operations. EUCOM's fleet of C-130s does not possess the range or capacity to support rapid movement of forces throughout our theater.

Pre-Positioned Equipment

Continued support of the Services' Pre-positioned War Reserve Materiel (PWRM) programs demonstrates commitment through presence and provides a broad spectrum of traditional crisis response and irregular warfare options globally. As EUCOM and the Services transform and transition to a more expeditionary posture, there is a heightened need for PWRM equipment sets in strategically flexible locations.

All four Services maintain PWRM in EUCOM's AOR, either on land or afloat. Attesting to the value of this program, and as validation of its continuing requirement in the EUCOM AOR, much of these stocks have been drawn down to support OEF and OIF and will not be reset prior to the end of combat operations. Over two-thirds of the Marine Corps Pre-positioning Program-Norway (MCPP-N) and the Maritime Pre-positioned Force (MPF) programs have directly supported OIF and OEF with weapon systems, ammunition, and equipment. Reconstitution and reconfiguration of these programs are essential to support future contingency operations while improving our flexibility to support irregular warfare and Theater Security Cooperation initiatives. Additionally, the Department of the Army's Heavy Brigade Combat Team pre-positioned set at Camp Darby near Livorno, Italy, has also been used to support OIF and OEF.

Continued service investment against this capability is necessary to ensure that a fully flexible range of options remains available to combatant commanders globally. EUCOM is actively involved in DoD-led studies examining the global disposition of PWRM and is working to ensure our strategic direction and operational requirements are incorporated in the study reviews and ultimately in an overarching DoD PWRM strategy.

Enhancing EUCOM's Mission

Congressional support enables EUCOM to perform a wide range of operations and engagement that advance U.S. national interests overseas. Beyond the provision of budgetary funding and authorities, your oversight has

been and will continue to be indispensable as EUCOM continues to represent U.S. commitment to its European and African allies and partners.

There are three principal areas where legislative assistance would yield a considerable increase in the capabilities of Combatant Commands to affect change and achieve goals throughout the AOR: support a U.S. long-range Ground-Based Missile Defense site in Europe, provide Combatant Commanders budgetary flexibility, and reform the current Security Cooperation structure to allow for more rapid and responsive activities.

Long Range Missile Defense a U.S. long-range Ground-Based Missile Defense site in Europe is necessary to enhance the defense of the U.S. homeland, U.S. forces stationed in Europe, partners, and allies from intercontinental and intermediate range ballistic missiles. The Department of Defense recommends continued Congressional support to provide funding for a ground-based interceptor site and supporting radars in Europe. Congressional support for associated MILCON will also be needed once planning has progressed to the point that detailed estimates are available.

Combatant Command Budgetary Authority Flexibility is essential to maximize combatant command responsiveness and agility in confronting the constantly changing geostrategic landscape in which we operate. Budgetary authority flexibility does not require an increase in the DoD top line, but rather a redirection of resources to align the financial authorities with the operational responsibilities of the theater commander.

One recent example of this is the Department of Defense’s consolidation of joint training resources to establish the Combatant Commander’s Exercise Engagement and Training Transformation (CE2T2) program under a single Defense-wide account. The DoD, the Joint Staff and COCOMs believe this will effectively align joint training initiatives that enhance the ability of the COCOM to conduct necessary joint training. This initiative may provide an example for how to provide more effective constructs for future COCOM resource flexibility.

Reform of the Security Cooperation Structure is crucial to streamline the process where Geographic Combatant Commanders (GCCs), in coordination with the interagency, plan and conduct SC activities. We need reforms that will significantly improve our ability to help friendly nations develop capabilities to better govern and defend themselves and to work effectively

in concert with our forces. A reformed SC structure must increase the speed and efficiency with which we can start programs to meet emerging requirements and ensure we have the right material on hand. It must assist our partners deploying alongside or instead of our own forces with logistical support and equipment. It must enhance mutual understanding and build relationships by increasing shared education, facilitating common doctrine, and increasing our ability to work closely with allies through international institutions. It must also increase our flexibility for both planned humanitarian and stabilization activities and for commanders to provide immediate assistance during operations to meet the critical needs of local populations.

There are a number of programs and activities over which the GCC currently has been assigned responsibility for execution but it has little to no influence or control due to its inability to control prioritization and allocation of resources. Additionally, there exist government and Non-Governmental Organization (NGO) programs of which the GCC has limited visibility. Better synchronized policy and legislative lines of authority are necessary to achieve greater efficiencies within the interagency. This synchronization will lead to a more effective SC process.

Specifically for the Combatant Commander, SC initiatives conceptualized in the field often require nearly three years to move through the interagency approval and resource allocation process. Additionally, our unwieldy SC processes are increasingly compelling nations to turn elsewhere for their security assistance needs, thereby reducing America's overall influence in the region and providing "strategic opportunities" for near-peer competitors, especially in Africa.

Legislation geared toward streamlining current Title 10 and Title 22 SC authorities would certainly increase the agility and effectiveness of the designated agency responsible for executing these programs. Section 1206, Building Capacity of Foreign Military Forces, legislation enacted in 2005, is a step in the right direction and could serve as a framework for a more comprehensive SC reform effort. An improved process will better achieve our nation's foreign policy objectives.

AFRICA COMMAND (AFRICOM)

Africa is becoming a continent of increasing strategic importance to the U.S. and our allies. Africa's vast potential makes African stability a near term strategic imperative. It is in our national interest to help Africa

achieve broad-based and sustainable economic, security, political and social development. The DoD, in collaboration with other U.S. agencies, is seeking more effective ways to mitigate or respond to humanitarian crises, sustain African unity and stability, and improve cooperation on such transnational issues as terrorism and HIV/AIDS. There is little doubt that Africa will occupy an increasingly larger amount of our national attention in the years ahead.

As announced by the President and the Secretary of Defense on February 6, 2007, the U.S. will work aggressively with our interagency partners, allied nations, and African regional organizations to advance our common interests and values through the establishment of a new Unified Command focused on the African Continent. We are currently in the thors of considering adaptive and non-traditional options to optimize collaboration with interagency and coalition partners, regional security organizations, international organizations, and NGOs. This headquarters is projected to contain an innovative mix of U.S. military, DoD civilians, U.S. government, and international partners.

While the eventual goal is to establish Headquarters, U.S. Africa Command on the African continent, there are no plans envisioned in this effort to base operational U.S. forces in Africa. The kinds of rotational forces deployed will be largely based on the capabilities needed to counter the challenges Africa faces – among them humanitarian assistance, disaster relief, security sector reform, and counterterrorism. They will work with host nations to build up African militaries, as well as reinforce the importance of civilian control over the military.

EUCOM and NATO

We recognize that many of the challenges in the current security environment exceed the capacity of any one nation to resolve and that today’s threats require a comprehensive approach by the international community, involving a wide spectrum of civil and military instruments. EUCOM’s efforts are coordinated and complementary with a broad range of national, international and regional actors. Most notably, EUCOM is the focal point of the U.S. military commitment to the NATO Alliance. Across the NATO Military Command Structure, U.S. military leaders are privileged to hold key positions of influence, helping to develop the Alliance agenda and execute its operations (See Enclosure 6).

Operational Imperatives within the Alliance

NATO's contributions to both current and future security challenges consist of a wide range of initiatives and practical activities. While political consultations among nations help sustain a unity of purpose, men and women of the Alliance plus 16 other troop-contributing nations are essentially redefining the role of NATO by their actions in operations across Afghanistan, the Balkans, the Mediterranean, Iraq, the Baltics, and Africa. The 50,000 deployed NATO military forces currently under my command as Supreme Allied Commander Europe (SACEUR) are a visible and effective demonstration of NATO's resolve to meet both in- and out-of-region security challenges collectively.

International Security Assistance Force (ISAF) remains NATO's most important and challenging mission. With over 34,000 forces, including almost 15,000 Soldiers, Sailors, Airmen, and Marines from the United States, the Alliance has responsibility for ISAF operations throughout Afghanistan. Working alongside an additional 11,400 U.S.-led coalition forces of OPERATION ENDURING FREEDOM (OEF) and other international actors, ISAF's mission is to provide security and stability until Afghan National Security Forces (ANSF) are trained and capable of doing so. The 25 Provincial Reconstruction Teams (PRT) under ISAF are the leading edge of NATO's efforts for security and reconstruction, supported by military forces capable of providing the security and stability.

The *Kosovo Force (KFOR)* mission continues under NATO leadership, with the U.S. contributing just over 10 percent of the 15,600 KFOR troops currently in Kosovo. KFOR remains committed to maintaining a safe and secure environment while the political process to determine the future status of Kosovo continues to run its course. United Nations (UN) Special Envoy Ahtisaari has presented his final report with the proposed Status Settlement to the United Nations Security Council for their consideration. NATO forces are prepared to respond quickly to security contingencies and fully expect to play a significant role in the implementation of the security provisions of a Status Settlement. We expect that NATO forces will remain in Kosovo as the designated International Military Presence (IMP) to provide a safe and secure environment, in conjunction with the International Civilian Presence (ICP) and in support of Kosovo institutions, until such time as those institutions are capable of assuming responsibility for Kosovo's security.

Operation ACTIVE ENDEAVOUR (OAE), the only operation currently conducted under Article V of the Washington Treaty, is focused on defending against terrorist-related threats in the Mediterranean. Maritime forces of OAE are patrolling sea lines of communication, sharing relevant intelligence and information with littoral nations, escorting ships, and conducting compliant boarding of suspect ships, when required. The first non-NATO contribution to this mission occurred in September 2006, when a Russian frigate was employed as part of a NATO Task Force. Additionally, we expect to integrate Ukrainian assets in OAE in 2007. Algeria, Israel, Morocco, Georgia, Croatia, and Albania are also involved in exploring ways they may contribute to this mission.

NATO's Training Mission-Iraq (NTM-I) The Alliance supports Iraqi security forces through training, both in Iraq and at educational facilities across Europe. Its training efforts complement the work of the U.S.-led Multinational Security Transition Council (MNSTC-I). NATO focuses on strategic and operational level training, strengthening the Iraqi Training and Doctrine Command, and providing Command and Staff training for mid-level and senior officers. Additionally, NATO has facilitated the acquisition and delivery of military equipment donated by NATO nations for use by Iraqi security forces. We expect that future efforts will likely include gendarmerie training.

African Mission in Sudan (AMIS) NATO has assisted the African Union (AU) with expanding its AMIS peacekeeping mission in Darfur by providing airlift for troop rotations of peacekeepers, and staff capacity-building activities in key AU headquarters, and deploying mobile training teams to work with their AU counterparts. NATO's capacity-building approach to increase stability and security on the continent complements EUCOM's efforts to deliver long-term effects with minimal, focused resources.

NATO Transformation

In parallel to EUCOM's transformation, NATO is embracing an ambitious transformation agenda to develop more agile, flexible, and expeditionary military forces. Allied Command Transformation (ACT), NATO's strategic headquarters based in Norfolk, Virginia, has the lead role in developing concepts and managing NATO transformation programs. It is in our nation's interests to ensure that our collective efforts are complementary and contribute to joint and multinational interoperability.

The NATO Response Force (NRF), an initiative proposed by the U.S. and adopted by the Alliance at the 2002 Prague Summit, is a vital part of the Alliance's ability to rapidly respond to emerging crises and conduct the full range of military missions at strategic distances. This joint and multinational force further serves as a catalyst for transformation and interoperability, improving NATO's expeditionary capability in key areas such as multinational logistics and deployable communications. Following a comprehensive and successful live exercise (LIVEX) in June 2006, with further contributions of critical capabilities by nations, NATO declared at the Riga Summit the NRF to have attained Full Operational Capability (FOC). At FOC, the NRF is capable of deploying at strategic distance and supporting the full range of potential Alliance missions, to include evacuations and disaster management, counter-terrorism and acting as an initial entry force for a larger, follow-on force. The future viability of the NRF, as it is currently structured, will depend on member nations' willingness to resource the necessary forces and commit to a more realistic structure of common Alliance funding to support the NRF. Challenges remain in securing adequate Alliance commitments to fill future 6-month NRF rotations, particularly with respect to critical logistics, communications, and support capabilities. EUCOM provides a substantial part of the U.S. force and operational enabler contributions to the NRF.

At the 2006 Riga Summit, NATO nations approved the Special Operations Force (SOF) Transformation Initiative, aimed at increasing the capabilities of SOF forces throughout the Alliance. EUCOM's Special Operations Command (SOCEUR) actively leads this effort to achieve closer cooperation, more effective training, and increased interoperability with the intent of strengthening NATO's SOF capacity.

EUCOM has additionally served as the lead agent in establishing an Intelligence Fusion Center (IFC), co-located with the U.S. Joint Analysis Center (JAC) at Molesworth, England. This multi-national center, formally activated in 2006, will improve information and intelligence sharing in support of Alliance operations.

One of NATO's most significant transformation initiatives is the decision to develop new capabilities for strategic airlift. In 2006, nations agreed to purchase three, perhaps four, C-17 aircraft to be flown by multinational crews with a multinational command and control structure. The goal is to receive the first C-17 aircraft in late 2007, with full operational capability in 2009, operating out of Ramstein Air Base in

Germany. The 16 nations participating in the program will use the aircraft to address national airlift requirements. While these airlift missions will often be used for requirements of a strictly national character, they will also support NATO operations or other international obligations.

Partnerships and Engagement

As with U.S. national engagement initiatives, there is a strategic value to NATO's partnership framework. The varied partnership mechanisms in place continue to deepen and broaden to meet both NATO's new priorities in the evolving security environment as well as the aspirations of the nations with which the Alliance engages. Partnership programs and initiatives cover the full spectrum of efforts, to include promoting dialogue with interested nations, building stable democratic structures, and developing defense capabilities that are interoperable with those of NATO. EUCOM provides the preponderance of U.S. forces that contribute to the success of many of these Alliance programs, most notably the Partnership for Peace (PfP). Building upon the success of the program to date, Serbia, Bosnia-Herzegovina, and Montenegro are now full members of the PfP.

NATO additionally maintains special relationships with Russia and Ukraine. NATO's establishment of Military Liaison Missions in Moscow and Kiev has improved communications and facilitated day-to-day coordination of activities. Notably, Russia, a Partner Nation, has a full delegation of personnel permanently assigned to my NATO headquarters at SHAPE. The U.S. military-to-military relationship with Russia, both bilaterally and in the NATO-Russia context, aims to develop and institutionalize the ability of Russia to operate alongside NATO forces to address common security issues, such as the defense against terrorist threats. Our ambitious agenda for practical cooperation with Russia has not yet been realized, in part due to the failure of the Duma to ratify the PfP Status of Forces Agreement (SOFA), which would allow Alliance forces to exercise on Russian territory.

NATO remains an Alliance committed to the common defense of its member states. It increasingly recognizes the concept of common security, a broader and more comprehensive view of security in an interdependent world where the threats are non-traditional and more global in nature. In a strategic environment marked by terrorism, failed states, and the proliferation of WMD, common security is an absolutely essential factor in achieving individual national security. NATO is well-placed and, with the proper resources and

political will, capable of accomplishing great things. It is in our national interest to ensure that NATO succeeds.

CONCLUSION

The United States European Command is fully and actively engaged in addressing the challenges of this diverse and expansive area of responsibility. Even as EUCOM supports combat operations in other theaters, we are transforming our posture to shape the evolving security landscape in our AOR.

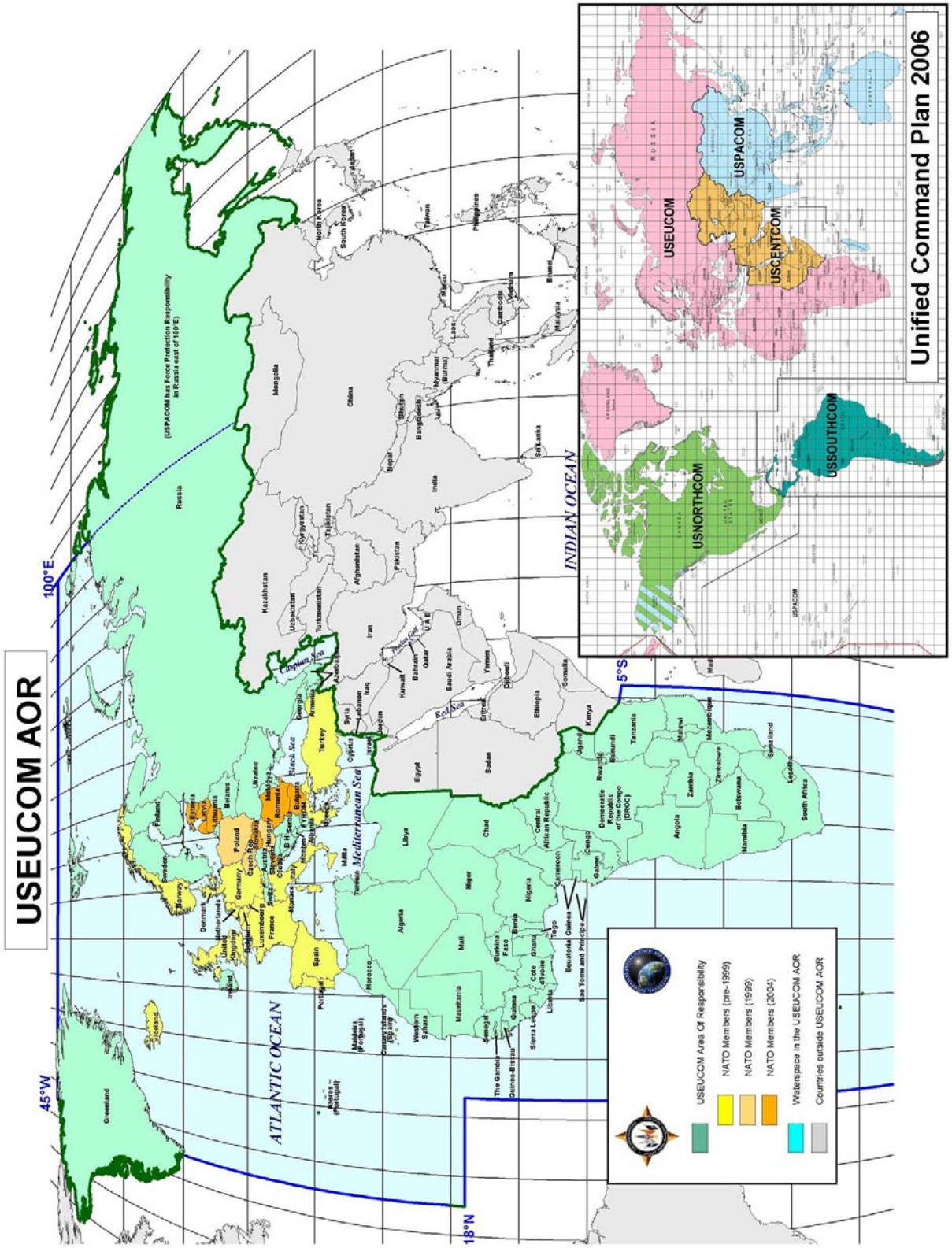
While the U.S. military can help set the conditions to create a stable environment, it is but one part of the effort required to achieve lasting, effective solutions. New and deepened partnerships within the U.S. government and among combatant commands are required to more dynamically counter the transnational trends and issues which define our theater: threats of terrorism and WMD, frozen conflicts, unresolved territorial disputes, complex geopolitical relationships, humanitarian needs, and disease. Moreover, global partnerships are required to better counter the threats to our collective security. EUCOM remains committed to working with European, African and Eurasian partners in collaborative efforts that meet our common security challenges. Finally, the leadership and the capabilities our nation contributes to the NATO Alliance will remain fundamental to preserving trans-Atlantic security, now and into the future.

Global posture shifts and U.S. military transformation have fundamentally changed our strategic positioning in the EUCOM theater. These efforts will culminate in a force posture capable of operating across the broad spectrum of conflict. The success of our engagement hinges on ensuring the presence of relevant capabilities in our theater. In parallel to EUCOM’s transformation, NATO is restructuring itself to become more expeditionary and able to operate at strategic distance, as evidenced by its current deployments of over 50,000 troops on three continents.

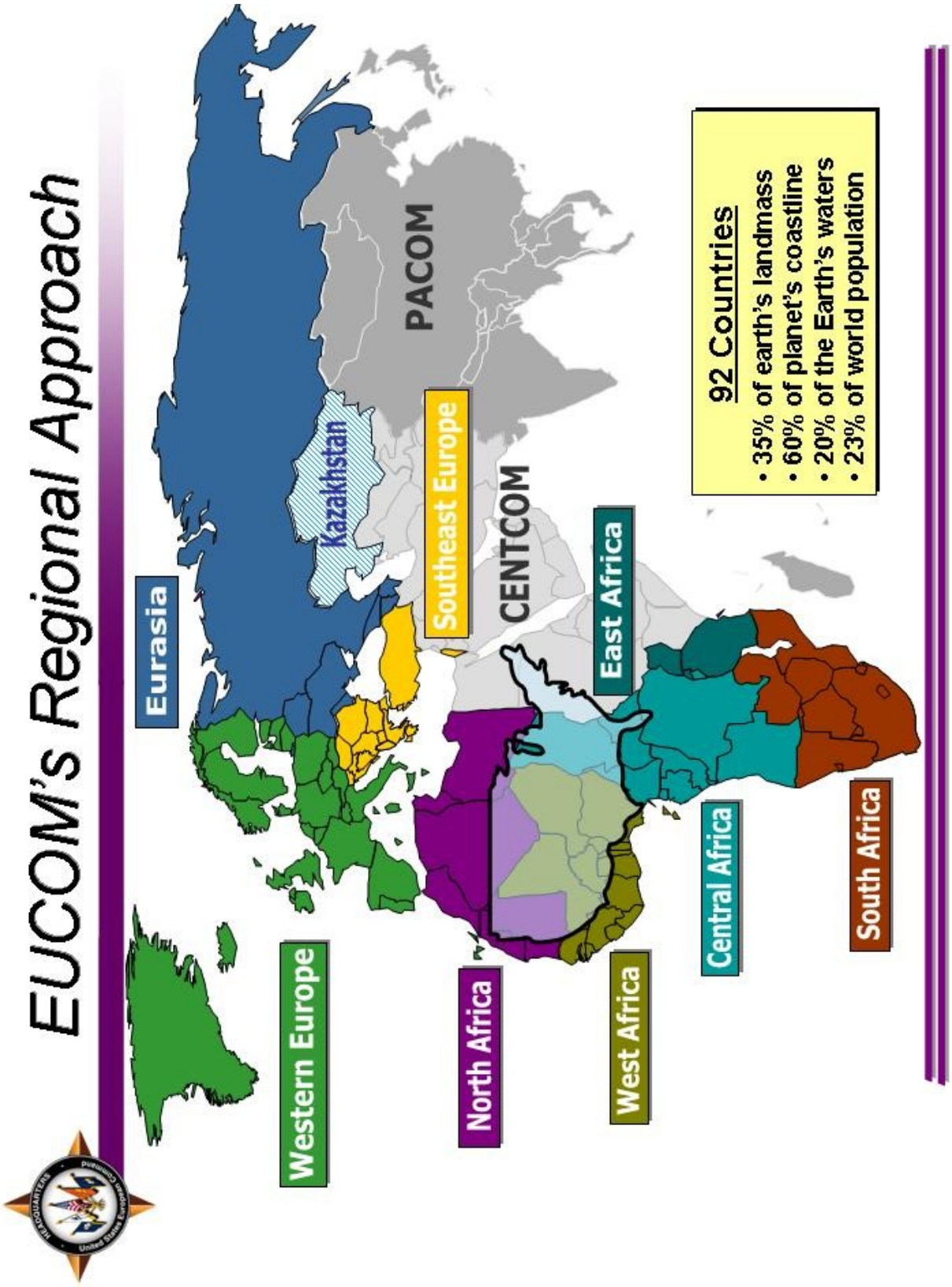
Continued Congressional support for our efforts is essential to ensuring EUCOM is capable of effective engagement and sustained support to the Alliance and our regional partners to meet the broad tasks assigned to EUCOM in the National Military Strategy. The assistance of the Members of this Committee is essential in ensuring EUCOM’s effectiveness in its ongoing programs, operations, and initiatives. The dedicated men and women of the

United States European Command are committed to achieving our national goals and objectives.

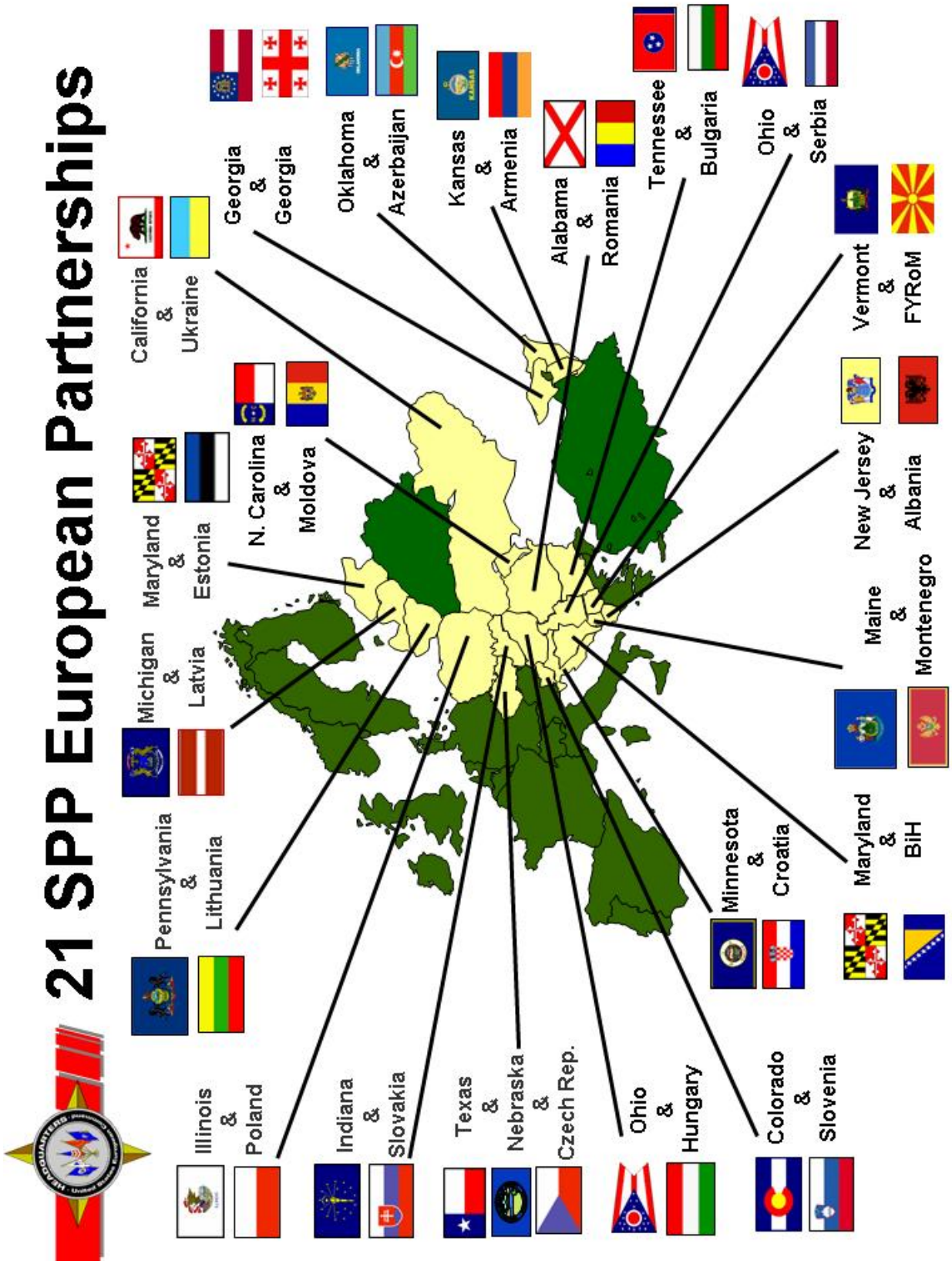
Enclosure 1: United States European Command Area of Responsibility



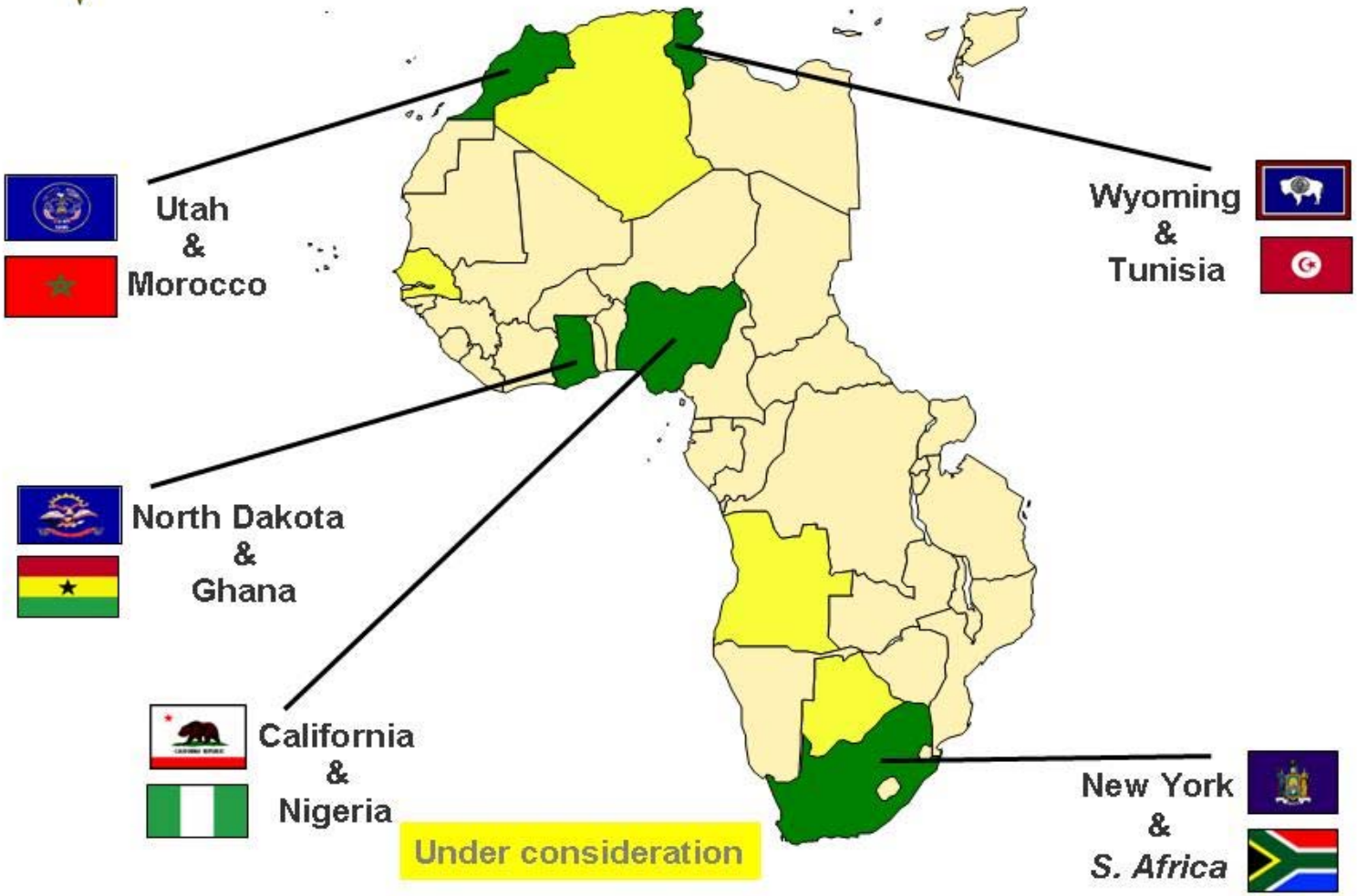
Enclosure 2: EUCOM's Regional Approach to Theater Security Cooperation



Enclosure 3: State Partnership Program (SPP)



5 African SPP Partnerships



Enclosure 4: Theater Security Cooperation by Country

Funds Requested in President's FY 2008 Budget for International Military Education and Training (IMET) and Foreign Military Financing (FMF) in the EUCOM Area of Responsibility

Country	FY 2008 IMET	FY 2008 FMF
Africa		
Algeria	700,000	0
Angola	500,000	0
Benin	150,000	0
Botswana	690,000	0
Burkina Faso	100,000	0
Burundi	200,000	0
Cameroon	295,000	0
Cape Verde	100,000	0
Central African Republic	100,000	0
Chad	100,000	0
Cote d'Ivoire	100,000	0
Democratic Republic of Congo	500,000	600,000
Equatorial Guinea	45,000	0
Gabon	200,000	0
Gambia	120,000	0
Ghana	600,000	300,000
Guinea	350,000	200,000
Guinea-Bissau	100,000	0
Lesotho	50,000	0
Liberia	300,000	1,000,000
Malawi	300,000	0
Mali	250,000	0
Mauritania	130,000	0
Morocco	1,800,000	3,655,000
Mozambique	300,000	200,000
Namibia	100,000	0
Niger	100,000	0
Nigeria	800,000	1,350,000
Republic of the Congo	100,000	0
Rwanda	400,000	0

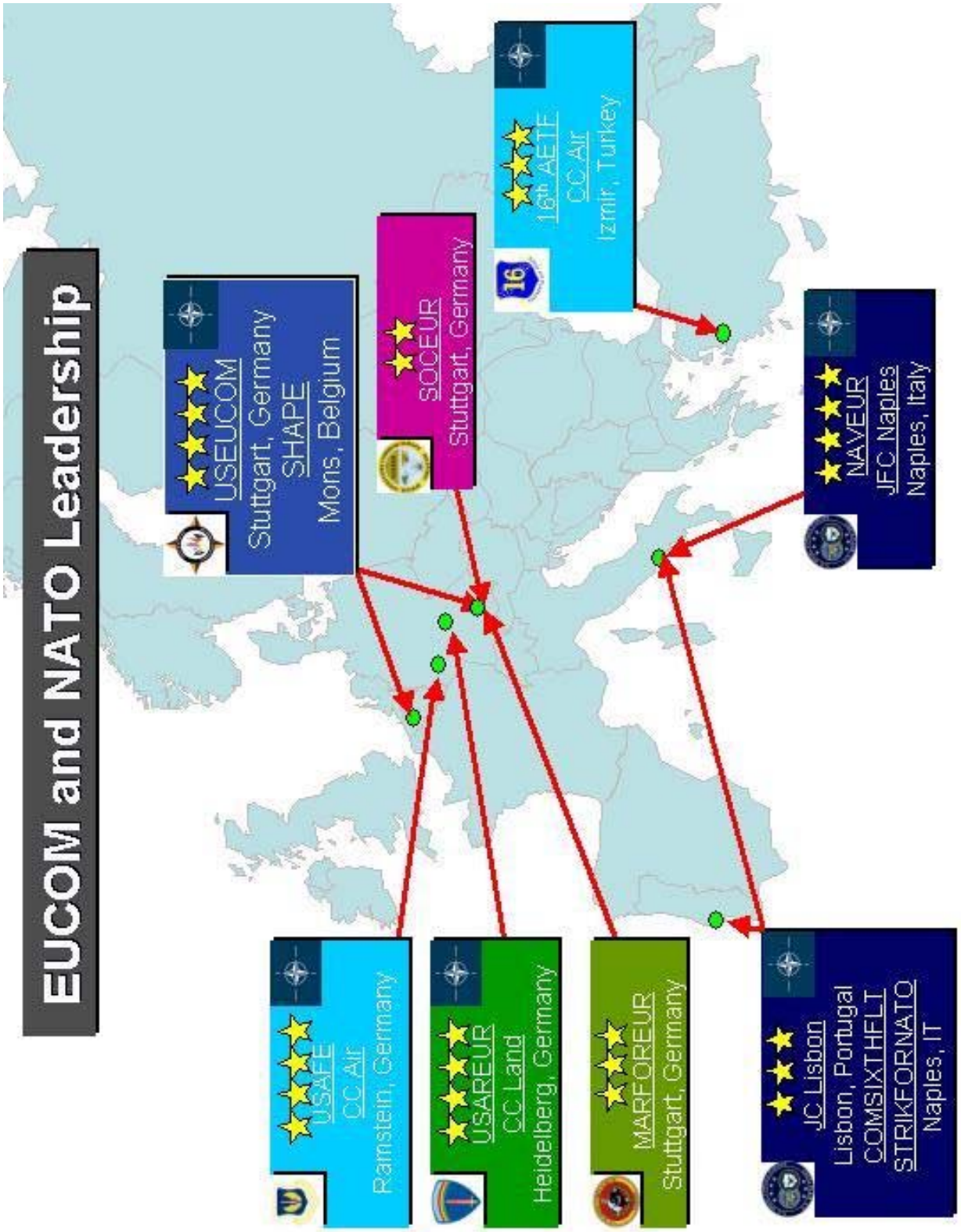
Country	FY 2008 IMET	FY 2008 FMF
Sao Tome and Principe	200,000	0
Senegal	1,100,000	0
Sierra Leone	400,000	0
South Africa[1]	900,000	100,000
Swaziland	100,000	0
Tanzania	300,000	0
Togo	100,000	0
Tunisia	1,800,000	2,064,000
Uganda	500,000	0
Zambia	400,000	0
STATE Africa Regional	133,000	0
Total, Africa	***15,513,000***	***9,469,000***
Europe and Eurasia		
Albania	600,000	2,600,000
Armenia	300,000	3,000,000
Azerbaijan	1,000,000	4,300,000
Bosnia and Herzegovina	1,000,000	7,800,000
Bulgaria	1,700,000	13,200,000
Croatia	179,000	0
Czech Republic	1,300,000	3,000,000
Estonia	1,100,000	3,000,000
Georgia	800,000	10,000,000
Greece	590,000	0
Hungary	1,200,000	2,000,000
Kosovo	400,000	0
Latvia	1,100,000	3,000,000
Lithuania	1,100,000	3,000,000
Macedonia	500,000	4,500,000
Malta	45,000	0
Moldova	600,000	0
Montenegro	100,000	0
Poland	2,000,000	27,200,000

[1] South Africa is currently barred from receiving FMF by the provisions of the American Servicemembers' Protection Act.

Country	FY 2008 IMET	FY 2008 FMF
Portugal	690,000	0
Romania	1,800,000	18,400,000
Russia	700,000	0
Serbia	300,000	0
Slovakia	1,100,000	3,000,000
Slovenia	885,000	500,000
Turkey	3,000,000	11,825,000
Ukraine	1,900,000	9,000,000
Total, Europe and Eurasia	***25,989,000***	***129,325,000***
Total, Africa	***15,513,000***	***9,469,000***
Total, Europe/Eurasia/Africa	***41,502,000***	***138,794,000***
Near East		
Israel	0	2,400,000,000
Grand Total, EUCOM AOR	***41,502,000***	***2,538,794,000***

Enclosure 5: Theater Investment Needs

LINE ITEM MILITARY CONSTRUCTION/FAMILY HOUSING PROJECTS				
Comp/ Agency	**Country**	**Location**	**Description**	**Approp. Request**
USAREUR	Bulgaria	Novo Selo	JTF-E Base Camp (1)	61,000,000
USAREUR	Romania	MK Air Base	JTF-E Base Camp	12,600,000
USAREUR	Germany	Grafenwoehr	EBG Brigade Complex-Maint/Opns (2)	34,000,000
USAREUR	Germany	Grafenwoehr	EBG Brigade Complex-Maintenance & Opns	28,000,000
USAREUR	Italy	Vicenza	173rd Brigade Complex-Maint and OPS (2)	87,000,000
USAREUR	Italy	Vicenza	Brigade Complex- Barracks & Support	86,000,000
USAREUR	Germany	Ansbach	New Townhouse Construction Ph I	52,000,000
USAFE	Germany	Ramstein	Construct Small Diameter Bomb Facility, Ph 2	6,260,000
USAFE	Germany	Ramstein	Construct Unaccompanied Dorm – 128 PN	14,949,000
USAFE	Germany	Ramstein	Construct Joint Mobility Processing Center	24,000,000
USAFE	Germany	Ramstein	Construct Fire Training Facility	3,000,000
USAFE	Germany	Ramstein	Replace Family Housing Phase E	56,275,000
USAFE	Germany	Spangdahlem	Medical/Dental Clinic Replacement	30,100,000
USAFE	Spain	Albacete	Tactical Leadership Program Dorm	1,800,000
USAFE	UK	Lakenheath	Construct Small Diameter Bomb Storage Igloo	1,800,000
USAFE	UK	Lakenheath	F-15C Squad Ops/AMU	15,500,000
NSA[2]	UK	Menwith Hill	Power Availability and Infrastructure Improvements	10,000,000
NSA	UK	Menwith Hill	Add/Alter Operations & Technical Facility	31,000,000
DoDEA[3]	Germany	Wiesbaden	Construct Gymnasium, Art, & Music Classrooms and Renovation	15,379,000
DoDEA	Germany	Wiesbaden	Construct Multipurpose Room	5,093,000
DoDEA	Germany	Ramstein	Construct Gymnasium; Renovate/expand Multipurpose Room	5,393,000
DoDEA	Belgium	Brussels	Construct Gymnasium, Art, & Music Classrooms	5,992,000
Total				**$587,141,000**
NON LINE ITEM MILITARY CONSTRUCTION/FAMILY HOUSING PROJECTS				
USAFE	Germany	Ramstein	Improve Family Housing Phase E	4,700,000
USAFE	Turkey	Incirlik	Improve Family Housing	41,300,000
USAFE	UK	Croughton	Improve Family Housing	12,500,000
NON LINE ITEM TOTAL				**$58,500,000**
TOTAL MILITARY CONSTRUCTION/FAMILY HOUSING PROJECT FUNDING REQUEST				**$645,641,000**

[1] National Security Agency
[2] Department of Defense Dependent Education Agency

Enclosure 6: EUCOM and NATO Command Structure