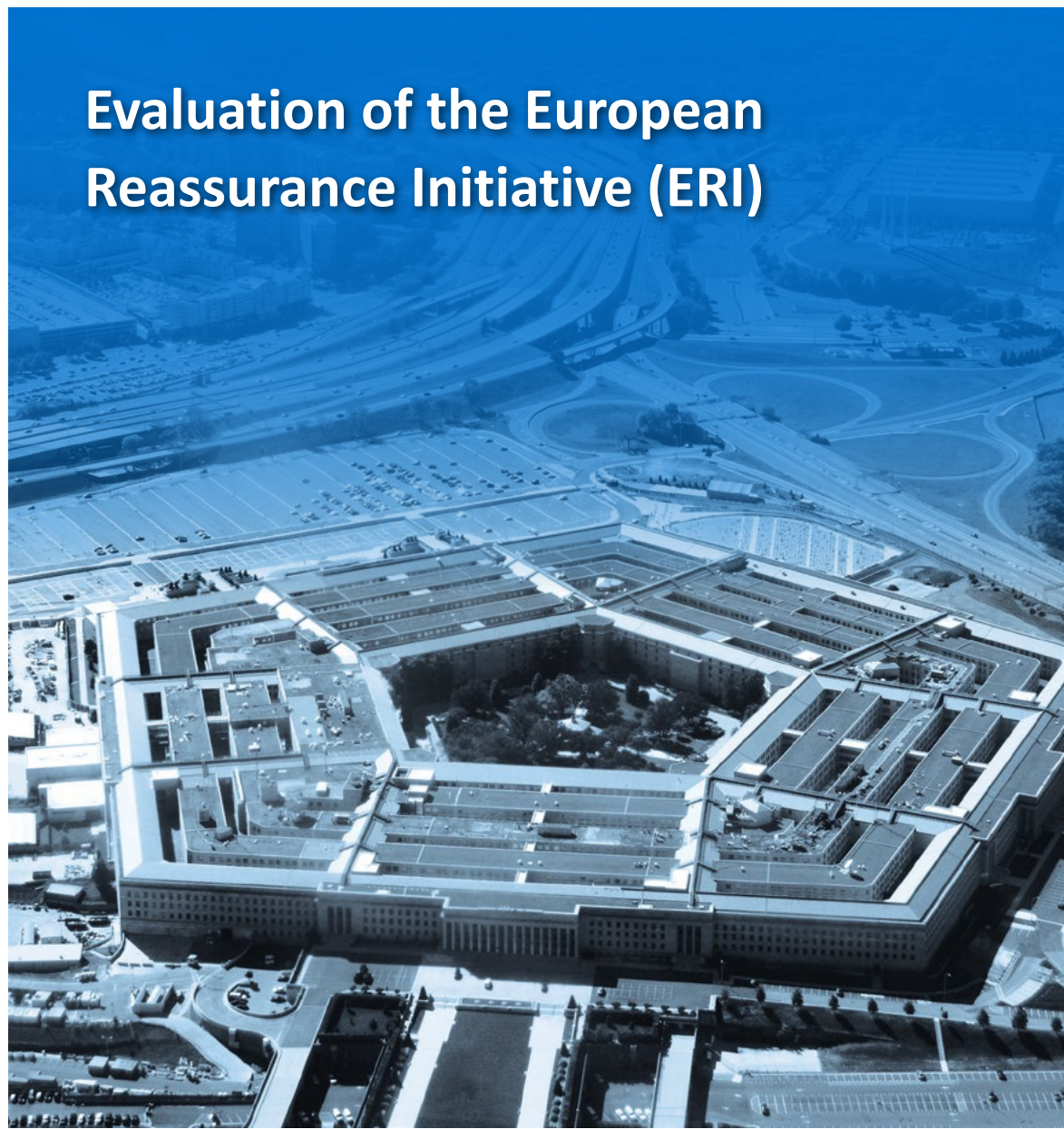




# INSPECTOR GENERAL

*U.S. Department of Defense*

AUGUST 22, 2017



## Evaluation of the European Reassurance Initiative (ERI)

INTEGRITY ★ EFFICIENCY ★ ACCOUNTABILITY ★ EXCELLENCE

INTEGRITY ★ EFFICIENCY ★ ACCOUNTABILITY ★ EXCELLENCE

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# Results in Brief

## *Evaluation of the European Reassurance Initiative (ERI)*

August 22, 2017

### Objective

To evaluate the extent to which the European Reassurance Initiative (ERI), focused on the Operation Atlantic Resolve (OAR) countries of Poland, Bulgaria, Romania, Lithuania, Estonia, and Latvia:

- increased the OAR countries' responsiveness, interoperability, and sustainability through capacity building and increased U.S. military exercises and training activities;
- improved the OAR countries' infrastructure necessary to deploy, train, and sustain their respective military forces;
- established metrics to assess the OAR countries' progress against the ERI's Exercise and Training, Improved Infrastructure, and Build Partner Capacity lines of effort; and
- has been coordinated and integrated with other North Atlantic Treaty Organization (NATO) military capabilities.

### Findings

The United States European Command's (USEUCOM) use of ERI funding augments the State Partnership Program (SPP). The SPP enhances cooperation among U.S., allied, and partner-nation militaries to build defense and security capabilities, a key ERI focus.<sup>1</sup> This enhanced cooperation occurs because the ERI funded U.S. National Guard units,

### Findings (cont'd)

through SPPs, to maintain training relationships with USEUCOM allied and partner nations, including the six OAR countries. Embassy-assigned U.S. Military Bilateral Affairs Officers (BAOs) coordinated and facilitated U.S. National Guard training resources in support of ERI-funded training opportunities. As a result of ERI support for the SPP, USEUCOM, component headquarters, and U.S. Embassy country teams, through the BAOs, maintained oversight and status of host-nation military proficiency, and gained support of U.S. National Guard subject-matter experts to help meet increased ERI training requirements.

The sustainability of ERI is at risk because support for ERI imposes new requirements on USEUCOM and its subordinate commands without an equivalent increase in force authorizations, stressing USEUCOM's diminishing personnel resources. Additionally, ERI funds, which are Overseas Contingency Operations appropriations, are normally planned for only one year, versus the DoD's 5-year Future Years Defense Program planning cycle, which identifies the immediate base budget priorities and the future projections for the next four fiscal years. As a result, USEUCOM and OAR countries may be unable to sustain ERI's contribution to allied and partner military capabilities.

OAR countries do not yet have procedures or transportation infrastructure in place to allow timely U.S., allied, and partner-nation military deployments. In addition, U.S. agreements with OAR countries governing infrastructure use do not sufficiently clarify facility access, sustainment, and development plans. These challenges exist for three reasons. First, OAR countries lack movement agreements with other NATO countries, transportation infrastructure and related capacity evaluations, and experience with controlling military convoys and equipment belonging to multiple security forces. This increases the risk of insufficient transport capacity to rapidly deploy U.S., allied, and partner-nation military forces to deter aggression against OAR countries. Second, USEUCOM has not completed host-nation facility agreements with OAR countries, which increases the risk

<sup>1</sup> "Allies" and "partners" are defined on p. 7.





# Results in Brief

## *Evaluation of the European Reassurance Initiative (ERI)*

### **Findings (cont'd)**

of denial or delay of U.S. forces' access to OAR country ERI-funded facilities, and risks inadequate OAR country facility sustainment. Third, all ERI funds, including those subject to military statutes and regulations, are 1-year or 3-4-year appropriations rather than 5-year military construction funding, which increases the risk of an inability of OAR countries to commit to long-term ERI infrastructure budgets and plans.

USEUCOM has not established specific metrics to assess the impact of ERI-funded activities supporting allied- and partner-nation exercises and training, improved infrastructure, and military capacity-building activities. This occurred because the existing USEUCOM-developed assessment processes do not isolate and therefore cannot measure the impact of ERI separate from that of all other U.S.-funded support for training, infrastructure, and capacity-building activities in NATO countries. Without assessment of ERI results, it is difficult for the DoD to measure OAR-country progress and to justify to Congress the need for additional resources required to advance the five ERI lines of effort.

OAR countries did not receive important NATO planning information related to deterrence training and programs funded by ERI. For example, OAR countries did not receive advance notice of the Warsaw Summit 2016 decision to deploy NATO forces to the Baltics and relocate U.S. forces from the Baltics and Black Sea regions to Poland in early 2017. Additionally, OAR countries did not receive details regarding the plans for integration of OAR country military forces with U.S. theater military operations. This situation impeded OAR countries' timely planning, building of necessary constituent support, and commitment of resources for future operations.

### **Recommendations**

We recommend that the Director, Joint Staff, assess competing mission and personnel priorities relative to the ERI to determine whether USEUCOM and its subordinate commands have sufficient personnel resources to execute the ERI mission.

We recommend that the Office of the Deputy Secretary of Defense develop options for changes to the ERI budgeting cycle to better align with and support allied and partner-nation training and capacity-building activities.

We recommend that the Commander, United States European Command:

- ensure that future infrastructure facility improvements meet U.S. and NATO operational requirements and, at a minimum, meet NATO infrastructure-related standards.
- complete the assessment and survey of transportation networks to determine how to enhance the responsiveness of U.S. and OAR country forces in Europe.
- conclude agreements with host nations to address the access, use, and long-term maintenance and sustainment of ERI-support infrastructure.
- request an ERI funding authorization that supports multiyear infrastructure construction and improvements.
- consider developing and establishing command processes to assess the impact of ERI funds on exercises and training, infrastructure improvement, and activities in support of building allied and partner capacity.



# Results in Brief

## *Evaluation of the European Reassurance Initiative (ERI)*

### **Recommendations (cont'd)**

- integrate the newly deployed U.S. Armored Brigade Combat Team and the four North Atlantic Treaty Organization Enhanced Forward Presence battalions in the OAR countries' exercises and training, to ensure continued ERI collaboration and interoperability.
- complete theater-wide operations plans to inform decisions for ERI support to fill training gaps in the national military plans of OAR countries, and to convey a coordinated and unified message to allied and partner countries.

- complete theater-wide operations plans that inform decisions for ERI support to fill training gaps in allied and partner-nation military planning (Recommendation E.2).

These recommendations are resolved, but they remain open. To close these recommendations, we request that:

- The Director, Joint Staff, provide an update on findings from the Joint Staff's April 2017 assessment of competing mission and personnel priorities in USEUCOM;
- The Office of the Deputy Secretary of Defense provide an update on development of ERI budget-cycle options; and
- The Deputy Commander, USEUCOM, provide:
  - an update on the synchronization of U.S. and NATO operational requirements and design standards in USEUCOM's revised Support to NATO CONPLAN;
  - a copy of the Military Construction portions of the FYs 2018 and 2019 Five Year Defense Plans submitted by USEUCOM to facilitate long-term, multiyear infrastructure funding when complete;
  - a copy of USEUCOM's FY 2019 budget request for additional ERI assessment capabilities once prepared; and
  - an update on USEUCOM's planning, coordination, and messaging efforts to assist allies and partners to fill gaps in their national military plans.

### **Management Comments and Our Response**

The Deputy Secretary of Defense, the Director, Joint Staff, and the Deputy Commander, United States European Command, agreed with our recommendations to:

- determine whether USEUCOM has sufficient personnel resources to execute the ERI mission (Recommendation B.1);
- develop ERI budgeting-cycle options to better align and support allied and partner-nation training and capacity building (Recommendation B.2);
- ensure that future infrastructure facility improvements meet U.S. and NATO operational and design standards (Recommendation C.1);
- request an ERI funding authorization that supports multiyear infrastructure construction and improvements (Recommendation C.4);
- establish processes to assess the impact of ERI funds on allied and partner-nation exercises and training, infrastructure, and capacity building (Recommendation D); and

Please see the Recommendations Table on the next page for the status of the recommendations.

