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HOUSE FOREIGN AFFAIRS COMMITTEE,
SUBCOMMITTEE ON EUROPE
APRIL 23, 2008**

“THE BUCHAREST SUMMIT AND THE WAY FORWARD FOR NATO”

Mr. Chairman, Members of the Subcommittee: thank you for inviting me to testify about Defense Department objectives and plans following the April 2-4, 2008 NATO Summit in Bucharest.

In the months ahead, we will be working to move NATO forward in the four main areas addressed by Heads of State and Government at Bucharest: Afghanistan, Missile Defense in Europe, Defense Capabilities, and Enlargement.

There is no doubt that the number one issue for NATO today is the success of our International Security Assistance Force (ISAF) in Afghanistan. At Bucharest, Allies agreed that Euro-Atlantic and broader international security is tied to Afghanistan’s stability and democratic future.

Allies also agreed that ballistic missile proliferation is an increasing threat to Allies’ forces, territory, and populations; that missile defenses form part of a broader response to counter the threat; that the planned deployment of U.S. missile defense assets in Europe will substantially contribute to Allied protection against that threat; and that the Alliance should develop options for a “comprehensive missile defense architecture.”

NATO defense ministers agreed to pursue all of Secretary Gates' recommendations for improving defense capabilities, including those related to multinational arrangements such as the C-17 consortium and the NATO Alliance Ground Surveillance system (AGS), using NATO common funding to help fill military requirements for ongoing operations, and commitments to increase defense spending and deployability targets.

Although the UNITED STATES was disappointed that Allies could not reach a consensus on offering Membership Action Plans to Ukraine and Georgia, Allies agreed for the first time that "these countries will become members of NATO." The UNITED STATES supported NATO membership invitations for all three Adriatic Charter countries: Croatia, Albania, and Macedonia; and we are pleased that accession talks have begun for Croatia and Albania. Allies agreed that Macedonia is also ready for membership, pending resolution of its name dispute with Greece. We are hopeful that Macedonia's negotiations with Greece under UN auspices will resolve outstanding issues so that accession talks can proceed as soon as possible.

Afghanistan

NATO's fundamental purpose remains collective defense. The missions that flow from this responsibility are adapting to meet 21st century challenges. Nowhere is that transformation more apparent than in Afghanistan, where NATO has led the International Security Assistance Force (ISAF) in Afghanistan since 2003. This major operation is the

first NATO mission beyond the geographic confines of North America and Europe. ISAF now includes approximately 47,000 troops from 40 nations including more than 19,000 from the UNITED STATES. The Bucharest Summit came at a critical time for the Alliance's transformation as a larger alliance working with global partners to counter threats around the world. At the NATO Summit in Riga in November 2006, Allies pledged to ensure that ISAF would have the forces, resources, and flexibility needed to ensure the mission's continued success. Between Riga and Bucharest, Allies contributed 7,100 additional forces to ISAF. However that is still well short of what the Commander of ISAF, U.S. Army General McNeill, believes is required to win the fight. The shortfalls are compounded by the fact that some Allies continue to keep "caveats" on their forces, restricting the commander's flexibility in employing the forces at his disposal. Some Allies are also reluctant to employ counter-insurgency tactics because of concerns about blurring the lines between "civilian" and "military" responsibilities. At Bucharest, Secretary Gates stressed that although NATO is a military organization, it also is undertaking civilian activities in connection with security assistance operations in Afghanistan, the Balkans, and elsewhere. While working in cooperation with other organizations, such as the European Union and United Nations, NATO needs to be capable of performing a full range of security and civilian tasks.

Part of the problem stems from flagging public and parliamentary support in Allied nations for the ISAF mission. To help Allies shore up domestic political support, the UNITED STATES pushed for a public "Strategic Vision" for ISAF to explain how Allied security is directly linked to stability in Afghanistan and to lay out a vision to

guide ISAF's role in Afghanistan over the next five years. This Strategic Vision was endorsed by the Heads of State and Government from Allied and other ISAF troop contributing nations at Bucharest.

