

10 April 2013

Construction

NATO Security Investment Program

*This regulation supersedes AE Regulation 415-22, 6 October 2004.

For the Commander:

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Summary. This regulation prescribes responsibilities and provides guidance for developing and managing the NATO Security Investment Program (NSIP) in the Army in Europe.

Summary of Change. This revision—

- Incorporates NATO transformation changes to organization names, processes, and procedures throughout.
- Clarifies the requirement to screen all construction projects and materiel procurement programs for content that is eligible for NATO funding (para 4b).
- Clarifies that warranty work also requires a joint final acceptance inspection (para 5h(11)).
- Prescribes the project datasheet format (para 22 and app D).
- Adds the new NATO requirement for host nations (HNs) to obtain Investment Committee approval before the HN awards construction contracts (para 34e).
- Clarifies NATO international competitive bidding procedures (para 35b).
- Changes the requirement for directors of public works to submit a notification of intent from 1 month before to 2 months before the anticipated construction award date (paras 42i and L-6c).
- Updates conjunctive-funding procedures for transferring U.S. cost-shares (app F).

- Clarifies restrictions on using research, development, test, and evaluation funds for construction or equipment procurement (para K-4h).
- Modifies explosives safety submissions requirement from six paper copies to one electronic file copy (para M-4b).
- Clarifies the map marking requirements of minimum inhabited distance on site plans in explosives safety submissions (para M-4c(3)(c)).
- Incorporates administrative changes throughout.

Applicability. This regulation applies to USAREUR, IMCOM-Europe, and their subordinate organizations. The guidance prescribed by this regulation applies to military construction and equipment procurement that is eligible for funding through the NSIP. Infrastructure in this category generally is restricted to operational facilities.

NOTE: This regulation does not apply to construction during maneuvers, field exercises, or simulated wargames.

Records Management. Records created as a result of processes prescribed by this regulation must be identified, maintained, and disposed of according to AR 25-400-2. Record titles and descriptions are available on the Army Records Information Management System website at <https://www.arims.army.mil>.

Supplementation. Organizations will not supplement this regulation without approval of the NATO Section, Plans and Operations Division, Office of the Deputy Chief of Staff, Engineer (ODCSENGR), HQ USAREUR.

Suggested Improvements. The proponent of this regulation is the NATO Section, Plans and Operations Division, ODCSENGR, HQ USAREUR (DSN 370-6544/7298). Users may suggest improvements to this regulation by sending DA Form 2028 to the ODCSENGR, HQ USAREUR (AEEN-PO-N), Unit 29351, APO AE 09014-9351.

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Glossary

SECTION I GENERAL

1. PURPOSE

This regulation—

- a. Provides guidance, assigns responsibilities, and defines procedures for taking part in the common-funded NATO Security Investment Program (NSIP) (formerly the NATO Infrastructure Program). HQ USAREUR, USAREUR major subordinate and specialized commands, and IMCOM-Europe use the NSIP to construct, alter, restore, and release military real property in NATO countries.
- b. Prescribes the responsibilities of commanders, directors of public works (DPWs), and heads of construction agencies concerning NATO-funded construction.
- c. Defines responsibilities for HQ USAREUR, USAREUR major subordinate and specialized commands, IMCOM-Europe, and agents of the United States when the United States acts as the host nation (HN) or user nation for NATO.
- d. Implements NATO, DOD, and USEUCOM directives on Army in Europe NSIP participation.
- e. Provides NATO policy and procedures.

2. REFERENCES

Appendix A lists references.

3. EXPLANATION OF ABBREVIATIONS AND TERMS

The glossary defines abbreviations and terms.

4. POLICY

- a. The United States will use NATO common funding when possible to design, construct, and restore projects in the areas of responsibility of commands in the Army in Europe. Using NATO common funding will save U.S. resources.
- b. When programming U.S. Military Construction, Army (MCA)-funded projects; Operations and Maintenance, Army (OMA)-funded projects; or other equipment and materiel procurement programs; the office responsible will coordinate with the ODCSENGR (AEEN-PO-N) to determine if the proposed scope of work includes any possible NSIP-eligible content.
- c. The basic design and construction of U.S. NATO infrastructure projects (including prefinanced projects) will adhere to the scope of NATO technical criteria and standards. Exempt from this requirement are U.S.-required physical security, force-protection, life-safety, fire-protection, environmental, and energy-conservation items that may exceed the NATO minimum military requirement (MMR) and that are normally not eligible for infrastructure funding. The United States must conjunctively fund these items (para 44).
- d. When possible, the United States will plan and program conjunctive funding to coincide with the authorization of construction funds by the NATO Investment Committee (IC).

e. Follow-up action will be taken to ensure early recoupment of funds by the United States from NATO and the HN as a result of actions taken in prior years to prefinance (with U.S. appropriated funds) NATO projects not yet approved through the capability package (CP) process but needed to meet urgent military requirements. The United States will add all recouped funds to the U.S. NSIP fund availability.

f. Before the date of the joint final acceptance inspection (JFAI), the user and the supporting DPW will identify all construction and operational deficiencies and notify the Office of the Deputy Chief of Staff Engineer (ODCSENGR) (AEEN-PO-N), HQ USAREUR, in writing. During the JFAI, the official Army in Europe JFAI representative will identify all deficiencies for the JFAI team. Deficiencies in construction as well as those affecting operations will be identified.

g. NATO requires user nations to maintain NATO facilities. Commanders will maintain NATO facilities for which the United States is the user at such a level to obtain at least a satisfactory rating as determined by NATO annual maintenance inspections (AMIs).

h. The NATO IC will not authorize construction funds for each project without the required U.S. safety and security approvals (c and d above).

i. The United States will pursue the expansion of existing infrastructure criteria for established categories and the creation of new categories of infrastructure for NATO common funding when advantageous to the United States for meeting NATO requirements.

5. RESPONSIBILITIES

a. The Deputy Chief of Staff, Engineer, USAREUR (DCSENGR), will—

(1) Be responsible for the overall coordination and execution of the NSIP for the Army in Europe. This includes the overall management, long-range planning, and interface of the NSIP with the USAREUR military construction (MILCON) program.

(2) Seek the creation of new NATO infrastructure common-funding categories and the expansion of criteria for established categories when advantageous to U.S. interests.

(3) Establish priorities and obtain CG, USAREUR, approval of the annual construction program.

(4) Coordinate annual submissions of USAREUR project proposals with DOD, HQDA, NATO military commands, USEUCOM, and the U.S. Mission to NATO.

(5) Plan, program, and recoup infrastructure projects and report to USEUCOM as required.

(6) Maintain direct liaison with HNs, NATO, NATO strategic commands (SCs), and NATO allied joint force commands (JFCs) to provide documentation, advice, comments, recommendations, and other assistance required to protect or enhance U.S. interests in infrastructure projects.

(7) Plan conjunctively funded projects to coincide with the approval of NATO infrastructure funding.

(8) Coordinate with the HN to ensure that designs and projects are executed as quickly as possible when the United States (not the HN) is the user.

(9) Represent the United States at the following NATO-directed activities:

- (a) AMIs.
- (b) Design meetings.
- (c) JFAIs.
- (d) Project screenings.
- (e) NATO Board of Auditors' meetings.

(10) Take part in the U.S. Mission to NATO-directed program management reviews and USEUCOM-directed NSIP workshops.

(11) Provide training and other guidance as the NSIP proponent for the Army in Europe.

b. The USAREUR G3 will serve as the proponent for air-defense-system and advanced-attack-helicopter operational facility requirements.

c. The USAREUR G4 will serve as the proponent for storage-facility requirements for Army prepositioned stocks (APS) in Europe (APS-2) and conventional ammunition.

d. HQ USAREUR staff principals and commanders of USAREUR major subordinate and specialized commands will work together to help engineers—

(1) Identify and propose U.S. NATO MILCON requirements based on congressional directives, NATO ministerial guidance, NATO infrastructure goals, NATO force goals, U.S. Forces assignments to NATO, and Army in Europe guidance.

(2) Support the development and preparation of U.S. NATO infrastructure requirements as required or directed.

(3) Ensure the availability of conjunctive funds when required for a U.S. (user) cost-share.

(4) Take part in project-design development and final design to ensure authorized and conjunctively funded work is included and meets user requirements, and that the project is compatible with installation master plans and other facility requirements.

(5) Take part in prefinal and final construction turnover inspections.

e. IMCOM-Europe will—

(1) Be responsible for ensuring United States Army garrison (USAG) DPWs meet their requirements as prescribed by this regulation. Subparagraph f below provides DPW responsibilities.

(2) Process NATO work requests (Minor Works Program (MWP) projects) from the DPW to the ODCSENGR (AEEN-PO-N).

(3) Program funding for cost-shares for any work that exceeds NATO eligibility and therefore involves U.S. conjunctive funding. In Germany, such funded work will be accomplished according to the *Auftragsbautengrundsätze (ABG) 1975* (Principles of Construction Contracting 1975) bilateral agreement. This agreement governs the implementation of construction works of and for the U.S. Forces stationed in Germany according to Article 49 of the NATO SOFA Supplementary Agreement.

(4) Coordinate with and notify the ODCSENGR (AEEN-PO-N) of any proposed U.S. funding for the construction or upgrade of operational facilities. Generally, operational facilities are eligible for NATO funding, and the United States must notify NATO in cases of urgency when U.S. funds will be used to prefinance otherwise NATO-eligible construction. This notification is the responsibility of the ODCSENGR (AEEN-PO-N).

f. USAG DPWs will—

(1) Verify the needs of the infrastructure user.

(2) Take part in project predesign activities (for example, feasibility studies, site selection, development of functional and security requirements, compliance with installation master plans).

(3) Take part in NATO phase meetings and project screenings during design development.

(4) Take part in preconstruction, turnover, JFAI, and AMI activities.

(5) In coordination with the HN, make provisions for utility connections for projects on U.S.-controlled property.

(6) Serve as the USAG POC during construction.

(7) Accept construction after turnover from the HN and DOD construction agents and enter the completed works on real property records as a NATO facility.

(8) Properly mark NATO structures and provide maintenance and repair services to NATO facilities after the ODCSENGR (AEEN-PO-N) approves acceptance.

(9) Coordinate with the appropriate HN construction agency to correct JFAI deficiencies (including items under warranty) after acceptance.

(10) Include NATO infrastructure facilities on U.S. Army-controlled installations as part of the installation master plan.

(11) Initiate MWP and restoration projects.

(12) Coordinate the NSIP in the USAG.

(13) Ensure that the expenditure of U.S. funds is kept to a minimum.

(14) Ensure that conjunctive funds are available when required for a U.S. (user) share.

(15) Coordinate with USAG directorates of plans, training, mobilization, and security (DPTMSs) to ensure USAGs submit MILCON requirements that support NATO forces for NSIP funding.

g. Users and proponents of infrastructure will—

- (1) Identify needs for facilities.
- (2) Determine requirements.
- (3) Ensure facilities are used properly.
- (4) Coordinate facility maintenance with the supporting DPW.

h. The HN will—

- (1) Provide real estate, access roads, and utility connections for NATO facilities.
- (2) Prepare type A (initial) cost estimates (TACEs). To expedite the process, the U.S. authorities may prepare TACEs. The HN, however, will be responsible for verifying the accuracy of TACEs before submission.
- (3) Request design funds from NATO, and design and execute projects.
- (4) Convene design meetings with NATO and user nations.
- (5) Submit type B (preliminary, 35 percent) cost estimates (TBCEs) to NATO.
- (6) Request construction funds from NATO.
- (7) Obtain preconstruction project approvals.
- (8) Award and construct projects.
- (9) Turn over projects to the user.
- (10) Ensure legal requirements (for example, post-construction engineering certification) are met.
- (11) Correct design and construction deficiencies identified during JFAIs, including warranty work.
- (12) Process deletion requests from the user nation to NATO for facilities no longer required for the NATO mission.
- (13) Assume physical responsibility for sites selected for deletion from the NATO inventory that have no identified further U.S. use, maintain responsibility until release of the site to the HN, and coordinate this action with the USAREUR Provost Marshal.

i. DOD design and construction agents will—

- (1) Provide technical assistance to U.S. Army commands as requested.
- (2) Serve as the U.S. liaison for the technical review of designs prepared by HNs to ensure incorporation of U.S. legal and technical requirements in the designs.
- (3) During construction, serve as the POC with the HN construction agency, the U.S. user, the USAG DPW, and the HQ USAREUR staff principal.
- (4) Take part in prefinal and final turnover construction inspections with the HN representatives.

(5) Prepare DD Form 1354 for the acceptance of facilities by the responsible DPW.

(6) Monitor the correction of deficiencies with the responsible DPW.

(7) Provide engineering services as mandated by congressional funding authorizations. These services normally include design and construction liaison for NATO projects.

(8) Serve as the recoupment agent for all military Services for U.S. prefinanced NATO projects. USEUCOM has designated the United States Army Corps of Engineers (USACE), Europe District, to serve as the sole DOD recoupment agent.

NOTE: DOD Directive 4270.5 designates geographic areas of responsibility. The USACE, Europe District, serves as the DOD construction agent for the Headquarters, Allied Joint Force Command Brunssum, geographic area and Turkey. The Engineering Field Activity, Mediterranean, serves as the DOD construction agent for the Headquarters, Allied Joint Force Command Naples, geographic area (Greece, Italy, Portugal, and Spain).

j. NATO allied JFCs will develop operation plans in their sectors and program infrastructure requirements for the NATO mission.

k. NATO SCs (Allied Command Operations (ACO) and Allied Command Transformation (ACT)) will review and approve operation plans and program the infrastructure to support forces outlined in these plans.

l. The NATO Office of Resources (NOR) (formerly the NATO International Staff) will—

(1) Screen the infrastructure proposals in CPs submitted by SCs for technical accuracy.

(2) Send the reviewed CPs with recommendations to the NATO Military Committee (MC) and Resource Planning and Policy Board (RPPB).

(3) Review and recommend individual projects for funding authorization after receiving NATO approval of the CP.

m. The U.S. Mission to NATO will—

(1) Defend NATO eligibility for U.S.-sponsored projects.

(2) Develop and process the quarterly U.S. contribution to the NSIP for payment by the USAREUR G8 (AERM-PB).

SECTION II BACKGROUND

6. GENERAL

a. The NSIP constructs military requirements with financing from contributions of participating member countries. The U.S. contribution to the NSIP is about 22 percent of the total. Congress funds the U.S. contribution in an annual NSIP no-year appropriation. Construction of U.S. user projects with NATO common funding instead of appropriated funds saves U.S. construction dollars. U.S. policy is to use the NSIP when possible. Congress requires the U.S. Forces to obtain NATO common funding for construction in Europe for eligible projects.

b. The NSIP consists of planning, programming, budgeting for, executing, and accepting recognized NATO military requirements. The projects making up the requirements arise from mission assignments, inadequacy of existing facilities, and guidance from higher authorities. Requirements to meet infrastructure shortfalls are proposed in a CP and approved at the same time the CP is approved.

7. FUNDING

a. The NSIP fund is around 600 million euros each year. The two biggest contributors, Germany and the United States, provide more than 50 percent of the infrastructure budget. The U.S. contribution is based on the approved budget. The United States historically receives more than it contributes.

b. The euro replaced the NATO accounting unit (NAU) as the official NATO “currency” in 2003. The euro cost for projects that began before 2003 can be determined using the conversion rate of 1 NAU to 3.462 euros. Each quarter, the United States recalculates and publishes the official exchange rates between the euro and the currencies of member nations not using the euro.

8. NATO ORGANIZATION

The North Atlantic Council (NAC) or its subordinate committees make decisions on infrastructure matters.

a. The NAC is the ultimate authority in NATO and has representatives from the 28 NATO member countries. The NAC is the only body formally established by the North Atlantic Treaty and authorized to set up “such subsidiary bodies as may be necessary” to implement the Treaty. (NATO dissolved the Defense Planning Committee in June 2010 and transferred its responsibilities to the NAC.)

b. The NATO MC is the senior military authority in NATO and is under the overall authority of the NAC. The NATO MC makes recommendations to the NAC.

c. The NATO RPPB is the principal advisory body to the NAC on requirements for, and the availability of, military common-funded resources. The member countries select a national chairperson to chair the NATO RPPB.

d. The NATO IC is one of the standing committees directly under the NATO Secretary General. The NATO IC is responsible for implementing the NSIP as screened and endorsed by the NATO RPPB and approved by the NAC. The most significant duty of the NATO IC is that of authorizing funds for projects that support an approved NATO CP.

e. The NOR advises NATO committees on technical and financial matters. The NOR Security Investment Directorate is responsible for screening CPs from the technical, financial, economic, and political points of view. After CP approval, the Security Investment Directorate screens requests to the NATO IC for authorizations of scope and funds for projects that may be eligible for common funding. The NOR also provides technical and financial supervision for the NSIP.

f. The International Military Staff, headed by a general officer, is responsible for planning, assessing, and recommending policy on military matters for consideration by the NATO MC, and ensures implementation of the policy and decisions of the NATO MC.

9. PROGRAM ADMINISTRATION

NATO administers the infrastructure program primarily through the SCs (ACO and ACT). Although SCs directly use a small percentage of funding, individual countries use the overwhelming majority on behalf of NATO allied JFCs for constructing facilities to support NATO missions. Allied joint force component commands (JFCCs) further assist the JFCs in many functions.

10. CATEGORIES OF FORCES

a. For NATO purposes, nations have two categories of forces:

- (1) Forces maintained in defense of the homeland or to support national missions.
- (2) Forces assigned or designated for assignment to NATO for the common defense.

b. Commanders should not misidentify the force categories in order to justify construction with NATO funds. NATO forces are those designated to be available at the request of NATO strategic commanders for operation, maintenance, and training as NATO-committed forces. The United States normally classifies its forward-deployed or forward-stationed ground-combat forces as supporting U.S. national missions.

11. CATEGORIES OF ELIGIBLE FACILITIES

a. Background.

(1) Before 1994, a project was eligible for NATO common funding when it was in a category of projects already unconditionally agreed to by the NATO countries for implementation at NATO expense. Once the project met this consideration, the project also had to—

(a) Represent a NATO MMR, be of the most austere standard, and conform to existing NATO criteria and technical standards.

(b) Support forces either assigned to or under the command of NATO, or (except for the airfield category) forces earmarked for NATO. In the case of “Other Forces for NATO,” nations will identify such other forces in national responses to the Defense Planning Questionnaire (DPQ).

(c) Support an approved NATO mission or the training of NATO forces.

(d) Be in compliance with special restoration policy and procedures (if appropriate).

(2) Under the Fundamental Review of Infrastructure in 1994, basic eligibility requirements for NATO common-funded infrastructure were redefined in the context of CPs and the “over and above” criteria. NATO countries must show that the requirement exceeds that which the country would need to provide for its own defense. Project originators should ensure that they answer the following questions when preparing their project requests (including requests for MWP projects and urgent requirements):

(a) Which countries use the infrastructure in addition to the HN, and is the infrastructure used continuously, periodically, or only as a planned contingency?

(b) If there are only one or two user nations; and if their use supports their national requirements as well, why is the infrastructure not cost-shared with the HN?

(c) If the infrastructure is also used by the HN (whether permanently or for contingencies), why is the NATO-funded portion considered to be an item not normally needed by the HN for its own defense, or what portion of the infrastructure does the HN consider to be in excess of its national needs?

(d) In the case of restoration or replacement of NATO or shared-use infrastructure, what is the operational or technical priority of the work, and why can the work not be delayed? The response should state the operational consequence of disapproval and provide a technical estimate of such factors as rate of deterioration, predicted timeframe of failure, and cost of minor interim repairs.

(e) Where new infrastructure is proposed, why is existing national or NATO infrastructure insufficient to meet the requirement?

b. Qualification Requirements. To qualify for common funding, a project generally must fall in one of the established categories that NATO has agreed to fund and meet NATO funding criteria ((1) through (3) below). Appendix B explains categories of eligible facilities. To qualify for addition to NATO categories, infrastructure—

- (1) Must have a high degree of common interest.
- (2) Must conform to NATO-approved criteria and technical standards.
- (3) Requires approval of NATO members by unanimous consent.

NOTE: The main areas where USAREUR forces use NATO funds are reinforcement support category (app B, para B-2i) (which includes storage sites for prepositioned materiel) and surface-to-air missiles (SAMs) category (app B, para B-2j), which includes the Patriot Air Defense System. NATO may expand eligibility of the airfield category (app B, para B-2a) to include all rotary wing aircraft assigned to an aviation task-force structure (for example, attack helicopter, cargo helicopter, observation helicopter, utility helicopter). Although expansion is not yet approved, NATO has never ruled out an expansion of eligibility as long as doing so supports a required military capability.

12. ELIGIBILITY

Funding eligibility is established when forces are assigned to NATO. Countries report the assigned forces in the annual DPQ. NATO forces will support the NATO contingency operation plan for Article V operations, and concepts of operation for non-Article V operations.

13. CRITERIA

The criteria developed for NSIP infrastructure projects define the scope of works that NATO may authorize as meeting the NATO MMR. The scope of work is prepared for facilities to ensure they will meet wartime requirements. Often the MMR seems small when compared to peacetime requirements and MILCON-funded facilities of the same type. Defined criteria provide qualitative and quantitative measures to determine the limits and scope of fundable projects. The SC individually develops the criteria documents. NATO reviews and approves them. Traditionally, the SC attempts to deal with all requirements equally and apply criteria consistently in all nations, regardless of location.

SECTION III

NATO INFRASTRUCTURE PLANNING

14. IDENTIFYING REQUIREMENTS

Since NATO introduced CPs in 1992, infrastructure planning has become more directly linked to operational needs. Planning is “top-down” and concentrated on achieving a specific military capability while using the traditional planning, programming, implementation, and acceptance system without changing many post-approval procedures. A major effect is the change from programming individual projects in annual “slices.” The new direction is a JFC- and sponsor-driven “packaging” of related infrastructure projects in a CP to meet a specific military-required capability. At the Army in Europe level, operations and logistics planners will identify a need for facilities on behalf of a specific user (proponent).

15. PROJECT QUALIFICATION

Facilities must meet the following two requirements to qualify for NATO funding:

a. Infrastructure projects must support and contribute to an existing or planned future required capability to be considered for programming. Submitters must send projects in project datasheet (PDS) format as enclosures to a CP. This includes projects of 500,000 euros and less (MWP projects) that contribute directly to the required capability.

b. Infrastructure requests must meet established criteria for a particular category, such as a weapons system. Appendix B outlines these criteria. The criteria developed for NSIP infrastructure projects define the scope of work authorized to meet the MMR.

(1) U.S. submissions often include facilities that the United States believes are critical to mission accomplishment but do not qualify for NATO support. Every nation has unique procedures that exceed NATO standards. Although this very often seems to be less than the United States desires, NATO standards replicate wartime needs and the United States usually constructs to peacetime standards.

(2) Evaluating the MMR for each eligibility category is key to developing a justifiable submission. For example, an air defense system may require a concrete hardstand for missile firing. NATO would support the hardstand, but not an all-weather shelter to protect the missile during training exercises.

16. INCLUSION IN THE BI-STRATEGIC COMMAND CAPABILITY PACKAGE GUIDANCE

Projects must be included in the Bi-SC Capability Package Guidance (CPG). The Bi-SC CPG is—

a. Updated annually in December with updates or modifications provided as necessary. The primary aim of the CPG is to guide and to coordinate ACO military resource planning.

b. The method for officially tasking NATO allied JFCs and special agencies to develop required capabilities and their associated CP. NATO publishes the CPG after the Supreme Allied Commander Europe (SACEUR) validates prioritized required capability and CP topics for development in the current program and in the following year. The CPG confirms the planning priorities of the current year's program and establishes submission deadlines or target dates for following years.

17. PROJECT DATA SUBMISSION

a. The CPG initiates the planning process, and a CP identifies the shortfall in infrastructure required to achieve a stated military required capability. Appendix C provides the CP format. The JFC sponsor of a CP will collect all the necessary data and assemble the CP submission. The user nation and HNs will complete the applicable portion of the PDS. When a CP prescribes multiple projects, the submitter must provide a project implementation-sequence list to show the funding priority of the projects based on operational and technical considerations.

b. PDS preparation is the responsibility of the proponent in conjunction with the USAG DPW and with the USAG DPTMS. The PDS will be prepared in the format shown in appendix D. Proponents will assign the appropriate security classification to PDSs when completed. The ODCSENGR strongly recommends that proponents keep the PDS unclassified if possible.

c. ODCSENGR (AEEN-PO-N) will review PDS submissions, revise or correct them if necessary, and send them to appropriate HN authorities for endorsement.

18. INCLUSION IN CAPABILITY PACKAGES

Each CP consists of various resources that nations have determined are necessary to achieve the required capability. These resources include assets such as manpower, armament, logistics, and infrastructure. Where an infrastructure shortfall exists, nations will identify a project (or projects), prepare a PDS for each project, and submit the PDS (PDSs). For USAREUR—

- a. The USAREUR G3 must first identify a shortfall and initiate coordination with the ODCSENGR.
- b. The ODCSENGR will develop the necessary infrastructure requirement, using the NATO Criteria and Technical Standards for the appropriate NSIP construction category.
- c. The ODCSENGR will assess the availability of existing infrastructure (if any) at the proposed location, determine if it is suitable to meet the requirements, or, if necessary, program the shortfall for NSIP-funded construction. This analysis will become part of paragraphs 4 through 7 of the CP.

19. PROJECT CRITERIA

- a. Nations often submit projects when no criteria exist. This case is especially true for new weapons systems (for example, new types of air defense or helicopters) and for power-projection (deployment or embarkation) facilities. Infrastructure requests are then submitted with requests to expand the criteria. The goal is to approve the new criteria and infrastructure projects at the same time.
- b. A NATO major military command must recommend approval and the NATO IC must approve criteria and technical standards for individual categories of facilities. The NOR may augment published criteria (NATO standardization agreements) with definitive drawings and agreed on technical standards if the NATO IC approves.
- c. HQ USAREUR will program requirements in the appropriate CP. The ACT and ACO will make the final decision on which military requirements are included in a CP.

20. REAL ESTATE ACQUISITION

Possibly the most important factor in infrastructure-project construction in Europe is the acquisition of real estate. Before submitting a project in a CP, the United States must coordinate with the HN to ensure adequate land is available for facility construction. For example, ammunition-storage facilities require that safety zones be established a considerable distance beyond the site fencelines. The environmental effect of a particular facility also may influence construction.

21. SUCCESSFUL PLANNING

Success in obtaining NATO approval of an infrastructure request depends on adequate coordination. Before requests are formally sent to higher headquarters, preliminary discussions and telephone calls, based on advance unofficial copies of documentation, are necessary for advance coordination and approval.

SECTION IV PROGRAMMING

22. PROJECT DATASHEET PREPARATION

For each project in a CP, the user nation will submit to the appropriate HN a PDS in the NATO format using a letter format. Appendix D provides guidance on PDS preparation to NATO standards. The HN will verify the user nation's data and endorse the request. The HN will submit the PDS to the appropriate NATO allied JFC for inclusion in a CP.

23. CONFERENCE ATTENDANCE

Representatives from the USAREUR G3, the USAREUR G4, the ODCSENGR, and other HQ USAREUR staff offices as required, will attend workshops at JFC and SC level to ensure that all thoroughly understand Army in Europe requirements and that the requirements are included in CPs under development, or added to CPs already approved by NATO, as appropriate.

24. SCREENING CAPABILITY PACKAGES

a. Supreme Headquarters Allied Powers Europe (SHAPE) plans and conducts an annual workshop, usually in the early spring, at which representatives from the NATO allied JFCs, NATO agencies, HNs, and user nations meet and receive the latest information in the ACO infrastructure arena. Workgroups address CPs in various areas, such as land reaction forces and air defense. Workgroups review CPs to assess continued validity, to determine if they can consolidate CPs, and to seek a common approach to infrastructure issues in the ACO.

b. The ODCSENGR, as the representative of the CG, USAREUR, will attend the SHAPE Annual Infrastructure Workshop to help DOD, the Joint Chiefs of Staff, and USEUCOM present the U.S. position regarding CPs in which the Army in Europe has a vested interest.

25. ALLIED COMMAND OPERATIONS (ACO) INFRASTRUCTURE GUIDANCE

NATO Allied JFCs will be responsible for conducting resource analysis based on the CPG target date. This includes developing cost and funding profiles to support resource options proposed to meet the required capability. HN and user nation responsibilities involve working in close coordination with the JFC sponsor of the CP to compare required resources to assets that are potentially available to meet the required capability. The ODCSENGR, in coordination with USAG DPWs, will evaluate existing U.S. infrastructure that could help to meet the resource requirement.

26. ADVANCE PLANNING FUNDS

Once an infrastructure project is included in a CP and is submitted to SHAPE, the HN may request advance-planning funds from NATO. These advance-planning funds allow project designers to conduct feasibility studies, coordinate with other agencies, and initiate preliminary designs for review during budgeting procedures.

27. BRIEFING THE DCG, USAREUR

The ODCSENGR briefs the DCG, USAREUR, on the NSIP usually once each fiscal year. This briefing highlights the USAREUR portion of the NSIP and provides an update on the status of efforts to obtain resources for USAREUR initiatives, such as deployment and embarkation facilities.

28. PROJECT SCREENINGS

The HN is responsible for hosting onsite screenings (referred to by NATO as “phase meetings”). These meetings include all interested parties (user nation and HN, NATO allied JFC, SHAPE, and NOR representatives) involved with the development, construction, and funding of the project. The initial screening is the “phase zero” meeting. This meeting is organized to determine the general scope of the project, to ensure that construction is authorized to the MMR, to justify exceptions to the MMR, and (when not supported) to delete excessive construction or secure conjunctive funding from the HN or user nation.

SECTION V BUDGETING

29. TYPE B COST ESTIMATE (TBCE) PREPARATION

When NATO approves a CP, NATO authorizes the HN to request advance-planning funds to prepare a preliminary design to determine the TBCE. This estimate is roughly equal to the 35-percent design phase of MCA-funded construction. An HN may request advance-planning funds based on a SHAPE-recommended CP.

30. PHASE MEETINGS

The HN normally requests at least two phase meetings during the design phase. The meeting participants are usually the same individuals who were at the phase zero meeting (para 28). Phase meetings—

a. Are chaired by a member of the NOR and are used to review proposed project plans and specifications. Phase I meetings are used to review plans in the preliminary design stage. Phase II meetings review the pre-final design.

b. Have official representation by the NOR, NATO military commands, the HN, and HQ USAREUR. Representatives of the U.S. using unit, USAG DPW, DOD construction agent, and signal service unit, as applicable, will take part. The ODCSENGR representative speaks for the United States to ensure the meetings consider U.S. interests and endorse U.S. requirements where possible. The DOD construction agent is the U.S. technical representative.

31. TBCE REVIEW

Once the HN formally submits the TBCE to the NOR, the NOR staff member responsible for the CP prepares a screening report for the NATO IC with recommendations regarding approval. A copy of this report accompanies the TBCE to the NATO IC.

32. NATO INVESTMENT COMMITTEE AUTHORIZATION

The NATO IC authorizes infrastructure projects, which roughly equates to an MCA appropriation. The NATO IC authorizes funds for the HN to use in the construction phase of projects.

33. INCREMENTAL FUNDING

Funding of projects exceeding 2 million euros normally is incremental. This means that NATO spreads funding for the project over a period of years so that each year's authorization roughly equates to the cost of construction performed during that year. This is the funding profile. The NATO IC may authorize additional funds if the HN requires them. Because NSIP money is "no year" money, the problems common to MILCON authorizations are not an issue.

SECTION VI EXECUTION

34. PROJECT DESIGN

Once the NATO IC authorizes funds, the HN will prepare final project-design and bidding documents.

a. In general, the HN is responsible for executing NATO infrastructure projects (for example, real estate availability, final design, construction). The United States, as a user nation, must ensure that projects meet both NATO criteria and U.S. operational requirements.

b. The user nation initiates design and construction of an infrastructure project in an approved NATO CP by sending a request for infrastructure planning (design) action to the appropriate ministry of defense (MOD). For projects constructed in Germany, this request is in the form of a military infrastructure requirement (MIR). Appendix E provides the MIR format.

(1) Once in the German system, the MIR becomes a *Militärische Infrastrukturforderung* (military construction requirement). Although not as formalized in the Italian system, the Italian MOD requires a “design booklet” for each project.

(2) The MIR format will be used when preparing design booklets for the Italian *Direzione Generale dei Lavori e del Demanio (GENIODIFE)* (Directorate General of Works and State Property) (construction agency) to use as a basis for advertising for architectural engineering (A/E) design services.

c. Definitive drawings and NATO-approved criteria dictate construction requirements. Submitters will specially design nonstandard facilities in accordance with the framework of existing criteria and budgetary guides. The using unit will provide technical instructions describing specific functional and operational requirements. For infrastructure projects, however, these instructions will not exceed NATO criteria unless justified by operational, safety, or security requirements. NATO will consider any deviations from NATO criteria on a case-by-case basis and the submitter will request the appropriate approval from NATO during phase meetings. Appendix F provides procedures for conjunctive funding of a portion of a project exceeding NATO criteria.

d. The U.S. using unit will report through channels any change in mission that may have occurred after the original project submission if the change significantly affects the functional or operational requirements of the project.

e. Once NATO concurs with the design (TBCE) and authorizes funds, the HN proceeds to final design, advertising, bid review, contractor selection, and construction. In 2010, the IC established a new procedure requiring the HN to obtain IC approval before awarding a construction contract. This is in addition to the IC approval obtained at the TBCE funds authorization stage. The HN design and construction agency is responsible for obtaining preconstruction project approvals required by its government. In Italy, for example, the *GENIODIFE* has this task. The DPW is not required to present projects to the Mixed Commission for review.

f. Before work begins, the HN will convene a preconstruction conference to initiate liaison, coordinate construction schedules, set contractor performance standards, and ensure access for contractor personnel and equipment to the project site.

(1) For a project on a U.S.-controlled installation, the USAREUR PM will develop arrangements for contractor access to the construction site that allow for minimum interference with mission operations. The USAREUR PM will brief these arrangements at the conference.

(2) Representatives of the HN, the supporting DPW, the DOD construction agent, and the ODCSENGR will attend the preconstruction conference. The using unit will take part as necessary.

35. CONSTRUCTION MANAGEMENT

a. The construction bidding process requires the HN to solicit bids using NATO international competitive bidding (ICB) procedures. NATO ICB procedures require the HN to notify each NATO nation embassy of the pending project and to request a bidders list.

(1) Bid solicitation through the NATO ICB normally adds 3 to 4 months to the bidding process.

(2) The NATO IC normally requires a project to use NATO ICB, unless the NATO IC specifically exempts the project.

(3) The HN may request a waiver or exemption from NATO ICB procedures, but NATO usually denies such requests unless the cost of the project is low.

b. The NATO IC conducted a 3-year trial beginning in 2004 of a “best value procedures” (BVP) form of procurement. The BVP, which is described in NATO Document AC/4-D(2004)0001, is an evaluation and working methodology in the framework of the ICB procedures described in AC/4-D/2261. BVP deviates from strict NATO ICB procedures by allowing the HN to award a contract to the bidder offering the best value; this may not necessarily be the lowest bidder. While the BVP has not been officially adopted, the IC has been approving what the IC refers to as ICB Plus (ICB+) requests, which, while not requiring an HN to award a contract to the lowest bidder, does require the HN to advertise the project to all member nations. (Under national competitive bidding procedures, an HN need not advertise beyond its own borders and may choose to award a contract to other than the lowest bidder.)

c. During the course of construction, the DOD construction agent will coordinate with HN authorities to monitor compliance with plans, specifications, and good engineering practice. The DOD construction agent will communicate with the contractor through the HN. U.S. agencies are not authorized to communicate directly with the contractor. Discrepancies between the contractor and U.S. requirements that cannot be resolved at the local level will be brought to the attention of HQ USAREUR (AEEN-PO-N).

36. FACILITY OCCUPATION

a. Pending the correction of deficiencies impairing operational use, the user nation is not required to occupy or finance the maintenance of a NATO facility. Delays in occupancy often degrade mission accomplishment. One means of avoiding a delay in occupancy is by actively detecting and correcting deficiencies at a pre-turnover inspection (app G). The United States may accept portions of the project, if practical, for occupancy (and attendant maintenance responsibility) if the project meets conditions for incremental acceptance. In no case will the United States request early occupancy before a turnover inspection is scheduled.

b. The DOD construction agent may request a turnover inspection from the HN for select portions of a project if those portions meet beneficial occupancy inspection criteria.

(1) A joint HN and user nation team will conduct the inspection and note design and construction deficiencies. If no deficiencies impairing the operational use of the facility exist, the United States will accept the work (with deficiencies noted) and will place the facility on DPW real property records. The DPW is responsible for signing the document accepting the facilities from the HN authorities.

(2) The HN construction agency, with assistance from the using unit, will administer the satisfactory correction of deficiencies. The HN construction agency is also responsible for meeting the HN’s legal requirements, such as obtaining post-construction engineering certification. The DOD construction agent will secure documentation from the HN (as-built plans and operators manuals for in-place equipment), amend DD Form 1354, and report to the HN authorities any deficiencies not noticed during the turnover inspection. The turnover inspection will take the form of a pre-JFAI inspection when practical.

SECTION VII POST EXECUTION

37. POST-EXECUTION PROCESS

The post-execution process includes the acceptance of facilities into the NATO inventory, periodic maintenance inspections, and the release of facilities from the NATO inventory. USAG DPWs are responsible for engineer functions during NATO AMIs and JFAIs, such as having keys for access to facilities not normally open to the using unit (for example, a transformer station). The Army in Europe POC is responsible for signing necessary protocol documents for the United States. The Army in Europe POC for these functions is the ODCSENGR (AEEN-PO-N) representative.

38. JOINT FINAL ACCEPTANCE INSPECTION (JFAI)

NATO uses JFAI procedures, after NATO-funded facility construction, to accept the facilities into the NATO inventory. Appendix G explains JFAI procedures.

a. Accepting infrastructure construction into the NATO inventory of facilities follows a step-by-step procedure requiring multinational approval. The principal action in the process is the JFAI. The JFAI document is the official record concerning NATO-approved and -financed construction, and provides the basis for final acceptance by NATO.

b. Final acceptance constitutes a formal agreement between NATO members that infrastructure projects are militarily and technically complete, that the HN has met its responsibilities, and that the facilities remain subject to certain stated conditions.

c. The United States protects NATO and national interests on U.S.-user facilities by participating in all phases of the final inspection and formal acceptance. The ODCSENGR does this by representing the United States in all JFAIs for U.S.-user facilities.

39. NATO AUDIT

After completion of the JFAI and approval by the NATO staff, the JFAI team sends the audit report to the NATO International Board of Auditors for final cost appraisal. The auditors determine the extent of costs (if any) the user or HN owe NATO, or that NATO owes them.

40. NATO ANNUAL MAINTENANCE INSPECTION (AMI)

NATO conducts AMIs to evaluate the condition of NATO infrastructure and to ensure that the peacetime user nations properly maintain NATO facilities. The wartime user nation is also responsible for maintenance of facilities in a peacetime caretaker status. Appendix H provides AMI procedures.

a. NATO, HNs, and user nations periodically inspect NATO facilities to ensure that they continue to meet the requirements for which they were constructed and that the user nation is protecting the NATO investment through proper maintenance. Previously, with better staffing, NATO allied JFCs conducted annual inspections. NATO allied JFCs currently conduct these maintenance inspections less frequently (generally every 2 years).

b. A NATO allied JFC normally conducts the NATO AMI, but may delegate the responsibility to an allied JFCC. The purpose of an AMI is to ensure that the user is maintaining the facility properly. The inspectors check the physical condition of the sites and the DPW record of maintenance projects. A recommendation by an inspector that restoration or replacement is required is the best justification and support for a project under the NATO MWP (para 45).

c. The using unit and engineer support agency (the USAG DPW for U.S. sites) should provide the NATO allied JFC inspector with the status of all projects completed or started since the last AMI, and a list of proposed projects for maintenance, restoration, or to meet current NATO mission MMRs. Appendix I provides responsibilities for real property management.

d. NATO allied JFCs complete the AMI reports and send them through channels to HQ USAREUR (AEEN-PO-N), the DPW, and the using unit.

41. RELEASE FROM NATO INVENTORY

When a valid NATO purpose for NATO facilities no longer exists, NATO may release the infrastructure from the NATO inventory or retain the infrastructure on the inventory for non-NATO (military or commercial) use. Appendix J outlines procedures for releasing facilities from the NATO inventory.

a. The user nation (ODCSENGR for U.S.-user infrastructure) will initiate the request for release from the NATO inventory. The user nation sends the request through the HN for coordination and approval. The HN will process the request through NATO strategic command channels to SHAPE.

b. SHAPE will determine whether another NATO use for the facility exists. If no further NATO use is determined, SHAPE may elect one of the following courses of action:

(1) If the current user nation of the facility has a continued national military need to use the facility, SHAPE may choose to keep the facility on the NATO inventory. The user nation still has the obligation to maintain the facility to NATO standards, but avoids the risk of having to pay NATO any residual value for the infrastructure, especially in the case of recent construction. The APS sites at Kaiserslautern and Germersheim (Germany) are examples of this option.

(2) If the current user nation has no follow-on national military use of the facility, SHAPE will try to identify another NATO nation that may have a military requirement, either NATO or national, for the facility. This seldom occurs, since nations tend to limit military facilities to those within their own borders.

(3) SHAPE may ask the HN to try to find a civilian, commercial user for the facility. If this option is successful, the civilian user may use the facility rent-free but must pay OMA costs. The former Hahn Airbase, now a commercial airport in the Eifel (Germany), is an example of this option. NATO preserved an airfield in the inventory; if a future military need develops, NATO must notify the HN 6 months in advance.

(4) As a last resort, SHAPE may decide to release the facility to the HN for disposal. If applicable, the HN will turn over to NATO any residual value obtained. Appendix J addresses the disposal of NATO real property and related DPW responsibilities.

SECTION VIII

FUNDING AND RELATED ACTIVITIES

42. PREFINANCING AND RECOUPMENT

a. The United States may elect to use national funds to design and construct NATO-eligible projects (app K). The United States should undertake this procedure (known as prefinancing) only when either of the following conditions applies:

(1) The time required by an HN and NATO to administratively process and approve a project will adversely affect the operational capability of U.S. Forces.

(2) The United States needs the requirement addressed immediately and, although the requirement is not currently NATO-eligible, efforts are underway to expand eligibility to include this construction in approved criteria.

b. The Army in Europe policy is to prefinance only when fully justified, exceptional conditions exist. Accordingly, the mere availability of funds, such as yearend OMA funds, is insufficient justification for prefinancing.

c. The USACE, Europe District serves as the Army in Europe agent for recoupment and collection of U.S. prefinanced projects.

d. Both the United States and the HN must keep accurate cost records.

e. The United States will recoup funds for U.S. prefinanced projects through the HN.

f. In cases of prefinanced works, waivers or exemptions to NATO ICB procedures can normally be justified based on a need for urgency, secrecy, standardization with other NATO facilities, the nature of the work, or if the common-funded portion is less than half the cost of the total project.

g. Projects unilaterally determined to be of military urgency but not coordinated with NATO allied JFCs have little chance of being accepted.

h. For maximum recoupment, the United States should base design and construction on the MMR according to NATO-approved criteria and technical standards, when available.

i. The user of NATO infrastructure is required to prepare and submit a notification of intent to prefinance (prefinancing statement) at least 2 months before the anticipated construction contract award date. The prefinancing statement will be followed by a programming document PDS. During construction, the USAG DPW for direct projects and the responsible HN design agency for indirect projects will maintain cost records (actual invoices), as-built drawings, and specifications. The HN or user nation will request a site screening to determine the NATO-supported scope of work.

j. When a prefinanced project is accomplished, the USACE, Europe District (DOD construction agent for direct contracts) or the HN design and construction agency (for indirect contracts), will prepare a type C cost estimate (TCCE).

k. Once a prefinanced project has been programmed either through inclusion in a SHAPE-recommended CP or as an approved MWP project, the project is eligible for recoupment.

l. On notification that the NATO IC has authorized the project, the DOD construction agent will bill the HN. The DOD construction agent will direct the HN to send recoupment checks to the Program Management Branch, USACE, Europe District (CENAU-PP-RN), CMR 410, Box 6, APO AE 09049-0006. The USACE, Europe District, will send payment to the servicing finance and accounting office. The finance and accounting office will provide information copies of the recoupment collection to the USAREUR G8 (AERM-ND), Unit 21420, Box 100, APO AE 09705-0100, for credit to the U.S. NSIP appropriation, regardless of the original appropriation used to finance the prefinancing costs. The organization or USAG that provides the prefinancing does not recoup the expenditure.

43. RESTORATION

Restoration is renewal of infrastructure to its original state or condition. Restoration is appropriate when infrastructure is approaching the end of its economic design life (usually no longer than 20 years) and when maintenance is no longer economical.

a. Restoration projects exclude routine maintenance items, repairs to damage caused by abuse, modifications, and conversion or upgrades.

b. Most restoration works are ideally suited for programming through the MWP. The DPW prepares a restoration project in the same manner as a new construction MWP project.

c. The United States and NATO approve restoration works on a case-by-case basis; in some cases, the works may fall under a cost-sharing formula. For example, replacement of perimeter fencing and lighting at air defense sites is cost-shared by the user nation, which pays 10 percent of the total cost of such works. NATO may also assign cost-shares in the future to restoration of structures in other eligibility categories and for utilities.

44. CONJUNCTIVE FUNDING

a. Common funding normally finances NATO construction and requires no direct contributions from the United States. However, if the scope of a U.S.-required project exceeds NATO criteria, or if NATO mandates cost-sharing (for example, fencing projects, lighting restoration projects), the United States must transfer funds to the HN before construction begins. This process is called “conjunctive funding.” Appendix F outlines procedures for transferring funds.

b. Conjunctive funding is appropriate to fund items required by the United States but not supported by NATO as an MMR. This is often the case when U.S. health and safety standards exceed NATO criteria and technical standards. For projects involving mandated cost-shares, the amount has already been determined (for example, 10 percent of the total cost for fence or lighting restoration at air defense sites). The NATO TBCE must identify requirements for conjunctive funding. The DOD construction agent will request necessary U.S. funds from the responsible USAG or using command.

c. The project scope sometimes may exceed NATO criteria because of an HN legal requirement. Often an HN requirement will meet or exceed a similar U.S. requirement, and the HN will request NATO to fund this through the “Host Nation Legal Requirements Procedure,” thereby negating the need for U.S. conjunctive funding. This procedure requires that the HN provide NATO the following:

(1) A copy of HN national law (not state or provincial) that applies to the legal requirement (in English or French).

(2) A statement that the specific law also applies to the HN’s military.

(3) A statement that the HN cannot waive the HN law for NATO forces.

NOTE: The United States should always consider this approach to obtaining NATO funding for requirements that normally exceed NATO criteria before committing U.S. funds.

d. HQ USAREUR will authorize the DOD construction agent to transfer funds after HQ USAREUR confirms availability of the conjunctive funding. This normally occurs once the HN notifies HQ USAREUR that the HN is prepared to award a construction contract. To expedite the process, direct coordination between the responsible DPW and the DOD construction agent is encouraged. The HN design and construction agency must receive the funds before the HN can award a contract.

45. MINOR WORKS PROGRAM (MWP)

Appendix L provides complete details concerning MWP procedures.

a. An MWP project is a discrete, straightforward, self-standing, and completely usable project, that is not part of a currently proposed project or a planning or consulting aspect associated with a larger project. Feasibility studies that provide a complete and usable product may qualify as an MWP project as long as a larger project will not result from the feasibility study.

(1) Submitters may not split large projects, either horizontally or vertically, for the purpose of qualifying as MWP projects.

(2) Repetitive works (groups of projects totaling more than the minor-works ceiling) may be considered for programming by the NATO IC as a single MWP project under MWP procedures, provided the work is straightforward and fully repetitive and the cost of each project does not exceed the ceiling.

b. Small, routine infrastructure projects do not warrant the application of detailed prioritization, programming, execution, and acceptance (physical and financial) procedures normally applied to normal NSIP projects.

c. The cost range for an MWP project is currently 50,000 to 500,000 euros. For member nations not using the euro, HN currency equivalents are subject to quarterly revision, depending on currency fluctuation. HQ USAREUR (AEEN-PO-N) can provide current values on request. At the time of programming, the total NATO cost of the project, including national administrative expenses (NAEs), A/E fees, and project engineering contingencies (normally 10 percent), may not exceed the ceiling. The total NATO amount authorized for a project must not exceed the ceiling. NATO does not count the user nation cost-shares against the MWP cost ceiling.

d. Nations should not propose projects for the MWP for which the estimated cost is less than 50,000 euros. When identical projects of less than 50,000 euros occur at several locations in the same country, the proponent may combine these projects into a single project submission, as long as the total cost does not exceed 500,000 euros.

e. A single MWP project may be developed and submitted for sites where several NATO-eligible projects exist and their combined total construction cost is less than 500,000 euros.

f. Proponents may submit projects that exceed the MWP ceiling as an MWP project when all of the following apply:

(1) The project is otherwise MWP-eligible.

(2) The project is part of a NATO and nationally cost-shared project.

(3) The cost for the NATO share is clearly less than the MWP ceiling of 500,000 euros.

g. Proponents should consider projects that do not qualify as an MWP project for inclusion in a CP.

h. The process for programming NATO MWP projects is similar to planning major items of NATO infrastructure construction. However, because of the limited scope of the MWP, the programming and budgeting of projects occurs in one step.

46. PROJECTS INVOLVING EXPLOSIVES, TOXIC CHEMICALS, OR AMMUNITION

a. The siting, layout, and design of new facilities or major alterations to existing facilities involved in the manufacture, handling, transport, and storage of military explosives, toxic chemicals, or ammunition require review and approval by the Department of Defense Explosives Safety Board (DDESB). The DDESB also reviews and approves site plans for facilities not involved with these items when improper siting could expose the facility to risks from existing facilities in the vicinity that contain hazardous material. DDESB approval is required for NATO and conjunctively funded projects.

b. Appendix M provides more information and provides procedures and responsibilities for obtaining DDESB approval for construction projects.

47. URGENT REQUIREMENTS

The urgent-requirements procedure was established to ensure that NATO common infrastructure funds can be provided in a timely manner for urgent requirements falling outside normal planning cycles.

a. To be eligible for this procedure, the urgent requirements must be military requirements, in line with the guidelines for common funding, that for reasons of urgency based on operational, safety, economic, or environmental considerations, cannot use CP or stand-alone procedures and must be implemented promptly to ensure the current necessary operational capability.

b. Users are responsible for identifying a requirement as urgent and for defining both the scope of work and the estimated cost in sufficient detail to serve as the basis for evaluating a fund request.

c. In case of disaster, the user can take immediate action to limit the damage and make temporary repairs. Nations will normally use user-nation or HN funds under prefinancing procedures for such immediate action. As soon as possible, the user nation must notify the NATO IC of the event and the action taken.

d. As in any instance where the user nation is not also the HN, user nations will normally submit requirements through HN authorities to the HN delegation at NATO. At the same time, copies of the request are provided to the NOR, SHAPE, and the NATO allied JFC.

e. The supporting DPW will work with the user to develop the request for NATO funding. This request will include a general description of the work and the reasons for the submission as an urgent requirement. The scope and estimated cost will be provided in sufficient detail to permit the NOR to screen the request and to make recommendations for funding authorization, and for the HN to design and implement the project. A design and construction schedule will be included.

f. Once the NOR has screened an urgent-requirement request, the screening report will accompany the request to the NATO IC for funding authorization. Once NATO grants authorization, the HN design and construction agency will coordinate with the user on final design and project implementation.

g. When the project is completed, the HN will request a JFAI, and NATO will audit the work.

APPENDIX A REFERENCES

SECTION I PUBLICATIONS

Auftragsbautengrundsätze (ABG) 1975 (Principles of Construction Contracting 1975)

Bi-Strategic Command Directive 85-1, NATO Security Investment Programme Management in Allied Command Atlantic and Allied Command Europe

NATO AC/4-M/206, NATO Infrastructure Manual

NATO Document AC/4-D/2074 (1988 Edition), Principals and Procedures for Joint Final Inspection and Formal Acceptance of NATO Infrastructure Works

NATO AAP-15, NATO Glossary of Abbreviations Used in NATO Documents and Publications

NOTE: The U.S. ABG 1975 Handbook is available at <https://aepubs.army.mil/ae/public/references.aspx> and more information is available at http://www.abg-plus.de/abg2/ebuecher/abg_us/index.htm. Other NATO manuals and documents are available from the Office of the Deputy Chief of Staff, Engineer (ODCSENGR) (AEEN-PO-N), HQ USAREUR, on request.

DOD Directive 2010.5, The North Atlantic Treaty Organization (NATO) Security Investment Program

DOD Directive 4270.5, Military Construction

DOD Manual 6055.09-M, DOD Ammunition and Explosives Safety Standards

AR 11-7, Army Internal Review Program

AR 385-10, The Army Safety Program

AR 405-45, Real Property Inventory Management

DA Pamphlet 385-64, Ammunition and Explosives Safety Standards

DA Pamphlet 385-65, Explosive and Chemical Site Plan Development and Submission

Technical Manual 5-618, Paints and Protective Coatings

USEUCOM Directive 56-4, Responsibilities Relating to the Federal Republic of Germany

USEUCOM Directive 60-8, Logistic Support Using Acquisition and Cross-Servicing Agreements (ACSA)

USEUCOM Directive 61-1, NATO Security Investment Program (NSIP) Management

USEUCOM Directive 61-4, Military Construction/Engineering in the United States European Command Area of Responsibility

AE Regulation 385-64, Explosives Safety

AE Regulation 415-32, Troop Construction Training Program

SECTION II FORMS

ABG 1975/ABG 1, Programm der Baumaßnahmen für die US-Streitkräfte in der Bundesrepublik Deutschland (Program of Construction Projects for the U.S. Forces in the Federal Republic of Germany), Article 3.1 ABG 1975

ABG 1975/ABG 2, Benachrichtigung über Vorhaben im Truppenbauverfahren (Letter of Intent for Direct Procedure), Article 27 ABG 1975

ABG 1975/ABG 3, Anforderungs-/Zustimmungs-/Auftrags-Dokument (Request-/Approval-/Award-Document), Article 10 ABG 1975

ABG 1975/ABG 4, Angebotsannahme (Tender Acceptance Form), Article 7.1.6 ABG 1975

ABG 1975/ABG 5, Änderungsdokument (Change Order Document), Article 12 ABG 1975

ABG 1975/ABG 5A, Änderungsanforderung (US Forces Change Request), Article 4.2.2 ABG 1975

ABG 1975/ABG 6, Einzelanforderung für Zeitvertragsarbeiten (Order Document for Construction Works under Term Contract), Article 1.8 ABG 1975

ABG 1975/ABG 7, Verhandlungsniederschrift - Übergabe von baulichen Anlagen durch die deutsche Baubehörde an die US-Streitkräfte (Joint Minutes - Turnover of Construction Work by the German Building Authority to the US Forces), Article 14 ABG 1975

ABG 1975/ABG 7B, Niederschrift über die gemeinsame Schlussbesichtigung der baulichen Anlagen die von den US-Streitkräften im Truppenbauverfahren durchgeführt wurden (Record of the joint final inspection of construction work executed by the US-Forces using the Direct Procedure), Article 37.1 ABG 1975

ABG 1975/ABG 8, Baukosten (Construction Costs), Article 25 ABG 1975

ABG 1975/ABG 9, Verwaltungsentschädigung (Administrative Fee), Article 26 ABG 1975

NOTE: *ABG 1975 forms are available at http://www.abg-plus.de/abg2/ebuecher/abg_us/index.htm.*

DD Form 448, Military Interdepartmental Purchase Request

DD Form 1354, Transfer and Acceptance of DOD Real Property

DD Form 1391, FY__ Military Construction Project Data

DA Form 2028, Recommended Changes to Publications and Blank Forms

APPENDIX B

CATEGORIES OF NATO ELIGIBLE FACILITIES

B-1. PURPOSE

This appendix provides—

a. A list and explanation of categories of facilities eligible for the NATO Security Investment Program (NSIP) and authorized NATO funding.

b. NATO and Supreme Headquarters Allied Powers Europe (SHAPE) reference documents that pertain to Army in Europe facilities.

B-2. GENERAL

Categories of facilities currently eligible for the NSIP are as follows:

a. Airfield (AF). This category includes tactical, maritime patrol, tactical transport, and air weapons training airfields. U.S. Army airfields and support facilities for stationing attack helicopters (such as the AH-64) are eligible in this category (SHAPE 6100/SHLLIA-264/87 and SHAPE 6100/SHLLIA-224/88). This category remains under review, pending resolution of a U.S. request to expand the category to include facilities supporting all tactical rotary wing assets.

b. Ammunition Storage (AS). This category includes facilities and security measures for special ammunition. Special AS sites, associated long-range security programs, and weapons-access-delay systems are also eligible in this category (SHAPE 6430/18-7-100/62 (22 Mar 62) and SHAPE 6430/18-5-476/64 (8 Dec 64)). The Army in Europe currently does not have a requirement for these storage sites.

c. Antisubmarine and Surface Vessel Warning Installation (ASWI). No Army in Europe missions are eligible in this category.

d. Communications (COMM). This category includes radio, satellite, and landline communications between NATO headquarters and national civil and military authorities. NATO Integrated Communications System facilities and new command, control, and communication systems to support the war headquarters of NATO strategic commands (SCs), allied joint force commands (JFCs), and allied joint force component commands (JFCCs) generate most projects in this category.

e. Miscellaneous (MISC). This category includes facilities established with the support of NATO military commands and with the unanimous approval of NATO-member countries. Nations may submit projects that are not in an approved category as an exception under the miscellaneous category or for consideration for creation of new categories. NATO often categorizes stand-alone projects under this category. For example, the Army in Europe submitted prefinancing statements for U.S.-funded construction of embarkation facilities, including those at the Deployment Processing Center, Kaiserslautern, Germany, and at Aviano Airbase, Italy as miscellaneous projects.

f. Naval Base (NB). No Army in Europe mission is eligible in this category.

g. Navigational Aids (NAVAIDS). This category includes the tactical air navigation (TACAN) and long range aid to navigation (LORAN) networks. No Army in Europe mission is eligible in this category.

h. Petroleum (POL). This category includes pipeline systems and off-base storage. On-base storage is included in other categories. The Central Europe Pipeline System is the primary military project included in this category. The Army in Europe is not a proponent for projects in this category.

i. Reinforcement Support. This category includes prepositioned equipment storage for reinforcing forces committed to NATO.

(1) For U.S. Army Forces, this category includes the following:

(a) Army prepositioned stocks (APS) sites (SHAPE 6020.50/SHLLIL-094/84 (26 Apr 84)) and prepositioned organizational materiel storage sites (POMSSs) controlled-humidity warehouses (SHAPE 6150/18-5-277/71 (15 Nov 71)). APS-2 is the U.S. APS set in Europe.

NOTE: An APS (U.S. term) site is synonymous with the NATO terms prepositioned equipment storage (PES) site, prepositioned organizational material configured in unit sets (POMCUS) site, or POMSS.

(b) Theater reserve (TR) (SHAPE 6020.57/SHLLIL-125/86 (23 Jul 86)). TR materiel is stored at TR sites.

(c) Conventional ammunition storage (SHAPE 6020.59/SHLLIL-134/87 (1987)).

(d) Emergency water-crossing sites (SHAPE 6020-82/SHLLIL-124/86 (18 Jun 85)).

(2) NATO supports conventional ammunition requirements for the following:

(a) In-place forces from D+30 to D+75 (where D is the date when an Article V operation begins).

(b) Reinforcing forces from D-day to D+75, including the unit basic load for these forces.

NOTE: The ammunition-storage criteria in this category also applies to barrier-ammunition storage sites for the Army in Europe.

j. Surface-to-Air Missile (SAM). This category includes facilities required to deploy and provide security for SAM systems. The primary U.S. missile system currently eligible under this category is the Patriot system (SHAPE 6100.22/SHLLIL/084/83 (21 Apr 83) and amendment SHAPE 6100.22/SHLLIL/062/84 (9 Apr 84)).

k. Surface-to-Surface Missile (SSM). This category includes facilities required to deploy and provide security for SSMs, including theater nuclear forces. U.S. missile systems previously eligible in this category were the Pershing II and ground-launched cruise missiles. Because of the Intermediate Nuclear Forces Treaty, project submissions are no longer required or supported in this category.

l. Training Installation (TI). This category includes facilities supporting land forces, missile-firing, and air-combat ranges. TIs must support multiple NATO-nation forces committed to NATO. The user nation must manage the installation for joint use. No Army in Europe TIs are eligible in this category at this time. However, based on a U.S. request, NATO may expand this category to include computer-assisted exercise facilities, such as those operated by the Seventh United States Army Joint Multinational Training Command.

m. War Headquarters (WHQ). This category includes SC, NATO allied JFC, and allied JFCC static and mobile headquarters. No Army in Europe mission is eligible in this category.

n. Warning Installation (WI). This category includes air-defense, ground-environment radar networks. No Army in Europe mission is eligible in this category.

APPENDIX C

CAPABILITY PACKAGE FORMAT

C-1. PURPOSE

This appendix provides the format for NATO capability packages (CPs) (fig C-1) for information. The Bi-Strategic Command Directive 85-1 provides the most current, official, required format.

C-2. GENERAL

NATO Allied Joint Force Command (JFC) Brunssum and NATO Allied JFC Naples prepare CPs. Sections 1 through 5, 9, and 10 are the responsibility of the NATO allied JFC operations, policy, and logistic staffs. NATO allied JFC engineers have overall responsibility for preparing sections 6 through 8. During this phase of CP development (the resource-identification phase), user nation and host nation (HN) involvement is important. The success of the engineer's efforts depends largely on knowing and understanding the user's requirements. Therefore, user nations and HNs should focus on thoroughly developing section 5 (Resources Required) details.

C-3. RESPONSIBILITIES

NATO allied JFC engineers, in cooperation with HN and user nations, must conduct a facility analysis to determine the suitability of available facilities (for example, installations, ports, sites). The analysis determines whether new facilities are required or whether a restoration project or upgrade project is appropriate to meet minimum military standards. This analysis may include an examination of available HN military and civilian facilities, including those that may be leased. United States Army garrison (USAG) directors of public works (DPWs) should work closely with USAG directorates of plans, training, mobilization, and security (DPTMSs) to identify the facilities required to perform the U.S. user's mission.

C-4. PROCEDURES

a. Capability Package. The DPW will use section 5 of the CP to identify the resources required and will help develop information (para C-2) for incorporation in sections 6 through 8 of the CP.

(1) Section 5 (Resources Required) addresses several types of resources, including forces, armaments, logistics, and infrastructure. The DPW generally concentrates on infrastructure, which section 5 should identify by describing needed installations and facilities by type, function, optimum location, capacity, and other essential characteristics.

(2) Section 6 (Assets Available) identifies available NATO installations and their primary characteristics. If adequate NATO installations do not exist, section 6 should identify national (U.S. or HN) military or civilian installations that the HN has agreed to allow for NATO-shared use. Any limits on NATO use of national military or civilian installations, such as "only during contingency operations," should be included.

(3) Section 7 (Analysis of Assets/Options) presents an analysis of the difference (shortfall) between assets and requirements, and the options to solve any significant discrepancies. These options should indicate that—

- (a) At least one viable solution exists.
- (b) The improved capability provides a cost-effective solution to the existing shortfall.
- (c) The reviewers considered all obvious alternatives.

(4) Section 8 (Consolidated Resource Proposal) provides a summary of additional NATO and national infrastructure required (as well as associated NATO and national capital costs) and NATO operation and maintenance (O&M) and manpower costs necessary to achieve the required capability.

b. CP Analysis Worksheet. Use of the CP Analysis Worksheet (fig C-2) will provide a logical approach to developing the information for sections 6 through 8 of the CP. In completing the worksheet, use metric (not U.S.) units when describing dimensions and capacities. General guidelines for completing this worksheet are as follows:

(1) Item (Column 2): Indicate the NATO Criteria and Technical Standards item number.

(2) Description (Column 3): Describe the item (for example, ammunition bunker, runway, storage tank).

(3) Scope (Column 4): Provide the scope of the required item (for example, quantity of ammunition to be stored, runway length, fuel tank storage capacity).

(4) NATO Assets Available (Column 5): List the scope of the items provided partially or wholly by NATO.

(5) NATO Program Requirement Deficiencies/Excesses (Columns 6 and 7): In column 6, enter a plus or minus sign to indicate whether an excess (+) or insufficient (-) scope of NATO assets is available. In column 7, enter the quantity by which the scope (requirement) (column 4) exceeds or falls short of the NATO assets available (column 5).

(6) Adequate National Assets Existing/Planned (Column 8): Indicate whether national (U.S. or HN) assets can cover shortfalls identified in column 7. A *yes* in this column indicates a commitment to make these assets available for NATO use.

(7) Recommended Action: Satisfy Deficiency/Disposition of Excess (Column 9): State the recommended action to meet shortfalls (that is to accept, to use national assets, to program a NATO or MWP project). Excess facilities may be recommended for other NATO purposes, for commercial lease, or for HN disposal.

(8) Project # (Column 10): Indicate the NATO project number for the project datasheet.

(9) Facility # (Column 11): Indicate the facility number from DPW real property records.

(10) Cond (Column 12): Enter the applicable number to indicate the condition of the facility: 1 = excellent, 2 = good, 3 = fair, 4 = poor, 5 = unusable.

(11) Remarks (Column 13): Enter any additional relevant information.

CAPABILITY PACKAGE (CP)

1. Detailed CP format:

Section 1 - Commander's Mission Area.

Section 2 - Military Function/Military Function Component.

Section 3 - Operational Assessment.

Section 4 - Required Capability.

Section 5 - Resources Required:

- a. Forces.
- b. Armaments.
- c. Logistics.
- d. Infrastructure.

(NOTE: Section 5 may have fewer or more than the four subheadings shown in this figure. Subheadings should be chosen to present the resource analysis as clearly as possible.)

Section 6 - Assets Available: (Use the same subheadings as in section 5.)

- a. Forces.
- b. Armaments.
- c. Logistics.
- d. Infrastructure.

Section 7 - Analysis of Assets/Options. (Ensure the rationale for the selected option is clearly determined and explained.)

Figure C-1. Format for Capability Packages

Section 8 - Consolidated Resource Proposal. (Use the following format and list only those categories where funding is required.)

INFRASTRUCTURE COMMON FUNDING CAPITAL COSTS					
INFRASTRUCTURE REQUIREMENTS	NATO COST (EURO)	NATIONAL COST (EURO)	EDS	EDC	REMARKS
TOTAL					

NATO COMMON-FUNDED OPERATIONS AND MAINTENANCE COSTS							
PROJECT#	PROJECT TITLE	Y1	Y2	Y3	Y4	Y5+	TOTAL
1							
2							
TOTAL							

(NOTE: In the TOTAL column, enter *RECUR* if the costs will be recurring; otherwise, enter the total cost of the O&M for the project.)

MANPOWER FUNDING REQUIREMENTS				
REQUIREMENT	MANYEARS	TYPE	ANNUAL COST	START DATE
TOTAL				

Section 9 - Commander's Operational Impact Statement.

Section 10 - Commander's Remarks.

Figure C-1. Format for Capability Packages—Continued

REQUIRED CAPABILITIES				NATO Assets Available	NATO Program Requirement Deficiencies / Excesses		Adequate National Assets Existing/Planned	Recommended Action: Satisfy Deficiency/Disposition of Excess	Project #	Facility #	Cond	Remarks
#	Item	Description	Scope		-/+	Scope						
1	1A	RUNWAY with Load Classification Number (LCN)										
2	1B	ARRESTOR GEAR										
3	2	PARALLEL TAXIWAY WITH LCN										
4	3	TAXIWAY										
5	4	AIRCRAFT PARKING PLATFORMS										
		HELICOPTER PARKING PLATFORMS										
		PARKING PLATFORMS FOR IN-TRANSIT TRANSPORT AIRCRAFT										
6	5	ARM/DISARM PAD										
7	6A	APRON FOR MAINTENANCE AND INSPECTION OF AIRCRAFT										
		APRON FOR MAINTENANCE AND INSPECTION OF HELICOPTERS										
8	6B	APRON FOR AIRCRAFT ENGINE TESTING (INSTALLED)										
9	6C	APRON FOR AIRCRAFT ENGINE TESTING (NOT INSTALLED)										
10	6D	APRON FOR AIRCRAFT COMPASS CALIBRATION										

Figure C-2. CP Analysis Worksheet

APPENDIX D

PROJECT DATASHEET FORMAT

D-1. PURPOSE

This appendix provides instructions for completing project datasheets (PDSs) using a letter format. A capability package (CP) must include an individual PDS for each project in the CP. For already programmed projects where there is no change in the scope, infrastructure cost, or implementation timeframe, the PDS need indicate only the project title, number, and status. Submitters must include a complete PDS if there are changes to the data required in this appendix. User nations and host nations (HNs) usually prepare the PDS, since they will be responsible for project execution.

