



# NATO Capability Development

Mr. Jim Engle  
Armament, Communications and Electronics  
Directorate  
U.S. Mission to NATO  
20 February 2008



# The Question

**What are the potential advantages and implications of establishing additional “consortia” or other multinational “pooling” arrangements in areas such as inter-theater lift, air-to-air refueling, and medical services?**



# Defense Planning

- Well defined process
- Military Integrated Structure
- Underpins concept of collective security
- Retains its original foundational concepts
- Not clear it is useful for NATO out of area operations or 21<sup>st</sup> century threats
- Currently being reviewed



# NATO Armament Activities



- NATO has no dedicated acquisition budget
- NATO has no dedicated acquisition agency (sort of)

**NATO is very creative in finding ways to obtain the capability needed**



# How does NATO Acquire “Stuff”?



- NATO Budgets
- Infrastructure Initiatives
- Over and Above



# Annual NATO Budget (Euros)



• Military Budget	
– NAEW&C	271,435,865.00
– Military Budget	828,688,818.00
– Pensions	67,875,000.00
<hr/>	
– <b>TOTAL</b>	<b>1,167,999,674.00</b>
• NSIP Budget	640,500,000.00
• Civil Budget	191,243,853.00
<hr/>	
• <b>Grand Total</b>	<b>1,999,734,604.00</b>



# Percent Cost Share for NSIP

<b>BELGIUM</b>	<b>2.7692</b>	<b>LITHUANIA</b>	<b>0.2169</b>
<b>BULGARIA</b>	<b>0.3382</b>	<b>LUXEMBOURG</b>	<b>0.1632</b>
<b>CANADA</b>	<b>5.4000</b>	<b>NETHERLANDS</b>	<b>3.5322</b>
<b>CZECH REP</b>	<b>0.9389</b>	<b>NORWAY</b>	<b>1.6578</b>
<b>DENMARK</b>	<b>1.8633</b>	<b>POLAND</b>	<b>2.5291</b>
<b>ESTONIA</b>	<b>0.1083</b>	<b>PORTUGAL</b>	<b>0.6900</b>
<b>FRANCE</b>	<b>7.4728</b>	<b>ROMANIA</b>	<b>1.0705</b>
<b>GERMANY</b>	<b>17.4428</b>	<b>SLOVAKIA</b>	<b>0.4475</b>
<b>GREECE</b>	<b>1.1217</b>	<b>SLOVENIA</b>	<b>0.2607</b>
<b>HUNGARY</b>	<b>0.7100</b>	<b>SPAIN</b>	<b>4.4777</b>
<b>ICELAND</b>	<b>0.0250</b>	<b>TURKEY</b>	<b>1.9200</b>
<b>ITALY</b>	<b>8.9458</b>	<b>UK</b>	<b>12.8370</b>
<b>LATVIA</b>	<b>0.1421</b>	<b>US</b>	<b>22.9192</b>



# What is a Good Candidate?



- Information Sharing Systems
  - ACCS, BI-SC AIS, NATO Friendly Force Tracker
- Infrastructure
  - Pipelines, NATO Ground Communication System, Radars, bases
- Capability that address 21<sup>st</sup> Century Threats
  - ALTBMD, Cyber Defense, Maritime Situational Awareness, Missile Defense