In the Strategic Vision, Allies and partners agreed that Afghanistan is the Alliance's key priority. The Strategic Vision incorporates four guiding principles:

- 1) a firm and shared long-term commitment;
- 2) support for enhanced Afghan leadership and responsibility;
- 3) a comprehensive approach by the international community, bringing together civilian and military efforts; and
- 4) increased cooperation and engagement with Afghanistan's neighbors, especially Pakistan.

What is required now is for Allied capitals to use this Strategic Vision as the basis for generating national support for the NATO mission in Afghanistan.

At Bucharest, France announced that it will send an additional battalion to eastern Afghanistan. This will permit the UNITED STATES to assign more troops to the South where Canadian, UK, Dutch and others have been engaged in challenging combat operations against resurgent Taliban forces. Also at Bucharest, Russia offered land transit for NATO's non-military or non-lethal supplies to Afghanistan.

A key component of ISAF's operation is training and equipping the Afghan National Army (ANA). Three years ago there was no ANA to speak of, but today the ANA stands at approximately 55,000 and is engaged in or leading major operations alongside ISAF forces. ISAF partners have fielded or pledged approximately 50 Operational Mentoring and Liaison Teams (OMLTs) to help build a more effective Afghan National Army. However, this still falls short of the 71 OMLTs required by March 2009. Thirteen ISAF nations have donated equipment to the ANA through NATO and a trust fund has been established to cover transportation and installation costs for the donated equipment.

Missile Defense

Ballistic Missile Defense was one of the President's top issues going into the Bucharest Summit, and we are very pleased that the Alliance agreed to a strong statement of support, not only for the planned U.S. missile defense assets in Europe, but for additional missile defenses that would defend all Allies against the growing ballistic missile threat.

The Bush Administration believes strongly that ballistic missile proliferation poses a threat not only to the UNITED STATES, but to our European Allies as well. This is why we moved from a "national" missile defense policy under previous Administrations to a broader-based approach. The idea was to ensure that missile defenses are capable of protecting the UNITED STATES *and* its Allies to ensure that the security of the

UNITED STATES and its Allies remains indivisible and that adversaries are not able to use the threat of ballistic missile attack to drive a wedge between us.

For the past eight years, the UNITED STATES has been working with Allies to explain our plan to field missile defense interceptors in Poland and a missile defense radar in the Czech Republic. These assets will provide coverage to many, but not all Allies from long-range ballistic missile attacks from the Middle East. While explaining the benefits of these assets, we have also encouraged NATO to think about ways to provide coverage to those Allies who would remain vulnerable to shorter-range ballistic missiles.

Given this, we were very pleased that at the Bucharest Summit, all 26 Allies agreed to the following points in the final Summit Declaration:

- Ballistic missile proliferation poses an increasing threat to Allies' forces, territory, and populations; including a growing threat from intermediate range and long-range ballistic missiles;
- Missile defenses form part of a broader response to counter this threat; NATO welcomes the fact that European-based U.S. assets will protect most Allies against long-range ballistic missiles and supports territorial missile defense as one means of safeguarding Alliance territory and population centers against the risk associated with ballistic missile proliferation;

- Planned U.S. missile defenses in Poland and the Czech Republic will provide a “substantial contribution to the protection of Allies from long-range ballistic missiles;” and
- The Alliance should develop options for a “comprehensive missile defense architecture” that provides coverage for those Allies not covered by the U.S. system. The Alliance will develop options to safeguard those Allies who remain vulnerable to short-range and medium-range ballistic missiles for consideration at the 2009 summit.

In addition to these critical points, Allies also acknowledged at Bucharest the work being done by the UNITED STATES and by the NATO-Russia Council to address Russia’s concerns about missile defense. Missile defenses in Europe, whether they are U.S. or Allied assets, pose no threat to Russia’s strategic deterrent. The UNITED STATES has proposed wide-ranging transparency and confidence building measures that are intended to address Russia’s concerns, and we remain hopeful that Russia will accept these measures.

NATO still has much work to do, specifically with respect to completing the Bucharest tasking to develop options for a comprehensive missile defense architecture. As we have done in the past, the UNITED STATES is prepared to support and contribute to these efforts in the hope that all Allies will one day be able to enjoy the benefits of missile defense.

In addition, Allied Heads of State and Government agreed to explore ways to link the U.S. missile defense capability with NATO missile defense efforts, encouraged Russia to take advantage of U.S. missile defense cooperation proposals, and are ready to explore the potential for linking UNITED STATES, NATO, and Russian missile defense systems.

Defense Capabilities

Secretary Gates proposed and NATO Defense Ministers at Bucharest agreed to pursue seven recommendations for improving NATO defense capabilities:

- Examine and fully pursue multinational arrangements to address capability shortfalls.
- Participating nations in the C-17 Strategic Airlift Capability (SAC) program need to sign the Memorandum of Understanding (MOU) as soon as possible so the first C-17 can be operational by the end of 2008.
- Applaud the UK initiative to establish a trust fund to assist nations in upgrading helicopters and training air crews, and direct the North Atlantic Council (NAC) to examine ways to use common funding to better support operations and establish a common logistic base.

- Participating nations in the Alliance Ground Surveillance (AGS) program should agree to the final cost shares and sign the MOU so that AGS is operational by 2012.
- Encourage nations spending considerably less than two percent of GDP on defense that cannot achieve that level, to commit to increasing defense spending by 0.2 percent of GDP within five years.
- Prioritize the provision of forces to fill the remaining holes in the Combined Joint Statement of Requirements (CJSORs) for ongoing operations.
- Commit to increase NATO forces' deployability target from 40 to 50 percent.

There have, for many years, been persistent problems with inadequate levels of defense spending on the part of most Allies and inefficient use of available defense funds. Although even a modest increase such as that proposed by Secretary Gates may be difficult to achieve within many European cabinets that may have other funding priorities, Defense Ministers do have a great deal of influence over how available defense funds are spent. Many Allies could use their available funds more efficiently by shifting investment out of non-deployable capabilities and into transportation and support capabilities to make forces more usable.

Significant inefficiency is caused by the inability of many of the smaller nations in Europe to achieve economies of scale in their defense expenditures. Some Allies and Partners are already participating in creative multinational arrangements to use available defense funds more efficiently and address capability shortfalls that they would not have been able to address unilaterally. One of the best examples of this is the Strategic Airlift Capability Program, in which a consortium of nations is procuring shares in C-17s that will be used to satisfy NATO, EU, and national strategic airlift requirements. The consortium has currently committed to acquiring three C-17s, but there is no reason that other airframes, such as the A400M, could not be added to the pool in the future.

Enlargement

The UNITED STATES supported NATO membership invitations for all three Adriatic Charter countries -- Croatia, Albania and Macedonia at the Bucharest Summit. Each country has made significant progress over the past eight years and each is now a force for stability in the Balkan region and beyond. Their forces serve with us in Afghanistan and other global peacekeeping operations, and they continue to play important roles on Kosovo. In short, they already have shown a clear commitment to bearing the responsibilities of NATO membership. Just as importantly, each of them shares our values of democracy, human rights, and freedom.

These countries have worked hard to earn a NATO invitation and, like all the other recent new NATO members, they will strengthen the Alliance. Eventually bringing

all three, not just two, of these countries into NATO will permanently extend NATO's zone of peace and stability into the Western Balkans. It will also set a positive example for other countries in the region.

Accession talks will be conducted in April to May 2008 with the aim of finalizing Accession Protocols in time for signature by NATO member countries by the end of July 2008. Allies agreed at Bucharest to complete the ratification process “without delay.” As accession talks begin, we will continue to engage Albania and Croatia to encourage them to complete remaining reforms to achieve NATO membership.

Croatia has a proven track record of political and economic maturity and it is also an important Partner on the battlefield. Today, it is a net exporter of stability. It is an active Partner in the Adriatic Charter with Albania and Macedonia, provides military and police forces to eleven United Nations (UN) peacekeeping operations worldwide, and is also a strong contributor to ongoing NATO operations. It has a contingent of approximately two hundred troops in ISAF that is scheduled to grow to over three hundred by the end of this year. Additionally, it already is a strong supporter of NATO exercises. Last year's amphibious exercise held in Croatia was the largest ever held in a non-member state.

Albania is also a net provider of security and stability throughout the region. It currently provides troop contributions to both Iraq and Afghanistan and supports the peacekeeping operation in Lebanon. In fact, it is one of the greatest per-capita contributors to NATO and Coalition operations in Afghanistan and Iraq. Additionally, its strong support and leadership on Kosovo has been significant. It consistently has called

on all parties to negotiate and to avoid resorting to violence. Just as importantly, it has made steady progress on combating corruption, with arrests of high-level government officials among others, substantial progress on judicial reform, and progress on laws to increase transparency and efficiency within the court system.

Macedonia also is with us in Iraq and Afghanistan. Its soldiers are fighting alongside ours, keeping the peace and defending freedom. This is the best evidence that Macedonia, like Croatia and Albania, is ready to be a full NATO member. Macedonia has already successfully completed nine MAP cycles and MAP reviews. Consequently, we were greatly disappointed that Macedonia did not receive an invitation to join NATO because of the dispute with Greece over its name.

When Macedonia and Greece arrive at a solution to the name issue, Macedonia will take its place within NATO. At Bucharest, the Administration and NATO Allies agree that Macedonia is ready for membership based on NATO's performance-based standards.

NATO enlargement continues to play a vital role in supporting the cause of freedom in Europe by promoting democratic values and giving countries a road map for military and political reforms. Ukraine and Georgia's aspirations to join the Alliance are closely connected to these same values as they seek to solidify their democratic reforms and join the Euro-Atlantic family of democracies. We believe strongly that Georgia and Ukraine both deserve to participate in a Membership Action Plan (MAP). This was the message the President and the Secretary of Defense took to Bucharest and will be the message we continue to send to Allies in the coming weeks and months.

MAP provides an opportunity for countries to continue their efforts towards defense and civil society reform by providing stringent goals to be completed before membership can be considered. As we all know, MAP is not membership, and Georgia and Ukraine have some time to go before membership is even a possibility. Yet MAP can provide vital tools for Ukraine and Georgia to continue to pursue democratic reform and consolidate their robust reform agendas.

The President strongly urged Allies to approve Ukraine's and Georgia's requests for a MAP. Although Alliance Heads of State and Government reaffirmed the principle that NATO's doors remain open to European democracies and that both Georgia and Ukraine "will become members of NATO," we were disappointed that a few Allies were not ready to approve MAP for Ukraine and Georgia at Bucharest. All Allies agreed that no nation outside of NATO should be able to block an aspirant's progress toward membership.

Alliance members will now begin a period of intensive high-level engagement with both Ukraine and Georgia to address questions pertaining to their MAP applications of some Allies. The Department of Defense will continue to work with our USG colleagues and with those in the Alliance who continue to have reservations about extending MAP to ensure that Ukraine and Georgia get the support they need to continue reforms and progress toward NATO membership. Foreign Ministers will further assess the MAP requests at their meeting in December and have been empowered by Allied leaders to approve the requests.

Conventional Forces in Europe

Given prior UNITED STATES and Allied contacts with Russia on the CFE Treaty, there were no expectations that President Putin would arrive at the Summit with a new position. We have been waiting for a response to the so-called “parallel actions package,” which includes proposals designed to break the impasse over ratification of the CFE Adapted Treaty and Russia’s fulfillment of its Istanbul commitments to withdraw Russian forces in Georgia and Moldova, that are there without the consent of the host countries. Russian suspension of its implementation of the current CFE Treaty last December only complicated negotiating efforts. Shortly before the Bucharest Summit, the North Atlantic Council issued the first public description of the package’s main elements and strongly endorsed the package as the basis for moving forward.

In Bucharest, President Putin repeated complaints that NATO States had not ratified the Treaty and that the Baltic states had not joined the Treaty regime, something that could legally only occur under the Adapted Treaty. Putin’s remarks showed that Russia’s problems with the Treaty regime also extend to the updated or Adapted CFE Treaty, which Russia has already ratified. Putin repeated demands for elimination of flank restrictions for Russia, without which Russia could theoretically mass its entire force on its northern or southern periphery. At the same time, Russia demands that NATO and other states in the flank zone accept strict limits on their forces and outside reinforcements.

No Ally has suggested that NATO members withdraw from the Treaty. The Defense Department will continue to work closely with the State Department to support

efforts to work with our Allies and Russia on a negotiated solution. At the same time, NATO has stated that the current situation where Allies are implementing Treaty requirements, such as data exchanges, while Russia is not, cannot continue indefinitely. The timing and content of next steps will be a matter for multilateral discussion in NATO. During suspension, Moscow has also indicated that it would exercise restraint in deploying additional combat forces near its borders. We see no imminent threat to European security. But CFE has provided important predictability and transparency, and, if we lose the Treaty regime, we may also lose some of the sense of security that Europe has recently experienced.

Operations in the Balkans

The largest NATO presence in the Balkans is the Kosovo Force or KFOR. Since establishing the mission in 1999, several thousand service members from NATO and non-NATO countries have served in Kosovo, helping to maintain a safe and secure environment for all the people living there.

Kosovo's declaration of independence on February 17th ended one chapter and began another. We must deal with short-term challenges to security and longer-term challenges of Kosovo's development. Emotions continue to run high and unfortunately, last month, a few Serb extremists attacked international police and military forces, killing one and injuring more than 60. However, KFOR did a superb job in limiting the violence and defusing the situation. Kosovo's independence brings Europe closer to the goal of

being whole, free and at peace. In the future, we look forward to NATO helping establish a small, lightly equipped Kosovo Security Force and its civilian oversight ministry as well as dissolving the Kosovo Protection Corps.

The UNITED STATES pledged to keep about 1,500 U.S. service members in KFOR through the transition period from the UN Interim Administration Mission in Kosovo (UNMIK) to the EU-led International Civilian Office. Our forces, mostly National Guard personnel, are doing a fantastic job in Kosovo.

Serbia strongly opposes Kosovo's independence. We understand that, and we continue to reach out to Serbia diplomatically during what has been a painful period for them. We support maintaining the NATO Liaison Office in Belgrade and hope that Serbia will continue to take advantage of the opportunities it offers.

With NATO's offer of membership to Albania and the commitment to invite Macedonia as soon as the name issue is resolved, the NATO Headquarters in Tirana and Skopje have accomplished the majority of their tasks. NATO will continue to help these countries implement the defense reform programs they undertook several years ago.

The work of NATO Headquarters Sarajevo helped Bosnia-Herzegovina reach a point where the Alliance decided to begin an Intensified Dialogue on the full range of political, military, financial, and security issues relating to its aspiration to membership.

NATO Way Ahead

Our vision of NATO's future is one in which NATO remains the premier transatlantic security institution with collective defense as its core function, while continuing to embrace new challenges and reach out to new partners. At the dawning of the new millennium there was an extraordinary amount of uncertainty and discussion about the future challenges to the Euro-Atlantic area and appropriate future roles and missions for NATO. Some who viewed NATO as a purely military alliance believed that NATO was no longer relevant. Others recognized that NATO still had a useful role to play, but thought that role should be limited to the collective defense of the territory of its members. There were some who perceived the European Union efforts to develop a security and defense policy (ESDP) to be in direct competition with NATO for resources and political support.

Today, NATO's assumption of new security tasks and new partnerships, especially its operations in Afghanistan, is transforming the Alliance at the political level as well as the military level. The views of European political leaders have converged on the realization that "Euro-Atlantic and wider international security is closely tied to Afghanistan's future as a peaceful, democratic state, respectful of human rights and free from the threat of terrorism." They now also share a realization that a full range of policy instruments, both military and civilian, must be coordinated to achieve many of our security aims including a stable and peaceful Afghanistan that will not endanger its neighbors, the Euro-Atlantic area, and the wider international community. They must now convey these realizations to their constituents, many of whom do not appreciate the

importance of NATO's operations in Afghanistan as central to countering the global threat of terrorism and Islamic extremism.

The experience of our real world operations has shown us that we cannot afford to allow institutional rivalry to impede cooperation between NATO and the EU. At the Bucharest Summit, French President Sarkozy indicated a desire to achieve closer cooperation between NATO and the European Union. Secretary of Defense Gates indicated that he thinks the time is right to try to bring the two organizations into closer cooperation, while recognizing that they each need a mix of military and non-military instruments. President Sarkozy announced that France and Germany will host the 60th Anniversary NATO Summit in Strasbourg, France and Kehl, Germany in April 2009, and he gave positive indications that France might announce its reintegration into the NATO military structure at the 2009 Summit. The full reintegration of France into Alliance military structures and better cooperation between NATO and the European Union in which each has access to needed capabilities, both military and civilian, will be a focus of our efforts over the next year.

Conclusion and DoD Plans for Follow-up

In conclusion, with the exception of the disappointment on Macedonia, we think that Bucharest was a success for the UNITED STATES by accomplishing the following:

- Allies' official acknowledgement of a NATO role in operations outside of the Euro-Atlantic area by agreeing that Euro-Atlantic security is tied to Afghanistan's stability and future;

- a firm and shared *long-term* commitment by Allies to a comprehensive approach, bringing together civilian and military efforts to prevent Islamic extremists from regaining control of Afghanistan;
- approval by Allies of the extension of the ballistic missile defense system to Europe;
- invitations to Albania and Croatia to join the Alliance;
- agreement by NATO defense ministers to pursue Secretary Gates' seven-point plan to improve defense capabilities and agreement to provide forces and capabilities needed for ongoing operations; and
- acknowledgment by Allies that Ukraine and Georgia will join NATO – it is a matter of when, not if, and foreign ministers will address the issue before the end of the year.

The Department of Defense intends to follow up on these successes over the next year by:

- encouraging Allies to use the Strategic Vision approved at Bucharest to improve political support to more fully support ongoing ISAF operations;
- engaging with French counterparts to reinforce France's increased commitment to ISAF, its possible reintegration into the NATO military structure, and exploring possible improvements in the defense and security relations between NATO and the EU; and
- working with Allied counterparts to improve defense capabilities by:

- implementing the U.S. ballistic missile defense sites in Europe and continuing to work with Allies to develop a comprehensive missile defense architecture;
- highlighting ongoing multinational arrangements to address capability shortfalls efficiently by completing arrangements necessary for an initial operational capability for the C-17 consortium by year end and for AGS by 2012; and
- achieving Allied agreement to Secretary Gates' targets for increases in defense spending within the next five years for Allies spending less than two percent of their GDP on defense and increased deployability targets.
- Continuing to work with the State Department and Allies to initiate accession talks with Macedonia immediately after the name issue is resolved and to approve Membership Action Plans for Ukraine and Georgia as soon as possible.

Again, Mr. Chairman, I appreciate the opportunity to present the Defense Department's view of the Bucharest Summit and the way ahead for NATO. I would be honored to answer any questions you or the Committee may have.

Thank you.