## Recommendations Table

Management	Recommendations Unresolved	Recommendations Resolved	Recommendations Closed
Office of the Deputy Secretary of Defense		B.2	
Commander, U.S. European Command		C.1, C.4, D., E.2	C.2, C.3, E.1
Director, Joint Staff		B.1	

Note: The following categories are used to describe agency management's comments to individual recommendations.

- **Unresolved** – Management has not agreed to implement the recommendation or has not proposed actions that will address the recommendation.
- **Resolved** – Management agreed to implement the recommendation or has proposed actions that will address the underlying finding that generated the recommendation.
- **Closed** – OIG verified that the agreed upon corrective actions were implemented.



**INSPECTOR GENERAL  
DEPARTMENT OF DEFENSE  
4800 MARK CENTER DRIVE  
ALEXANDRIA, VIRGINIA 22350-1500**

August 22, 2017

MEMORANDUM FOR DEPUTY SECRETARY, DEPARTMENT OF DEFENSE  
COMMANDER, UNITED STATES EUROPEAN COMMAND  
DIRECTOR, JOINT STAFF

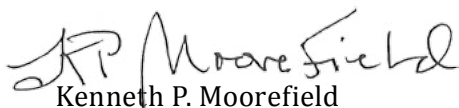
SUBJECT: Evaluation of the European Reassurance Initiative (ERI)  
(Report No. DODIG-2017-111)

We are providing this report for action as appropriate. We found that the European Reassurance Initiative (ERI) has enhanced allied and partner-nation military capability in Europe through its support for training and exercises, capacity-building activities, military-infrastructure improvements, and coordination and integration with NATO militaries. However, we also identified areas for improvement concerning U.S. personnel resources, ERI budgeting, assessment of the impacts of ERI funding, and integration of USEUCOM long-term plans with allied and partner-nation military planning.

We conducted this evaluation from April 2016 through January 2017 in accordance with the "Quality Standards for Inspection and Evaluation" published by the Council of the Inspectors General on Integrity and Efficiency in January 2012.

We considered management comments to a draft of the report while preparing the final report. DoD Directive 7650.3 requires that recommendations be resolved promptly. The Deputy Secretary of Defense, the Director, Joint Staff, and the Deputy Commander, United States European Command, have initiated or proposed actions that will address the underlying findings that generated Recommendations B.1, B.2, C.1, C.4, D, and E.2. Therefore, the recommendations are resolved, but they remain open. We will request an update on those recommendations after six months. We consider Recommendations C.2, C.3, and E.1 to be closed.

We appreciate the courtesies extended to the staff. Please direct questions to [REDACTED] or Mr. George Marquardt at (703) 604-9159 (DSN 312-664-9159).

  
Kenneth P. Moorefield  
Deputy Inspector General  
Special Plans and Operations

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## Introduction

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Congress enacted Public Law 113-291, the “Carl Levin and Howard P. ‘Buck’ McKeon National Defense Authorization Act for Fiscal Year 2015,” on December 19, 2014. Section 1535 of P.L. 113-291 authorized the appropriation of \$1 billion in Overseas Contingency Operations (OCO) funds to enable the DoD to pursue the “European Reassurance Initiative” (ERI), consisting of five lines of effort (LOEs):

- increase the presence of the United States Armed Forces in Europe,
- conduct bilateral and multilateral military exercises and training with allies and partner nations in Europe,<sup>2</sup>
- improve infrastructure in Europe to enhance the responsiveness of the United States Armed Forces,
- preposition equipment of the United States Armed Forces in Europe, and
- build the defense and security capacity of allies and partner nations in Europe.

The European Reassurance Initiative is a two-part initiative consisting of assurance and deterrence. The assurance phase began in FY 2015 with U.S. forces’ activities to assure or convince European allies of continued U.S. commitment to the North Atlantic Treaty Organization’s (NATO) security. A February 2, 2016, White House ERI Budget Request Fact Sheet explained how the U.S. would continue to reassure NATO nations while transitioning to deterrence in 2017 with a more robust NATO common defense. The deterrence phase began in FY 2017, with a funding request for a substantial increase in U.S. force presence and prepositioned U.S. equipment in Central and Eastern Europe to prevent military aggression against U.S. allies. At the time of this DoD OIG evaluation in August-September 2016, the ERI assurance mission was ongoing, and the DoD and USEUCOM were transitioning to the FY 2017 ERI deterrence mission.

Two of the five ERI LOEs – “activities to increase the presence of the United States Armed Forces in Europe” and “activities to enhance the prepositioning in Europe of equipment of the United States Armed Forces” – specifically address increasing capabilities of U.S. forces in Europe. The DoD spent more than 60 percent of the \$985 million of ERI funds enacted in FY 2015 and the \$789.3 million enacted in FY 2016 to increase U.S. presence and enhance U.S. equipment prepositioning. In FY 2017, the DoD assigned more than 85 percent of its \$3.4 billion ERI budget request to these two LOEs. By enabling a quicker and more robust response in support of NATO’s common defense, this increase in U.S. force presence and prepositioned U.S. equipment is meant to continue to assure NATO allies of U.S. commitment to their security, and deter military aggression in Europe.

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<sup>2</sup> See p. 7 for definitions of “allies” and “partners.”

The DoD Office of Inspector General (DoD OIG) evaluation team focused on the effects of ERI funding applied to the three LOEs that more directly impact allied and partner capability. Two of the three LOEs specifically address allies and partners – “bilateral and multilateral military exercises and training with allies and partner nations in Europe” and “activities to build the defense and security capacity of allies and partner nations in Europe.” The third LOE focuses on “activities to improve infrastructure in Europe to enhance the responsiveness of the United States Armed Forces.” ERI-funded infrastructure improvements for U.S. use should also enhance the responsiveness and interoperability of allied and partner forces.

This report addresses the impact of ERI in support of six NATO allies – Poland, Bulgaria, Romania, Lithuania, Estonia, and Latvia. With the exception of Turkey and its maritime boundary with Russia in the Black Sea, these six are the only NATO countries that share either land borders or maritime boundaries with Russia. They represent NATO’s eastern flank with Russia, even though they are relatively new to NATO and are developing their military forces to improve their deterrence capability. USEUCOM initially focused OAR efforts and ERI resources on exercises and training, military-to-military activities, and infrastructure in these six countries, although militaries of other NATO countries and non-NATO partner countries also benefit from ERI support.

## Objective

Our objective was to evaluate the extent to which the European Reassurance Initiative, focused on the Operation Atlantic Resolve (OAR) countries of Poland, Bulgaria, Romania, Lithuania, Estonia, and Latvia:

- increased the OAR countries’ responsiveness, interoperability, and sustainability through capacity building and increased U.S. military exercises and training activities;
- improved the OAR countries’ infrastructure necessary to deploy, train, and sustain their respective military forces;
- established metrics to assess the OAR countries’ progress against the ERI’s Exercise and Training, Improved Infrastructure, and Build Partner Capacity lines of effort;<sup>3</sup> and
- has been coordinated and integrated with other NATO military capabilities.

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<sup>3</sup> DoD defined “Build Partner Capacity” in the 2006 Quadrennial Defense Review as “help partners to improve their ability to perform their intended roles and missions.” A RAND study noted that familiarizations, workshops, conferences, and staff talks – termed military-to-military, or mil-to-mil, events – are often key enablers of BPC. Source: RAND, “Review of Security Cooperation Mechanisms Combatant Commands Utilize to Build Partner Capacity,” 2013.

## Background

### ***The Cold War and Immediate Aftermath***

During the “Cold War” between the U.S. and the Soviet Union, U.S. force levels in Europe peaked in the mid-1950s at over 400,000 personnel, and still numbered over 300,000 in 1989, when the Berlin Wall fell and the drawdown of U.S. forces began.<sup>4</sup> During the 1990s, NATO and the U.S. conducted military outreach with former Warsaw Pact countries, including Russia. Russia appeared to strengthen its ties to NATO, joining the North Atlantic Cooperation Council in 1991 and the Partnership for Peace program in 1994, and endorsing the NATO-Russian Founding Act in 1997. The 1997 Act stated that NATO and Russia would commit to “cooperation to strengthen security and stability in the Euro-Atlantic area.”<sup>5</sup>

After September 2001, the United States European Command (USEUCOM) and NATO began providing forces for missions in Iraq and Afghanistan but continued to engage Russia and other Central and Eastern European countries as partners and allies. By 2009, NATO’s membership had expanded to 28 countries, up from the 16 members at the end of the Cold War. The members that joined NATO after 1990 were all countries that had been part of the former Soviet Union or the former Eastern Bloc, or had been independent Communist countries.

### ***U.S. Military Forces in Europe***

USEUCOM forces consist of the U.S. Army, Europe (USAREUR), U.S. Naval Forces Europe (NAVEUR), U.S. Marine Forces Europe (MARFOREUR), U.S. Air Forces in Europe (USAFE), and U.S. Special Operations Command Europe (SOCEUR). All headquarters are located in Germany, with the exception of U.S. Naval Forces Europe headquarters, which is in Italy.

U.S. force numbers in Europe steadily decreased after the Cold War, from about 315,000 in 1989, to fewer than 75,000 in 2014.<sup>6</sup> The USEUCOM Commander noted in his February 2016 Posture Statement that the USEUCOM personnel strength was roughly 80 percent less in 2016 than it had been in 1991. He stated that a perception that relations with Russia had improved was a factor in U.S. Government decisions to reduce U.S. force structure in Europe.

A Deputy Assistant Secretary of Defense explained to the DoD OIG team that, in addition to removing combat power, the large drawdown in U.S. forces, along with increased focus on Southwest Asia, depleted much of the U.S. military’s European warfighting knowledge and experience developed during the Cold War.

<sup>4</sup> U.S. Troop Deployment Dataset, Heritage Foundation Center for Data Analysis, March 1, 2006.

<sup>5</sup> North Atlantic Treaty Organization Founding Act, May 27, 1997, Part 1, Principles.

<sup>6</sup> U.S. Troop Deployment Dataset, Heritage Foundation Center for Data Analysis, March 1, 2006.



## ***Russian Expansionism***

Starting in the mid-2000s, while the U.S. continued to decrease combat capabilities in Europe, Russia began aggressively modernizing its military.<sup>7</sup> By 2014, Russian weapons capabilities included precision-guided surface-to-air, anti-ship, and land-attack missiles and artillery, and cyber and electronic warfare. These weapons enabled Russia to target Central and Eastern European countries and potentially deny U.S. forces the ability to effectively counter the large number of Russian forces facing NATO's eastern border.

On March 1, 2014, the Russian parliament approved President Putin's plan for the use of force in Ukraine, and Russian forces invaded. On March 18, Russia seized Crimea from Ukraine and annexed it to the Russian Federation. A senior official in the Office of the Under Secretary of Defense for Policy explained that the U.S. government did not anticipate Russia's invasion of Ukraine in early March 2014. In response, U.S. European Command (USEUCOM) initiated Operation Atlantic Resolve (OAR), which seeks to demonstrate solidarity with NATO allies by augmenting U.S. and NATO air, ground, and naval presence and enhancing previously scheduled exercises, focusing on Central and Eastern European countries. The USEUCOM Commander stated in his 2016 Posture Statement that after Russia's illegal annexation of Crimea, the immediate focus was on assuring U.S. allies of the U.S. commitment to NATO's collective defense.

According to RAND Corporation analysis and wargames, Russia's modern weapons capability complicates U.S. and NATO troop stationing, infrastructure, and movement decisions in response to potential further aggression from Russia.<sup>8</sup> Placing a large U.S. and NATO force in forward positions, while decreasing the number of reinforcements needed to deter aggression, could place the forces in range of updated, precision-guided weapons. Alternatively, the RAND analysis explains that relying on movement of large numbers of reinforcements, particularly armored forces, from the U.S. and Europe in response to rising hostilities risks a significant increase in U.S. and NATO military responsiveness timelines.

## ***European Reassurance Initiative***

The immediate need to assure European allies and partners of U.S. commitment to the collective defense of NATO was a strategic mission change for USEUCOM. On June 3, 2014, President Obama announced the ERI as an effort to reassure NATO allies of the U.S. commitment to their security, and he asked Congress for

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<sup>7</sup> "Pay Attention, America – Russia is Upgrading Its Military," February 5, 2016, Steven Pifer, Brookings Institution's Center on the United States and Europe.

<sup>8</sup> "Reinforcing Deterrence on NATO's Eastern Flank – Wargaming the Defense of the Baltics," RAND Corporation, 2016.

approximately \$1 billion in support. On September 3, 2014, the White House again called on Congress to support ERI funds for FY 2015 in an announcement that emphasized the importance of the ERI to further NATO capability increases in 2015.<sup>9</sup>

The DoD ERI budgets for FY 2015 and 2016 requested more than \$1.7 billion to reassure NATO allies and non-NATO partners, to strengthen their security, and to increase their capability, readiness, and responsiveness.<sup>10</sup> The requests described enhanced interoperability of allied and partner forces as a primary objective of additional exercises, training, infrastructure, and activities to build partner capacity (BPC).

Planning and oversight of ERI-funded training, exercises, and military-to-military activities required additional U.S. military personnel, which conflicted with the continued drawdown of U.S. forces in Europe. The USEUCOM commander commented in his 2016 Posture Statement that the ERI's assurance and follow-on deterrence missions were taxing the capability of forces assigned in the U.S. European Command area of responsibility.

## **Key Terms Used in This Report**

### *Reassurance and Deterrence*

The terms *assurance*, *reassurance*, and *deterrence* appeared in multiple White House, DoD, and USEUCOM documents since the first White House ERI announcement on June 3, 2014.

Assurance and reassurance, as described in these documents, is the ability of the U.S. to convince its European allies of continued U.S. commitment to the collective security of NATO and to peace and stability in the Northern Atlantic area.

Deterrence, as defined by DoD's Joint Publication 1-02, "Department of Defense Dictionary of Military and Associated Terms," March 2017, is the prevention of action by the credible threat of unacceptable counteraction or cost. According to a July 2016 White House Fact Sheet, an increase in ERI funds in FY 2017 will enable greater U.S. force presence, more prepositioned U.S. equipment, additional military training, and infrastructure improvements to help support a more credible U.S. and NATO defense posture to deter military aggression in Europe.

<sup>9</sup> White House Fact Sheet: "U.S. Support and Reassurance Initiatives for the Baltics and Central Europe," September 3, 2014.

<sup>10</sup> "Counterterrorism Partnerships Fund and the European Reassurance Initiative Budget Request," Department of Defense Budget, Fiscal Year 2015, p. 15/33, para. 1.

### *Interoperability, Responsiveness, and Sustainability*

Interoperability, defined by DoD's Joint Publication 1-02, is the ability to act together coherently, effectively, and efficiently to achieve tactical, operational, and strategic objectives.

Responsiveness, defined by DoD's Joint Publication 4-0, "Joint Logistics," October 2013, provides the right support when and where it is needed. Responsiveness is a product of organization and unity of effort, ensuring forces are in the right place at the right time to accomplish the mission.

Sustainment, defined by the Chairman of the Joint Chiefs of Staff's "Joint Training Manual for the Armed Forces of the United States," April 2015, "includes iterative training and readiness activities throughout a period of designation to maintain a band of readiness." Sustainability related to the ERI is the ability of U.S. and NATO allies and partners to maintain capability gains from ERI's Training and Exercise, Improved Infrastructure, and Build Partner Capacity lines of effort.

### *OAR Countries, Allies, and Partners*

OAR countries are the Central and Eastern European countries that were the focus of USEUCOM's efforts to demonstrate solidarity with NATO through Operation Atlantic Resolve beginning in 2014. This report focuses on the six OAR countries on NATO's eastern boundary with Russia – Poland, Bulgaria, Romania, Lithuania, Estonia, and Latvia. All six of the OAR countries on NATO's eastern boundary with Russia are NATO members.

European allies are the member countries of the North Atlantic Treaty Organization (NATO). NATO consists of 28 member countries. Poland joined the NATO alliance in 1999, and Estonia, Latvia, Lithuania, Romania, and Bulgaria joined in 2004.

Partners, defined by NATO, are European countries that are not NATO members but are committed to democratic principles and share bilateral relationships with NATO to increase stability, diminish threats to peace, and build or strengthen security relationships.<sup>11</sup>

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<sup>11</sup> "Partnerships: Projecting Stability Through Cooperation." December 16, 2016. Retrieved from NATO Website, [http://www.nato.int/cps/on/natohq/topics\\_84336.htm](http://www.nato.int/cps/on/natohq/topics_84336.htm).

## Finding A

### ERI Funds Augment the State Partnership Program and Enhance OAR-Country Military-Capacity Building

USEUCOM's use of ERI funding augments the State Partnership Program (SPP). The SPP enhances cooperation among U.S., allied, and partner-nation militaries to build common defense and security capabilities, a key ERI focus.

This occurs because:

- the ERI funded U.S. National Guard units, through State Partnership Programs, to maintain training relationships with USEUCOM allied and partner nations, including the six OAR countries; and
- Embassy-assigned U.S. Military Bilateral Affairs Officers coordinated and facilitated U.S. National Guard training resources in support of ERI-funded training opportunities.

As a result of ERI support for the State Partnership Program, USEUCOM, component headquarters, and U.S. Embassy country teams, through the Bilateral Affairs Officers, maintained oversight and status of host-nation military proficiency, and gained support of U.S. National Guard subject-matter experts to help meet increased ERI training requirements.

## Discussion

The National Guard Bureau, through state adjutants general, administers and executes the State Partnership Program (SPP) in support of combatant command and U.S. Embassy security cooperation objectives, along with DoD policy goals.<sup>12</sup> The SPP began in the early 1990s in Europe, as European nations separated from the former Soviet Bloc. Of the 73 U.S. state partnerships worldwide, 22 are with countries in the USEUCOM area of responsibility, including the six OAR countries of Poland, Bulgaria, Romania, Lithuania, Estonia, and Latvia.<sup>13</sup> U.S. National Guard subject-matter experts deploy under the SPP to conduct training and military-to-military activities between units of the U.S. National Guard and the armed forces of allied and partner countries. These interactions can include exchanges and familiarization visits, classroom discussions, and cooperative training and exercises. Through these activities, the SPP builds collaborative links designed to strengthen USEUCOM and U.S. Embassy security cooperation.

<sup>12</sup> "State Partnership Program – 70 Partnerships, 76 Countries, Over 20 Years," National Guard Bureau, January 10, 2017.

<sup>13</sup> "The State Partnership Program," National Guard Bureau, December 15, 2016.

ERI funding supports these efforts by paying travel and administrative costs to bring National Guard personnel to the allied and partner nations to conduct and participate in these training and capacity-building activities.

### ***Maintaining and Building Long-Term Relationships***

SPP partnerships are designed to build long-term relationships with allied and partner militaries in U.S. combatant command areas of responsibility. The National Guard Bureau emphasizes that the SPP cultivates enduring personal and institutional relationships that enhance U.S. influence and promote U.S. access to host-nations. A director in the Office of Under Secretary Defense for Policy explained that, because U.S. National Guard units have engaged in these enduring partnerships for many years, these units understand the military capabilities and security needs of their respective partner nations. During a USEUCOM component command in-brief to the DoD OIG evaluation team, the senior staff highlighted the command's reliance on the SPP to build continuity and maintain relationships with allies and partners in support of ERI-funded training.

### ***Training***

Bilateral Affairs Officers (BAOs) are U.S. National Guard officers who represent the SPP in U.S. Embassies in host nations. BAOs in Europe coordinate with U.S. National Guard units to provide military-to-military capacity-building activities that strengthen USEUCOM and component training with allied and partner militaries. BAOs help align U.S. National Guard training capabilities with the security cooperation objectives and training priorities of the combatant commander, the component commands, and the U.S. Embassy Chief of Mission.

The BAO in Estonia explained that, with USEUCOM, component, and U.S. Embassy input, he evaluates host-nation goals and objectives, training plans, and the proficiency of the training audiences, and then engages a U.S. state-partner National Guard unit in his home state that can offer training that best meets the host-nation training needs. For example, he stated that he had recently postponed a host-nation SPP training activity because the planned level of instruction would not sustain and build on the previous training gains of the host-nation military unit. As part of his responsibility to oversee host-nation training and proficiency, the BAO located another U.S. National Guard unit that was qualified and available to deliver the training.



The BAO quantified the contributions of ERI funding in support of SPP initiatives in Estonia – \$391,000 for 34 military-to-military activities in FY 2016, with the expectation of meeting or surpassing that in 2017. He was also planning for \$603,000 to fund approximately 90 military-to-military events in FY 2017 with USEUCOM component commands, the U.S. Embassy in Estonia, the SPP in his home state, and the Estonian military.

As an example of his involvement in training, the BAO for Estonia was coordinating all aspects of Estonia's ERI-supported, Joint Terminal Attack Control/Forward Air Controller interoperability training with U.S. and NATO air forces.<sup>14</sup> The BAO's responsibilities included finding qualified candidates, instructors, and funds for the initial training in FY 2016 and the follow-on training in FY 2017. A field-grade officer of the U.S. Air Forces in Europe, serving as a lead coordinator for ERI exercises and training, reported that ERI funds paid for travel-related expenses for Air National Guard instructors to execute this training.

In addition to the Joint Terminal Attack Control / Forward Air Controller training, all three Baltic country militaries were planning to evaluate or execute anti-tank, unmanned aerial vehicle, and air defense training and equipping proposals in FYs 2016 FY 2017. ERI funds support portions of each of these programs, and the SPP and BAOs had primary responsibility for coordinating this training in FYs 2016 and 2017. A senior national security advisor from a Baltic country stated that ERI funding for this type of weapons and equipment training is important for establishing the conditions for future weapons procurements for the country.

### ***Additional Resource During Increased Operational Tempo***

USEUCOM Division Chiefs responsible for ERI-supported operations and intelligence training and exercises described the criticality of the SPP to building allied and partner military capabilities in Europe. They noted the contribution of ERI funds in support of SPP and stressed the importance of the state partnerships to ERI progress.

A U.S. Embassy defense attaché explained that he, the BAO, the Chief of the Office of Defense Cooperation, and other country team officials must share training and exercise portfolio management responsibilities because of the recent surge in ERI military activities in his country. A second defense attaché commented that the BAO's office conducts a significant amount of the generation of training events and management of training budgets for his country team.

<sup>14</sup> Joint Terminal Attack Controller is defined as "a qualified (certified) Service member who, from a forward position, directs the action of combat aircraft engaged in close air support and other offensive air operations." Forward Air Controller is defined as "a specifically-trained and qualified aviation officer, normally an airborne extension of the tactical air control party, who exercises control from the air of aircraft engaged in close air support of ground troops."

General Breedlove, the outgoing USEUCOM Commander, in a House Armed Services Committee hearing in early 2016, estimated that the SPP represented close to 25 percent of USEUCOM's engagement in Europe.<sup>15</sup> He emphasized that he "could not say enough" in support of SPP, and he testified that the SPP was a very valuable tool for USEUCOM's development of allied military capacity. In his October 2015 USEUCOM Theater Strategy, he noted that USEUCOM would continue to leverage the unique capabilities of the SPP and to increase partnership building.

## Conclusion

The SPP strengthens bilateral relations between the U.S. and allied and partner-nation militaries and increases partner capacity and interoperability through military-to-military training and capacity-building activities. USEUCOM and embassy senior officials agree that state partnerships contribute important assets to allied and partner training, and are particularly important as ERI-related requirements and operational tempo increase. BAOs in the U.S. Embassies perform a key role in support of the ERI, linking host-nation military training priorities with the priorities of the USEUCOM Commander and their respective U.S. Embassies.

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<sup>15</sup> Transcript of General Breedlove House Armed Services Committee Testimony, February 25, 2016, retrieved from [www.eucom.mil/doc/.../general-breedlove-house-armed-services-committee-transcript](http://www.eucom.mil/doc/.../general-breedlove-house-armed-services-committee-transcript).

## Finding B

### Support for the European Reassurance Initiative Enhances Interoperability and Responsiveness but Risks Sustainability

USEUCOM focuses ERI capacity-building activities, exercises, and training on efforts to enhance OAR country responsiveness and interoperability with allies and partners. However, the increase of ERI-related requirements and uncertainty caused by short-term ERI funding risks the sustainment of capability gains.

The sustainability of ERI is at risk because:

- support for the ERI imposes new requirements on USEUCOM and its subordinate commands without an equivalent increase in force authorizations, stressing USEUCOM's diminishing personnel resources; and
- ERI funds, which are OCO appropriations, are planned for only one year, versus the DoD's 5-year Future Years Defense Program planning cycle that identifies the immediate base budget priorities and the future projections for the next four fiscal years.

As a result, USEUCOM and OAR countries may be unable to sustain ERI's contribution to allied and partner military capabilities.

## Discussion

During the Cold War, U.S. forces in Europe and other NATO forces planned and trained for rapid, multinational responses to security threats to Western Europe. NATO developed Standardization Agreements to implement common military standards and procedures across the NATO forces, and conducted annual large-scale "Return of Forces to Germany" (REFORGER) exercises to improve interoperability and maintain operational responsiveness. A USEUCOM Plans, Policy, and Strategy senior officer noted that historically, USEUCOM has dedicated a large share of operations and maintenance expenditures to interoperability.<sup>16</sup> With renewed security threats to Central and Eastern Europe after the Russian annexation of Crimea in 2014, the DoD requested ERI funds to increase responsiveness as well as interoperability among U.S., allied, and partner-nation military forces.

<sup>16</sup> The use of the term "senior officer" in this report refers to the grade of O-6 (colonel) or above; "senior official" refers to a civilian in the grade of GS-15 or above.

### ***Increasing Interoperability and Responsiveness***

USEUCOM officials consider ERI funding for BPC and joint exercises instrumental to achieving the USEUCOM Commander's Strategy to adapt to meet challenges from Russia in the new European security environment.<sup>17</sup> In FYs 2015 and 2016, Congress appropriated \$76.3 million for BPC as part of ERI, and \$149 million for Additional Bilateral and Multilateral Exercises and Training, specifically citing ground, air, and maritime interoperability and responsiveness as justification. According to Department of Defense ERI budget requests, these funds were intended to enable additional capacity building of newer Eastern European allies, and enable greater U.S., allied, and partner participation in large-scale, multinational exercises.

During the evaluation team's meeting with the USAREUR staff, a USAREUR senior intelligence official stressed the need for enhanced interoperability among U.S., allied, and partner-nation forces, particularly with regard to communications and movement of military forces. A senior USAREUR operations official briefed the importance of responsiveness, stating that deterrence depends on capability and timely threat recognition, decision-making, and speed of assembly. During the evaluation team's fieldwork, U.S. and allied leaders described numerous ongoing efforts to improve interoperability and responsiveness, and associated successes, such as building partner capacity through leveraging SPP relationships, and supporting multinational training and exercises like Anakonda and Saber Strike.

### ***Building Partner Capacity***

USEUCOM and component officials described command post exercises, military personnel exchanges, and other military-to-military activities and familiarization training sustained by ERI contributions. Table 1 illustrates examples of DoD requests for support of BPC activities with ERI funds:

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<sup>17</sup> In 2015, the National Military Strategy of the United States of America identified state actors, such as Russia, and violent extremist organizations, such as ISIL, as major challenges in the new European security environment.

*Table 1. DoD Requests for Support of Build Partner Capacity Activities Funded Either Partially or Wholly By ERI*

Name of Activity	Sponsoring Component	Recipient Nations	Description
Baltic Intelligence, Surveillance, and Reconnaissance	U.S. Air Forces Europe	Estonia, Latvia, Lithuania	Intelligence Interoperability and Readiness: Improve intelligence, surveillance, and reconnaissance capabilities for the Baltic and Eastern European NATO nations.
Black Sea Information Sharing Initiative	U.S. Naval Forces Europe	Georgia, Ukraine	Command and Control: Integrate Maritime Domain Awareness and enhance Black Sea information sharing to develop Black Sea common operational picture, and conduct command post exercises.
Leverage State Partnership Program Relationships	U.S. Army Europe	USEUCOM-wide	Military-to-Military Activities: Interactions between partner-nation militaries and the National Guard of designated U.S. state partners to boost civil military response options and improve interoperability with U.S. forces.
Increased Partnership Activities in Central and Eastern Europe	U.S. Army Europe	Select nations in USEUCOM area of responsibility	Military-to-Military Activities: Build and strengthen regional partner capacity, internal defense operations, surveillance, and border security.

Source: DoD Budget, European Reassurance Initiative, FYs 2015 and 2016.

ERI funds also pay for travel costs incurred by National Guard instructors supporting SPP military-to-military activities in coordination with BAOs assigned to U.S. embassies in Europe. As an example of boosting civil-military affairs response options, the BAO in Estonia coordinated with Estonia's U.S. state partner, the Maryland National Guard, to train Estonian soldiers to direct NATO and U.S. fighter aircraft against enemy targets. Since Estonia has no fighter aircraft of its own, this interoperability training is critical to building effective Estonian defenses. The training is one of four equipment familiarization options in the Baltics. Other programs include familiarization training with unmanned aerial vehicles, anti-tank weapons, and air defense weapons.

In addition to the work of the BAOs, U.S. and allied leaders identified four current focus areas for building allied and partner military capabilities – intelligence, communications, movement, and weapons systems.



### *Intelligence*

USAREUR intelligence (G2) and communications (G6) staffs briefed the DoD OIG evaluation team on USAREUR-led interoperability training and capacity-building initiatives with their NATO and partner military intelligence staff counterparts. ERI funds support military intelligence training workshops in classroom environments and familiarization training in military exercises in the Baltic and Black Sea OAR countries. ERI funds also support more complex, comprehensive, and integrated multinational intelligence training missions. For instance, the Multinational Intelligence Readiness and Operations Capability initiative has evolved since FY 2014 with the support of ERI funds. This initiative supports intelligence-training missions with U.S., allied, and partner military intelligence soldiers and systems, using a combination of home station training, mobile training, and exercises. The training improves individual and collective intelligence information processing, exploitation, and dissemination capabilities, and enhances responsiveness to emerging threats.

ERI funding also contributed to the development of mobile classrooms, deployable to allied and partner-nation training sites. USAREUR uses these mobile classrooms to train intelligence, surveillance, and reconnaissance techniques to improve the processing, exploitation, and dissemination of early-warning information among U.S., NATO, and partner-nation military intelligence analysts in Central and Eastern Europe, increasing their responsiveness to enemy aggression. This is particularly important in light of comments by the former USEUCOM Commander in a June 2016 ERI forum, when he noted the neglect of tactical and operational intelligence training in Europe since the end of the Cold War. He linked battlefield awareness to interoperability and responsiveness, explaining that the key role of intelligence sharing is to enable early decisions or actions that preclude enemy aggression.

### *Communications*

ERI funds equipment and travel costs for communications technicians to familiarize U.S. and allied staffs with interoperable technologies and procedures. The USAREUR G6 introduced allies to technologies and equipment linking U.S. and NATO communications devices. This linkage allows communication between systems containing information at multiple levels of classification. In 2015, during the 35-nation Trident Juncture exercise, ERI-funded U.S. forces gained hands-on experience with the NATO Battlefield Integration and Collection and Exploitation System, enabling transmission of classified information between U.S. and NATO forces. Exercise participants also coordinated communications frequencies for unmanned aerial vehicles in a simulated-combat environment.

### *Movement*

ERI-funded exercises help to identify freedom-of-movement gaps and shortfalls in Europe. A senior defense research analyst and former Deputy Assistant Secretary of Defense reported that the ERI-funded “Dragoon Ride II,” a regimental cross-country movement accomplished during the FY 2016 Saber Strike exercise, underscored the number of restrictions and magnitude of coordination required to move military vehicles through multiple European countries.<sup>18</sup> The exercise raised questions about the ability of U.S. and NATO reinforcements to respond quickly to aggression on OAR countries’ eastern borders.

ERI-supported exercises provide opportunities to increase responsiveness by improving the flow of military equipment and supplies across national borders in Europe. The Polish-sponsored Exercise Anakonda in 2016, which included \$85M of ERI support for U.S. participation, provided training in country-clearance procedures, coordinated movement across national boundaries, anticipated language barriers, scheduled series of large convoy movements, and planned for national restrictions, such as load-configuration requirements for military vehicles. The defense attachés in Poland and in Estonia, principal defense advisors at their respective U.S. Embassies, reported that movement demands associated with increased military exercises forced both countries to reduce their notification requirements for cross-border movements of military equipment. Poland reduced its minimum approval time for cross-border movement-clearance procedures from 2 weeks to 3 to 5 days, and Estonia reduced its minimum coordination from 2 weeks to 7 days.

### *Weapons Systems*

NATO-country military leaders reported multiple opportunities to gain familiarity with U.S. weapons systems. For example, training with the Advanced Field Artillery Tactical Data System during Exercise Anakonda in Poland allowed allied soldiers to participate in joint-fire exercises and to test the interoperability of their artillery fire-control systems with U.S. systems. In addition, ERI funds supported Baltic country training with anti-tank weapons, surveillance systems, and forward air-control procedures for fighter aircraft in Estonia.

<sup>18</sup> “Dragoon Ride II,” was the 2nd Cavalry Regiment’s vehicle road march from Vilsek, Germany to Tapa, Estonia in May-June 2016. The regimental-sized convoy of Stryker Combat Vehicles and support vehicles crossed six countries and covered 2,400 kilometers to demonstrate interoperability, freedom of movement, and U.S. commitment in Central and Eastern Europe. Source: U.S. Army Public Affairs at [https://www.army.mil/article/165898/Saber\\_Strike\\_16\\_and\\_Dragoon\\_Ride\\_II](https://www.army.mil/article/165898/Saber_Strike_16_and_Dragoon_Ride_II).

ERI partially funds two month-long rotations of U.S. Air National Guard C-130s and two month-long rotations of F-16s to Lask Airbase, Poland, each year. While deployed, the squadrons conduct their own unit training and offer familiarization training to the Polish F-16 Squadron and base support personnel at Lask. The DoD OIG evaluation team visited Lask Airbase. U.S. Air Forces in Europe has assigned a 10-person aviation detachment to the airbase to oversee and support the Air National Guard annual training rotations. The U.S. detachment commander and the Polish airbase commander agreed that the presence and activities of Air National Guard units with the Polish Air Force at Lask increases the interoperability between Polish and U.S. pilots, airfield crews, and maintenance personnel.<sup>19</sup>

### ***Expanding Exercises and Training***

With greater participation of U.S. forces funded by ERI, allies are increasing the size, scope, and complexity of their national exercises, enhancing training benefits. U.S. Marine Corps Forces Europe briefed that in Romania, for example, the Platinum Lynx exercise grew from 30 U.S. Marines training a Romanian Reconnaissance Platoon in 2014 to 210 U.S. Marines training over 300 infantrymen from nine countries in 2016. U.S. Marine Corps Forces Europe briefed to the inspection team that the exercise improved fire-and-maneuver proficiency, interoperability, and readiness of the nine participating countries, and improved Romanian public opinion of U.S. and NATO forces in Romania. ERI funds paid for about two-thirds of this \$1.2 million exercise in 2016.

Table 2 illustrates the effect of ERI funding on the enhanced scope of two major exercises from 2014 to 2016 – Anakonda in Poland and Saber Strike in the Baltics. In FY 2016, the U.S. provided \$85 million in ERI funds to Exercise Anakonda, and \$11 million in ERI funds to Exercise Saber Strike. Exercise Anakonda expanded from 12,500 military and civilian personnel and 9 nations in 2014 to 31,000 personnel and 24 nations in 2016. Exercise Saber Strike expanded from 10 countries and 12 days in 2014 to 14 countries and 27 days in 2016. The 2016 exercise included a 2,400-kilometer road march from Germany to Estonia by the 2nd Cavalry Regiment.

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<sup>19</sup> The Polish Commander of the airbase briefed that, in addition to flying in the same formations, Polish and U.S. F-16 pilots trained in the Polish Air Force's Joint Terminal Attack Controller / Forward Air Control (JTAC/FAC) program, a key interoperability opportunity. A Polish F-16 pilot at Lask, who had trained in the U.S., stated that there was no learning disadvantage to Air National Guard familiarization visits, describing the training as "learning by watching, interaction, and doing."

Table 2. Growth of Multinational Exercises and ERI Support

Exercise Name	Anakonda		Saber Strike		
	FY 14 (without ERI funding)	FY 16 (with ERI funding)	FY 14 (without ERI funding)	FY 15 (with ERI funding)	FY 16 (with ERI funding)
Participating Nations	9 (12,500 personnel)	24 (31,000 personnel)	10	13	14
Exercise Length (days)	10	11	12	12	27
Exercise Scope	Joint defense operations and combined tactics. Live-fire exercises.	Platoon-to-battalion field training and live-fire. Division command post exercise.	Live-fire and field training (Latvia). Command post exercise (Lithuania).	Live-fire and field training (Latvia and Lithuania). Command post exercise (Latvia, Lithuania, and Poland).	2nd ACR road march from Germany to Estonia. Live-fire and field training, with brigade-level command post exercise.

Source: U.S. Army Europe.

As a part of the planned transition of the ERI mission from assurance to deterrence, USEUCOM and component leaders stated that they planned to increase the complexity of multilateral exercises in FY 2017. The expansion of the Anakonda Exercise in 2016 revealed challenges to responsive logistics, incorrect assumptions about interoperability of logistics support, and shortages of personnel required to synchronize complex movement. At their Anakonda after-action review, Polish leaders identified these and other lessons learned from the 2016 exercise.<sup>20</sup>

In Romania and the Black Sea region, ERI-supported exercises included increased naval-force participation in Exercise Sea Breeze 2016, where ERI funds bought additional tons of fuel for the Romanian Navy, adding several training days for participation in U.S. and NATO multi-ship exercises. According to U.S. Naval Forces Europe, 15 countries participated in Exercise Sea Breeze 2016, hosted by Ukraine and the U.S. and supported by ERI funds. Sea Breeze is an interoperability exercise that allows forces to train air defense, anti-submarine warfare, search and rescue, and other missions in support of maritime security and regional stability in the Black Sea. The number of countries participating in Sea Breeze more than doubled in 2016, and the length of the exercise increased by 10 days from the 2014 exercise.

<sup>20</sup> The Exercise Anakonda after-action review was held in Mława, Poland, on August 26 and 27, 2016. DoD OIG attended on August 26.

A U.S. Embassy naval attaché stated that in the Baltic Sea region, the Polish Navy, still dependent on Russian equipment, has been slow to achieve interoperability and responsiveness gains from additional exercises. However, Poland hosted the annual 2-week, 13-nation Baltic Operations (BALTOPS) maritime exercise in the Baltic Sea Region in 2015, and will host it again in 2017, maintaining its participation and coordination role in one of the largest maritime exercises in Northern Europe.<sup>21</sup>

### ***Sustainability at Risk***

USEUCOM headquarters, component, and OAR country officials agree on the value of ERI support and the opportunities to increase responsiveness and interoperability through capacity building and exercises. However, they share concerns about personnel resources and their ability to plan without assurance of the availability of future funding. The uncertainty of future funding places at risk the ability to sustain interoperability and responsiveness gains.

### ***Requirements versus Resources***

The influx of ERI funds and the related activities substantially increase USEUCOM headquarters and component requirements and activity levels. However, U.S. forces' staffing levels continue to decrease, and USEUCOM and component officials anticipated further reductions at USEUCOM Headquarters, components, and Offices of Defense Cooperation at U.S. Embassies, based on DoD's planned personnel reductions.

Senior USEUCOM leaders highlighted to us the inconsistency between increased ERI requirements and fewer personnel available to execute them. A directorate deputy at USEUCOM headquarters stressed that there were too few operational forces available to support ERI. His Strategy and Policy Resources Division Chief said that the shortage of available forces impeded planning and personal engagement with partners and allies, and that the ERI pace of engagement with allies and partners was unsustainable. A Training and Exercise Division Chief stated that increasing exercise frequency with limited U.S. personnel resources in Europe results in less-effective exercise control and oversight. He praised the extra efforts of BAOs and SPP representatives to help build allied and partner military capacity at a time of shrinking personnel resources.

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<sup>21</sup> The objective of the BALTOPS exercise is to demonstrate U.S., NATO, and partner-nation interoperability to accomplish naval warfighting operations.



U.S. embassy country-team personnel in all three U.S. embassies we visited commented on their shortage of U.S. military and State Department personnel to handle ERI-related requirements. A defense attaché and a Chief, Office of Defense Cooperation, raised concerns that ERI-related activities competed with their security cooperation responsibilities, and an embassy management team discussed challenges with providing support for the increased number of high-level visits related to ERI.<sup>22</sup>

### *European Reassurance Initiative Budgeting*

U.S. and allied leaders also commented to the evaluation team on potential impacts of annual, 1-year ERI budgets on the sustainment of operations. In most years, the DoD produces and submits to Congress the Future Years Defense Program, a 5-year plan addressing the immediate annual budget request and projections for the next four fiscal years. The 5-year plan is often referred to as the DoD base budget. The DoD does not include ERI fund requests in the 5-year plan, or base budget, but requests ERI funds as part of its annual OCO funds submission, which, with the exception of some military construction funds, is valid only for the immediate budget year. As OCO funds ERI funds are not planned, projected, or estimated for subsequent budget years.<sup>23</sup>

Senior leaders and resource managers support more predictable ERI funding to enable long-term planning. Both a senior Eastern European country defense advisor and a Defense Ministry Under Secretary emphasized the importance of ERI funding for closing capability gaps in support of national defense plans. Their country, with the help of ERI, had made initial military training and infrastructure investments, but needed continued assurance that follow-on training and infrastructure spending, in addition to equipment procurement, would take place in accordance with long-range priorities.

One chief of the comptroller division of a USEUCOM component command expressed a common assertion heard by the team, that stability provided by predictable ERI funding would better support long-term planning. A USEUCOM Resources Division Chief for Policy and Strategy stated that predictable budgets promote mid-term and long-term planning that supports U.S. and NATO ERI strategy development.

<sup>22</sup> USEUCOM Offices of Defense Cooperation build partner capacity by executing security assistance and security cooperation through their offices at U.S. Embassies in close partnership with U.S. embassy country teams and under U.S. ambassador direction. Among other missions, they play a key role in mil-to-mil programs and State Partnership Programs. Retrieved from USEUCOM, <http://www.eucom.mil/about/organization/command-structure/offices-of-defense-cooperation>.

<sup>23</sup> "Long-Term Implications of the 2016 Future Years Defense Program," Congressional Budget Office, January 2016.

He suggested that ERI funds become a mix of annual and multiyear funding to enhance predictability. A USEUCOM flag officer and directorate deputy agreed with the need for multiyear ERI funding, concluding that deterrence would benefit, and NATO allies would respond positively to more predictability.

Allied leaders in OAR countries share these long-term budget-planning concerns. During a roundtable discussion with the Chief of Staff and the principal staff of the Polish Armed Forces General Command, the General Command Branch Chief for International Cooperation stated that General Command was planning its military budget for the next 10 years, and needed to understand long-range support requirements for U.S. forces.

A U.S. Embassy defense attaché stated that host-nation officials hoped ERI would become a longer-term commitment, enabling better-synchronized funding with their 10-year budget cycles. His Ministry of Defense counterparts agreed during a subsequent Ministry of Defense roundtable discussion, and asked for more clarity about future-years' U.S. ERI plans and priorities, in concert with national long-range military budget and procurement plans.

## Conclusion

ERI is a resource that contributes to the achievement of USEUCOM strategic priorities. USEUCOM and allied leaders recognized ERI's contributions to allied and partner interoperability and responsiveness, but expressed concern about the unpredictability of ERI funding to close defense gaps and sustain defense capabilities. Dependency on one-year ERI funds without future-year priorities and projections, along with declining personnel resources in USEUCOM, threatens USEUCOM and OAR countries' ability to take full advantage of ERI's contribution to allied and partner responsiveness, interoperability, and deterrence, and to sustain OAR capability gains.

## Recommendations

### ***Recommendation B.1***

**The Director, Joint Staff, assess competing mission and personnel priorities relative to the European Reassurance Initiative to determine whether U.S. European Command and its subordinate commands have sufficient personnel resources to execute the European Reassurance Initiative mission.**

### *Director, Joint Staff Comments*

The Director, Joint Staff, agreed with the recommendation. He stated that, during the April 2017 annual review of the ERI Program Budget/Review submission, the Joint Staff reviewed the sufficiency of USEUCOM personnel resources in relation to ERI requirements. The Joint Staff is still assessing the results of the review, and the assessment will help shape USEUCOM's personnel posture.

### *Our Response*

Management comments were responsive to the recommendation. This recommendation is resolved, but it remains open. We will close this recommendation once we receive and analyze the Joint Staff's assessment of the sufficiency of USEUCOM personnel resources in relation to ERI requirements. We will request an update from the Director, Joint Staff, after 6 months.

## **Recommendation B.2**

**Office of the Deputy Secretary of Defense, develop options for changes to the European Reassurance Initiative budgeting cycle to better align with and support allied and partner-nation training and capacity-building activities.**

### *Office of the Deputy Secretary of Defense Comments*

The Deputy Secretary of Defense agreed with the recommendation, stating that the report accurately described the concerns about current budgeting of ERI funds. In particular, he noted the instability associated with using OCO funds for infrastructure, sustainment, and strategic planning. He stated that the Office of the Secretary of Defense would continue to work with Congress and the Office of Management and Budget to address OCO versus base-budget funding for ERI. Additionally, ERI resourcing will be considered in upcoming Budget Control Act Negotiations and the development of the next National Defense Strategy.

### *Our Response*

Management comments were responsive to the recommendation. The recommendation is resolved, but it remains open. The DoD OIG evaluation team will monitor the development of ERI funding options during the upcoming Budget Control Act negotiation process, the development of the 2018 National Defense Strategy, and OSD coordination with the OMB and Congress. We will close the recommendation, based on the status of changes to the ERI budget cycle. We will request an update from the Office of the Deputy Secretary of Defense after 6 months.



## Finding C

### OAR Countries Require Improvements to Movement Procedures and Infrastructure

Although military-movement coordination and ERI-supported facility construction are progressing, OAR countries do not yet have procedures or transportation infrastructure in place to allow timely U.S., allied, and partner-nation military deployments. In addition, U.S. agreements with OAR countries governing infrastructure use do not sufficiently clarify facility access, sustainment, and development plans.

These challenges exist because:

- OAR countries lack movement agreements with other NATO countries, transportation infrastructure and related capacity evaluations, and experience with controlling military convoys and equipment belonging to multiple security forces;
- USEUCOM has not completed host-nation facility agreements with OAR countries; and
- ERI funds subject to military-construction statutes and regulations are either 1-year or 3-4-year funds, rather than 5-year military-construction funding.<sup>24</sup>

As a result, there is increased risk of:

- insufficient transport capacity to rapidly deploy U.S., allied, and partner-nation military forces to deter aggression against OAR countries;
- denial or delay of U.S. forces' access to OAR country ERI-funded facilities;
- inadequate OAR country facility sustainment; and
- inability of OAR countries to commit to long-term ERI infrastructure budgets and plans.

<sup>24</sup> Military construction funding is normally 5-year funding with an additional year of funding for planning and design. In FY 2015 and 2017, Congress appropriated OCO funds for ERI military construction for 3 and 4 years respectively. Additional ERI military construction projects, not included in these two multiyear appropriations, are proposed and appropriated annually with additional OCO funding.

## Discussion

During FYs 2015 and 2016, Congress appropriated \$385 million for the USEUCOM ERI Construction Program. The DoD requested \$199 million more for ERI construction in FY 2017. A USEUCOM Division Chief representing the USEUCOM Logistics Directorate presented a command brief explaining four priorities of ERI-funded construction:

- upgrade training-range facilities and operations,
- improve airfield infrastructure,
- support infrastructure improvements, and
- improve weapons-storage facilities.

ERI-funded Infrastructure projects consist of both new construction and upgrades to host-nation weapons ranges and other facilities. These projects prioritize freedom-of-movement infrastructure improvements, including railhead and airfield upgrades, bridge inspection, and inspection and improvements for roads designated for military-vehicle use. According to the mission statement of the USEUCOM Logistics Directorate, USEUCOM logisticians and engineers work together to maintain freedom of access across the theater as well as enable more responsive logistics, and directly influence military construction and infrastructure to prepare for future missions in Europe.

### ***Infrastructure-Facility Projects***

Infrastructure-facility projects are designated either for exclusive use by U.S. forces or co-use with the militaries of other NATO nations. For instance, the ERI has contributed \$21 million for airfield improvements at Lask Airbase, Poland. The Chief of the Polish General Command's Combat Aviation Branch stated that, although airfield and runway upgrades will support U.S. aircraft operational requirements and increase U.S. F-16 safety, Polish and NATO air forces will also benefit from these improvements. According to the U.S. aviation detachment commander at Lask, new equipment will enable quicker and safer ammunition transfer for their fighter aircraft, and additional airfield capacity to increase air cargo operations by their transport aircraft. Because Poland's military functions under NATO standards, the Poles are willing to allow runway improvements, as long as the improvements do not violate NATO's intent for NATO-provided airfield construction funds at Lask.

A U.S. official overseeing range modernization and training facility upgrades at the U.S. Army's 7th Army Training Command in Germany, responsible for ERI-funded training-range construction in the OAR countries, explained how ERI-supported infrastructure meets both U.S. and OAR standards. He told us, as an example, that U.S. engineers build live-fire ranges in OAR countries to satisfy U.S. training standards and promote host-nation interoperability training with U.S. forces. However, they also construct the ranges to allow range-control officers to configure them to meet NATO and OAR-country firing-qualification standards.

USEUCOM uses ERI funding to build or upgrade facilities and to ensure freedom of movement to deploy, train, and sustain U.S. and allied forces in Europe. The USAREUR Assistant Deputy Chief of Staff, Engineer Division, briefed the team on USAREUR's ERI-infrastructure plan, including three priorities for ERI-funded construction:

- build: identify and address training and support infrastructure needs for U.S. and OAR forces;
- enable access: ensure freedom of movement and sufficient supply points to support training, exercises, and operations at the upgraded facilities; and
- sustain: ensure that forces in training and exercises have the appropriate support infrastructure to sustain and maintain operations and training.

### ***Improvements to Freedom of Movement***

Freedom of movement of military equipment and vehicles is critical to the ability to deploy, train, and sustain both U.S. and OAR country forces. Based on information provided by USEUCOM and component engineers, logisticians, and transportation officers, the DoD OIG evaluation team determined that USEUCOM planners face three challenges related to the movement of military vehicles and equipment in OAR countries. The challenges include lack of military movement agreements with other NATO countries, inadequate transportation infrastructure and related capability evaluations, and insufficient OAR country experience with planning and controlling military movement.

#### ***Movement Coordination and Requirements***

Movement coordination requirements vary across allied and partner nations. Military convoys face multiple challenges while moving among OAR countries. For example, the Brigade Operations Officer from the U.S. Army Europe's supporting logistics brigade, the 16th Sustainment Brigade, described multiple country-specific entry- and travel-permission documents, lack of host-nation coordination for crew rest and protection of convoy personnel, and inconsistent definitions of the number of vehicles constituting a military convoy.



Required notification times before movement clearance also differed by country. Estonia, Romania, and Bulgaria require advance notice between 6 and 15 workdays for diplomatic clearances to approve military movement across their borders, while Latvia, Lithuania, and Poland required five or fewer workdays. Moreover, despite NATO's priority responsibility to defend its own members from attack, NATO countries do not have special provisions for expedited diplomatic clearance during periods of hostilities or increased threat.

### *Infrastructure Mobility Conditions and Lack of Infrastructure Information*

Infrastructure capability to support mobility differs widely across the Central and Eastern European countries. For instance, OAR seaports are able to load and unload military vehicles, but the adequacy of material-handling equipment, such as cranes to lift heavy equipment, is varied. Another example of infrastructure challenges is that railway tracks between Poland and the Baltic states (Estonia, Latvia, and Lithuania) are incompatible and require rail upgrades. These rail upgrades have an estimated project-completion date of 2030. Yet another infrastructure challenge is that the axle weight of U.S. heavy-equipment transports exceeds European roadway limits, which prevents their use for hauling the M1A2 Version 2 Abrams tank with enhanced-armor packages. Consequently, moving U.S. tanks by road requires USAREUR to lease or borrow heavy-equipment transports from the United Kingdom to meet axle-weight standards.

USEUCOM's information on current ERI mobility-infrastructure capacity is incomplete. A Component Deputy Commander recalled that mobility assessments of Western European countries were available to U.S. forces in Europe during the Cold War, but by 2016, the information required reassessment. He stated that he intended to improve freedom of movement. He noted that the lack of knowledge about pertinent infrastructure since NATO expanded, such as bridges in Eastern European countries with no weight classifications and airfields without capability and safety assessments, represents an important gap in current infrastructure-assessment data.

USEUCOM officials stated that they are working on these information gaps, collecting data and developing mobility contingency plans consistent with infrastructure requirements, limitations, and challenges. The 21st Theater Sustainment Command, responsible for commanding strategic and operational sustainment operations in the USEUCOM area of responsibility, began surveying the capacity of Eastern Europe bridges to support heavy equipment. ERI funding contributed to this assessment effort by paying travel costs for experts to examine roads, bridges, railway, and other transportation infrastructure to support future U.S. and NATO operations.

### *Experience with Military Movement in Europe*

A Deputy Assistant Secretary of Defense told us that, in addition to exercising U.S. and NATO forces, ERI funding affords opportunities for European forces to prepare for training with their U.S. counterparts on out-of-practice movement tasks. For instance, the Exercise Anakonda After-Action Review, hosted by the Polish General Command Chief of Staff, highlighted requirements for large-scale movement coordination as a primary exercise lesson learned for Polish, U.S., and European forces. During this exercise, the Polish military's National Movement Coordination Center directed movement for about 31,000 participants and more than 7,000 pieces of equipment from 24 countries. A Polish senior staff officer stated that increased numbers of exercises in Poland and direct involvement of USAREUR leadership has reduced Polish movement coordination times and increased responsiveness.

An Under Secretary of Defense in Estonia plans to host more U.S. and NATO exercises involving movement of large, armored formations. He discussed on-going ERI-funded rail infrastructure improvements with members of the evaluation team, and noted his country's need for additional road improvements to keep pace with the larger and more complex exercises he expects in the future.

### **Host-Nation Agreements**

According to a USAREUR Judge Advocate General officer, the United States lacks sufficient government-to-government agreements with OAR countries that USEUCOM could use to maintain infrastructure in Central and Eastern Europe. These agreements are necessary to clarify U.S. and OAR-country access to and responsibilities for ERI-funded facilities within the six respective nations. USAREUR, with the help of the State Department, initially coordinated short-term diplomatic notes to allow ERI-funded facility construction to proceed in the six OAR countries, but these notes were set to expire in 2017.

Department of Defense Instruction 3000.12, "Management of U.S. Global Defense Posture," states that, in general, U.S. foreign and overseas military-construction projects must meet the following conditions:

- the host nation and the U.S. must agree to long-term U.S. presence,
- the U.S. control of the installation (or of the relevant portion thereof) must be exclusive (that is, the host nation gives U.S. personnel unimpeded access to and control over a defined area with the right and ability to exclude others),
- the terms must be included in an agreement with the host nation, and
- U.S. funds are used to support U.S. requirements.

A senior USEUCOM engineer explained that these considerations are particularly important for U.S.-constructed or refurbished facilities, which are also used by allies and partners, including ERI-funded construction.

The USAREUR infrastructure diplomatic notes were short-term in nature, narrowly focused on contract award and initiation, and did not adequately address U.S. forces' operational control of the construction projects over the long-term, according to the Chief, Contract and Fiscal Law Branch, USAREUR Office of Judge Advocate General.



Figure 1. ERI-funded Infrastructure Project August 2016: Vehicle Garage and Maintenance Bay – Estonia Training Site  
Source: DoD OIG.

### ***Infrastructure Execution and European Reassurance Initiative Budget Uncertainty***

ERI military construction appropriations funded with Overseas Contingency Operation funds may be available to DoD for 1 year or multiple years. For example, in its Consolidated Appropriations Acts for FYs 2015 and 2017, Congress made ERI military construction appropriations for specific projects available for 3 years and 4 years respectively. USEUCOM also requested appropriations for additional ERI military construction requirements through the annual budget process. Planning for construction projects subject to military construction statutes and regulations with 1-year or 3-4-year OCO appropriations, rather than the 5-year funding normally associated with military construction, does not fully support ERI-related military construction planning.



Figure 2. ERI-funded Support Infrastructure Project August 2016: Morale, Welfare, and Recreation Facility – Estonia Training Site  
Source: DoD OIG.

The Deputy Director of Logistics, Engineering, and Force Protection for a USEUCOM component stated that, because military construction normally requires 5-year funding with an additional year for planning and design, it is difficult to plan with host nations and to execute long-term infrastructure projects with only year-to-year budgets. He added that increasing stability in infrastructure funding would limit sudden changes to funding decisions that can make the U.S. appear to be an unreliable partner to host nations, and suggested a 5-year infrastructure appropriation with OCO funds to guarantee dependable funds in the long term.

A USEUCOM component command comptroller stated that the long-term sustainment and maintenance costs of ERI-funded infrastructure are a concern. His command was seeking host-nation commitments to maintain facilities and was negotiating responsibility for these costs without the certainty of future U.S. government ERI funding. The comptroller recommended that, while capital investment can be executed by using annual authorizations, annual maintenance and repair costs should be included in the base budget. A component Deputy Chief of Staff for Operations had related concerns about responsibility for the maintenance and sustainment of ERI-funded training facilities.

The defense attaché in the U.S. Embassy in Estonia stated that host-nation officials are concerned about ERI funding as an annual authorization, and he pointed out that as of August 2016, Congress had not yet enacted the FY 2017 National Defense Authorization Act. One-year funding directly impacts host-nation military

infrastructure plans, which, in Estonia, are based on NATO's 10-year national defense planning cycle. One-year funding raises doubts about U.S. commitment to the host nation, since the country's government considers U.S.-funded infrastructure to be a critical indicator of commitment to the ERI. The defense attaché's counterpart in the Office of the Estonian Undersecretary of Defense for Investments praised ERI infrastructure funding spent on the country's primary military-training center, but he noted the need for clarity regarding U.S. maintenance and sustainment support of training infrastructure.

## Conclusion

With the help of ERI funding, USEUCOM and its component commands are exercising military movement in OAR countries through larger and more complex training exercises, and USEUCOM continues to assess mobility infrastructure deemed pertinent to U.S. and allied training and operations. However, lack of movement agreements between OAR and NATO countries and lack of current infrastructure information in OAR countries is a challenge to military movement in Central and Eastern Europe.

In FYs 2015 and 2016, USEUCOM and its component commands planned or initiated construction of ERI infrastructure intended to support the deployment, training, and sustainment of U.S. and allied forces in Europe. Due to the long-term nature of military construction, USEUCOM and U.S. Embassy senior leaders interviewed recommend consideration of ERI funding methods that would support 5-year infrastructure projects and project sustainment. USEUCOM officials also intend to ensure host-nation facility agreements meet operational control and annual maintenance and repair requirements.

## Recommendation

### **Recommendation C**

**Commander, United States European Command:**

- 1. Ensure that future infrastructure facility improvements meet U.S. and North Atlantic Treaty Organization operational requirements and design standards;**

### *United States European Command Comments*

The Deputy Commander, USEUCOM, responding on behalf of USEUCOM, agreed with the recommendation. He stated that, as an active participant in the NATO Security Investment Program (NATO's infrastructure program), USEUCOM is updating the Support to NATO CONPLAN to enable further synchronization of U.S. and NATO operational and infrastructure requirements.



### *Our Response*

Management comments were responsive to the recommendation. The recommendation is resolved, but it remains open. We will close the recommendation upon update of the CONPLAN. We will request an update after 6 months on the synchronization of U.S. and NATO operational and infrastructure requirements in the revised Support to NATO CONPLAN.

- 2. complete the assessment and survey of transportation networks to determine how to enhance the responsiveness of U.S. and Operation Atlantic Resolve country forces in Europe;**

### *United States European Command Comments*

The Deputy Commander, USEUCOM agreed with the recommendation. He stated that ERI continues to fund much of this transportation network assessment in FY 2017. For example, USEUCOM used the recent reception, staging, onward movement, and integration of the U.S. ABCT in Poland, 3rd Brigade Combat Team, 4th Infantry Division, to assess military transportation requirements in theater. USEUCOM also continues to plan and rehearse movement of forces theater-wide with events such as “speed of assembly” terrain walks for senior leadership. The USEUCOM J4 (Logistics Directorate) is leading the ongoing assessment efforts. Although ERI funds these assessment and survey activities, many of the actual infrastructure improvements will require host nation or NATO funding.

### *Our Response*

Management comments were responsive to the recommendation. We consider this recommendation closed.

- 3. conclude agreements with host nations to address the access, use, and long-term maintenance and sustainment of ERI-support infrastructure;**

### *United States European Command Comments*

The Deputy Commander, USEUCOM, agreed with the recommendation. He stated that USEUCOM would conclude the appropriate host-nation agreements on a case-by-case basis in countries for which framework agreements exist, such as the Baltic countries and Poland. USEUCOM will also continue to support efforts led by the Office of the Secretary of Defense and the Department of State in countries where framework agreements do not exist, such as Hungary and Slovakia. According to USEUCOM, these agreements typically outline specific U.S. and host-nation responsibilities to operate and maintain the facility once built, usually on a proportionate basis of use. He further explained

that, in a few instances, USEUCOM continues to plan required infrastructure investments in parallel with the ongoing negotiations of bilateral agreements, but will not initiate U.S.-funded construction until the conditions specified in Department of Defense Instruction 3000.12, “DoD Management of U.S. Global Defense Posture,” are met.

### *Our Response*

Management comments were responsive to the recommendation. USEUCOM stated that host-nation infrastructure agreements must conform to the requirements of Department of Defense Instruction 3000.12. This Instruction requires agreement on long-term U.S. presence in the host nation, unimpeded U.S. access and access control to facilities, clarifying agreements with host nations, and use of U.S. funds to support U.S. requirements. The USEUCOM process is ongoing and meets these requirements. Additionally, USEUCOM’s intent is that agreements designate responsibility for maintenance and sustainment. We consider this recommendation closed.

- 4. request a European Reassurance Initiative funding authorization that supports multiyear infrastructure construction and improvements.**

### *United States European Command Comments*

The Deputy Commander, USEUCOM, agreed with the recommendation. The Deputy Commander stated that USEUCOM prepared a Fiscal Year 2018 Five-Year Defense Plan proposal and submitted it in July 2016. The Command is currently working on a Fiscal Year 2019 Five-Year Defense Plan proposal update. The Deputy Commander noted that in Fiscal Years 2015 and 2017, military construction funds appropriated in ERI were multiyear appropriations, although they were not 5-year appropriations.

### *Our Response*

Management comments were responsive to the recommendation. The recommendation is resolved, but it remains open. We will close the recommendation once we receive and analyze the proposals to confirm that ERI construction funds are multiyear appropriations. After 6 months, we will request a copy of the MILCON portions of the FY 2018 and 2019 Five-Year Defense Plan proposals submitted by USEUCOM.



## Finding D

### USEUCOM Is Not Adequately Assessing European Reassurance Initiative Funding Impacts

USEUCOM developed a theater-campaign plan supporting U.S. national objectives and the USEUCOM Commander's Strategy. USEUCOM then established a detailed, decentralized assessment methodology in support of the theater-campaign plan. The assessment methodology collects reviews of operations and exercises to determine progress towards the commander's military objectives.

However, USEUCOM has not established specific metrics to assess the impact of the ERI-funded activities supporting allied- and partner-nation exercises and training, improved infrastructure, and military capacity-building activities.

This occurred because the existing USEUCOM-developed assessment processes do not isolate, and therefore cannot measure, the impact of the ERI separate from that of all other U.S.-funded support for training, infrastructure, and capacity-building activities in NATO countries.

Without an assessment of ERI results, it is difficult for the DoD to measure OAR-country progress and to justify to Congress the need for additional resources required to advance the five ERI lines of effort.

## Discussion

Beginning with the first ERI budget request, FY 2015, the DoD requested ERI funding to support initiatives that the DoD considered to be of the highest priority in its efforts to reassure European allies of continued U.S. commitment to the collective security of NATO and to peace and stability in the Northern Atlantic area. The \$3.4 billion requested for FY 2017 almost doubled the amount enacted in FYs 2015 and 2016 combined. In his 2016 USEUCOM Posture Statement, the USEUCOM Commander emphasized the importance of ERI funds to deterring aggression in Europe. However, Headquarters, USEUCOM had not developed measures to assess the effects of ERI funding on OAR countries because of the three lines of effort we reviewed during this evaluation:

- bilateral and multilateral military exercises and training with allies and partner nations in Europe;

- activities to improve infrastructure in Europe to enhance the responsiveness of the United States Armed Forces, including its allies and partners, to military aggression; and
- activities to build the defense and security capacity of allies and partner nations in Europe.

### ***Assessment Process of United States European Command***

We determined that USEUCOM headquarters and component staff had not established metrics to measure the impact of ERI funding on allied and partner nations' militaries. The USEUCOM staff we interviewed emphasized that USEUCOM views ERI as a resource in support of theater plans rather than a measurable program with targeted outcomes. A USEUCOM headquarters planning-and-policy division chief explained that ERI is one of many sources of funding that supports the Commander's security-cooperation priorities and theater-campaign plan (campaign plan), and as a result it is difficult to isolate and measure the effects of ERI funding on specific theater objectives.

USEUCOM's theater campaign is a comprehensive framework that links all USEUCOM activities, from component command supporting plans to USEUCOM strategy, in support of U.S. national guidance. The USEUCOM campaign plan directs the theater campaign and provides guidance for all component and directorate supporting plans, operations orders, contingency plans, country cooperation plans, exercises, and other activities such as key leader engagements. ERI funded approximately \$510 million in support of exercises and training, capacity-building activities, and infrastructure in FYs 2015 and 2016 as part of the USEUCOM theater campaign.

The USEUCOM campaign-plan assessment process, as described in "Annex R, Assessments" to USEUCOM's Theater Campaign Plan, March 2016, is detailed and thorough. The campaign-plan assessment includes:

- a general-officer-level Quarterly Campaign Assessment and Resources Board to measure the campaign plan trajectory and to guide the campaign plan assessment,
- a senior-officer Campaign Assessment and Resources Working Group, which supports the Board and reviews multiple assessment inputs, and
- lower-level Line-of-Effort Working Groups, which provide assessment input on USEUCOM lines of effort in support of USEUCOM military objectives.

This command-wide input comes from formal and informal assessments of operations, contingency plans, security-cooperation plans, and exercises.

USEUCOM assigns primary responsibility for training and assisting foreign militaries to its headquarters staff or component commands. The components provide training and capacity building on specific military capabilities that support the USEUCOM commander's military objectives. These offices of primary responsibility assess a country's training and capability progress through progress reports that inform the higher-level Campaign Assessment and Resources Board assessments, but does not include a USEUCOM or component effort to assess the contributions of ERI lines of effort.

Exercise evaluations also contribute to the command's campaign plan assessment. Annex R of the Theater Campaign Plan describes the working groups' use of exercise evaluations to provide the Campaign Assessment and Resources Board with input related to USEUCOM lines of effort and military objectives. However, as of December 2016, the USEUCOM assessment methodology did not include a specific assessment of allied and partner-nation progress tied directly to ERI support for exercises.

### ***Assessment of Allies and Partners***

USEUCOM headquarters and component personnel discussed two potential limitations to USEUCOM's ability to assess ERI impacts on allies and partners.

First, USEUCOM Policy, Strategy, Partnering, and Capabilities Directorate personnel reported that USEUCOM and its components do not normally provide assessments of individual NATO-country forces participating in military exercises, leaving these formal assessments to the individual participants or to NATO. Any allied exercise or training information USEUCOM collects is for U.S. internal use only.

Nevertheless, the evaluation team concluded that summarized training and exercise information could be useful to Congress, allies, partners, and other stakeholders to help them evaluate the effectiveness, impact, and commitment of current and future ERI funding. Such information might include data pertinent to allied and partner exercise participation, changes to exercise scope and complexity, future training and exercise needs to build and sustain capabilities, and any other impacts on the U.S., allies, partners, and adversaries.

Second, USEUCOM can only use these Operations and Maintenance funds to conduct training or instruction for foreign forces for the primary purpose of promoting familiarization, safety, and interoperability with U.S. military forces.<sup>25</sup> The BAO in Estonia stated that, to support more specialized training, ERI funds often pay for administrative costs, such as instructor travel expenses, instead of the training itself.

USEUCOM headquarters, component staffs, and host-nation personnel are aware of these ERI training-fund constraints and their responsibilities to comply with them. The DoD OIG evaluation team received positive feedback from U.S. and allied trainers and trainees regarding both familiarization and interoperability training provided by ERI funds.

### ***Requirements for Justification of European Reassurance Initiative Budgets***

USEUCOM accounts for ERI's funding contributions to the USEUCOM campaign plan, but ERI's impact on achieving the USEUCOM Commander's military objectives and lines of effort in support of the campaign plan are not isolated in the current process. There are no other measures of progress or impact on allies and partners resulting from ERI funding. With an increase in the ERI budget baseline in FY 2017, this type of assessment could be useful to justify future ERI funds to support training and exercises, capacity building, and infrastructure with allies and partners.

### ***Office of Management and Budget and Department of Defense Budget Justification Requirements***

Office of Management and Budget Circular No. A-11, "Preparation, Submission, and Execution of the Budget," July 2016, contains guidance for Executive Department budget requests. Section 51, "Basic Justification Materials," outlines requirements to justify budget requests, including evidence in the form of evaluation results, program-performance indicators, and performance goals. Further, DoD 7000.14-R, Volume 2A, "Financial Management Regulation: Budget Formulation and Presentation (Chapters 1-3)," October 2008, requires the use of performance measures to justify 100 percent of the resources requested in the budget year. Documents accompanying the DoD's ERI-budget submission contain funding amounts and proposed fund use but do not include performance goals or evaluation results of ERI funding from previous years to measure progress and to justify budget-year requests to sustain the initiative.

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<sup>25</sup> The Department of State has the executive responsibility, legal authority, and congressional funding to conduct Foreign Assistance on behalf of the U.S. Government. In limited circumstances the DoD may conduct training or instruction for foreign forces for the primary purpose of promoting interoperability, safety, or familiarization with U.S. military forces. This type of training benefits U.S. forces and can therefore be conducted by using O&M appropriations. – Fiscal Law Deskbook, 2014, Chapter 10, Operational Funding, pp. 10-6 and 10-7.

### *Congressional Interest*

Congressional interest in oversight and evaluation of ERI is significant. For example, in 2016 during a hearing on ERI oversight before the House Armed Services Subcommittee on Oversight and Investigations, subcommittee members questioned future ERI-budget requirements and how best to determine ERI success. The DoD and USEUCOM witnesses, including the USEUCOM Director of Strategy and Policy, acknowledged the importance of proper prioritization and good stewardship of ERI resources, but they did not offer a USEUCOM position on measuring ERI effectiveness or efficiency. The ranking member of the subcommittee stated that, with the quadrupling of the ERI budget in FY 2017, congressional oversight would be increasingly important to ensure that ERI addresses Europe's needs and requirements. The subcommittee chair spoke of the need for vigilant ERI oversight and consistent evaluation of resource use.

In early 2016, the USEUCOM Commander predicted that the FY 2017 ERI-budget submission of \$3.4 billion would become the future ERI budget baseline. A representative of the Office of the Secretary of Defense at the 2016 hearing expressed an expectation that future requests would shift part of ERI funding from the OCO account to the Department's base budget. In the DoD OIG evaluation team's analysis, continued growth and perceived permanence of ERI funding requests may result in added congressional oversight and perhaps a statutory mandate to assess ERI funding impacts.

### **Conclusion**

USEUCOM's Theater Campaign Plan assessment process does not isolate and therefore cannot measure the specific impact of ERI funding. However, assessments related to activities that receive ERI funds, such as quarterly country progress reports and exercise evaluations, already occur as part of the USEUCOM's Theater Campaign Plan assessment process. A summary of ERI-support for these activities and impacts on U.S., allies, partners, and adversaries could be useful to key decision-makers and stakeholders.

In congressional testimony in 2016, USEUCOM's Director of Plans and Strategy acknowledged the need to evaluate the use of ERI resources as ERI budget requests grow. Additionally, Office of Management and Budget and DoD publications direct assessment to justify budget submissions. USEUCOM could modify its current campaign plan assessment process to include ERI impacts, using Office of Management and Budget, DoD, and potential congressional requirements as guidelines. An assessment of the results of ERI-funded activities could help the DoD to validate funding requests by ensuring identification and accomplishment of ERI performance goals.

## Recommendation

### ***Recommendation D***

**Commander, United States European Command, consider developing and establishing command processes to assess the impact of European Reassurance Initiative funds on exercises and training, infrastructure improvement, and activities in support of building allied and partner capacity.**

#### *United States European Command Comments*

The Deputy Commander, USEUCOM, agreed with our recommendation. He stated that USEUCOM recognized gaps in the assessment of integrated campaign objectives and the effectiveness of assurance and deterrence measures. USEUCOM plans to request additional ERI assessment capabilities in the Fiscal Year 2019 budget to enhance the collection and assessment of ERI-related assurance and deterrence data. In the interim, USEUCOM will enhance its campaign assessment process to better capture ERI impact. However, he stated that funding ERI with operations and maintenance funds hindered full assessment of impacts, and further stated the Command would continue to prioritize limited staff assets on campaign assessments versus specific programs.

#### *Our Response*

Management comments were responsive to the recommendation. The recommendation is resolved, but it remains open. We acknowledge USEUCOM's plan to include ERI effects in its overall assessment process in FY 2019. When USEUCOM completes and submits its request for additional ERI assessment capabilities in the FY 2019 ERI budget request, we ask that they send a copy to us so that we can close the recommendation.

## Finding E

### Coordination and Integration of ERI with Other NATO Plans and Capabilities Could Be Improved

OAR countries did not receive important NATO planning information related to deterrence training and programs funded by ERI, including:

- advance notice of the Warsaw Summit 2016 decision to deploy NATO Forces to the Baltics and relocate U.S. forces from the Baltic and Black Sea regions to Poland in early 2017, and
- details regarding the plans for integration of OAR country military forces with U.S. theater military operations.

These issues occurred because:

- NATO finalized and announced the decision to relocate U.S. forces to Poland after USEUCOM's FY 2017 ERI planning and budget decisions were complete, decreasing OAR countries' opportunities to coordinate their support for the relocation; and
- U.S., USEUCOM, and NATO theater-wide operations planning was not complete, and therefore USEUCOM was not yet able to make informed decisions to use ERI resources to fill training gaps in OAR-country national military plans.

This situation impeded OAR countries' timely planning, building of necessary constituent support, and commitment of resources for future operations.

## Discussion

ERI funding supplements U.S. military capabilities NATO-wide and increases coordination and integration among USEUCOM, NATO, and partner militaries. The evaluation team found that ERI-funded efforts align with the USEUCOM Commander's Strategy and Theater Campaign Plan. The USEUCOM strategy identifies enabling NATO as a security priority, while the Theater Campaign Plan sets the framework to coordinate and integrate support to NATO with other USEUCOM LOEs to achieve the USEUCOM Commander's military objectives.

The White House, in its February 2016 Fact Sheet, "The FY 2017 European Reassurance Initiative Budget Request," stated that the U.S. would continue to reassure NATO nations, while transitioning to deterrence in 2017 with a more robust NATO common defense. USEUCOM senior leaders asserted that the



transition to deterrence requires allied and partner militaries to participate in increasingly complex U.S. and NATO exercises to prepare for potential future operations. In May-June 2017, the DoD requested nearly \$4.8 billion in ERI funding in the FY 2018 budget, \$1.4 billion above the FY 2017 ERI budget total. According to USEUCOM leadership, the FY 2018 budget request will support the deterrence of future Russian aggression by increasing interoperability and expanding responsiveness with multinational forces across the five ERI lines of effort.

## ***Coordination and Integration to Enable the North Atlantic Treaty Organization***

### ***United States European Command Theater Strategy***

Three theater priorities in the October 2015 USEUCOM Theater Strategy incorporate an ERI line of effort that impacts allies and partners, and account for three LOEs that are the focus of this report:

- “Deter Russian Aggression.” Through Operation Atlantic Resolve, USEUCOM will participate in bilateral and multilateral exercises and engagements with allies and partners to deter Russian aggression in Eastern Europe.
- “Preserve U.S. Strategic Partnerships.” USEUCOM will work to strengthen bilateral multilateral cooperative security activities to build partner capacity, capability, and interoperability.
- “Ensure Postured and Ready Forces.” USEUCOM will nurture and maintain long-standing relationships that enable allies and European partners to support the U.S. with infrastructure, access, and freedom of movement.

A fourth USEUCOM theater priority, “Enable the NATO Alliance,” concentrates on bolstering allies’ capabilities, especially for the most recent members of NATO. USEUCOM considers the collective capabilities of the NATO nations, in partnership with the United States, as the “center of gravity” of the defense of Europe. This security priority describes USEUCOM focus on enhancing responsiveness of the NATO Response Force, as well as the enhancement of corps- and division-level headquarters.<sup>26</sup>

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<sup>26</sup> The NATO Response Force is a 40,000-person joint multinational force able to react quickly to a full range of security challenges, including collective defense. NATO Allies enhanced the force in 2014 by designating one-half of the NATO Response Force units as the Very High Readiness Joint Task Force and reduced their expected response time. Source: NATO homepage, at [http://www.nato.int/cps/en/natohq/topics\\_49755.html](http://www.nato.int/cps/en/natohq/topics_49755.html).

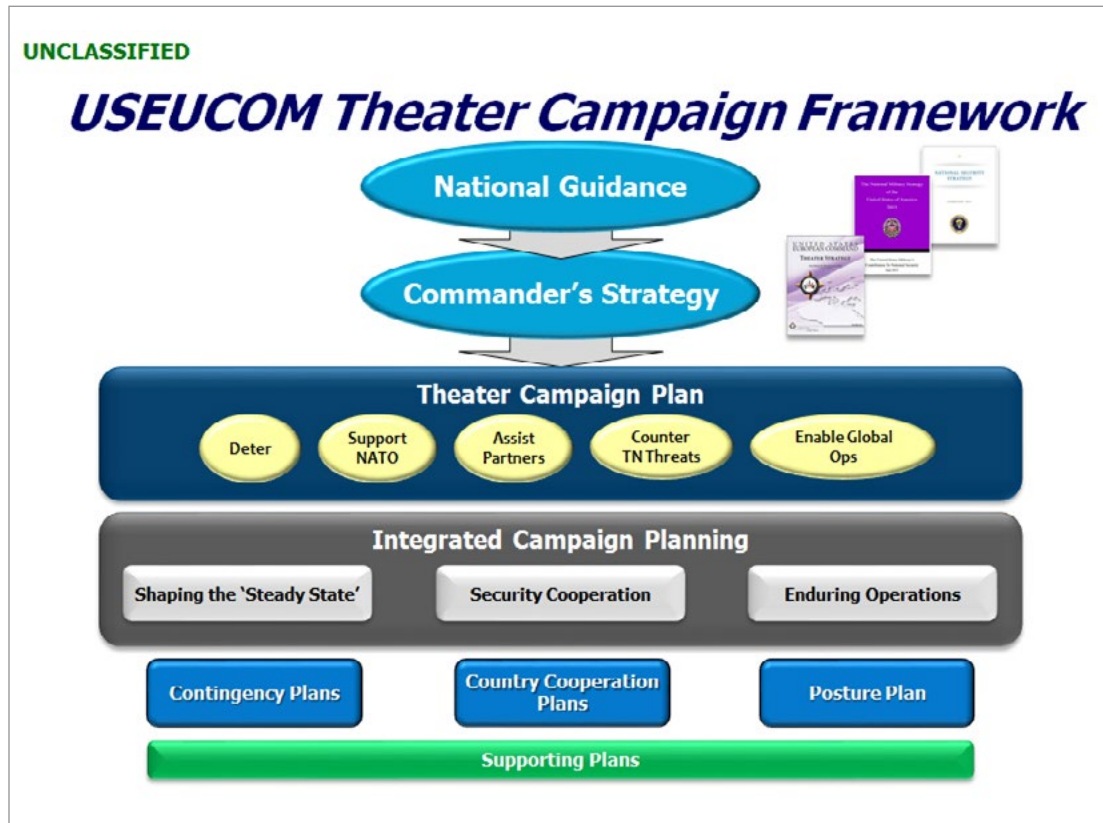
Examples of ERI funding applied to “Enable the NATO Alliance” include:

- A 10-nation brigade-task-force exercise, with U.S. Forces, designed to increase the interoperability of the participant nations’ high-readiness forces. The exercise gave NATO participants, including Poland and Bulgaria, an opportunity to integrate multiple partner nations’ high-readiness forces to train as an interoperable team. (Exercise Swift Response, FY 2015.)
- A large-scale NATO Response Force training event involving about 36,000 troops from 30 NATO and partner nations and more than 5,000 U.S. military service members. This exercise, the largest NATO exercise conducted in 20 years, trained and tested NATO Response Force and allied crisis-response procedures, and included participants from Estonia and Poland. (Exercise Trident Juncture, FY 2016.)
- A readiness exercise for the NATO Response Force Special Forces designed to exercise staff procedures and to demonstrate deployment and employment capabilities of the Very High Readiness Joint Task Force. The exercise incorporated NATO training doctrine and planning input from all 10 participating nations, and training spread across five countries: Estonia, Latvia, Lithuania, Poland, and Germany. (Exercise Trojan Footprint, FY 2016.)
- Command-and-control exercises to train staffs of the Multinational Corps Northeast in Poland and the Multinational Division Southeast in Romania on deployment tasks. The staff exercises were collaborative efforts between USEUCOM and NATO to assist NATO with the integration of allied forces. (FY 2016.)

### *United States European Command Theater Campaign Framework*

A USEUCOM Policy and Strategy Division Chief told us that ERI funding is an important source of funds used to enable more comprehensive activities and exercises and to support the USEUCOM Theater Strategy. The Theater Strategy guides the campaign plan, and both are key components of the USEUCOM Theater Campaign Framework. The framework enables the coordination of allied and partner requirements among multiple stakeholders, including DoD service components, USEUCOM component commands, U.S. