

**GAO**

**Report to the Chairman, Committee on  
International Relations, House of  
Representatives**

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**June 1997**

**NATO  
ENLARGEMENT**

**U.S. and International  
Efforts to Assist  
Potential New  
Members**



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**National Security and  
International Affairs Division**

B-277053

June 27, 1997

The Honorable Benjamin Gilman  
Chairman, Committee on International Relations  
House of Representatives

Dear Mr. Chairman:

Since the 1991 dissolution of the Soviet Union, the North Atlantic Treaty Organization (NATO) and its members have worked to promote democracy, economic growth, and military cooperation with Central and East European nations. Under its founding treaty, NATO may invite other European states to become members—if they can further NATO's principles and the enhancement of security throughout the North Atlantic area.<sup>1</sup> To advance its goal of enhancing security and stability in this area, NATO plans to extend invitations to one or more Central and Eastern European states at its July 1997 summit in Madrid, Spain.

While NATO does not have a formal program dedicated to preparing nations for membership, in 1994 it launched a wide-ranging cooperative effort—known as the Partnership for Peace (PFP)—with nonmember countries to promote democracy, expand cooperation, and strengthen relationships between NATO and nonmember countries. NATO has stated that the participation of countries in PFP will play a role in its decisions regarding expansion. The United States and other NATO members have also initiated bilateral programs to help PFP partner nations.

Although not all PFP partners now aspire to be NATO members, you asked us to examine how NATO and U.S. assistance programs are helping those that do wish to join. Our specific objectives were to determine how (1) NATO's PFP program is helping aspiring members prepare for possible NATO membership, (2) U.S. assistance efforts are helping aspiring partner countries to prepare for possible NATO membership, (3) other NATO members' efforts are being coordinated with NATO and U.S. efforts, and (4) aspiring countries are preparing themselves for possible NATO membership. In addressing these objectives, we focused on efforts aimed at improving partners' ability to work militarily with NATO. We did not evaluate prospective members' political and economic efforts to prepare

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<sup>1</sup>Twelve nations initially signed the NATO treaty in 1949. NATO has since expanded three times to its current 16-nation membership of Belgium, Canada, Denmark, France, Germany, Greece, Iceland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Turkey, the United Kingdom, and the United States.

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for membership. As agreed with your office, we focused on the Czech Republic, Hungary, Poland, Romania, Slovakia, and Slovenia.

You also asked us to address several issues concerning estimates of the cost of expanding NATO. As agreed with your office and that of the Ranking Minority Member of the Committee, we will review the executive branch's estimate of the cost of expanding NATO in a separate report.

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## Results in Brief

NATO, the United States, and other NATO members are assisting prospective new members in areas relevant to NATO's principles for expansion (e.g., promoting civilian control over the military, civil and military cooperation, and interoperability with NATO). Our analysis indicates the assistance provided under these programs is generally consistent with prospective members' needs, as those needs were identified to us by NATO, U.S., and prospective member officials.

Through exercises, symposia, training, and other activities, NATO's \$26.2 million PFP program is helping partner countries begin to improve their ability to work more closely with NATO in PFP-related activities. The six countries that we reviewed are using PFP primarily to take part in hundreds of NATO-sponsored exercises, training sessions, communications efforts, and other activities. These events are limited to peacekeeping, search and rescue, and similar missions. While U.S. and NATO officials cannot quantitatively measure the extent to which such events would enhance a future member's ability to work closely with other NATO members on the full range of NATO activities, they believe that the events are improving the ability of partner forces to interoperate with NATO.

U.S. bilateral assistance efforts generally complement NATO's PFP program. They fall within areas of cooperation designated by NATO and its PFP partners and reflect an emphasis on helping PFP forces work with NATO forces.<sup>2</sup> U.S. programs include providing training in English, providing data on U.S. defense programming and budgeting practices, undertaking studies and paying for equipment to improve air traffic control systems and tactical communication, and providing support for partners' participation in U.S. and NATO exercises. While it has programmed \$308.6 million in fiscal year 1995-97 funds for such assistance to 23 PFP partners, the United States has focused 46 percent (\$142.7 million) of this amount on efforts involving Poland, the Czech Republic, Hungary,

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<sup>2</sup>See appendix I for a list of 18 designated areas of cooperation.

Romania, Slovakia, and Slovenia.<sup>3</sup> About 60 percent of these funds for the six countries is for the purchase of nonlethal military hardware, such as air traffic control equipment.

Other NATO members—including Germany, Canada, the United Kingdom, France, and Denmark—are also assisting PFP partners, although we could not determine the overall value of such aid. While NATO seeks to improve its mechanism for coordinating members' assistance efforts, the United States and other major donors are attempting to coordinate directly with one another by exchanging detailed information among themselves. Also, NATO's military command has set up a database on PFP and bilateral events.

Each of the six countries that we reviewed has formally informed NATO of its interest in joining NATO and has identified various steps it believes are needed to address NATO's expectations for new members. Each is actively involved in PFP. All are participating in the NATO-led peacekeeping operation in Bosnia. Some are seeking to meet NATO interoperability standards, develop new arrangements with neighbors, and streamline their militaries.

## Background

In 1994, NATO stated that it would invite other European countries to join the alliance. Twelve Central and Eastern European nations expressed interest in doing so<sup>4</sup> and have taken part in so-called "intensified dialogues" with NATO to help them learn more about NATO's requirements. Although NATO has no formal program to prepare such nations for NATO membership, it has taken steps to strengthen certain non-NATO members' relationships with NATO.

These steps include the PFP program, which NATO initiated in 1994. Twenty-seven non-NATO members now participate in PFP (see fig. 1). PFP objectives include fostering democratization in partners' defense establishments; encouraging joint planning, training, and military exercises with NATO forces; promoting the ability of partner nations to operate with NATO forces in humanitarian relief, search and rescue, peacekeeping, and other agreed-upon missions; and developing forces that are better able to operate with NATO forces. To implement the program, NATO and each PFP partner develop a plan that depicts NATO-proposed

<sup>3</sup>The Department of Defense (DOD) plans to spend additional fiscal year 1997 funds in these six countries, but has not yet determined how much.

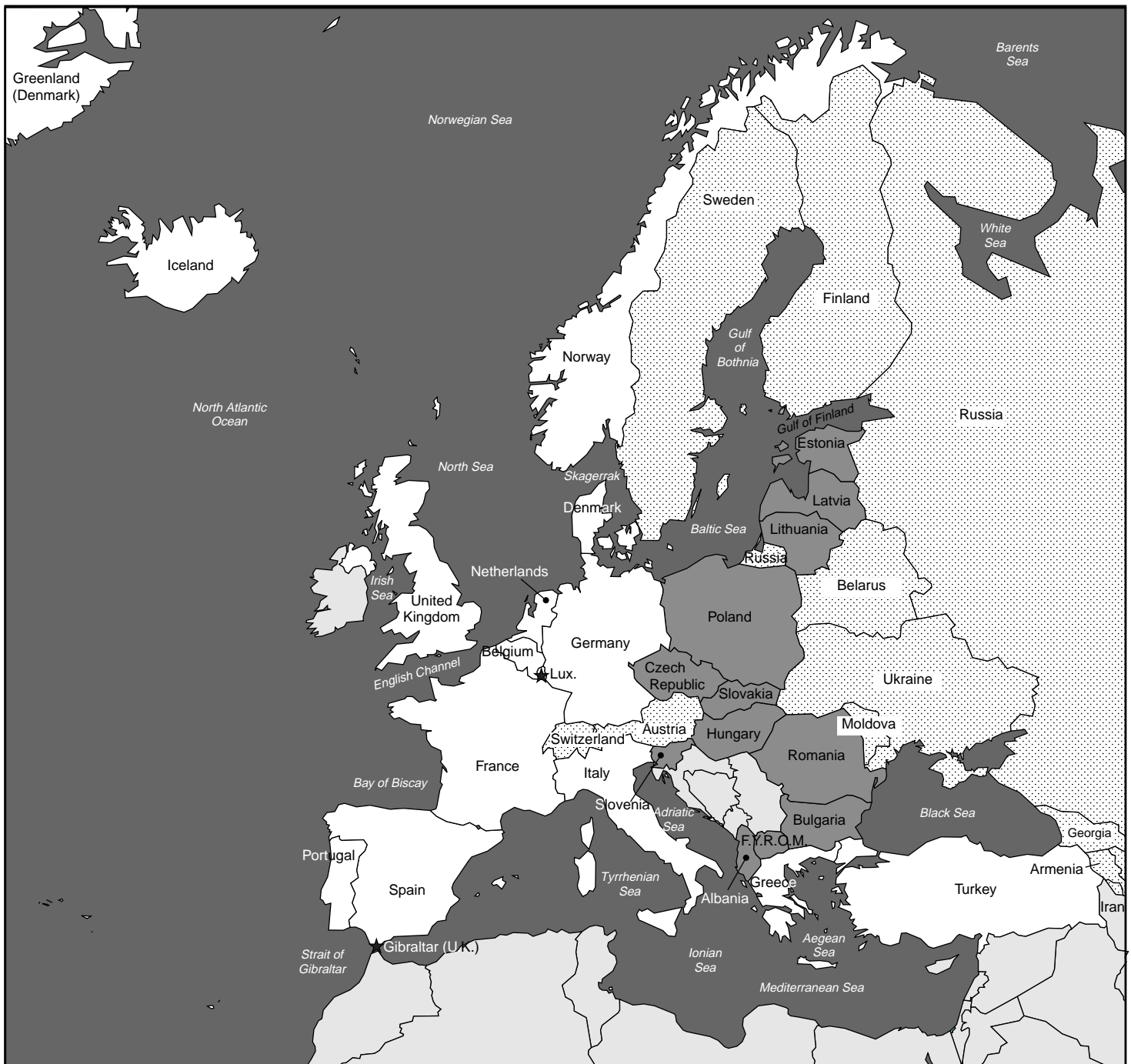
<sup>4</sup>Albania, Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, the Former Yugoslav Republic of Macedonia (FYROM), Poland, Romania, Slovakia, and Slovenia.

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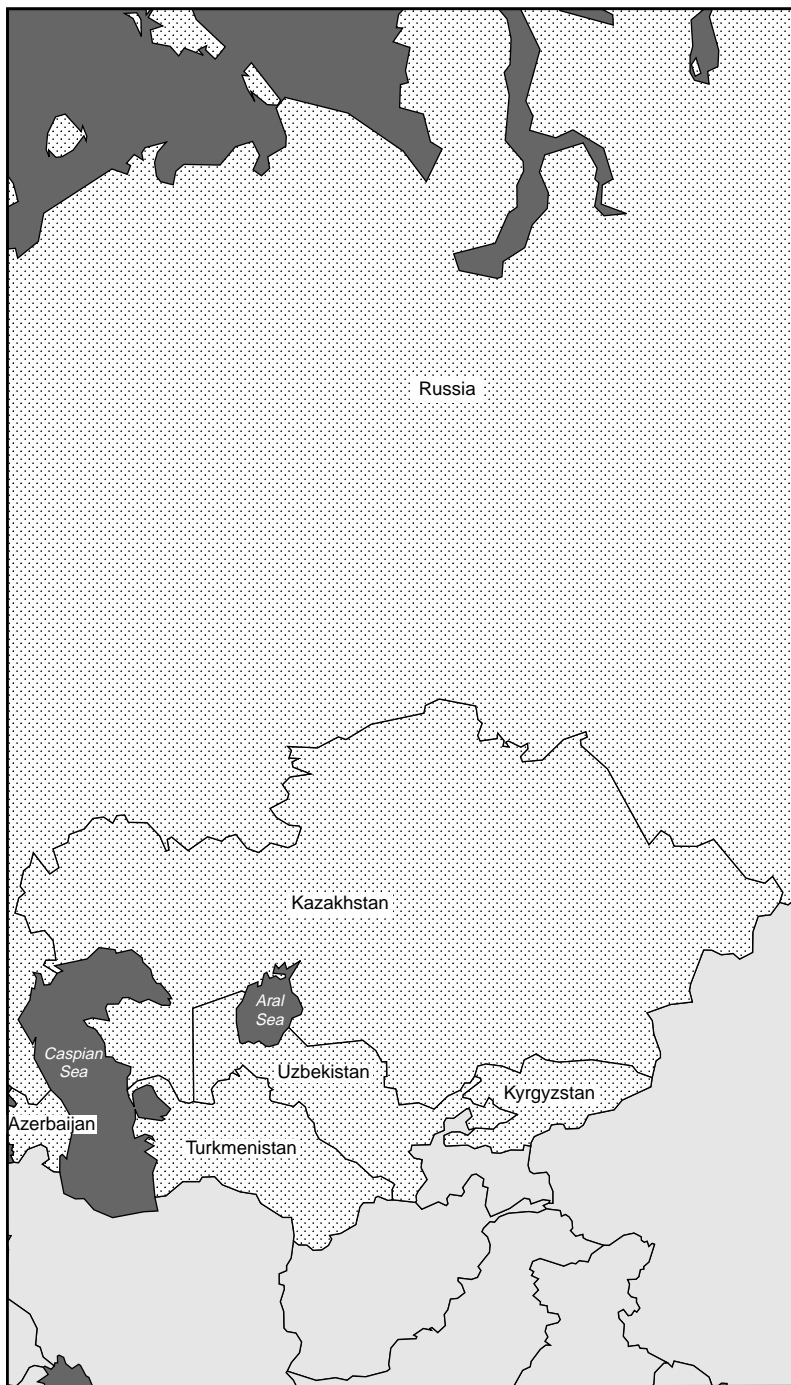
exercises and other PFP-related activities of interest to the partner and lists the partner's military and other assets that might be used for PFP activities. NATO expects partners to fund their participation. NATO views partners' level of participation in PFP activities as an important indicator of their interest in joining NATO and, according to DOD officials, has structured PFP as one means of helping partners become better integrated with NATO members.






Figure 1: Eurasian NATO Members and PFP Partners







Legend

-  NATO members
-  Partners that have formally indicated interest in joining NATO
-  Other partners

In July 1994, the U.S. President announced the Warsaw Initiative, a U.S. bilateral program designed to (1) facilitate the participation of partner states in exercises and interoperability programs, (2) promote interoperability with NATO, (3) support efforts to increase defense and military cooperation with PFP partners, and (4) develop strong candidates for NATO membership. The Departments of State and Defense jointly fund and administer the initiative. The Department of State funds equipment transfers and training, while DOD supports partners' participation in joint exercises and NATO-PFP interoperability projects. Also, the Department of State and DOD provide training and advice through the International Military Education and Training (IMET) program and the Joint Contact Team (JCT) program and donate excess defense articles.

The Department of State and DOD agencies programmed about \$308.6 million in fiscal year 1995-97 funds to support these efforts in 23 PFP partner states. The Department of State's programs are funded through the 150 international affairs budget function and account for about 48 percent of these funds. The DOD programs are funded through the 050 national defense budget function and account for about 52 percent of the funds.

To facilitate NATO expansion, the President and Congress enacted the NATO Participation Act of 1994 and the NATO Enlargement Facilitation Act of 1996, which authorized the President to establish security assistance programs for Poland, Hungary, the Czech Republic, Slovenia, and any other countries the President believes have made progress in achieving PFP goals. The fiscal year 1997 Foreign Operations Appropriations Act also earmarked \$30 million for foreign military financing grants for the Czech Republic, Hungary, and Poland and allocated \$20 million<sup>5</sup> to subsidize lending up to \$242.5 million for purchases of U.S. defense articles, services, and training by these three countries.

## NATO's PFP Program Helps Partners Prepare for Membership

The Czech Republic, Hungary, Poland, Romania, Slovakia, and Slovenia are extensively involved in NATO's PFP program. NATO, U.S., and partner officials agree that PFP is improving the ability of potential new members and other PFP partners to work with NATO in key areas but they cannot quantifiably measure the extent to which it will improve such abilities across the full range of NATO activities.

<sup>5</sup>These funds serve as a subsidy that has been set aside to cover the potential cost to the U.S. government in the event that the loan recipients default. The Federal Credit Reform Act of 1990 required U.S. agencies to estimate and budget for the long-term costs of a loan or guarantee in the year authorized. See our report entitled Credit Reform: U.S. Needs Better Method for Estimating Cost of Foreign Loans and Guarantees (GAO/NSIAD/GGD-95-31, Dec. 1994).

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## Needs of PFP Partner States

PFP partners need to improve their ability to work closely with NATO in numerous areas, according to U.S., NATO, and partner officials. These areas include (1) cultivating a larger cadre of officers fluent in NATO's languages, (2) training officers in NATO practices and acquiring a greater and more detailed understanding of NATO standards and procedures, (3) developing civilian expertise in and control over defense matters (e.g., defense programming and budgeting), (4) promoting the use of interoperable command and control systems, and (5) establishing modern airspace management systems. Some partner nation officials told us that they will modernize their armed forces regardless of whether they join NATO.