NOTE: The PDS replaces the project description and justification (PD&J) sheet, parts I, II, and III; and the type A (initial) cost estimate (TACE) referred to in previous versions of this and other NATO Security Investment Program (NSIP) governing regulations.

D-2. GENERAL

The user nation uses the PDS to outline infrastructure requirements by providing the proposed project scope, cost, and (when more than one project is involved) implementation sequence. The PDS—

- a. Is the working model for infrastructure planning and programming.
- b. Prescribes the framework and estimated costs of an infrastructure project.
- c. Is prepared by the user nation in coordination with the HN.

D-3. RESPONSIBILITIES

a. The infrastructure user will assist the United States Army garrison (USAG) director of public works (DPW) with—

(1) Identifying military requirements. These requirements form the basis for establishing necessary infrastructure.

(2) Developing new project criteria.

(3) Initiating preparation of the PDS.

b. The USAG DPW will—

(1) Help the user prepare the PDS.

(2) Ensure that users are provided with appropriate facilities to complete their assigned missions.

c. The Deputy Chief of Staff, Engineer (DCSENGR), USAREUR, will—

(1) Coordinate with the HN, make a final review of the PDS, and send the PDS to the HN.

(2) Coordinate with HQ USAREUR staff offices and Army in Europe commands to develop new NATO criteria and expand existing criteria.

(3) Establish priorities for project submissions to USEUCOM.

d. The DOD construction agent will help the DCSENGR review the technical data for development planning, programming documentation, and proposals for new NATO Criteria and Technical Standards.

e. The HN will—

(1) Review and endorse the PDS.

(2) Verify user requirements and cost estimates.

(3) Concur that the project is viable, the real estate is available for construction, and the utilities are adequate or will be provided by the HN.

(4) Project an estimated date of project completion.

f. The NATO allied joint force command (JFC), in coordination with the user nation and HN, will make a project implementation-sequence list when more than one project is involved in a CP. This list will show the implementation order for the projects to achieve the required capability in the stated time.

D-4. PROCEDURES

U.S. Army users and reviewers should use a letter format to prepare a NATO PDS. Figure D-1 shows the letter format for a NATO PDS. The user and reviewers will complete the PDS as follows:

a. Classification: Enter the appropriate NATO security classification on the top and bottom of the page (do not overclassify). Avoid including classified information in the proposed project's PDS unless considered essential for favorable consideration. Unclassified PDSs receive expedited processing.

b. Date: Enter the date in day/month/year format (for example, 27/06/12).

c. CP Project Number: Enter the CP number provided by the JFC.

d. Project Serial/Title: Enter the standard project serial number followed by the project title.

e. Location: Enter the NATO name for the location. This may not be the conventional name.

f. CP Number, Short Title: Enter the CP title provided by the JFC.

g. Nations (Host and User): Enter the applicable NATO-nation codes (for example, NO, PO, US).

h. Prefinanced (Yes/No): Circle *YES* or *NO* as appropriate or strike through the answer that is not appropriate. List the North Atlantic Council Decision Sheet (AC4-DS) document if known.

i. Implementation, Estimated Date of Authorization Request (EDAR), Estimated Date of Start (EDS), and Estimated Date of Completion (EDC): Using the calendar year, enter the quarter and year (for example, IV/12) for the EDAR, EDS, and EDC.

j. Scope: Provide a general description of the project.

(1) **Item Description/Criteria Item:** Enter the item description and, where appropriate, the criteria item. Ensure measurements are expressed in metric units.

(2) **Estimated Costs (NATO/National):** Enter estimated NATO and national capital costs by defined euro cost. For national operation and maintenance (O&M) and manpower costs, indicate that the HN is aware of the costs and agrees to provide or fund the necessary resources. If a cost-share between NATO and the nation is proposed, briefly explain the rationale.

(CLASSIFICATION)

PROJECT DATASHEET

CLASSIFICATION: _____

DATE: _____
PROJECT SERIAL/TITLE: _____

CP PROJECT NUMBER: _____

LOCATION: _____

CP NUMBER, SHORT TITLE: _____

NATIONS: _____ HOST: _____ USER: _____
PREFINANCED: _____ YES/NO _____
IMPLEMENTATION: _____ EDAR: _____ EDS: _____ EDC: _____
SCOPE: _____

ITEM DESCRIPTION/CRITERIA ITEM _____ EST COSTS:
NATO
NATIONAL

SUB TOTAL: _____
CONTINGENCIES (10%): _____
SUB TOTAL: _____
NAE: (_____%) _____
A/E: (_____%) _____
TOTAL: _____

CAPITAL EXPENDITURE PROFILE:
BEYOND

	2001	2002	2003	2004	2005	2006
--	------	------	------	------	------	------

TOTAL

NATO:
NATIONAL:

TOTAL:

O&M EXPENDITURE PROFILE:
BEYOND

	2001	2002	2003	2004	2005	2006
--	------	------	------	------	------	------

TOTAL

NATO:
NATIONAL: (Indicate national knowledge of costs)

TOTAL:

(CLASSIFICATION)

Figure D-1. Project Datasheet Format

(CLASSIFICATION)

**MANPOWER EXPENDITURE PROFILE:
BEYOND**

TOTAL 2001 2002 2003 2004 2005 2006

NATO:
NATIONAL: _____ (Indicate national knowledge of costs)

TOTAL: _____

RELATED CPs: _____

REMARKS:

POC: GRADE NAME: _____ TELEPHONE: _____
 POSITION TITLE: _____ AGENCY: _____

(CLASSIFICATION)

----- Page Break -----

(CLASSIFICATION)

PROJECT IMPLEMENTATION-SEQUENCE LIST

CAPABILITY PACKAGE NUMBER: _____

ORDER OF PROJECTS:	PROJECT NUMBER:	PROJECT TITLE:	PROJECT COST: (EURO)	CUMULATIVE COST: (EURO)
1				
2A				
2B				
3				
4A				
4B				
5				
6*				
7*				

*Project is independent of others and may be implemented in any sequence.

(CLASSIFICATION)

Figure D-1. Project Datasheet Format—Continued

k. Contingencies, National Administrative Expenses (NAEs), Architectural Engineering (A/E):

Enter the appropriate amounts. Ensure to include the correct percentage in parentheses after the *NAE* and *A/E*.

l. Capital Cost Profiles (Capital Expenditure, O&M Expenditure, Manpower Expenditure):

Enter the relevant years and estimated amounts of infrastructure funds the user expects to expend in the year columns. Enter 0 if there is no cost in a year's column. Because the cost profiles for NATO O&M and manpower cover only a 5-year period, JFCs will provide Supreme Headquarters Allied Powers Europe (SHAPE) the anticipated costs beyond the current year and the total costs. JFCs will also provide annual updates of these portions for future planning and budgetary purposes.

NOTE: National O&M and manpower cost figures are not mandatory. However, the user nation's and HN's commitment to providing the resources is necessary and must be indicated in section 8 of the CP submission.

m. Related CPs: Enter the CP number of any other CP that the project supports.

n. Remarks: Enter relevant remarks. Specifically state if no manpower, O&M, or communications and information-systems support requirements exist. A mandatory remark regarding O&M costs will generally read, "There are no NATO O&M implications regarding this project. There is a national O&M cost/support requirement and the user nation has committed to provide that support over the NATO lifecycle of the facility."

o. POC: Enter the grade, name, position title, agency name, and telephone number for JFC (or agency), HN, and user nation POCs.

D-5. PROJECT IMPLEMENTATION-SEQUENCE LIST

When more than one project is included in a CP, the JFC sponsor will provide a project implementation-sequence list showing the implementation order required to achieve the required capability in the stated timeframe. The Allied JFC sponsor will base the prioritization on both operational and technical considerations. The Allied JFC sponsor may list the projects consecutively or concurrently. Normally users will list any projects that are implementable in any order at the end of the list. Figure D-2 shows the format for project implementation-sequence lists.

Projects

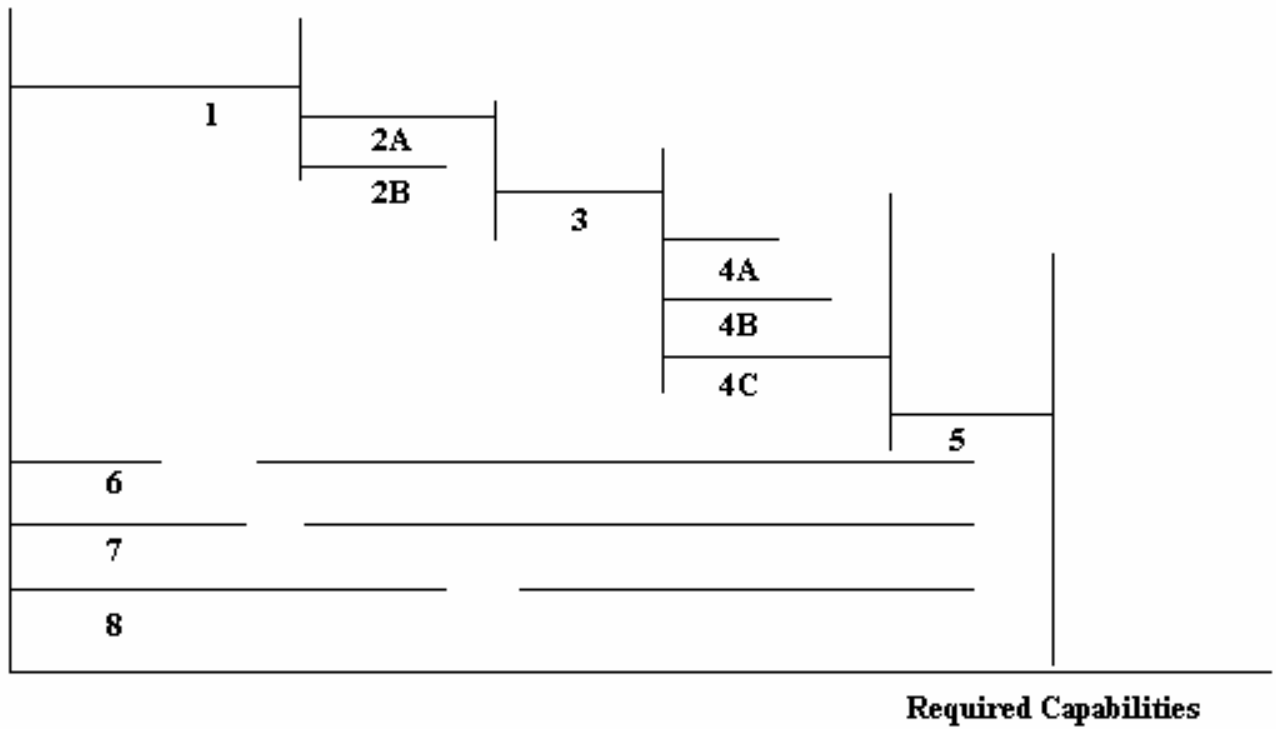


Figure D-2. Project Implementation-Sequence List

APPENDIX E

FORMAT FOR MILITARY INFRASTRUCTURE REQUIREMENTS

E-1. PURPOSE

This appendix outlines military infrastructure requirement (MIR) preparation (applies only in Germany).

E-2. GENERAL

Developing an MIR is a lengthy process. German design agencies require substantial and thorough information and preliminary coordination to minimize the need for redesign requests. The MIR request is required only in Germany. The MIR complements the project datasheet (PDS) and provides more details for German design agencies.

E-3. RESPONSIBILITIES

- a. The user of infrastructure will help prepare MIRs.
- b. The United States Army garrison director of public works will establish technical criteria for the MIR and make preliminary coordination with local German design agencies and the user.
- c. The Office of the Deputy Chief of Staff, Engineer (ODCSENGR), HQ USAREUR (AEEN-PO-N), will send MIRs to the appropriate German authorities.
- d. The DOD construction agent will help the ODCSENGR review the MIR.
- e. The German design agency will use MIRs to help validate the cost estimate in the PDS.

E-4. PROCEDURES

Figure E-1 provides the format for the MIR and a brief description for each paragraph.

(TITLE PAGE)

(Preparing Agency)

(Place and Date)

(Division or Section)

(Telephone Prefix and Number)

(Security Classification)

(Action Officer)

Military Infrastructure Requirement
for
(Designation of Project)

(Criteria Item)

(Slice or NATO Authorization Document)

----- Page Break -----

(Designation of Facility or Installation)

a. General.

(1) Project Designation. State the designation prescribed in the NATO criteria or a designation briefly and clearly defining the project.

(2) Intended Use. State the justification based on the purpose and function of the project (same as the PDS).

(3) Location. Indicate the location in an existing facility. Reference the following reproducible plans to be included as annexes to the construction request:

(a) General site plan, indicating the project requested.

(b) Detailed plan, if any, pertaining to the project requested.

(4) Scope and Breakdown. Provide a general description of the requested project (same as the PDS).

(5) Connection to the Traffic Network. Provide information about traffic volume, military-load class, overpasses and underpasses, and rail connections near the requested project.

(6) Security. Enter the applicable protective marking or security classification.

(a) Mark the construction request, planning order, and construction documents "For Official Use Only".

(b) Use markings, if required, as prescribed by the host nation for bid solicitation, contract award, and construction implementation.

NOTE: Planning documents will not provide the unit designation and mission or the intended purpose of adjacent objects.

(7) Priorities and Use Deadlines. Indicate completion dates, as required.

Figure E-1. Format for Military Infrastructure Requirements

(8) Funding. Reference NATO programming, capability package (CP) number and title, and submission dates. The funding source should be mentioned if NATO criteria are exceeded.

(9) Construction Implementation. Provide a statement indicating if NATO can implement the project at the same time as other programmed or prefinanced projects.

b. Project Details. Back up detailed construction works (including the functional process) when necessary by diagrams included in an annex to permit the preparation of the MIR without further question. Provide references to existing standard plans, as appropriate. Information about the following also is required:

(1) Structural Requirements.

- (a) Floor plan.
- (b) Level of protection (for example, shelters).
- (c) Size.
- (d) Thickness of walls.

(2) Outside Facilities.

- (a) Access roads.
- (b) Aprons.
- (c) Parking areas.

(3) Engineering Facilities. Provide information about engineering facilities (for example, hoist systems).

(4) Utilities and Pollution Abatement.

(a) Air Conditioning, Heating, and Ventilation. Enter required room-air requirements and tolerances. Where tolerances are limited, specify pertinent regulations.

(b) Compressed Air. Provide information about air pressure and volume, and connections by location and type.

(c) Garbage Disposal and Environmental Protection. Provide information about the volume of special wastes (chemicals, radioactive material) and disposal.

(d) Regular and Emergency Power Supply. Provide information about the overall power requirement, residual currents, special voltages (including frequency and wattage), connections by location and type, circuits, and essential power-consuming equipment earmarked for emergency power supply.

(e) Sewage Disposal. Provide information about the composition and disposal of sewage. Based on this information, separator systems may be required under national regulations. Enter information about areas earmarked for special drainage, routing of collection ditches, retention basins, and backwater systems.

(f) Water Supply. Provide information about domestic water, purification, and storage plants.

(5) Communications. Provide information about—

- (a) Antenna masts, lead-in cables, and radio links.
- (b) Cable pairs (number), including feeder-cable spares.
- (c) Intercom and public-address systems.

Figure E-1. Format for Military Infrastructure Requirements—Continued

-
- (d) Location and type of cable-distribution boxes.
 - (e) Signal, warning, and alarm lines.
 - (f) Special telephone exchanges.
 - (g) Telegraph and cryptographic facilities.
 - (h) Telephone sets and classes of service.
 - (i) Trunk lines (list).

(6) Special Operating Equipment. Provide information about—

- (a) Ammunition containers.
- (b) Blackout facilities.
- (c) Clock systems.
- (d) Danger-alarm systems.
- (e) Lightning protection.
- (f) Low-voltage systems other than communications.
- (g) Personnel and cargo elevators.
- (h) Special foundations.
- (i) Special sound and heat insulation.

(7) Traffic Installations. Provide information about traffic-installation requirements in a specific facility or on Federally owned property that does not come under the civilian infrastructure of a military interest category (for example, military load class, overpasses and underpasses, parking and formation areas, road routes, sidewalks and bicycle paths, street lighting, traffic lights, traffic signs, traffic volume). Unless basic requirements and guidelines (NATO criteria) apply, the requirement volume should be justified.

(8) Physical Security, Site Defense, and Camouflage. Provide information about perimeter fences, security lighting, guard buildings, sentry boxes, alarm systems, and other security measures.

(9) Fire Protection and Safety. Include information about—

- (a) Automatic open-and-shut systems.
- (b) Installation of hydrants.
- (c) Organic equipment requiring special protection.
- (d) Smoke- and heat-alarm systems.
- (e) Special escape routes.
- (f) Special fire mains.
- (g) Sprinkler systems.
- (h) Storage of flammable, radioactive, and other material.

Figure E-1. Format for Military Infrastructure Requirements—Continued

(10) Other Requirements. Provide construction requirements that cannot be included in the preceding paragraphs, including—

- (a) Evacuation measures.
- (b) Flying-safety requirements.
- (c) Force-protection measures.
- (d) Planting and seeding works.
- (e) Signs.
- (f) Unobstructed visibility.

c. Annexes. Provide separate annexes for—

- (1) General layout plans.
- (2) Detailed plans and diagrams.

Figure E-1. Format for Military Infrastructure Requirements—Continued

APPENDIX F

CONJUNCTIVE-FUNDING PROCEDURES FOR TRANSFERRING U.S. COST-SHARES

F-1. PURPOSE

This appendix provides guidance on transferring funds to NATO for cases involving U.S. cost-shares.

F-2. GENERAL

NATO normally finances construction from common funding with no direct U.S. contribution. When the project scope exceeds NATO criteria or when NATO construction rules mandate cost-sharing (for example fence projects, lighting restoration projects), the United States must transfer funds to the host nation (HN) before construction begins.

F-3. RESPONSIBILITIES

a. Proponent users of infrastructure or respective authorities will—

- (1) Solicit funds from appropriate sources to support conjunctively funded requirements.
- (2) Defend the need for construction beyond the NATO-supported level.

b. United States Army garrison (USAG) directors of public works (DPWs) or respective authorities will—

- (1) Transfer funds to the DOD construction agent for Operations and Maintenance, Army (OMA), projects.
- (2) Confirm the need for the conjunctively funded portion of the project.

c. The Office of the Deputy Chief of Staff, Engineer (ODCSENGR), HQ USAREUR (AEEN-PO-N), will—

- (1) Ensure subordinate commands have appropriate funding before starting the project design phase for OMA projects.
- (2) Coordinate with IMCOM-Europe to ensure programming and availability of funds for Military Construction, Army (MCA)-funded projects.

NOTE: The United States Army Corps of Engineers (USACE) is responsible for transferring MCA funds to the DOD construction agent.

d. DOD construction agents will—

- (1) Transfer funds to the HN.
- (2) Perform design supervision, construction supervision, or both and administer the conjunctively funded project as requested.

e. The HN will—

- (1) Confirm the user share of a conjunctively funded project.
- (2) Design and construct the project.

f. The NATO allied joint force command (JFC) will screen conjunctively funded projects and confirm the level of NATO support.

F-4. PROCEDURES

a. Once NATO confirms the scope and provides conjunctive funding, HQ USAREUR will authorize the DOD construction agent to make the fund transfer for the design construction. Direct coordination between the responsible DPW or project proponent and the DOD construction agent is encouraged to expedite the process. The HN authority must receive the funds before the contract can be awarded.

b. The DOD construction agent will prepare a statement of the total funds required for design, construction, and administrative costs. The agent will coordinate this information with and provide a copy to the USAG DPW and the project proponent.

c. For OMA-funded projects, fund providers (normally the USAG DPW) will provide funds to the DOD construction agent for DOD construction agent in-house costs, intergovernmental processing fees, and U.S. cost-shares using a DD Form 448 (Military Interdepartmental Purchase Request (MIPR)). Total funds will include all of the following:

- (1) The U.S. cost-share.
- (2) Any intergovernmental (HN) processing fees.

(a) For projects constructed in Germany with a total contract cost exceeding 375,000 euros of new work (considered major construction by the German Government), the *Auftragsbautengrundsätze (ABG) 1975* (Principles of Construction Contracting 1975) fee (including the English translation) is 5.6 percent of the U.S. cost-share plus additional services.

(b) For projects constructed in Germany with a total contract cost not exceeding 375,000 euros (generally considered minor construction by the German Government) or for maintenance and repair work of unlimited cost, the *ABG 1975* fee (including English translation) is 7.5 percent of the U.S. cost-share plus additional services.

- (3) The USACE, Europe District, in-house costs during project development and design.

d. If the project uses USACE, Europe District, services during the construction phase, the fund provider must send a second MIPR to fund the design oversight fee and supervision and administration (S&A) fees (1 percent and 8 percent of the U.S. cost-share, respectively). Other DOD construction agents may require a second MIPR for similar fees.

e. On receipt of the authority and funds, the DOD construction agent (normally USACE, Europe District) will execute an indirect contract with the HN (according to *ABG 1975* for projects in Germany).

APPENDIX G

JOINT FINAL ACCEPTANCE INSPECTIONS

G-1. PURPOSE

This appendix describes NATO joint final acceptance inspection (JFAI) procedures.

G-2. GENERAL

a. Accepting infrastructure construction into the NATO facility inventory follows a step-by-step procedure requiring multinational approval. NATO Document AC/4-D/2074 prescribes the JFAI process, the main action in the process. The JFAI report of inspection is the official document of record concerning approved construction and provides the basis for final acceptance. U.S. users will follow the procedures in this appendix to secure maximum benefit from NATO funding and minimum expenditure of U.S. Operations and Maintenance, Army (OMA), funds for U.S.-user facilities.

b. Final acceptance constitutes a formal agreement between NATO members that infrastructure projects are complete and militarily and technically acceptable, subject to certain stated conditions, and that the host nation (HN) has fully met its responsibilities.

c. The United States protects NATO and national interests on U.S.-user facilities by actively taking part in all phases of final inspection and acceptance. USAREUR meets this objective by representing the United States in JFAIs for facilities and by sending follow-up reports to the CG, USAREUR.

d. The JFAI team inspects works to verify that—

(1) Projects conform to inventories prepared by the HN.

(2) Construction is according to good engineering practice and in accordance with the technical provisions as imposed by budgetary or other restrictions.

(3) Projects comply with NATO-approved criteria, NATO technical standards, and relevant NATO fund authorizations.

(4) Projects are operationally acceptable from a NATO military point of view.

G-3. ORGANIZATION AND RESPONSIBILITIES

The JFAI team, chaired by a member of the NATO Office of Resources (NOR), includes representatives from the Supreme Headquarters Allied Powers Europe (SHAPE), Allied Command Operations (ACO), NATO Allied Joint Force Command (JFC) Brunssum or NATO Allied JFC Naples, the HN, and the user nation. Members of the U.S. delegation for U.S.-user facility inspections will consist of representatives from the using unit, the United States Army garrison (USAG) director of public works (DPW), the signal service unit, and the Office of the Deputy Chief of Staff, Engineer (ODCSENGR), HQ USAREUR.

a. The infrastructure user will note operational deficiencies of facilities.

b. The USAG DPW will—

(1) Identify latent and qualitative defects.

(2) Document the maintenance history of facilities awaiting JFAI and support user claims of deficiencies.

(3) Monitor the correction of JFAI deficiencies.

c. The ODCSENGR (AEEN-PO-N) will serve as the official Army in Europe representative and signatory of JFAI documents for the user nation.

d. Representatives from HQ USAREUR staff offices; 5th Signal Command; or the United States Army Corps of Engineers (USACE), Europe District; may attend JFAIs to provide technical assistance in their fields of expertise.

e. The DOD construction agent will take part in JFAIs as requested. The DOD construction agent must take part in JFAIs for all prefinanced or conjunctively funded projects.

f. The HN will—

(1) Prepare JFAI documents.

(2) Coordinate with the NOR to establish JFAI dates.

(3) Announce JFAI dates and send invitations to appropriate offices (including HQ USAREUR).

g. The appropriate NATO allied JFC will take part in the JFAI and may represent ACO if SHAPE is unable to take part.

h. A SHAPE or other ACO representative will serve as the senior military command representative on the JFAI team.

i. The NOR representative will—

(1) Serve as chairperson of the JFAI team.

(2) Establish JFAI dates in conjunction with the HN.

G-4. PROCEDURES

a. Requesting JFAIs. The HN should submit requests for JFAIs to the NOR on project completion (or completion of a usable part of a project), but no later than 6 months after completion (NATO Document AC/4-D/2074). The completion date is the date on which the HN and the user nation conduct technical acceptance (also known as turnover inspection (provisional or final)) is performed. The HN will notify the user nation when a request is submitted to the NOR.

b. Team Chairperson. The NOR representative will serve as the JFAI team chairperson and establish the JFAI date.

c. The HN. The HN announces the date agreed on by the NOR and handles any special coordination required (for example, meeting location, hotel, JFAI team transportation arrangements).

d. U.S. Involvement. HQ USAREUR (AEEN-PO-N) will coordinate with the HN for U.S. participation in the JFAI including requesting site clearances for representatives of participating agencies. If the HN does not have an office near the inspection site, the HN may ask the United States to provide a meeting location on site. The using unit will coordinate with the USAG DPW in such instances.

e. U.S. Position. The U.S. delegation will prepare the U.S. position for presentation at JFAIs. This action consists of justifying construction requirements and identifying deficiencies the United States wishes the JFAI team to note. Ensuring the United States receives the full advantage of infrastructure funding requires maximum coordination between the Army in Europe, the HN construction agency, and the using unit. A pre-JFAI inspection may coincide with the HN inspection of the contractor's work and turnover inspection, if applicable. Figure G-1 provides information about pre-JFAI inspections.

1. PURPOSE

The United States conducts pre-JFAI inspections to detect correctable deficiencies before the JFAI (to reduce the number of JFAI deficiencies) or to ensure the JFAI team notes all deficiencies. The pre-JFAI inspection report serves as the basic tool for developing the U.S. position (represented by the U.S. signatory authority) at the JFAI. The United States may also conduct a pre-JFAI inspection to generate action on difficult-to-correct deficiencies.

2. ORGANIZATION

The U.S. inspection team consists of representatives from the using unit, the USAG DPW, and the USACE, Europe District, as required. Representation by HN authorities (for example, *Bauamt* in Germany) is desirable but voluntary.

3. PROCEDURES

a. After turnover and occupancy or if the NOR schedules a JFAI, the Army in Europe or the DOD construction agency will request the HN to schedule a pre-JFAI inspection. If the HN agrees, the HN construction agency normally will make all further arrangements.

b. The responsible DOD construction agency will write a report of the inspection that includes findings, conclusions, recommendations, and a list of deficiencies. The recommended format is a tabular list with column headings. The following information must be included:

- (1) A description of the deficiency and categorization (design, material, and warranty).
- (2) The agency that submitted the requirement (NATO, HN, or the United States).
- (3) Citation of the publication or criteria that prescribed the requirement.
- (4) Clarification of the deficiency as opposed to the requirements and the operational effect on the site.
- (5) Remarks (including a recommended course of action by the agency responsible).

c. The United States will inform (in writing) the HN construction agency of all deficiencies requiring HN action, unless the United States and HN reach an agreement during the inspection.

d. A representative of the responsible DOD construction agency will provide a copy of the pre-JFAI inspection report to HQ USAREUR.

Figure G-1. Pre-JFAI Inspection of U.S.-User Facilities

f. JFAI Date. A JFAI starts at the time and place the HN designates in coordination with the JFAI team. Because the inspection is formal and very involved, all parties must prepare for the inspection. Preparations will include providing for a conference area, a small business room, lunch, and transportation from the meeting area to the inspection site, if required. When the United States hosts the inspection, the using unit will be responsible for preparations. HQ USAREUR (AEEN-PO-N) will coordinate preparations with the using unit and HN agencies to ensure that arrangements are complete (d above).

g. HN Preparation. The HN will provide required documents for the JFAI, including as-built drawings, detailed inventories, operators manuals for installed equipment, and cost data.

h. U.S. Signatory. During the JFAI, the U.S. signatory (ODCSENGR representative) will make official U.S. requests, recommendations, and reclamations.

i. JFAI Findings. The JFAI team submits findings in a report noting discrepancies in scope and deficiencies. NATO publishes JFAI reports as NATO documents in the AC/4(PP) FA/-series. The team will recommend whether or not to formally accept the project. In the case of deficiencies that do not affect the operation, the team may recommend acceptance subject to the correction of those deficiencies. The team also will determine, in coordination with the HN representatives present, the expected completion date for the correction of deficiencies and the cost. Most importantly, the team must distinguish between deficiencies adversely affecting the operational use of facilities and those that do not.

j. JFAI Report. The JFAI report consists of a cover letter from the Controller for Infrastructure and the team report on findings and agreements in three appendixes:

(1) Appendix A states the purpose of the inspection and includes JFAI team signatures certifying proper completion of the work.

(2) Appendix B includes general data relating to project type, fund authorizations, construction, occupancy dates, and general considerations on size, criteria, cost-sharing, findings on individual items, and team comments.

(3) Appendix C includes a summary list of deficiencies, costs, proposed correction schedules, and a list of excess works authorized by NATO.

k. U.S. Team JFAI Report Review. On completion of the inspection and formalization of the protocol, the U.S. team will review documents and ensure they include—

(1) Unanimous agreement on criteria deficiencies and a correction schedule.

(2) Unanimous or, if necessary, individual comments on military requirements for facilities required above those authorized by criteria (to justify NATO funding) and concurrence with any cost-sharing formula to support these requirements.

(3) Factors (for example, technical deficiencies, lack of user nation agreements) that may postpone beneficial occupancy of the facility.

(4) For U.S.-financed facilities, any U.S. stipulations that restrict the assignment of property rights to NATO Stipulations are required unless HQ USAREUR has definitely decided to offer these facilities to NATO free of charge.

(5) Enough copies for the using unit and USAG DPW to carry out subsequent actions. The completed JFAI report is NATO-restricted information and must be handled as For Official Use Only.

l. Correction of Deficiencies. One of the most important functions of a JFAI is to categorize and schedule corrections of deficiencies. The JFAI team must note design and construction deficiencies to ensure correction by the HN with NATO funding so that correcting deficiencies does not become a U.S. maintenance responsibility.

(1) Deficiencies that could affect the operational capabilities of a site may be grounds for not accepting the site from the HN. The JFAI report should state the existence of these deficiencies and terms of acceptance or occupation.

(2) The user nation may not use deficiencies that would not affect operational capability as a basis for refusing to accept a site or portions of a site.

(3) The USAG DPW will monitor the correction of deficiencies at sites used by the United States and report to HQ USAREUR (AEEN-PO-N) any delays in the correction schedule agreed on at the JFAI. The JFAI is a prerequisite to NATO Minor Works Program (MWP) restoration or replacement work.

(4) HNs are responsible for the satisfactory correction of deficiencies noted by the JFAI team. HNs should prioritize correcting deficiencies impairing the operational use of a facility or normally requiring correction before occupancy and formal acceptance. When all deficiencies have been corrected for a project, the HN will inform the NOR and the user nation. At the request of HQ USAREUR (AEEN-PO-N), the USAG DPW will reply to HQ USAREUR to either verify correction of deficiencies as certified by the HN or provide details to refute such a report by the HN. If the HN does not complete a report by 2 years after the project's original ready-for-JFAI date, users and USAG DPWs will use the procedures in (a) and (b) below to identify outstanding deficiencies to the interested parties.

(a) Deficiencies Noted Within 2 Years After the JFAI. The 2-year period begins on the date the HN reported the work as complete and ready for JFAI or, if the JFAI occurred later than 6 months after this date, on the date of the JFAI. If latent or hidden deficiencies (not originally detected at the JFAI) appear within 2 years, the DPW will report them through the construction agency to HQ USAREUR (AEEN-PO-N). USAREUR will conduct a 2-year inspection between the 19th and 22d month of the 2-year period to ensure that USAREUR maximizes the use of NATO funds to correct deficiencies. The HN construction agency will conduct this inspection. Using-unit commanders and the USAG DPW will help as necessary.

(b) Deficiencies Noted After the 2-Year Period. Urgent repair of deficiencies discovered after the 2-year period ((a) above) may be funded provisionally within the original authorization. These deficiencies will be reported immediately to the USAG DPW, which will initiate a new project, mentioning the extraordinary funding requirement. This will either preempt the use of Army in Europe funds or speed recoupment of U.S. funds if U.S. funds prefinance the work.

m. Excess Works. In the report, the JFAI team must identify work that appears to be in excess of the authorized scope.

(1) The team will provide a justification and cost estimate for any excess work the team recommends for authorization.

(2) The HN will finance any excess work not recommended for authorization unless the United States specifically requested the excess work.

(3) Based on JFAI team recommendations, the NATO Investment Committee will consider the excess works for authorization according to NATO Document AC/4-D/2074. If the cost is less than 5,000 euros, NATO Investment Committee authorization is not required and the cost will appear as a cost overrun based on the final audit.

n. NATO Audit. Although not directly concerned with possible auditing questions, the JFAI team will include in its findings items of possible interest to the NATO International Board of Auditors.

APPENDIX H MAINTENANCE AND INSPECTION OF NATO PROPERTY

H-1. PURPOSE

This appendix provides information about NATO annual maintenance inspections (AMIs). NATO conducts AMIs to determine the condition of facilities funded by the NATO Security Investment Program.

H-2. GENERAL

a. In conjunction with host nation (HN) and user nations, NATO conducts periodic inspections of NATO facilities to ensure that the sites continue to meet the requirements for which they were originally built and that the user is providing proper maintenance. (The wartime user nation remains responsible for maintenance of facilities in a peacetime-caretaker status.)

b. The NATO allied joint force command (JFC) or joint force component command (JFCC) normally conducts the NATO AMI. Inspectors check the physical condition of sites and the United States Army garrison (USAG) director of public works (DPW) record of maintenance projects.

c. The allied JFCs conduct AMIs every 2 or 3 years using the longer interval if a site received a satisfactory or better evaluation on previous inspections. AMIs gain importance as infrastructure ages, since AMI results justify projects for future restoration. Recommendation by an inspector that restoration or replacement is required is the best justification and support for a project under the NATO Minor Works Program (MWP).

d. Maintenance and repair responsibility for a NATO facility starts when the USAG DPW accepts a site from the HN at the turnover inspection.

(1) The DOD construction agent will prepare DD Form 1354 based on data provided by the HN. The DD Form 1354 documents the transfer of the facility to the USAG DPW.

(2) USAGs will add equipment in place in the facility to the installation property book. The USAG will attach a list of this equipment as an enclosure to the DD Form 1354. The USAG will transfer accountability for this equipment to the using unit.

e. NATO recognizes the need to restore certain infrastructure items that are no longer cost-effective to maintain, have reached the end of their life expectancy, or are nonoperational and require replacement. Projects costing less than 500,000 euros may be eligible for restoration under the MWP. Appendix L provides information about eligibility criteria, programming, and execution.

f. Inspection results will include a discussion of the status of projects completed or started since the last AMI. AMIs will also include a review of project proposals for maintenance or restoration or for upgrades to meet current NATO mission-minimum military requirements. The using unit and engineer support agency (USAG DPW for U.S. sites) will provide the inspector with the required data and project lists.

g. The NATO allied JFC and allied JFCC will complete the AMI reports and send them through channels to HQ USAREUR (AEEN-PO-N), the supporting DPW, and the using unit.

h. Inspectors reserve the right to inspect all NATO facilities at a site during an AMI. Therefore, the installation occupants and the DPW must ensure the keys to all buildings are available during the inspection, particularly utilities buildings (for example, transformer stations). This is especially true for multiuser sites. The USAG DPW is responsible for this action, except for cases where the user has exclusive access (for example, arms rooms).

H-3. RESPONSIBILITIES

a. The infrastructure user performs preventive maintenance and informs the USAG DPW of maintenance problems that exceed unit capabilities.

b. The HQ USAREUR representative is the user nation representative and signatory on AMI documents. The USAG DPW is responsible for maintaining the site and equipment. The United States will document and maintain NATO infrastructure assigned to and occupied by the U.S. Forces as the primary user (including U.S. prefinanced NATO facilities) in the same manner as other U.S. real property. The United States will accept and maintain accountability for this property according to AR 405-45. This regulation requires real-property accountable officers to report real property on the inventory with the appropriate ownership code. For NATO infrastructure, this is ownership code 5. If the United States acquired the real property as NATO infrastructure, AR 405-45 also requires accountable officers to use facility acquisition code O.

c. The Office of the Deputy Chief of Staff, Engineer, HQ USAREUR, coordinates with the HN, site user, and USAG DPW, and through NATO strategic command channels to schedule AMIs.

H-4. PROCEDURES

a. An AMI begins with a courtesy call on the unit commander (or person responsible for the operation of the facility). The USAG DPW then provides a briefing on the status of site maintenance with emphasis on work performed after recommendations by previous AMIs. A meeting room will be required, preferably on the site.

b. Each organization shown in parentheses below will provide the documents listed. Failure to provide these documents could result in an unsatisfactory evaluation.

(1) NATO site real-property records (USAG DPW).

(2) Work-order-request logbook covering the period since the last AMI (using unit).

(3) Maintenance deficiencies (using unit).

(4) Maintenance projects completed since the last AMI (USAG DPW).

(5) Maintenance projects planned (funded and unfunded) for the current and next fiscal year (USAG DPW).

(6) Ongoing (U.S. or NATO) project status (Army in Europe or HN representative).

(7) Future (U.S. or NATO) projects and funding status (Army in Europe or HN representative).

(8) Status of correction of any deficiencies noted on a previous joint final acceptance inspection (HN representative or USAG DPW).

c. U.S. Army units conduct physical-security inspections to ensure NATO sites have adequate security. Commanders will assign the highest priority to projects required to correct physical security deficiencies noted in AMIs or in other physical security inspections.

d. NATO approval is not required for repair by replacement-type maintenance if replacement items are of equal quality. Replacement items become NATO property once installed.

(1) If the DPW is replacing an item of significant value (for example, frequency converter, generator, heating boiler) and plans to use U.S. funds for prefinancing, the USAG DPW must submit a prefinancing statement to the ODCSENGR before contracting for a replacement. This prefinancing statement will include a description of work, a justification (that is, failure of component to be replaced), an estimated cost, a start date, and a completion date for the work.

(2) The ODCSENGR will develop the prefinancing statement as a “notification of intent to prefinance,” and send it through USEUCOM to the U.S. Mission to NATO, to enable NATO to program the project. Appendix K provides more information on prefinancing NATO-eligible projects.

e. Alterations or modifications of NATO facilities costing more than 40,000 euros require HQ USAREUR (AEEN-PO-N) approval. This work is often required when fielding new weapons systems that NATO normally funds.

APPENDIX I

NATO STRUCTURE IDENTIFICATION AND REAL PROPERTY MANAGEMENT

I-1. PURPOSE

This appendix clarifies requirements for properly identifying NATO-funded structures on U.S. installations and for maintaining and repairing NATO facilities.

I-2. GENERAL

Maintenance and repair responsibility for a NATO facility starts when the United States Army garrison (USAG) director of public works (DPW) accepts the site from the host nation (HN) at the turnover inspection. The DPW will identify NATO-funded facilities in the Integrated Facilities System using ownership code 5. The real-property accountable officer will identify all acquired NATO infrastructure with facility acquisition code O.

I-3. RESPONSIBILITIES

- a. The USAG DPW maintains and annotates real-property records and maintains and marks NATO property as appropriate.
- b. The Real Estate Branch, Strategic Initiatives Group, Host Nation Liaison Field Operating Activity, IMCOM-Europe, maintains a master facilities list of U.S. Forces property in the Army in Europe.

I-4. PROCEDURES

- a. The using nation of a NATO-funded facility will maintain the site and the equipment. Real property that consists of NATO infrastructure assigned to and occupied by the U.S. Forces as the primary user (including U.S. prefinanced NATO facilities) will be documented and maintained in the same manner as other U.S. real property. Accountability for this property will be accepted and maintained. Real-property documents must be annotated *NATO INFRA* (in block red letters) in item 22 (Item Remarks) of DD Form 1354.
- b. USAG DPWs will ensure NATO-funded structures are identified by painted markings indicating their NATO ownership. Typical facilities requiring NATO-identification markings are buildings, guard towers, and large end items of installed equipment (for example, frequency converters, generators). Earthworks, fences, light poles, parking lots, roads, and utility lines do not require NATO identification markings. USAG DPWs—
 - (1) Must apply NATO markings according to TM 5-618, section 11.
 - (2) Will apply markings by stencil, if practical.
 - (3) Will prepare the background surface and use exterior grade paint according to AR 420-1 and the Army Installation Design Standards manual and, when possible, use paint with a glossy finish.
 - (4) Will not place NATO markings where they would create a safety hazard. USAG DPWs will normally place building markings above the building number. The USAG DPWs will determine the exact location based on the legibility of markings when read from the nearest road or street. USAG DPWs will place markings on adjacent sides of the structure near a corner where the sides meet. The USAG DPW's application of NATO markings for large end items must comply with TM 5-618.

APPENDIX J

RELEASE FROM NATO INVENTORY

J-1. PURPOSE

This appendix describes methods for removing facilities from the NATO inventory.

J-2. GENERAL

Periodically, NATO missions cease to require specific NATO-funded facilities (for example, elimination of a particular weapons system, change in the NATO reinforcement prepositioning plan). The user nation may request the release of particular buildings or entire sites from the NATO inventory when no longer needed for a NATO mission. The user nation must initiate release requests. The host nation (HN) cannot request deletion from the NATO inventory without the consent of the user nation.

J-3. RESPONSIBILITIES

a. Infrastructure Users. In coordination with United States Army garrison (USAG) directors of public works (DPWs), commanders will immediately notify the Office of the Deputy Chief of Staff Engineer (ODCSENGR), HQ USAREUR (AEEN-PO-N), when a NATO facility or NATO equipment in place is no longer required.

b. The USAG DPW. The USAG DPW with the facility's real property records must maintain the facility until receipt of NATO notification or for 1 year, whichever comes first. During this period, the USAREUR Provost Marshal remains responsible for physical security of the facility.

(1) The Supreme Headquarters Allied Powers Europe (SHAPE), Allied Command Operations (ACO), will provide the notice regarding the NATO decision on final disposition.

(2) The USAG DPW will conduct a site inspection, inventory the NATO property, and prepare a list of items for potential salvage, transport, or use at other NATO locations. The USAG DPW also assesses future use of the facility.

(3) NATO reserves the right to continue use of infrastructure for NATO purposes. If NATO can use the released facilities to meet the requirements of another U.S.-NATO-eligible project, NATO will direct that use. NATO normally does not designate another nation as a potential user for infrastructure released from the NATO inventory, but reserves the right to do so.

(4) The USAG DPW will consider if a future U.S. national military use exists for the facility. If the United States intends to use the NATO facility for follow-on national military purposes, the USAG DPW should state this in the request for deletion from the NATO inventory and provide a request for a change in use. Often a change in use is more advantageous than deletion from the NATO Inventory, especially if the facilities are relatively new. Otherwise, NATO may request the United States to reimburse NATO for the residual value.

c. HQ USAREUR. ODCSENGR (AEEN-PO-N) will notify the HN and coordinate with USEUCOM, the NATO allied joint force command (JFC), and SHAPE before vacating NATO facilities or disposing of NATO-installed equipment, such as frequency converters and generators. Likewise, the ODCSENGR will inform these agencies when the United States wants to keep NATO facilities for a follow-on national military use.

d. The HN. The HN will officially inform the NATO allied JFC and SHAPE of the U.S. request to release facilities from the NATO inventory. When applicable, the HN will indicate concurrence or nonconcurrence with a U.S. request for follow-on national military use.

e. NATO Allied JFC. The NATO allied JFC will review requests for release and issue a position.

f. NATO Strategic Command (SC). As the NATO SC headquarters, the ACO will review requests for release from the NATO inventory. Requests are coordinated at SHAPE with both the user and the HN, but NATO makes the final decision on each request.

g. NATO Office of Resources (NOR). The NOR will review requests and prepare notes for the NATO Investment Committee (IC) to review before making a decision.

J-4. PROCEDURES

a. The user nation will prepare each request for release from the NATO inventory (with plans for future U.S. national military use, as applicable) and send the request to the HN, with information copies to the NOR, NATO allied JFC, and SHAPE.

b. The HN will evaluate each request, attach supporting documents, and send the request through NATO SC channels.

c. The SHAPE staff will screen the request and coordinate it with the appropriate JFC. During the screening, SHAPE will determine if another NATO use for the facility exists. If NATO cannot identify a further NATO use, SHAPE may elect one of the following courses of action:

(1) If the current user nation desires to continue using the facility for a national military mission, SHAPE will usually concur, the facility will normally remain on the NATO inventory, and the user nation will remain obligated to maintain the facility to NATO standards.

(2) If the current user nation has no follow-on national use for the facility and wants to vacate it, SHAPE will attempt to identify another military user. This is often the case when a stand-alone, remote site is involved. NATO will involve the HN in this action.

(3) If NATO does not identify any other military use for the facility, the facility will remain on the NATO inventory. In these cases, SHAPE will ask the HN to determine if a civilian firm or organization may want to use the facility for commercial purposes. The conditions for such use are that the civilian user has rent-free use of the facility, but must maintain the facility to NATO standards and make the facility available to NATO if a military need should arise. NATO will normally provide the user at least 6 months' notice of an upcoming military need. Several former NATO airbases in Germany (Baden-Söllingen, Hahn, and Lahr) are in this category.

(4) If NATO cannot identify a civilian user, SHAPE will recommend deleting the facility from the NATO inventory. NATO will then submit the proposal to the NATO IC as an amendment to the joint final acceptance inspection (JFAI) report for the facility. If the NATO IC approves the request, the HN will take disposal action and determine residual value, if any, which will be credited to NATO.

d. In cases involving U.S. investments in NATO facilities (beyond routine maintenance and repair), the USAG DPW should retain documents (invoices, scope of work) to support possible future claims for residual value for facilities being released from U.S. control.

e. The same recordkeeping requirement (d above) exists for major construction that involves U.S. cost-shares to fund a scope that exceeds NATO criteria. The original NATO funding authorization shows these cost-shares. The cost-sharing formula is in the JFAI document. The USAG DPW and ODCSENGR (AEEN-PO-N) should keep copies of these documents on file.

f. All actions on the release of facilities from the NATO inventory require NATO IC approval. In Germany, this approval is necessary before the United States can release a NATO facility to the HN. The Federal Assets Office, designated by the German Ministry of Finance, is normally responsible for military facilities used by the United States, but NATO facilities are the responsibility of the *Standortverwaltung (StOV)* (the Ministry of Defense designated site manager). The *StOV* cannot release the facility to the Federal Assets Office before the NATO IC has released the facility from the NATO inventory. Therefore, real estate actions involving the release of U.S. facilities in Germany must be closely coordinated with the ODCSENGR (AEEN-PO-N) and the Real Estate Branch, Strategic Initiatives Group, Host Nation Liaison Field Operating Activity, IMCOM-Europe, to ensure timely release.

g. Before the United States releases a facility from U.S. control, the USAG DPW may conduct a facility-condition inspection with the user, HN, NATO allied JFC, SHAPE, and NATO. The inspection may coincide with a NATO annual maintenance inspection.

h. Once NATO releases a facility from the NATO inventory, bilateral negotiations may be necessary between the user nation and HN to determine future facility use.

APPENDIX K

PREFINANCING AND RECOUPMENT OF NATO INFRASTRUCTURE PROJECTS

K-1. PURPOSE

This appendix outlines the methods to be used when the United States funds NATO-eligible projects through prefinancing.

K-2. GENERAL

a. The Army in Europe will execute prefinanced infrastructure projects as U.S.-funded construction according to applicable U.S. regulations. Projects will stay in compliance with the provisions of applicable NATO criteria unless the Office of the Deputy Chief of Staff, Engineer (ODCSENGR), HQ USAREUR (AEEN-PO-N), approves deviations from criteria.

b. When construction and turnover are complete, the ODCSENGR will immediately request the host nation (HN) to schedule a joint final acceptance inspection (JFAI). To expedite the JFAI, the ODCSENGR will request HN authorities to take part in a pre-JFAI inspection (app G, fig G-1). This inspection should coincide with the normal turnover inspection required by U.S. unilateral procedures when practical.

c. AE Regulation 415-32 prescribes policy on the use of U.S. and civilian-support construction-engineer units for prefinanced infrastructure construction.

d. The United States may prefinance the design and construction of NATO-eligible projects in cases of extraordinary military urgency if the United States protects the possibility of recoupment by remaining in compliance with established prefinancing procedures. To qualify projects for recoupment, the USEUCOM ECJ4 (ECJ4-EN) must approve the need for prefinancing and the ODCSENGR must initiate a request to the HN for submission of a prefinancing statement to NATO. NATO must accept this statement (fig K-1) before the design, construction, and procurement contracts are awarded, or before troop construction begins.

e. USAREUR will initiate prefinancing only after USEUCOM determines the time required to realize beneficial occupancy through the NATO Security Investment Program (NSIP) is militarily unacceptable. Only essential military requirements will be prefinanced. Each proposal will identify when the project will be subsequently submitted for NATO programming and recoupment.

f. When the time required by an HN and NATO for administrative processing of prefinancing statements would cause an unacceptable delay, a user nation (ODCSENGR through USEUCOM and the U.S. Mission to NATO) may make a notification of intent to prefinance. This notification establishes the effective date of the HN statement confirming prefinancing. The U.S. Mission to NATO will notify the NATO Investment Committee (IC) of the U.S. intent to prefinance before project funds are obligated (that is, before any contracts are awarded).

g. The United States will issue precautionary prefinancing statements for potentially eligible works to protect future recoupment rights in the event the work later becomes eligible for NATO funding.

h. When requested, the United States must supply technical information about the project to NATO and to the Supreme Headquarters Allied Powers Europe (SHAPE) Allied Command Operations (ACO) before the United States or HN can award contracts or start construction. Technical information will be the same as that distributed to firms for bidding. Normally, NATO will not support upward deviations from criteria. If applicable, the United States will follow NATO criteria. If no NATO criteria are available, the United States will follow criteria for similar NATO projects.

Prefinancing Statement

- 1. Project Short Title and Location.** State the short title of the project and project location (for example, Giebelstadt Army Airfield, Germany).
 - 2. General Description of Requirement and Urgency.** Develop a case to show the extent and kind of urgency (stressing military urgency). To gain favorable support from SHAPE, the NATO Office of Resources (NOR), and NATO-member countries, state the real nature of the urgency in sufficient detail to support a request for exception to normal NATO international competitive bidding (ICB) (paras 5 and 6).
 - 3. Scope of Work and Cost Estimates.** Itemize project segments and show the order of magnitude of components. The order of magnitude may indicate changes that require a total or partial waiver of the NATO ICB. Send revised scope and cost estimates to HQ USAREUR when the original scope and cost estimates increase or decrease by 10 percent or more.
 - 4. Status of SHAPE and Allied JFC Support.** Indicate the extent to which SHAPE and the allied joint force command (JFC) support the project or any part of it or the project relationship to other works supported.
 - 5. Request for ICB Exemptions.** In a justification, avoid preemption of NATO-wide ICB, because it is damaging and will undermine a legitimate request for a waiver. When requesting a NATO ICB exemption, emphasize the installation's previously authorized NATO ICB exemptions and, if appropriate, cite the simplicity of work and the low-skilled labor required.
 - 6. Time Factors.** Provide the scheduled contract-award date and the scheduled completion date.
 - 7. Plans for Architectural Engineering (A/E) Services.** The United States normally prefinances A/E fees and construction separately. Include a statement of intent to use an A/E service for design if this is the case.
 - 8. Other Planned Action on the Project.** State in which CP the project is or will be included. State actions under consideration to make the project eligible for NATO funding.
 - 9. Status of HN Approval.** Specify the coordination action already accomplished. Include the HN's intention to endorse a U.S. formal prefinancing statement when presented to the NATO IC.
 - 10. Action Requested.** Request the NATO Infrastructure Secretariat to place the intent to prefinance on a specific agenda for NATO IC action. The United States may present an intent to prefinance through its delegation to NATO, with the understanding that the HN will later formalize the prefinancing request.
-

Figure K-1. Format for Prefinancing Statement

- i. Prefinanced minor works program (MWP) projects are discouraged but recognized as necessary in some situations.
- j. Responding to an emergency requiring immediate restoration or minor additions at a NATO facility is difficult. The United States has the option to approve and expend U.S. funds unilaterally for the required work through prefinancing. If the United States exercises this option, the United States must protect the right to recover expended funds by filing a notification of intent to prefinance.

K-3. RESPONSIBILITIES

a. The following organizations are involved in prefinancing in the order shown:

(1) The infrastructure user (command or agency) will identify the requirement and may provide funding.

(2) The United States Army garrison (USAG) director of public works (DPW) will confirm the requirement, prepare a type A cost estimate with a prefinancing statement, and usually fund the requirement.

(3) HQ USAREUR (AEEN-PO-N) will review and endorse the prefinancing statement to USEUCOM ECJ4 (ECJ4-EN).

(4) USEUCOM will verify the requirement, ensure notification of the HN, and send the requirement to the U.S. Mission to NATO.

(5) The HN will endorse the requirement and direct its NATO IC representative accordingly.

(6) The U.S. Mission to NATO will distribute the prefinancing statement to NATO and SHAPE authorities and ensure the statement is on the NATO IC agenda before discussing it at a NATO IC meeting.

(7) The NATO IC discusses the statement as appropriate, notes the SHAPE position, and records the action in the meeting protocol.

(8) The NATO strategic command will provide its position to the NATO IC with regard to future support of the project (for example, in a capability package (CP) currently under development).

b. Once NATO programs a prefinanced project, the following organizations are responsible for recoupment:

(1) The USAG DPW will assemble documentation (including as-builts, specifications, and actual invoices) and provide the documents to the DOD construction agent.

(2) The DOD construction agent will prepare recoupment paperwork and a type-C cost submission, and process the package to the HN.

(3) The HN will review and endorse the type-C cost submission to the NATO IC.

(4) The NATO Office of Resources (NOR) will review the actual scope of work, compare the work with NATO criteria and technical standards, and make a recommendation to the NATO IC on the degree of NATO funding support for reimbursement.

(5) The NATO IC will authorize funds (largely based on the NOR recommendation).

(6) The HN will receive funds.

(7) The NATO Resource Support Branch, Office of the Deputy Chief of Staff, G8, HQ USAREUR (located at USAG Benelux), will process the transfer of recouped funds from the HN to the U.S. NATO account.

K-4. PROCEDURES

a. Commanders will recommend projects to HQ USAREUR for prefinancing with U.S. funds. This includes Military Construction, Army (MCA); Operations and Maintenance, Army (OMA); Other Procurement, Army (OPA); and other projects for which the benefits to the United States outweigh the possibility of NATO nonreimbursement. Figure K-2 provides detailed accounting, financial management, recoupment, and reporting procedures.

1. PURPOSE

This figure provides directions to ensure the United States maintains uniform, auditable accounting records and files. These documents will include complete cost, contract, and payment-transaction data on U.S. funds used to prefinance U.S. requirements eligible or potentially eligible for NATO infrastructure. These documents also will include data on the status of recoupment for each prefinanced project.

2. GENERAL

The following provides information about identifying and managing records:

a. Supporting documents, files, records, accounts, and reports are exempt from normal disposition instructions.

b. Action officers will prominently identify supporting documents, files, ledger accounts, and other records associated with prefinanced NATO infrastructure projects by over stamping them in block letters "NATO INFRASTRUCTURE PREFINANCED."

c. Agencies involved in the NSIP will take continuous action to ensure the completeness of records applicable to prefinanced projects. Records will represent a complete history of the project from inception to completion and will include correspondence and other documents pertinent to the project at all levels. Records will cover actions taken on each project involving HN, intercommand, and intracommand offices. The records will include memorandums for record pertaining to decisions resulting from discussions, meetings, and telephone conversations. These records, with associated accounting records, will represent prefinancing transactions that have not progressed to the status of firm accounts receivable. On project completion, agencies involved will send records concerning prefinanced projects to the USACE, Europe District (CETAE-PP-RN), CMR 410, Box 1, APO AE 09049-0001 (PO Box 1, Konrad Adenauer Ring 31, 65187 Wiesbaden, Germany).

d. The USACE, Europe District, will keep records pending a final audit and instructions from HQ USAREUR on additional actions for recoupment of U.S. funds.

3. RESPONSIBILITIES

a. The ODCSENGR (AEEN-PO-N) will—

(1) Create and maintain control of records on prefinanced projects from the initial request to the final recoupment.

Figure K-2. Accounting, Financial Management, Recoupment, and Reporting

(2) Collect and maintain selected historical and statistical data to manage and monitor the prefinancing and recoupment of infrastructure projects including but not limited to—

(a) Projects and amounts prefinanced.

(b) Information about the inclusion of the projects in NATO CPs and NATO type B and C submissions sent to HNs or NATO.

(c) NATO authorizations.

(d) Amounts billed to the HN.

(e) Amounts collected by the United States.

(f) Prefinanced projects and amounts that do not meet NATO criteria.

(3) Control construction assignments or projects applicable to the NSIP to ensure proper accumulation and reporting of cost data. Design directives, construction directives, and project approval procedures provide this control mechanism.

(4) Develop, for other than construction projects, procedures and provide guidance to subordinate elements that are involved in the NSIP to ensure that cost data is accumulated and reported properly.

(5) Delegate necessary actions to the USACE, Europe District, and to other organizations involved in the NSIP, as appropriate, on receipt of or notification of USEUCOM receipt of NATO action documents.

(6) Initiate follow-up actions to the HN ministry of defense (MOD) and to USEUCOM or the U.S. Mission to NATO about delays in NATO actions and in payment of funds to the United States. These actions must be taken when written notification from the USACE, Europe District, states that USACE, Europe District, efforts have not produced the required results.

(7) Monitor the preparation of the status report on prefinanced U.S.-user NATO infrastructure projects.

b. The Commander, USACE, Europe District, will—

(1) Serve as the Army in Europe agent for recouping funds owed to U.S. Army commands for prefinanced projects (including NATO missile firing installation projects) and serve as the central point for accounting records and supporting documents for these projects.

(2) Serve as a central Army in Europe collection point for recoupments for the U.S. Army and for other USEUCOM component commands (CNE-CNA-C6F and USAFE). The Commander, USACE, Europe District, will report these collections according to this appendix.

(3) Prepare NATO type B or C submissions, as applicable, for prefinanced USACE, Europe District, construction project designs on receipt of prefinanced project documents for items proposed for inclusion in a CP.

(4) In Germany, direct the preparation of NATO type B or C submissions by the *Bautechnische Arbeitsgruppe (BAG)* (civil engineering work group) for prefinanced projects that Germany designs or constructs.

(5) Send NATO type B or C submissions, as applicable, to the designated HN agency for prefinanced projects included in SHAPE-endorsed or NATO-approved CPs.

Figure K-2. Accounting, Financial Management, Recoupment, and Reporting—Continued

(6) Make a direct request to the appropriate HN to recover U.S. funds as specified in this appendix on receipt of advice from USEUCOM or from the U.S. Mission to NATO that the NATO IC has authorized funds for a U.S. prefinanced project.

(7) Send follow-up recoupment actions to the HN to expedite payment to the United States.

(8) Inform HQ USAREUR (AEEN-PO-N) in writing when efforts to recoup funds are unsuccessful.

(9) Keep records and files.

(10) Perform applicable actions in subparagraph c below for projects that the USACE, Europe District, executes or supervises.

c. Other commands or designated agencies involved in the NSIP will—

(1) Initiate prefinancing and assemble documents to establish accounts.

(2) Create files and maintain records according to paragraph 2 until transferred to the USACE, Europe District.

(3) Create files and maintain accounting records (until transferred) to represent prefinancing transactions that have not progressed to the status of firm accounts receivable. Accounts will include costs the United States incurs for external utilities that the HN normally provides on NATO projects.

(4) Ensure cost data is properly collected and reported.

(5) Provide the USACE, Europe District, the data needed to issue NATO type B and C submissions.

(6) Reconcile construction agency (or other designated agency) accounts with the servicing finance and accounting office (FAO) when the servicing FAO maintains the formal accounts.

(7) When the project is completed and reconciled with the FAO, provide complete accounting information, files, and supporting documents, including a reproduction of the as-built drawings, to the Program Management Branch, USACE, Europe District (CENAU-PP-RN) (CMR 410, Box 1, APO AE 09049-0001 or PO Box 1, Konrad Adenauer Ring 31, 65187 Wiesbaden, Germany), to support the accounts and to provide required data for the NATO audit.

(8) Perform internal reviews.

Figure K-2. Accounting, Financial Management, Recoupment, and Reporting—Continued

b. For projects not in approved CPs—

(1) Commanders will provide the ODCSENGR (AEEN-PO-N) data on the proposed project in the format shown in figure D-1. Commanders must submit a project datasheet (PDS) when requesting prefinancing.

(2) HQ USAREUR will seek USEUCOM approval and request submission of a prefinancing statement to NATO. HQ USAREUR will inform commanders of USEUCOM and NATO notation of the prefinancing statement.

(3) Commanders will proceed with the project in the normal manner and provide a copy of plans, specifications, contracts, and financial documents to the United States Army Corps of Engineers (USACE), Europe District (CENAU-PP-RN), which is responsible for recoupment of prefinancing funds.

(4) Commanders will also provide plans, specifications, and contract documents to the ODCSENGR (AEEN-PO-N) for review.

(5) HQ USAREUR will program the project for addition to the appropriate CP if the project is not already included in one.

(6) As soon as HQ USAREUR confirms the project is included in a CP, HQ USAREUR will direct the USACE, Europe District, to prepare a type C cost estimate (TCCE) and initiate recoupment.

(7) The commander and representatives of HQ USAREUR, the HN, and NATO will jointly inspect the completed project (app G).

c. Projects in approved CPs normally will not be prefinanced. HQ USAREUR will seek DA approval before beginning action for recommended exceptions. For projects included in CPs endorsed by SHAPE for submission to NATO, submitters may request prefinancing, but only after urgent-works programming procedures are considered.

d. The HN normally provides external utilities for NATO projects. If the United States cannot arrange with the HN for utilities, the United States may unilaterally prefinance the requirement as an interim measure. When a project becomes eligible for common funding, HN and NATO responsibilities will be determined and USACE, Europe District, will send appropriate billings for reimbursement.

e. NATO requires nations to use international competitive bidding (ICB) procedures for prefinanced projects using contractors. In cases of unacceptable delay, HQ USAREUR will request an exemption from NATO ICB. If the NATO IC disapproves the request for exemption, awarding a contract for the project must follow NATO ICB procedures.

f. The request, provision, and use of U.S. funds will remain in compliance with current U.S. regulatory procedures and will not be modified by this regulation except as follows:

(1) The programming document (DD Form 1391) as presented to higher headquarters will include under paragraph 11 the statement "Prefinancing under NATO procedures is planned for this project, thus initially requiring U.S. unilateral authorization and funding" (REQUIREMENT - NATO SECURITY INVESTMENT PROGRAM).

(2) In addition to the statement required in (1) above, one of the following statements will be included as applicable:

(a) The project currently is not eligible for infrastructure common funding under present NATO rules. Financing of the project by NATO through the NSIP is uncertain. The United States is seeking eligibility for infrastructure common funding. If NATO determines the project is eligible for NATO infrastructure common funding, the United States will request recoupment of funds from NATO.

(b) The project is partially eligible for NATO infrastructure common funding and to that extent; the United States has proposed or will propose the project for NATO infrastructure funding. NATO criteria prevent inclusion of the complete project scope for NSIP funding. Prefinancing is for the NATO-eligible portion of the project and recoupment of funds will be sought from NATO.

(c) The project is fully eligible for NATO infrastructure common funding. The scope does not exceed NATO criteria allowances and the United States has proposed or will propose the project for NATO infrastructure common funding. The United States cannot delay the acceptable beneficial occupancy date until a date after the time required for NATO programming and funding, HN design and construction, or both. Prefinancing is for the entire project and recoupment of funds will be sought from NATO.

(3) If required, HQ USAREUR will request an exemption to NATO ICB in the prefinancing statement to allow maximum use of international balance of payments construction procedures without jeopardizing U.S. recoupment rights. If directed, NATO ICB requirements will take precedence.

g. Programming and project approvals for prefinanced projects will follow the normal established procedures for construction projects or other types of projects (for example, communications projects).

h. The United States will provide initial national funds to accomplish prefinanced projects. These funds include but are not limited to MCA; OMA; OPA; and research, development, test, and evaluation (RDTE) funds. A Congressional directive (resulting from a 2008 Missile Defense Agency case involving ballistic missile defense sites) restricts the use of RDTE funds to design work. The United States no longer authorizes RDTE funds for construction and procurement of equipment.

i. Prefinanced projects are items of special emphasis for internal review according to AR 11-7. Construction agencies or other designated commands will review accounting records and supporting documents to ensure compliance with this regulation. When qualified personnel are not available, the designated commander will request assistance from the nearest U.S. military installation.

j. When the servicing finance and accounting office (FAO) maintains formal accounts, the construction agency or other designated command will make periodic reconciliation between construction or other designated command accounts and FAO accounts, and will ensure that records are adequately maintained (fig K-2) during the design and project execution phases of prefinanced projects.

k. Eligibility for recoupment of U.S. funds spent on infrastructure projects requires that the NATO IC note the prefinancing statement or the notification of intent to prefinance the project and that the project be included in an approved NATO CP.

l. After a prefinancing statement for a project has been noted by the NATO IC and included in a SHAPE-endorsed CP or NATO-approved CP, the USACE, Europe District, will submit (for projects it designs or constructs) a NATO type B or C submission, as applicable, to the HN. For prefinanced projects that the HN designs or constructs, the USACE, Europe District, will direct the appropriate HN agency to prepare and send the submissions. Figure K-3 provides preparation instructions.

m. The USACE, Europe District, will prepare and send, or direct the appropriate HN agency to prepare and send, a revised NATO type C cost submission when the cost of a project exceeds the estimate of the previous NATO type B or C submission by 10 percent or more.

n. NATO will notify HQ USAREUR of NATO IC actions that affect Army in Europe interests. On receipt of HQ USAREUR notification, the USACE, Europe District, will make a direct request to the HN to recover U.S. funds (as a billing for reimbursement).

o. The USACE, Europe District, will request reimbursement. The request will include the project name, the CP and project serial numbers, and NATO document numbers in the AC/4-DS series. The bill will include the entire amount authorized by NATO.

1. CP Submission. The USACE, Europe District, will prepare, or request the appropriate HN agency to prepare, a NATO type B or C submission once notified that a project is included in a SHAPE-endorsed, NATO-approved CP.

a. The NATO type B submission applies before a contract is awarded or before material is procured for a troop-constructed project. A project that requires a NATO type B submission normally will be NATO common-funded, although the United States originally prefinanced the project.

b. The NATO type C submission applies to projects after a contract has been awarded or after material has been procured for a troop-constructed project. The United States completely finances these projects.

2. Preparing Submissions. NATO type B or C submissions will consist of three parts, as described below:

a. An explanatory report of the project summarizing the following information:

(1) A description of the project, including its location, nature, scope, and reason for its necessity.

(2) Special site conditions that cause an increase in construction costs.

(3) Deviations from NATO-approved Criteria and Technical Standards or from the scope of work outlined in the prefinancing statement with justification for the deviation.

(4) Work, services, or both, for which an exemption from NATO ICB was requested and authorized.

b. A cost estimate that breaks down the various items and their estimated or actual costs as follows:

(1) When no NATO criteria exist, submissions will list the items in logical sequence under four headings: Fixed Installations, Internal Utilities, Local (External) Utilities, and Site Preparation. Other headings may be added when applicable (for example, Telecommunications).

(2) The cost estimate will break down the various items and their estimated or actual costs (in HN currency) and specify quantities (expressed in metric units) and the unit price. The cost estimate will break down costs chargeable to NATO, the HN, and user nation, as applicable.

(a) For projects with shared costs, the remarks must explain the cost division.

(b) Each page will show subtotals, which will be brought forward to the next page. At the end of the estimate, columns will be summarized and total construction costs will be shown. On the cost-summary page (final page), total construction costs (including contingencies up to 10 percent for incomplete projects) will be shown together with an applicable amount for national administrative expenses (NAEs), fixed at 3 percent, plus 5 percent for design or the actual A/E costs (if the latter exceeds 4 percent).

(c) The estimate for each item will show gross costs. (Costs will include taxes from which the U.S. Forces are exempt.) The tax amount will be deducted from the total construction costs, showing the total amount of NATO financing.

(d) Estimates are in U.S. dollars, but show the summary of costs (NATO financing) in euros and the HN currency (if other than the euro). (The conversion rates in effect at the time of construction will be used for these estimates.)

Figure K-3. Preparation of NATO Type B or C Submissions

c. Design documents, which will consist of the following:

(1) For NATO type B submissions, drawings and outline specifications.

(2) For NATO type C submissions, completed projects, as-built drawings, projects not yet completed, and construction drawings.

3. Cost-Sharing. NATO, the HN, and the user nation (U.S.) will bear project costs shown in the NATO type B or C submission as indicated:

a. NATO will bear project costs, except those assigned to the HN in subparagraph b below and to the user nation in subparagraph c below.

b. The HN will bear costs for—

(1) Local (external) utilities, except if any of the following applies—

(a) The facility is fenced. In this case, the utility costs of the fence line will be charged to NATO, and costs beyond the fence will be charged to the HN.

(b) NATO criteria specify cost-sharing arrangements between NATO and the HN. The submission will follow arrangements specified in NATO approved Criteria and Technical Standards.

(c) Prior agreements exist between NATO and the HN with respect to a given project. In this case, the project submission will follow the provisions of the agreements.

(2) Safety, conservation, and other measures required by the HN but not recognized by NATO. NATO may agree to fund certain items that exceed criteria, but the HN must seek such funding through the NATO Host Nation Legal Requirements Procedure (basic reg, para 44c).

c. The user nation (U.S.) will bear costs for—

(1) Safety, conservation, and other measures required by the U.S. Forces but not recognized by NATO or the HN.

(2) Labor costs for U.S. engineer troops and depreciation of equipment costs. NATO will be billed for civilian support personnel, the temporary duty costs for U.S. engineer Soldiers, and equipment operation and maintenance costs.

(3) Construction items or portions of those items that exceed NATO criteria (or prefinancing statement criteria if no NATO criteria exists) in size (by more than 10 percent), quantity, quality, or type.

(4) Soldier billeting or dining facilities (other than guard, ready, or alert-type facilities) in excess of NATO criteria.

(5) Overhead costs charged by the USACE, Europe District, that exceed the 3-percent NAE in paragraph 2.b(2).

(6) Design work performed by in-house personnel that exceeds 2 percent of the project cost.

Figure K-3. Preparation of NATO Type B or C Submissions—Continued

p. HQ USAREUR will coordinate follow-up actions to ensure the timely recoupment of funds. Follow-up actions will include monitoring the progress of NATO type B and C submissions through the following steps toward NATO IC approval:

(1) HQ USAREUR sends the submission to the appropriate HN agency (for example, the *Bautechnische Arbeitsgruppe (BAG)* (civil engineering workgroup) in Germany) within 1 month.

(2) The appropriate HN agency sends the submission to the HN's MOD.

(3) The MOD sends the submission to the HN delegation to NATO.

(4) The HN representative presents the submission to the NATO IC.

(5) The NATO IC issues AC/4-DS document, including the document number and date, and authorizes funds for the project.

(6) The USACE, Europe District, requests reimbursement from the HN within 1 month after the NATO IC authorizes funds.

(7) The USACE, Europe District ensures receipt of reimbursement by 2 months after the billing.

q. Agreements between the United States and HNs establish acceptable currencies for reimbursement. Reimbursement normally will be in the currency shown on the contracts for the work. The United States may accept German reimbursements in either dollars or euros. Acceptance of euros is subject to the following provisions:

(1) Arrangements with Germany will continue to provide for stating contract amounts in dollars with reimbursements in dollars or euros as a U.S. option. In the absence of HQ USAREUR instructions to the contrary, Germany may make payments in euros.

(2) Rates of exchange for euro reimbursements will be no less favorable than those available to HQ USAREUR for purchases of its euro requirements from the *Deutsche Bundesbank* (German Federal Bank).

APPENDIX L

MINOR WORKS PROGRAM (MWP) PROJECTS

L-1. PURPOSE

This appendix outlines procedures for preparing and submitting minor works program (MWP) projects for approval.

L-2. GENERAL

Small, routine NATO Security Investment Program (NSIP) projects do not warrant the application of detailed submission, screening, and authorization procedures normally applied to NSIP projects. To minimize project delays and to conserve staff resources, MWP projects follow a simpler, rapid process. This ensures the project meets objective screening and validation requirements before the NATO Investment Committee (IC) considers the project. Benefits of the NATO MWP include—

- a. Using NATO funds instead of U.S. funds to improve U.S. operational facilities.
- b. Meeting military-infrastructure requirements more quickly.
- c. Avoiding inflation cost-increases and increased maintenance costs of aging facilities.
- d. Increasing the responsiveness of the infrastructure program to the needs of the local commander.

L-3. RESPONSIBILITIES

Responsibilities involved with programming MWP projects are as follows:

- a. Users of infrastructure will—

- (1) Ensure that facilities are kept in an operational and ready condition.
- (2) Recommend appropriate Operations and Maintenance, Army (OMA), projects to the United States Army garrison (USAG) director of public works (DPW).
- (3) Recommend minor new construction necessary for mission accomplishment, in accordance with NATO construction criteria, when the mission or organization changes.
- (4) Make the necessary NATO construction recommendations for facility and equipment restoration or rehabilitation when existing conditions threaten mission accomplishment.

- b. USAG DPWs will—

- (1) Perform maintenance and repair at NATO sites under DPW jurisdiction using the same standards that apply to U.S. facilities.
- (2) Provide engineering expertise and cost estimates for restoration, rehabilitation, and minor new-construction projects for submission under the MWP.
- (3) Eliminate unnecessary use of U.S. funds for NATO-eligible projects.
- (4) Obtain approval for prefinanced work by submitting a prefinancing statement to the Office of the Deputy Chief of Staff, Engineer (ODCSENGR), HQ USAREUR (AEEN-PO-N). The prefinancing statement should arrive at the ODCSENGR by 90 days before the anticipated contract award date. This will permit the ODCSENGR to process the notification of intent to prefinance and send it to the U.S. Mission to NATO for submission to the NATO IC.

(5) Initiate a minor works cost estimate (MWCE), part I (fig L-1), for project submissions.

MINOR WORKS PROGRAM PROJECT SUBMISSION AND MINOR WORKS COST ESTIMATE

Part I

Date: _____

(To be completed by the USAG DPW)

- 1. Category.** Enter the project category (for example, reinforcement support).
- 2. Serial Number (User).** Enter the project serial number.
- 2.b. NATO Serial Number.** Leave blank.
- 3. Project Title.** Self-explanatory.
- 4. Nation Proposing Project.** Enter *United States*.
- 5. User.** Enter *United States*.
- 6. Location.** Include map-grid coordinates and the site plan.
- 7. Project Description.** Include a line drawing or schematic when applicable.
- 8. Military Justification.** Be brief. Emphasize the effect nonimplementation will have on the mission. State the military capability supported (for example, reference the related capability package (CP) if known).
- 9. Common-Funding Justification.** Clearly state why the project meets “over-and-above” criteria.
- 10. Criteria References.** Reference the applicable NATO-approved Criteria and Technical Standards.
- 11. Project Prefinanced.** Indicate *yes* or *no*. If *yes*, reference the summary-record document where the prefinancing statement is noted. (HQ USAREUR (AEEN-PO-N) has this information.)
- 12. Estimated Date of Completion.** Include an estimated date of completion (normally no later than 12 months after project approval). The DPW should coordinate this date with the host nation (HN) design agency before project submission.
- 13. Estimate of Cost.** When possible, provide costs in the HN currency.

Certification. Confirm that this is a “stand-alone” project in an agreed category and that it is not controversial in scope and nature, the estimates cost less than the MWP ceiling, and the user nation supports the project. The user agrees that the project does not involve additional NATO operations and maintenance costs or manpower.

User Nation: _____

Signed: _____

POC: _____

Telephone: _____

Date: _____

Figure L-1. MWP Project Submission and MWCE, Part I

(6) Ensure to send project funding documents to the DOD construction agent for future recoupment when the project is prefinanced by the United States.

(7) Use NATO maintenance inspections to identify infrastructure requirements.

c. DOD construction agents will—

(1) Provide, on a reimbursable basis, engineering and cost estimates beyond the DPW capabilities.

(2) Serve as the financial liaison between the United States and other NATO-member nations to recover U.S. prefinanced project funds or to transfer the U.S. conjunctively funded share (app F).

(3) Prepare a NATO type C submission for prefinanced projects on receipt of contract documents from the USAG DPW or HN construction agency (for example, the *Bauamt* (building authority) in Germany).

(4) Coordinate with HN financial agencies (*Oberfinanzdirektionen (OFDs)* (regional finance directorates) in Germany), construction agencies (*Bauämtern* (building authorities) in Germany; *Direzione Generale dei Lavori e del Demanio (GENIODIFE)* (Directorate General of Works and State Property) in Italy; *Regionale Dienst Werken* (regional works department) in Belgium), and applicable regional military district offices (*Wehrbereichsverwaltungen* (military district administration) in Germany) to ensure requested projects are promptly processed.

(5) Maintain a database for tracking the approval of MWP projects and monitor project status.

d. The ODCSENGR will—

(1) Verify infrastructure projects required to support NATO contingency missions. In this capacity, the ODCSENGR provides guidance on NATO infrastructure criteria, requirements, military justification, and construction.

(2) Process subordinate-organization requests for NATO support.

(3) Coordinate with HN agencies and NATO if construction or design problems are affecting mission accomplishment.

e. The HN will—

(1) Prepare the MWCE, part II (fig L-2).

(2) Endorse MWP submissions and send them simultaneously to the Supreme Headquarters Allied Powers Europe (SHAPE), Allied Command Operations, and the appropriate NATO allied joint force command (JFC).

(3) Request funds from NATO after project approval.

(4) Administer design and construction contracts.

MINOR WORKS PROGRAM PROJECT SUBMISSION AND MINOR WORKS COST ESTIMATE

Part II

Date: _____

(To be completed by the HN)

1. Date sent to the NATO allied JFC and SC.
2. Category.
3. NATO serial number.
4. Project title.
5. User or agency.
6. Project description (only if different from part I).
7. Military justification.
8. Common funding justification (must clearly state why project meets “over-and-above” criteria).
9. Criteria references.
10. Project prefinanced (yes/no) (if yes, provide the summary record document where prefinancing is noted).
11. HN accepted (yes/no).
12. Procurement method (international competitive bidding, national competitive bidding, sole source).
13. Estimated date of completion.
14. Estimate of cost.

Certification. Confirm this is a “stand-alone” project in an agreed category. Confirm the project is not controversial in scope and nature, has an estimated cost below the MWP ceiling, and the HN supports the project. The HN agrees that this project does not involve additional NATO Operations and Maintenance (O&M) costs or manpower.

HN: _____

Signed: _____

POC: _____

Telephone: _____

Date: _____

Figure L-2. MWP Project Submission and MWCE, Part II

f. NATO Allied JFC Brunssum or NATO Allied JFC Naples and SHAPE will—

(1) Prepare the MWCE, part III (if required) (fig L-3).

(2) Review MWP submissions received from HNs and provide applicable comments to the NATO Office of Resources (NOR).

MINOR WORKS PROGRAM PROJECT SUBMISSION AND MINOR WORKS COST ESTIMATE

Part III

Date:

(To be completed by NATO allied JFC/SC/NOR)

1. Date received from HN by NATO allied JFC/SC/NOR.
 2. Category.
 3. Serial number.
 4. Project title.
 5. User or agency.
 6. Host nation or agency.
 7. Supported (yes/no).
 8. Comments on eligibility, project description, criteria, cost estimate, procurement method, or military justification if NATO does not support or only partly supports the project.
-

Figure L-3. MWP Project Submission and MWCE, Part III

g. The NOR will—

(1) Screen MWP submissions as they are received from the HN. This screening occurs at the same time as the NATO allied JFC review.

(2) Issue a monthly notification list of all MWP submissions received the previous month. The NOR sends this list to NATO, SHAPE, and the appropriate JFC.

(3) Usually 2 but not more than 3 months after the date of the notification list, issue a recommendation list of all projects for which it completed a technical review during the previous month. The NOR sends this recommendation list to the NATO IC. List approval constitutes fund authorization to HNs for all projects on the list.

L-4. PROCEDURES

The process for programming NATO MWP projects is similar to planning major items of NATO infrastructure construction. However, because of the limited scope of the MWP, the programming and budgeting of projects take place as one step. Paragraph L-7 provides special procedures applicable to programming MWP only in Germany.

a. Site Screening.

(1) NATO approval of an MWP project submission may involve a site screening by the NATO allied JFC to find out if—

(a) The project is necessary and meets the criteria of an eligible category.

(b) Lack of maintenance is the underlying cause for the project. If this is the case, the proposed project is not eligible for funding.

(2) NATO should conduct MWP screening during the NATO annual maintenance inspection (AMI). During the inspection, facility users, supported by the USAG DPW, should identify infrastructure requirements for submission under the MWP. The Army in Europe AMI representative will also help identify potential NATO-eligible projects.

(3) User nations and HNs should not delay the submission of requirements identified after an AMI until the next AMI. Nations should submit requirements promptly with the understanding that if the NATO allied JFC determines it necessary, a site screening normally will take place before approval.

b. Submitting MWCE Documents.

(1) The USAG DPW must prepare an MWCE, part I, to initiate the process. The using unit will prepare the military justification portion of the MWCE. The DPW will provide the engineering description, prepare a draft detailed cost estimate (MWCE, part II) to help expedite the HN's efforts, and send one copy of the MWCE to HQ USAREUR (AEEN-PO-N). USAG DPWs must send three copies of accompanying drawings if they are larger than standard letter size (8½ by 11 inches). Germany does not require a military infrastructure requirement for MWP projects. Figures L-1 through L-3 provide the MWCE format.

(2) Restoration projects should be supported by accurate historical maintenance data and include projected future costs and the date of original construction. The military justification portion of the MWCE should reference an AMI inspector's endorsement.

(3) A change-in-mission statement or a modified unit table of organization and equipment document will be used to confirm requirements for new construction. Nations may also upgrade facilities if original construction did not include all minimum-essential criteria items.

(4) The DPW should provide project cost estimates in the HN currency and ensure estimates are less than the prescribed MWP monetary limits. The MWP limit is 500,000 euros per project, which includes 10 percent for contingencies, 3 percent for national administrative expenses (NAEs), and 5 percent for architectural engineering (A/E) fees. The ODCSENGR will provide USAG DPWs the NATO exchange rates for the euro.

c. The USAG DPW Role. The USAG DPW will review part I for completeness and accuracy, prepare part II of the MWCE, and send the MWCE to HQ USAREUR (AEEN-PO-N).

d. Army in Europe Role. The NATO Section, Plans and Operations Division, ODCSENGR (AEEN-PO-N), is the liaison agency between U.S. Army NATO forces, HN agencies, and NATO strategic commands (SCs) concerning infrastructure construction. The NATO Section reviews and revises MWCE programming documents based on current NATO criteria. For projects in Germany, the NATO Section sends programming documents to the DOD construction agent for processing and for the agent to send to the HN (e below). The NATO Section sends projects in other countries directly to the HN, with information copies to the JFC, SHAPE, and the NOR.

e. The DOD Construction Agent Role.

(1) The DOD construction agent performs missions as requested by the Army in Europe during project-development phases.

(2) For projects in Germany, to comply with the requirements of HN internal procedures, MWP projects will use a special process as follows:

(a) Germany interprets NATO MWP procedural guidelines stipulating that the cost estimate will be of “a type B quality” which means that an MWP project submission must include a type B cost estimate (TBCE). In Germany, this requires issuing a funded planning order to the HN *Bauamt* (design agency).

(b) Although NATO funds planning costs of projects once they are approved, Germany requires money in advance for preparation of the TBCE in case NATO subsequently does not approve the project submission. This “design guarantee” is 1.5 percent of the estimated cost of the project. The DOD construction agent (in Germany, the United States Army Corps of Engineers (USACE), Europe District) will transfer the 1.5-percent design guarantee to the HN with the MWCE, part I, using the *Auftragsbautengrundsätze (ABG)1975* (Principles of Construction Contracting 1975) [Form] 3 process.

(c) If NATO does not approve an MWP project, the USACE, Europe District, will retract the *ABG [Form] 3* and initiate an *ABG [Form] 4* fund transfer to reimburse the *Bauamt* for its design services. The USACE, Europe District will also translate the MWCE, part I, into German to expedite the project through the various agencies involved in this process.

(3) Once a project has been approved through authorization by the NATO IC, the DOD construction agent will oversee the design; liaise with the HN; supervise construction, and monitor the project status through the HN design and construction agencies (in Germany, the *OFDs* and *Bauamt*; in Belgium, the *Regionale Dienst Werken*; in Italy, the *GENIODIFE*). The USACE, Europe District, will also be the technical POC during this phase of processing. HQ USAREUR will continue monitoring the submission through NATO channels.

f. HN Role. On receipt of part I of the MWCE from the DOD construction agent (for projects in Germany) or from HQ USAREUR (for projects in other countries), the HN will complete part II. The HN submits copies of parts I and II of the MWCE to the NOR through the HN delegation to NATO. At the same time, the HN will give copies of the MWCE to the appropriate NATO allied JFC and SHAPE.

g. The NATO Command Role.

(1) The Program Control Section (PCS), NOR, will log the receipt of all MWCEs and, during the first week of each month, will send a consolidated “notification list” of projects received during the previous month to NATO delegations, SHAPE, and concerned NATO agencies.

(2) SHAPE, in conjunction with appropriate JFCs, will review each MWCE to determine if the proposed project meets a valid military requirement and is eligible for infrastructure funding. JFCs must notify SHAPE no later than 4 weeks after the date on the notification list of their nonsupport or partial support. SHAPE should contact the NOR as early as possible, but no later than 60 days after the notification date, regarding its determination of support for the project. The NOR assumes SHAPE support for the project unless notified to the contrary no later than 60 days after the project’s notification list date. SHAPE should complete part III of the MWCE for projects not fully supported and send it to the HN and user-nation delegations and to the NOR. SHAPE need not complete part III for fully supported projects.

(3) At the same time as the SHAPE review, the appropriate NOR technical section will review each MWCE to determine if the work proposed will technically meet the requirement and if NATO criteria support the work. When the NOR determination is completed and support is available, the NOR technical section will notify the PCS that the project is ready for NATO IC consideration. Available support is indicated by SHAPE notifying the NOR of its support for the project or by the 60-day silence-agreement period expiring without SHAPE comment. The PCS will issue a monthly recommendation list of all projects for which the NOR technical review was completed during the previous month. All projects should appear on a recommendation list no later than 3 months after their inclusion on a notification list.

(4) The NATO IC will exercise final programming authority for the MWP projects and note any changes that were agreed to in the committee record. The NATO IC will notify the HN regarding the disposition of any project for which NATO could not reach a programming agreement.

(5) A 10-day period will pass after the PCS issues the recommendation list. The NATO IC normally considers the recommendation list for authorization during its first meeting after the 10-day period. The recommendation list will serve as a basis for fund authorizations along with recorded SHAPE endorsements and any changes or conditions to projects as agreed to by the NOR.

(6) MWP projects of a purely civil works nature are exempt from NATO international competitive bidding (ICB) procedures with the understanding that the project will be nationally and competitively bid. In all other instances, including repetitive work for which the total cost exceeds the MWP ceiling, MWP projects will be subject to NATO ICB procedures unless the NATO IC decides otherwise.

L-5. PROJECT EXECUTION AND ACCEPTANCE

a. HNs should select and implement the most expeditious engineering solution to achieve project completion early. NATO does not recommend assessments of alternatives with potentially marginally more favorable or marginally less costly engineering solutions. These assessments tend to be time-consuming.

b. As with all infrastructure projects, MWP projects are subject to a joint formal acceptance inspection (JFAI). NATO normally will conduct the JFAI using the simplified procedure (with no official NATO onsite inspection). NATO bases acceptability of the work on nationally conducted final acceptance procedures using personnel from the user nation (if different from the HN), the NATO allied JFC, and the allied joint force component command (JFCC). Acceptability also depends on NOR recommendations to the IC based on a review of the simplified JFAI documentation submitted by the HN. NATO can also use AMIs to review completed MWP projects.

c. NATO considers an MWP project programmed when the NATO IC approves the recommendation list. NATO IC approval is the authority to spend money. Each nation has its own procedure for approved project notification. In Germany, the execution process is as follows:

(1) After German Ministry of Defense (MOD) notification, the responsible *Wehrbereichsverwaltung (WBV)* (military staff) will send a construction request to the appropriate *OFD* to issue a planning order to the local *Bauamt*.

(2) The *Bauamt* will prepare construction documents, including plans and specifications suitable for awarding a contract. The construction documents must be reviewed and approved by *OFD*, *WBV*, *Infrastrukturstab* (engineer staff), and U.S. authorities.

(3) After approval, the HN may advertise the project and award a contract. The *OFD* will prepare the execution documents. When required, the MOD will make funds available. Appendix F provides procedures for transferring U.S. cost-shares to the HN.

L-6. SPECIAL CONDITIONS

a. Prefinanced MWP Projects. The Army in Europe discourages prefinancing MWP projects, but recognizes that emergencies may require prefinancing.

b. Emergencies. It is difficult for NATO to respond to an emergency requiring immediate restoration or minor additions at a NATO facility. The United States may, however, approve and spend U.S. funds unilaterally for the required work through prefinancing. If the United States uses this option, the United States must protect the right to recover funds by filing a notification of intent to prefinance.

c. Prefinancing Statement. USAG DPWs must send a prefinancing statement (app K) to HQ USAREUR (AEEN-PO-N) when plans for construction on NATO facilities are beyond routine maintenance expenditures (restoration or new construction). NATO must accept the statement before the United States can award the contract and maintain eligibility for recoupment. USAG DPWs should notify HQ USAREUR at least 60 days before the contract is awarded to ensure enough time for submitting and scheduling a prefinancing notice on the NATO IC agenda.

d. Project Programming. When the USAG DPW prepares a notification of intent to prefinance, the DPW should complete an MWCE, part I, and enclose it with the request for prefinancing. HQ USAREUR must also send prefinanced projects to NATO for programming and approval. The procedures are similar to those previously described. The primary difference is that the United States normally will design the project and award the construction contract. Because the design entails a detailed cost estimate, USAG DPWs should prepare the MWCE, part I, as simply as possible.

e. Recoupment. Recoupment of U.S. funds depends on project approval by NATO and a compilation of actual final project costs shown in the MWCE. The United States and NATO negotiate specific amounts supported by NATO during the JFAI. To ensure acceptance by NATO auditors, the United States must maintain detailed records and invoices on project costs. The USAG DPW should create special project files for these costs and submit them to the Program Management Branch, USACE, Europe District (CENAU-PP-RN).

L-7. SPECIAL PROCEDURES FOR U.S. FORCES MINOR WORKS PROJECTS IN GERMANY

a. For MWP projects, the USACE, Europe District, will give the applicable *Infrastrukturstab* (*West* or *Süd*) a project submission and a cost estimate (MWCE, part I), in German and English, with a cost-acceptance statement using the *ABG [Form] 3* and obligating 1.5 percent of the total cost estimate. The United States will provide funds from the HN-support line-item in the Defense Authorization (para L-4).

b. On receipt of the MWCE, part I, and the *ABG [Form] 3*, the *Infrastrukturstab* will process the project through MOD and *OFD* channels to a designated *Bauamt* to prepare the TBCE.

c. After review by the U.S. Forces, the MWCE, parts I and II (including the TBCE), will be submitted through official channels to the German Delegation to NATO for inclusion on a notification list, review by SHAPE and the JFC, and screening by the NOR.

d. If NATO approves and funds the entire project, project design can continue and the U.S. funds obligated for design by *ABG [Form] 3* will be deobligated. The USACE, Europe District, will monitor this action.

e. If NATO does not approve parts of the planned project, the U.S. Forces will contact the *OFD* for guidance on implementation of the disapproved parts. If the United States will not construct these parts, the designated *Bauamt* will prepare and submit a final statement on the fees and costs. The USACE, Europe District, will monitor this action.

f. If NATO does not support the project, the United States will normally cancel the project. The designated *Bauamt* will prepare and submit a final statement on the fees and costs. The USACE, Europe District, will monitor this action.

g. NATO will reimburse U.S. user cost-share of design costs for NATO projects (MWP projects and major construction works) according to procedures currently applied by HQ USAREUR, the German Federal Ministry of Finance, and the MOD. The USACE, Europe District, will monitor this action.

APPENDIX M

DOD EXPLOSIVES SAFETY BOARD SUBMISSIONS FOR NATO-FUNDED PROJECTS

M-1. PURPOSE

This appendix provides responsibilities and procedures for obtaining Department of Defense Explosive Safety Board (DDESB) approval for construction projects in the Army in Europe.

M-2. GENERAL

a. The DDESB reviews and approves the site, layout, and design of new facilities and major alterations to existing facilities involved in manufacturing, handling, transporting, or storing military explosives, toxic chemicals, or ammunition. The DDESB also reviews and approves site plans for facilities not involved in hazardous material that could be exposed to risks if not properly sited.

b. DDESB approval is required for Military Construction, Army (MCA); NATO; Operations and Maintenance, Army (OMA); and conjunctively funded projects. Lack of DDESB approval will delay the project.

M-3. RESPONSIBILITIES

a. Users of NATO infrastructure (using units) must provide ammunition data for use in preparing DDESB submissions.

b. United States Army garrison (USAG) directors of public works (DPWs) will—

(1) Review development plans to ensure no other plans exist for the site of the project requiring DDESB approval. The chief of the USAG DPW master planning branch must sign the general site plan for projects requiring DDESB approval and indicate by writing on the site plan that no conflict exists with other planned use of the site.

(2) Coordinate planned projects with the host nation (HN) according to *Auftragsbautengrundsätze (ABG) 1975* (Principles of Construction Contracting 1975) in Germany or similar agreed-to procedures elsewhere.

(3) Seek approval for layout drawings before the NATO Phase I design meeting for NATO-funded projects.

(4) Obtain DDESB approval for layout drawings before the NATO Phase II design meeting for NATO-funded projects.

c. USAG safety managers will—

(1) Help using units prepare required DDESB documents.

(2) Ensure that DDESB submissions are timely and complete.

(3) Prepare explosive licenses.

(4) Give copies of DDESB approvals to using units.

(5) Provide technical assistance to using units as required.

d. The Office of the Deputy Chief of Staff, Engineer (ODCSENGR), HQ USAREUR, will—

- (1) Monitor DDESB submissions.
- (2) Obtain DDESB submission approvals before the NATO Phase II design meeting.

e. The USAREUR Safety Office (AECS-S) will—

- (1) Provide technical assistance to USAG DPWs and safety managers on request.
- (2) Review DDESB submissions and send submissions recommended for approval to HQDA.

f. The DOD construction agent will provide technical assistance to USAG DPWs and using units as required.

g. The HN will coordinate with its local agencies for safety-zone approvals and siting agreements.

M-4. PROCEDURES

DA Pamphlet 385-64 provides U.S. Army implementing instructions. AR 385-10 and DA Pamphlet 385-65 prescribe for guidance on developing and submitting explosives and chemical site plans. General procedures for DDESB submissions are as follows:

a. To ensure the project meets its intended purpose without posing an unacceptable threat to life, safety, or the facility a DDESB explosives safety submission is required.

b. Submitters will send an electronic copy of each DDESB explosives safety submission to the USAREUR Safety Office (AECS-S), Unit 29351, APO AE 09014-9351. The USAREUR Safety Office will forward submissions to the DDESB for review and approval. Each command level must endorse the transmittal letter. Submitters must include the following enclosures with the submission:

(1) A general construction drawing and general site plan showing the internal siting and relationship of explosive or inert facilities (not containing ammunition or explosives) to existing or proposed construction.

(2) A map showing the relationship of the proposed construction to other facilities and structures located on and off the installation.

(3) An explosives license prepared by the USAG safety office.

(4) A map showing restricted areas.

c. A site plan for inert facilities is required when it is necessary to demonstrate that the quantity-distance separation from an existing explosives location is adequate. This requirement applies when a reasonable doubt exists regarding the exposure to explosives.

(1) Site plans should be drawn to a scale of 1 to 1,000 or larger for internal objects. If this scale is inadequate to show the facilities listed below, the facilities should be indicated on the general site plan. The site plan must show the distances in meters from the proposed structures to any of the following facilities:

(a) Adjacent facilities.

(b) Installation fences and boundaries.

(c) Nearest public highway, railway, or navigable waterway.

(d) Nearest public utility lines (for example, power transmission lines, gas pipelines, water lines, telephone cables).

(e) Inhabited buildings.

(2) The general site plan and the DDESB-approved explosives safety site plan will list the net explosives quantity in kilograms that each facility contains or that the user plans to place in each facility. The list must identify by hazard class and standard nomenclature all the explosives, ammunition, propellant, and other hazardous material. When applicable, this information should be listed by room and bay. For example, projects for depot maintenance facilities and explosives-processing buildings require the information and a description of the daily operations performed in the facility.

(3) Maps showing the general area, drawn to a scale of 1 to 5,000, must be included as part of the submission. The maps must show the relationship of the U.S. facility to HN structures (exposures). Items in (1)(a) through (e) above may be shown on the maps if appropriate. The following also must be included:

(a) Distance in meters to the nearest HN structures and the type of each structure.

(b) Significant topographic features (for example, hills, mountains, natural earthen barricades, areas of dense forest that could lessen the force of fragments) and elevations of explosives facilities and exposures (objects requiring protection).

(c) An arc with a radius from the proposed explosives facility of twice the inhabited building distance, drawn on the maps. This indicates the minimum distance from the storage facility where an inhabited structure can be located. The class of explosives stored, the total net explosive weight, and the type of storage structure are factors in calculating the inhabited building distance for the proposed facility.

(4) The explosives safety submission must include specific reference by date to the appropriate restricted area agreement and the need for revision, if required. IMCOM-Europe is the Army in Europe office of record for restricted-area agreements issued by the HN.

(5) General construction drawings (including standard drawings found in the Index of Army Designs published by the Office of the Chief of Engineers) are required for new facilities designed for ammunition or explosives use. The drawings should include—

(a) Personnel limits for the new facility and for facilities within inhabited building distance from the proposed facility site. A schedule of personnel occupancy must be prepared listing the building number, type of building, number of personnel employed in the building, number of hours worked each day, and number of days worked each week.

(b) Information about the type and arrangement of ammunition or explosives to be stored.

(c) Construction details regarding blast walls, vent walls, firewalls, operational shields, exits, type of floors, and construction material.

(d) Barricades (including location and type).

(e) Details about building systems (for example, electrical systems (including light fixtures), fire protection, heating, waste disposal, lightning protection, static grounding, other equipment). Except where there will be exposed explosives, explosive dusts, or atmospheres that require special protected lighting and electrical fixtures, electrical services must consist of protected, industrial-type wiring and fixtures. Lightning protection must comply with Technical Manual 5-811-3 or HN-equivalent guidance.

(f) Information about auxiliary support buildings.

GLOSSARY

SECTION I ABBREVIATIONS

ABG	<i>Auftragsbautengrundsätze</i> (Principles of Construction Contracting)
ACO	Allied Command Operations
ACT	Allied Command Transformation
AE	Army in Europe
A/E	architectural engineering
AF	airfield
AMI	annual maintenance inspection
APS	Army prepositioned stocks
AS	ammunition storage
BAG	<i>Bautechnische Arbeitsgruppe</i> (civil engineering work group)
BVP	best value procedures
CG	commanding general
CG, USAREUR	Commanding General, United States Army Europe
CNE-CNA-C6F	Commander, U.S. Naval Forces Europe/Commander, U.S. Naval Forces Africa/Commander, U.S. Sixth Fleet
CP	capability package
CPG	capability package guidance
DA	Department of the Army
DCG, USAREUR	Deputy Commanding General, United States Army Europe
DCSENGR	Deputy Chief of Staff, Engineer, United States Army Europe
DDESB	Department of Defense Explosive Safety Board
DOD	Department of Defense
DPQ	Defense Planning Questionnaire
DPTMS	directorate of plans, training, mobilization, and security
DPW	director of public works
EDAR	estimated date of authorization request
EDC	estimated date of completion
EDS	estimated date of start
FAO	finance and accounting office
GENIODIFE	<i>Generale dei Lavori e del Demanio</i> (Directorate General of Works and State Property)
HQ USAREUR	Headquarters, United States Army Europe
HN	host nation
IC	Investment Committee
ICB	international competitive bidding
IMCOM-Europe	United States Army Installation Management Command, Europe Region
JFAI	joint final acceptance inspection
JFC	joint force command
JFCC	joint force component command
LCN	load classification number
MC	Military Committee
MCA	Military Construction, Army (budget accounting category)
MILCON	military construction
MIPR	military interdepartmental purchase request

MIR	military infrastructure requirement
MMR	minimum military requirement
MOD	ministry of defense
MWCE	minor works cost estimate
MWP	Minor Works Program
NAC	North Atlantic Council
NAE	national administrative expense
NATO	North Atlantic Treaty Organization
NAU	North Atlantic Treaty Organization accounting unit
NOR	North Atlantic Treaty Organization Office of Resources
NSIP	North Atlantic Treaty Organization Security Investment Program
O&M	operations and maintenance
ODCSENGR	Office of the Deputy Chief of Staff, Engineer, Headquarters, United States Army Europe
<i>OFD</i>	<i>Oberfinanzdirektion</i> (regional finance directorate)
OMA	operations and maintenance, Army
OPA	other procurement, Army
PCS	Program Control Section, NATO Office of Resources
PDS	project datasheet
PES	prepositioned equipment storage
POC	point of contact
POMCUS	prepositioning of materiel configured to unit sets
POMSS	prepositioned organizational materiel storage site
RDTE	research, development, test, and evaluation
RPPB	Resource Planning and Policy Board
S&A	supervision and administration
SACT	Supreme Allied Commander Transformation
SAM	surface-to-air missile
SC	strategic command
SHAPE	Supreme Headquarters Allied Powers Europe
SSM	surface-to-surface missile
<i>StOV</i>	<i>Standortverwaltung</i> (site manager)
TACE	type A cost estimate
TBCE	type B cost estimate
TCCE	type C cost estimate
TI	training installation
TM	technical manual
TR	theater reserve
U.S.	United States
USACE	United States Army Corps of Engineers
USAFE	United States Air Forces in Europe
USAG	United States Army garrison
USAREUR	United States Army Europe
USAREUR G3	Deputy Chief of Staff, G3, United States Army Europe
USAREUR G4	Deputy Chief of Staff, G4, United States Army Europe
USAREUR G8	Deputy Chief of Staff, G8, United States Army Europe
USEUCOM	United States European Command
WBV	<i>Wehrbereichsverwaltung</i> (military staff)

SECTION II TERMS

Allied Command Operations (ACO)

The major NATO strategic command encompassing countries that are defended by the Supreme Allied Commander Europe. ACO covers the land area that extends from the North Cape to North Africa and from the Atlantic to the eastern border of Turkey. The headquarters of the ACO is the Supreme Headquarters Allied Powers Europe in Mons, Belgium.

annual maintenance inspection (AMI)

An inspection of NATO infrastructure conducted to ensure the user nation is maintaining facilities properly and the facilities continue to meet the requirements for which they were constructed.

Article V operation

A NATO operation undertaken because of an armed attack against one or more NATO countries. NATO considers an armed attack against one NATO country as an attack against all NATO countries.

authorized project

A project submitted to the NATO Investment Committee in type B cost estimate format (including the minor works cost estimate) for which NATO authorized the host nation to use NATO funds.

Bi-Strategic Command Capability Package Guidance

A document for officially tasking NATO joint force commands and NATO agencies to develop required capabilities and their companion capability packages. NATO publishes the Bi-Strategic Command Capability Package Guidance in June each year and updates or modifies it as necessary.

bi-strategic commands (NATO)

Allied Command Transformation in Norfolk, Virginia; and Allied Command Operations in Mons, Belgium.

capability package

A combination of national and NATO-funded infrastructure and associated operating costs that, together with the military forces and other requirements, enable a NATO commander to achieve a specific NATO military required capability.

categories of infrastructure

The specific areas that NATO countries have agreed to commonly fund under the NATO Security Investment Program.

common funding

A funding arrangement in which NATO-member countries cost-share the budget for NATO infrastructure projects based on a mutually agreed on formula. NATO normally states costs in euros.

conjunctive funding

A special funding arrangement in which the host nation or user nation or both finance the costs of portions of projects ineligible for common funding because the project capabilities will exceed NATO minimum military requirements.

Defense Planning Questionnaire

An annual report in which NATO countries present their plans to reach the level of effort agreed on in the force goals. This is the NATO war plan.

deficiencies

Shortcomings in the operational or technical aspects of a project detected during the joint final acceptance inspection of a completed infrastructure project.

DOD construction agent

The U.S. construction agency assigned responsibility for the execution of U.S.-funded military construction in a specified geographic area. The United States Army Corps of Engineers (USACE), Europe District, serves as the DOD construction agent for the European region (primarily Belgium, Germany, Luxembourg, the Netherlands, and Turkey) except for those countries served by the Engineering Field Activity Mediterranean. The Engineering Field Activity, Mediterranean, serves as the DOD construction agent for Greece, Italy, Portugal, and Spain. For the entire European theater, prefinanced projects funded from military construction authorizations and recoupment actions are the responsibility of the USACE, Europe District.

Engineering Field Activity, Mediterranean

The DOD construction agent in the southern European region (Greece, Italy, Portugal, and Spain, but not Turkey).

excess works

Completed works that a joint final acceptance inspection (JFAI) team noted as excess to the authorized scope or quality of the programmed project.

fund request

The submission of a type B or type C cost estimate by the host nation to the NATO Investment Committee requesting authorization to commit funds. Specifically, the fund request is the letter transmitting the cost estimate to the NATO Office of Resources. (Minor-works procedures combine both a type A and B cost estimate into one document, known as a minor works cost estimate.)

host nation (HN)

The NATO-member country in which permanent infrastructure is located. The HN has title to, but not necessarily beneficial use of, the infrastructure. The HN is the NATO-member country or entity that is legally responsible for contracting and implementing a NATO Security Investment Program project. The United States serves as the HN in certain areas if required.

infrastructure

A NATO term for static structures and permanent installations required to support military forces, or the static items of capital expenditure required to materially support the execution of operation plans, functionality of the higher command, or the efficient operation of various forces. Examples of infrastructure include airfields, headquarters, maintenance bases, port facilities, signal communications, and storage depots.

joint final acceptance inspection (JFAI)

A formal procedure in which a joint team inspects NATO-funded infrastructure, usually when the infrastructure construction is complete. This inspection ensures that the project conforms to the initially approved scope and operational requirements. Once inspected, NATO officially places the infrastructure in the NATO inventory.

JFAI team

A composite group formed by representatives from NATO Office of Resources (NOR), Allied Command Operations; the responsible NATO regional command (Allied Joint Force Command Brunssum or Allied Joint Force Command Naples); ODCSENGR, HQ, USAREUR; the U.S. Army Corps of Engineers or U.S. Naval Facilities Engineering Command; the supporting U.S. Army garrison DPW; the using unit headquarters; the host nation ministry of defense; the host nation regional office for construction; and the host nation design and construction agency responsible for the project.

maintenance

Recurring scheduled and unscheduled work required to ensure the continuous and effective use of facilities and their designed capacity and to prevent excessive wear. Maintenance does not include restoration of, addition to, or alteration of facilities. Examples of maintenance are the replacement of expendable items, minor repairs, painting, grading, repair of road shoulders, and cleaning of ditches.

NOTE: NATO may program some work as restoration work according to NATO guidelines that the United States defines as maintenance or repair work under U.S. work classification procedures.

minimum military requirement

The most austere facility required to meet a NATO military need.

minor works cost estimate (MWCE)

A simplified document used for programming minor works projects. This document serves as the type B cost estimate for requesting funds once NATO approves a project.

Minor Works Program (MWP)

A NATO program for processing small, routine infrastructure projects that do not warrant the detailed, time-consuming prioritization, programming, execution, and acceptance procedures normally applied to security investment projects. These infrastructure projects must not be controversial in application, have no manpower or operations-and-maintenance cost implications, and have a total cost of less than 500,000 euros.

NATO common funding

The sharing of costs of NATO infrastructure projects by members of the Alliance based on a cost-sharing formula agreed on by the North Atlantic Council.

NATO criteria

Requirements that NATO infrastructure projects must meet. NATO criteria consist of the following:

- **Construction Criteria:** Precise operational standards that define and limit characteristics and quantities of facilities that an approved common funded project will provide.
- **Eligibility Criteria:** Broad mission-related guidelines agreed on by the countries to define the major categories eligible for common funding.

NATO International Board of Auditors

A NATO board of five members who belong to the NATO International Staff responsible to the North Atlantic Council. The International Board of Auditors audits NATO accounts, including those for infrastructure works.

NATO international competitive bidding (ICB)

The process of accepting, reviewing and selecting offers on NATO common-funded projects from eligible firms in eligible NATO countries. NATO Document AC/4-D/2261 provides procedures for NATO ICB.

NATO Investment Committee (IC)

A standing committee directly under the NATO Secretary General. The NATO IC is responsible for implementing the NATO Security Investment Program as screened and endorsed by the NATO Senior Resource Board and approved by the North Atlantic Council. The most significant function of the NATO IC is that of approving the authorization of funds for projects supporting approved NATO capability packages.

NATO Office of Resources (NOR)

The permanent staff element at NATO headquarters comprising a group of civilian experts funded in common by NATO countries. The NATO Office of Resources functions independently of national delegations and provides expertise and advice to the various NATO committees (including the NATO Investment Committee) on subjects in each committee's area of responsibility. The NOR replaced the NATO International Staff in 2009.

NATO Military Committee (MC)

The senior military authority in NATO under the overall authority of the North Atlantic Council. The NATO Military Committee is composed of the military chiefs of staff of each member country.

NATO Senior Resource Board

The principal advisory body to the North Atlantic Council on the requirements for, and availability of, military common-funded resources.

NATO strategic commands (SCs)

The two primary military units that supervise organizations subordinate to the NATO headquarters. The commanders of NATO strategic commands and their subordinate allied joint force commands are directly involved in the infrastructure program. These commands are as follows:

- **Allied Command Operations (commanded by the Supreme Allied Commander Europe (SACEUR)).**

 - Supreme Headquarters Allied Powers Europe

 - Allied Joint Force Command Naples

 - Allied Joint Force Command Brunssum

 - (Allied) Joint Headquarters Lisbon

 - Rapidly Deployable Corps Headquarters

- **Allied Command Transformation (commanded by the Supreme Allied Commander Transformation)**

 - Headquarters, Supreme Allied Commander Transformation (SACT) (Norfolk, Virginia)

 - Joint Warfare Center (Stavanger, Norway)

 - NATO Joint Force Training Centre (Bydgoszcz, Poland)

NATO Maritime Interdiction Operational Training Center (Crete, Greece)

NATO Undersea Research Centre (La Spezia, Italy)

NATO School (Oberammergau, Germany)

Joint Analysis and Lessons Learned Centre (Lisbon, Portugal)

notification or statement of intent to prefinance (prefinancing statement)

A formal notice of intent given to the NATO Investment Committee by a host nation (HN) on its behalf, or on behalf of a user nation, indicating the nation's intent to execute a project on a prefinanced basis with national (HN or user nation) funds.

over-and-above criteria

Criteria used to determine the eligibility for NATO Security Investment Program funding of infrastructure required in a capability package.

phase meeting

The NATO term for a NATO-led in-progress review conference to discuss and review a NATO-funded construction project (basic reg, paras 28 and 30).

precautionary prefinancing

The act usually associated with a construction project that is not currently eligible for NATO infrastructure funding but may become eligible. To protect potential recoupments, the United States submits a prefinancing statement (intent to prefinance) and maintains the necessary records to support a future claim.

prefinancing (NATO infrastructure)

Action by a host nation or user nation to finance projects or designs potentially eligible for NATO funding before the NATO Investment Committee grants authorization. The nation takes this action with the intent to recoup national funds later.

project datasheet (PDS)

A single sheet providing supporting documentation to a capability package and detailing operation and maintenance, manpower, and capital cost information. (Appendix D provides the PDS format and preparation instructions.)

project screening

The U.S. term for an in-progress review conference to discuss and review a construction project. Generally, personnel should only use this term to refer to in-progress review conferences for NATO-funded construction when the conference is a U.S.-internal conference (usually held before a corresponding NATO phase meeting).

recoupment

NATO reimbursement of national funds used to prefinance construction of NATO infrastructure projects before authorization by the NATO Investment Committee.

release (also known as removal or deletion) from NATO inventory

The removal of completed infrastructure projects from the NATO inventory when there is no longer a current or foreseen future NATO military use for the infrastructure.

restoration

Work required to return NATO facilities to the original-build NATO criteria if the user nation no longer expects normal maintenance work to keep the installation in an acceptable state of repair. This work may be in the category of repair, rehabilitation, or replacement as outlined in NATO Document AC/4-D/1709.

type A cost estimate (TACE)

A preliminary cost estimate for a proposed project (equal to the cost section of DD Form 1391). This term is out of date for NATO programming purposes. Project programming must now include detailed engineering cost estimates (see type B cost estimate).

type B cost estimate (TBCE)

A detailed estimate of the cost of an infrastructure project based on preliminary engineering work and a site survey. The TBCE provides a breakout of the scope and cost of the major features of the project. The host nation submits the TBCE to the NATO Investment Committee as part of a request for fund authorization.

type C cost estimate (TCCE)

A very refined, detailed cost breakout for a completed infrastructure project based on actual costs (contract-award cost or final contract costs) for a cost overrun on such a project or for a fixed-price, detailed scope contract. The United States also normally uses a TCCE to recoup prefinanced projects.

United States Army Corps of Engineers (USACE), Europe District

The DOD construction agent in the European region, including Turkey, except for those countries served by the Engineering Field Activity Mediterranean. The USACE, Europe District, is also the primary agent for all NATO recoupment actions.

user or user nation

The nation, NATO strategic command, or agency that will occupy, operate, and maintain an infrastructure facility to execute a NATO mission.