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## Partners' Involvement in the PFP Program

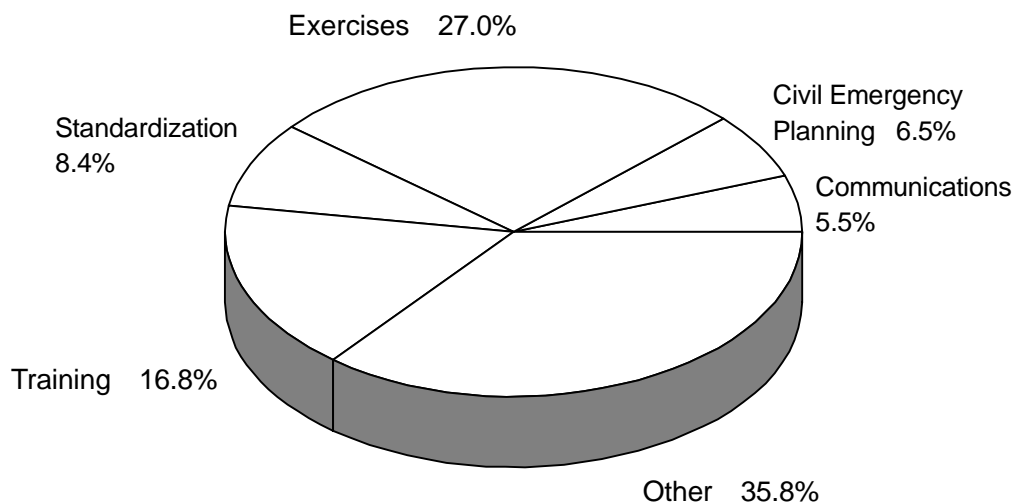
Each of the six nations has taken or plans to take part in numerous NATO-sponsored PFP events.<sup>6</sup> According to Supreme Headquarters Allied Powers in Europe (SHAPE) and U.S. officials, these events were partially shaped by more than 40 PFP interoperability objectives developed by NATO military commands (see app. II).

As shown in figure II, about 64 percent of the NATO activities in which the six nations are participating involve joint exercises, training, standardization and interoperability, communications, and civil emergency planning. Examples of such activities include exercises on naval peacekeeping in hostile environments, staff studies on the practicalities of conducting out-of-area multinational peacekeeping air operations, staff meetings on tactical communications interoperability, seminars on command and control systems, training in NATO operational terminology, search and rescue and explosive ordinance disposition working parties, and discussions of NATO reconnaissance and surveillance procedures related to peacekeeping. The remaining 36 percent of the activities involve 13 other PFP cooperation areas.

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<sup>6</sup>The Czech Republic, Hungary, Poland, Romania, Slovakia, and Slovenia had participated or were scheduled to participate in 129, 169, 197, 297, 156, and 190 NATO events, respectively. NATO officials were unable to provide us with a country-by-country breakdown of the \$26.2 million budgeted by NATO for PFP activities during fiscal years 1995-97.

**Figure II: Major NATO PFP Areas Participated in by the Czech Republic, Hungary, Poland, Romania, Slovakia, and Slovenia**



NATO has also offered partners the opportunity to take part in a planning and review process aimed at helping them meet NATO's PFP interoperability standards. Seventeen partners—including the six countries we reviewed—have agreed to do so. NATO has recently set milestones for their compliance with its objectives and released most of its unclassified standardization agreements and publications.

## PFP's Impact

NATO, U.S., and partner officials in the Czech Republic, Hungary, and Poland expressed positive views regarding the PFP program. NATO officials asserted that PFP has become a permanent part of the European security architecture, resulted in closer political consultations among partners, and improved the ability of partners to work with NATO on peacekeeping missions. Partner nation officials indicated that PFP has helped expose them to NATO methods and practices.

However, according to NATO and U.S. officials, the extent to which PFP has helped prepare aspiring members for full participation in NATO (1) cannot be measured in quantifiable terms and (2) is limited by the scope of the program. PFP's scope does not include preparing partners for the major war-fighting tasks that NATO's collective defense responsibilities might require. Therefore, according to NATO officials, PFP interoperability goals

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do not cover the full range of interoperability objectives that NATO has established for its members and a partner's achievement of PFP interoperability objectives would not necessarily be an indicator of how well that partner would perform in collective security activities.

Current uncertainties regarding the forces and missions that will be required of the nations invited to join NATO<sup>7</sup>—and the time frames for achieving future interoperability goals for new NATO members—further complicate the task of assessing PFP's impact on future NATO members. Some partner nation officials told us that they would like to have more specific data from NATO to guide their future interoperability efforts.

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## U.S. Programs Support NATO PFP Efforts

The United States has focused its Warsaw Initiative and other U.S. assistance programs heavily on the six countries that we reviewed. These efforts generally address areas of interest to NATO—including air traffic control, defense planning and budgeting, and English language training.

The executive branch programmed about \$308.6 million for fiscal years 1995-97 for Warsaw Initiative efforts and other related bilateral assistance programs. It has directed about 46 percent (\$142.7 million) of these funds to the six countries that we reviewed. These six countries received about 71 percent of all foreign military financing (FMF) funds provided to PFP partners and about 44 percent of the IMET training funds provided to PFP partners. Figure III depicts the allocation of fiscal year 1995-97 U.S. Warsaw Initiative, IMET, and JCT funds by the six countries and the other PFP partner recipients.

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<sup>7</sup>According to DOD officials, NATO plans to finalize target force goals for new members in 1998.

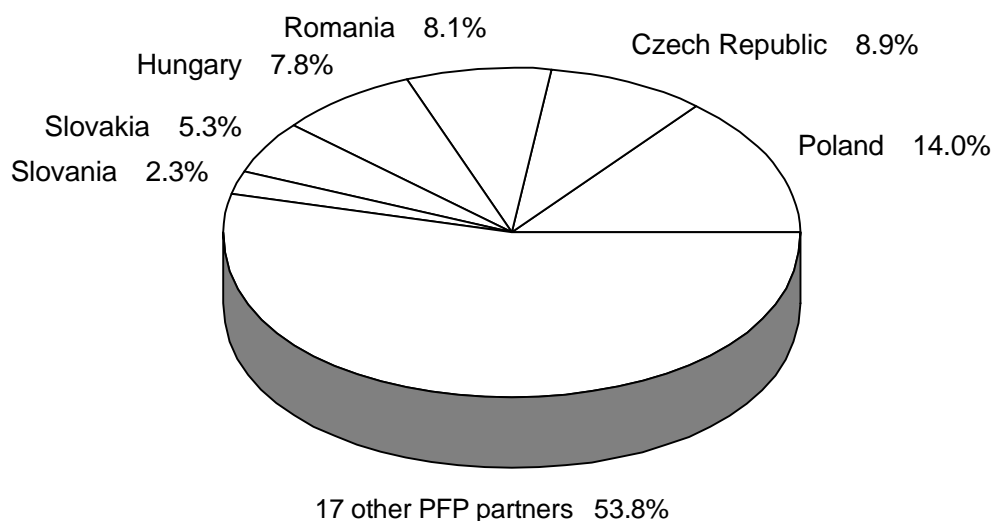
**Figure III: U.S. Warsaw Initiative and Other Aid Provided by Country**

Table I presents the allocation of U.S. funds in the six countries, by program.

**Table 1: U.S. Warsaw Initiative and Related Assistance to Six Countries (fiscal years 1995-97)**

Dollars in thousands

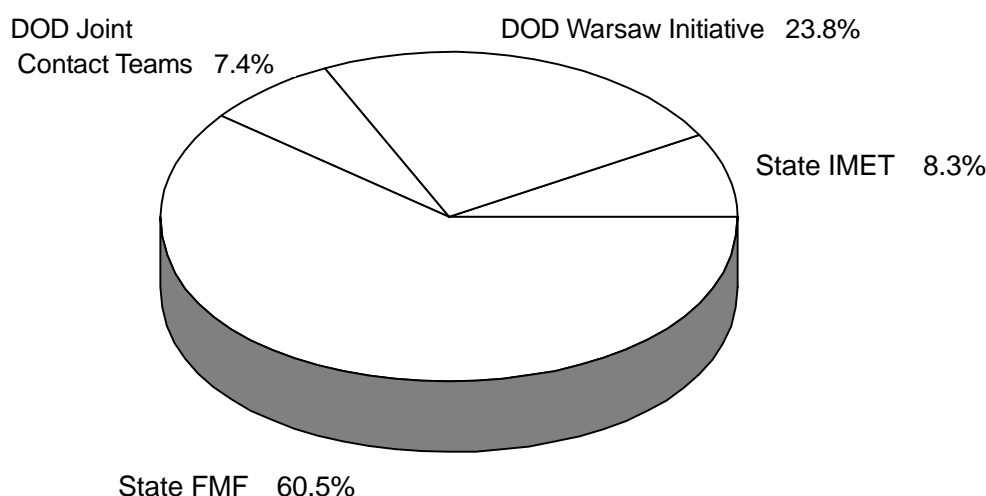
PFP partner	DOD programs and exercises	State FMF	DOD JCT	State IMET	Total
Czech Republic	\$6,461	\$17,400	\$1,392	\$2,095	<b>\$27,348</b>
Hungary	6,548	12,700	1,841	2,830	<b>\$23,919</b>
Poland	9,050	29,475	1,765	2,768	<b>\$43,058</b>
Romania	4,902	15,775	2,335	2,018	<b>\$25,030</b>
Slovakia	3,516	9,550	1,872	1,326	<b>\$16,264</b>
Slovenia	3,485	1,400	1,398	803	<b>\$7,086</b>
<b>Total</b>	<b>\$33,962<sup>a</sup></b>	<b>\$86,300</b>	<b>\$10,603</b>	<b>\$11,840</b>	<b>\$142,705</b>

Note: The DOD programs depicted in this table are funded through the 050 national defense budget function and account for about 31 percent of the funds programmed for these six countries. The State programs are funded through the 150 international affairs budget function and account for about 69 percent of the funds programmed for these six countries.

<sup>a</sup>This total, which includes \$26,680,000 in exercise costs, understates the actual amount because DOD was unable to provide total cost for all exercises planned for fiscal year 1997 that would involve these six countries. DOD's primary interoperability programs, which account for almost all of the remaining \$7,282,000, are detailed in appendix III.

Figure IV depicts the allocation of the \$142.7 million programmed for the six countries that we addressed in our review by program type. As it illustrates, about 60 percent of U.S. assistance to these nations has been in the form of financing for defense articles and services.<sup>8</sup>

**Figure IV: U.S. Warsaw Initiative and Other Aid Provided to the Six Countries, by Program**



## U.S. Assistance and NATO PFP Areas

U.S. assistance to the six countries that we included in our review is addressing NATO PFP cooperation areas. For example, the largest single U.S. effort in the six countries—the \$32.8 million Regional Airspace Initiative—could help address one PFP area of cooperation (air traffic control) by providing five of the six countries with air sovereignty operations centers. Funded primarily with Warsaw Initiative FMF funds, the Regional Airspace Initiative is intended to help Central and East European countries make the transition to western air traffic management practices, including those used by NATO members. A DOD study, partially funded by the Warsaw Initiative, concluded that all aspects of the region's air sovereignty operations needed improvement and that the pace of modernizing outdated systems was being constrained by cost, operational, and transitional implications. We found that other FMF-funded purchases in

<sup>8</sup>The United States has given Romania \$4.3 million in excess defense articles.

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the region also correspond to NATO-designated objectives, including communications.<sup>9</sup>

Similarly, DOD has used the Warsaw Initiative's Defense Resources Management Studies project to support PFP's defense planning and budgeting cooperation area by programming about \$2.8 million in fiscal years 1995-97<sup>10</sup> to expose the six countries to U.S. defense budget planning and programming practices. DOD also programmed about \$26.7 million during fiscal years 1995-97 to support the six countries' participation in NATO- and U.S.-sponsored exercises.

The U.S. European Command is now focusing its JCT program—which is not part of the Warsaw Initiative—on NATO PFP areas of cooperation. The Command established the program in 1992 to introduce Central and East European defense officials to U.S. programs and practices by detailing U.S. military teams to their militaries. Command officials told us that in 1994 they began focusing the program on PFP areas of cooperation. Our analysis of DOD data indicates that during 1995-97, the six countries took part in 1,532 JCT-facilitated events. Almost 92 percent of these events were related to NATO PFP areas of cooperation—primarily standardization, communications, exercises, logistics, and training.

The U.S. program is also helping to train officers from the six countries to speak English, one of NATO's official languages. According to NATO and DOD officials, English language training is particularly needed. While NATO has made language training for officers a PFP interoperability objective, it opted to leave foreign language training to its members. We found that the United States had allocated about 20 percent of fiscal year 1995-96 IMET funds (\$1.43 million) for these six countries for English language training. DOD also provided almost \$3 million in fiscal year 1996 FMF funds for English language training.

U.S. and recipient officials believe that the U.S. assistance is helping to promote closer working relationships among the recipients and NATO.

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<sup>9</sup>The United States has not yet provided Poland, Hungary, and the Czech Republic with the FMF loans that Congress authorized for them in 1997. According to a State Department official, the Czech Republic has requested a loan of \$80 million, while officials of the other two countries have expressed interest.

<sup>10</sup>DOD provided \$500,000 in fiscal year 1994 funds for the Polish component of this project prior to the establishment of the Warsaw Initiative.



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## Efforts to Coordinate Allied Support

Several NATO members are providing bilateral assistance to PFP partners. NATO and some of its members are seeking to exchange data about PFP-related efforts in several different forums. However, consistent data concerning the cost and scope of all non-U.S. bilateral programs is generally not available.

We determined that several other NATO members—including Germany, Denmark, the Netherlands, the United Kingdom, France, and Canada—are providing bilateral assistance in support of PFP objectives in one or more of the six countries that we reviewed. For example, data provided by German officials reveals that Germany's 1996-97 program is heavily focused on these six countries. About two-thirds of the partner participation of German-sponsored events—including ministerial visits, defense staff talks, expert talks, armed forces personnel exchanges, and military training and language assistance—involved the countries that we reviewed.

According to DOD officials, Denmark is leading NATO efforts to engage its Baltic neighbors in PFP. Danish officials told us that Denmark is focusing its efforts on Poland and other states in the Baltic region. They informed us that Denmark is allocating almost 10 percent of its \$10.8 million 1997 military assistance budget to help reorient Polish forces to NATO standards.

To facilitate the sharing of information on such efforts, NATO has organized a voluntary PFP data-sharing process, known as the clearinghouse. The clearinghouse involves periodic exchanges of data by member states regarding their PFP-related bilateral programs. NATO has not charged this forum with the task of organizing bilateral assistance efforts, however, and the clearinghouse's ability to gather and disseminate complete data about the full range of bilateral programs has been hampered by certain members' sensitivities regarding disclosure of data about their programs. These members initially presented only general information about their programs. DOD officials informed us that—despite these difficulties—clearinghouse sessions are becoming increasingly useful and that NATO hopes to work through the clearinghouse to encourage donors to collaborate in a given region (e.g., joint English language training programs).

DOD officials have coped with the clearinghouse's limitations by meeting outside of the clearinghouse with several other donor states. Officials from the United States, Canada, Germany, and the United Kingdom meet after clearinghouse sessions to exchange more detailed information. DOD

officials hope to increase the size of this group. Clearinghouse limitations also prompted SHAPE's PFP unit to develop its own database to help ensure that participating units are not inadvertently scheduled to take part in multiple events at once. In addition, the defense attaches of some NATO member donor states work to coordinate their nations' efforts in the countries that we visited. However, their data is not necessarily official or complete, according to one U.S. defense attache.

Although data on other nations' programs is limited, according to DOD, NATO has not identified cases in which a nation is wastefully duplicating aid provided by another. In some cases—such as English language training—nations are working separately to address what NATO and U.S. officials believe is a very large need.

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## Prospective New Members Preparing for NATO Membership

The six countries that we reviewed have taken several steps to demonstrate their interest in joining NATO and to prepare for possible membership. Officials in the countries that we visited informed us that they view PFP as an important opportunity to demonstrate their interest in joining NATO and to develop a better understanding of NATO procedures. The six countries plan to take part in an average of 190 PFP activities—ranging from the Czech Republic's 129 to Romania's 297. Each of the six countries has also volunteered to participate in NATO's planning and review process and has responded in detail to NATO questions concerning their forces' compliance with NATO interoperability objectives. Poland has established a 25-person unit in its Ministry of Defense to oversee Polish incorporation of NATO standardization agreements.

Each of the six countries has also engaged in NATO's "intensified" dialogues on the possibility of joining NATO and reviewed NATO's 1995 study concerning NATO's expectations of potential new members. Each then prepared detailed responses addressing its status and plans concerning topics raised in the NATO study—such as democratic control over armed forces, restructuring of armed forces, interoperability with NATO, ability to pay for defense expenses, and relations with neighboring states. Examples of actions taken to address NATO expectations include Poland's efforts to increase civilian control over its military and a Hungarian-Romanian accord to resolve issues concerning Hungarian minorities in Romania.

All six of these countries have also demonstrated their interest in NATO by volunteering units to support the NATO-led peace operation effort in

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Bosnia.<sup>11</sup> NATO officials informed us that the Bosnia mission has greatly promoted the interoperability of these nations' units with those of NATO members.

All six nations have also streamlined portions of their Soviet-era force structures. For example, according to U.S. officials, Poland has cut its military manpower in half since the end of the Cold War and is seeking to develop more mobile units for possible use by NATO. The other five nations have also reduced much of their force structures.

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## Agency Comments

In commenting on a draft of this report, DOD and the Department of State stated that they concurred with the report. DOD's comments are presented in appendix IV. The Department of State provided its comments verbally. DOD and Department of State officials also provided several technical comments and we have incorporated them into this report.

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## Scope and Methodology

To address our objectives, we interviewed officials and gathered and analyzed information from officials in the Department of State; the Office of the Secretary of Defense; the Joint Chiefs of Staff; the Defense Intelligence Agency; the Defense Security Assistance Agency; the U.S. Mission and Military Delegation to NATO, Brussels, Belgium; the U.S. European Command in Germany; the U.S. Atlantic Command, Norfolk, Virginia; NATO headquarters in Brussels, Belgium; SHAPE in Mons, Belgium; U.S. country delegations in Poland, the Czech Republic, Hungary, and Germany; and recipient governments in the Czech Republic, Poland, and Hungary, and Germany, and Denmark.

In determining how NATO PFP programs are assisting the six aspiring NATO members that we addressed in our review, we obtained and analyzed information pertaining to PFP program implementation, planning, and budgeting, including the individual partnership plans that NATO has completed with each of the six nations and their responses to NATO interoperability surveys. We used the data in the individual partnership plans to determine (1) the total number of NATO-sponsored PFP events that each country had opted to participate in and (2) the number of such events in each PFP area of cooperation. We then aggregated the results to determine the areas of cooperation the six countries were focusing on as they volunteered for NATO-sponsored PFP events. We also obtained the

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<sup>11</sup>See our report entitled *Bosnia Peace Operation: Progress Towards Achieving the Dayton Agreement's Goals* (GAO/NSIAD-97-132, May 5, 1997).

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views of officials concerning PFP performance and its impact on operational capabilities.

In reviewing U.S. bilateral assistance projects for PFP partners and aspiring NATO members, we obtained and analyzed information pertinent to U.S. bilateral assistance. Using this data, we analyzed the extent to which the United States is focusing on these countries and the nature of the aid. We also compared the stated purpose of the U.S. programs to the needs of the six countries and NATO's designated cooperation areas.

In ascertaining how NATO and member countries' efforts were being coordinated, we analyzed summary information and minutes from NATO's clearinghouse database and reviewed detailed data obtained from other donors of PFP-related aid.

In obtaining information on how the six potential members mentioned above are preparing for possible admission into NATO, we obtained and analyzed information on their force structures, participation in NATO exercises, and training requirements to support improved capabilities.

We conducted our review between November 1996 and June 1997 in accordance with generally accepted government auditing standards.

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We are providing copies of this report to other congressional committees, the Secretary of State, and the Secretary of Defense. Copies will be provided to others upon request.

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Please contact me on (202) 512-4128 if you or your staff have any questions concerning this report. Major contributors to this report are listed in appendix V.

Sincerely yours,

A handwritten signature in black ink, reading "Harold J. Johnson". The signature is written in a cursive style with a large, stylized "H" and "J".

Harold J. Johnson, Associate Director  
International Relations and Trade Issues

# Contents

Letter		1
Appendix I		22
Partnership for Peace		
Areas of Cooperation		
as of May 1996		
Appendix II		23
North Atlantic Treaty		
Organization PFP		
Interoperability		
Objective Topics		
Appendix III		25
Department of	Regional Airspace Initiative	25
Defense Warsaw	Defense Resource Management Exchange	25
Initiative	Defense Planners Exchange	25
Interoperability	Defense Public Affairs Exchange	26
Programs	Partnership Information Management System	26
	Command and Control Studies	26
	Personnel and Readiness Exchange	26
Appendix IV		27
Comments From the		
Department of		
Defense		
Appendix V		28
Major Contributors to		
This Report		
Table	Table 1: U.S. Warsaw Initiative and Related Assistance to Six Countries Countries	12

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## Figures

Figure 1: Eurasian NATO Members and PFP Partners	6
Figure II: Major NATO PFP Areas Participated in by the Czech Republic, Hungary, Poland, Romania, Slovakia, and Slovenia	10
Figure III: U.S. Warsaw Initiative and Other Aid Provided by Country	12
Figure IV: U.S. Warsaw Initiative and Other Aid Provided to the Six Countries, by Program	13

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## Abbreviations

DOD	Department of Defense
FMF	Foreign Military Financing
FYROM	Former Yugoslav Republic of Macedonia
JCT	Joint Contact Team
IMET	International Military Education and Training
NATO	North Atlantic Treaty Organization
PFP	Partnership for Peace
SHAPE	Supreme Headquarters Allied Powers in Europe

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# Partnership for Peace Areas of Cooperation as of May 1996

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Air defense  
Air traffic management/control  
Consultation, command, and control/communications and information systems  
Civil emergency planning  
Coordination of Partnership for Peace (PFP) activities  
Crisis management  
Democratic control of forces  
Defense planning and budgeting  
Defense procurement programs  
Defense policy/strategy  
Defense research and development  
Defense structures  
Exercises  
Military infrastructure  
Consumer logistics  
Peacekeeping  
Standardization/interoperability  
Training



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# North Atlantic Treaty Organization PFP Interoperability Objective Topics

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Command and control organization  
Command and control process  
Command and control procedures  
Command and control systems architecture  
Deployable command and control systems  
Logistics doctrine and procedures  
Logistics command and control  
Logistics reporting  
Centralized contracting and reimbursement procedures  
Logistical sustainability of units  
Supply standards and equipment availability—land  
Automated data-processing support—logistics  
Medical support  
Medical standards in search and rescue  
Blood and blood donor procedures  
Aeromedical evacuation  
Replenishment in harbor  
Replenishment at sea (liquid)  
Replenishment at sea (solid)  
Fuel standards  
Fuel handling for land vehicles  
Ground fuel handling for aircraft  
Air-to-air refueling  
Self-sufficient potable water supply and installations  
Cargo handling and transportation  
Auxiliary electrical power generation systems  
Land operations  
Combat support and combat service support units  
Maritime operations  
Close air support  
Air reconnaissance  
Forward air control  
Air transport  
Search and rescue operations  
Airborne air defense  
Ground-based air defense  
Aircraft transponders and air traffic control  
Availability of units  
Movement planning  
Maps and symbologies  
Marking and reporting of hazardous areas  
Airfield infrastructure and procedures  
Air navigation aids

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**Appendix II**  
**North Atlantic Treaty Organization PFP**  
**Interoperability Objective Topics**

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Language requirement  
Weather support

# Department of Defense Warsaw Initiative Interoperability Programs

During fiscal years 1995-97 the Department of Defense (DOD) programmed almost \$7.3 million to support U.S. interoperability programs in the six countries included in our review, including about \$7.2 million for the following programs. The United States also allocated over \$1 million in fiscal year 1994 funds for two of these programs before the establishment of the Warsaw Initiative.

## Regional Airspace Initiative

The Regional Airspace Initiative Program seeks to help develop civil and military airspace regimes that are fully interoperable with West European civilian airspace organizations. Using its Warsaw Initiative funds, DOD first studies Partnership for Peace partner requirements for building and operating an effective air sovereignty system. For the six countries that we reviewed, DOD programmed about \$594,000 for such studies in fiscal year 1995-97 funds, in addition to \$508,000 in fiscal year 1994 funds.

The partners are responsible for implementing the studies' results. To encourage them to do so, the United States has offered to provide partner states air sovereignty operations centers if they provide funds needed to otherwise complete implementation. The centers will be bought with \$32.3 million in State Department Foreign Military Financing funds.

## Defense Resource Management Exchange

DOD's Defense Resource Management Exchange Program involves country-specific exchanges on defense planning and force structure methodology. Its objective is to expose partner countries to defense management systems similar to those of North Atlantic Treaty Organization (NATO) members. DOD hopes that the program will also help partner states' civilian officials assert control over their military structures. DOD has programmed about \$2.8 million for such studies in fiscal year 1995-97 funds in addition to \$500,000 in fiscal year 1994 funds.

## Defense Planners Exchange

The Defense Planners Exchange Program hosts working-level Central European officials to (1) familiarize them with U.S. methods for building a strategy-based and balanced defense program, (2) promote openness by allowing foreign officials to provide briefings on their defense planning processes, (3) help the officials address defense planning problems, and (4) enhance their intensified dialogues with NATO. DOD programmed about \$60,000 in fiscal year 1995-97 funds for this program in the Czech Republic, Romania, and Slovenia.

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## Defense Public Affairs Exchange

Through this program DOD has sponsored information exchanges with defense public affairs offices in the Czech Republic, Hungary, and Poland. DOD programmed about \$84,000 in fiscal year 1996-97 funds for this program in the six countries that we reviewed.

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## Partnership Information Management System

The Partnership Information Management System plans to establish a computer network that will link partners' capitals, U.S. government facilities (such as the European Command), and the Supreme Headquarters Allied Powers in Europe's partnership coordination unit. DOD programmed about \$852,000 in fiscal year 1995-97 funds for this program in the six countries that we reviewed.

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## Command and Control Studies

DOD is studying the command and control systems of partner countries to help assess their interoperability with those of U.S. forces in peacekeeping and peace enforcement efforts and the readiness of their military capability for NATO membership. The studies will focus on the weaknesses of the partners' systems and propose corrective actions. DOD programmed almost \$2.7 million in fiscal year 1995-97 funds for such studies and a navigational aids study for the Czech Republic, Hungary, and Poland.

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## Personnel and Readiness Exchange

DOD hosts U.S.-partner data exchanges concerning how each nation is addressing personnel and readiness issues associated with the reform of Soviet-era militaries. DOD programmed about \$30,000 in fiscal year 1995-97 funds for this program in the Czech Republic and Hungary.

# Comments From the Department of Defense



OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE

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WASHINGTON, D.C. 20301-2400

80 MAY 1997



Mr. Benjamin F. Nelson  
Director, International Relations  
and Trade Issues  
National Security and International  
Affairs Division  
US General Accounting Office  
Washington, DC 20548

Dear Mr. Nelson:

This is the Department of Defense response to the GAO draft report, "NATO Enlargement: US and International Efforts to Assist Potential New Members," dated 22 May 1997 (GAO Code 711239), OSD Case 1367. The Department concurs with the report.

Technical corrections to the report were provided separately. The Department appreciates the opportunity to comment on the draft report.

Sincerely,

A handwritten signature in black ink, appearing to read "John A. Berry".

John A. Berry  
Director, European Policy



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# Major Contributors to This Report

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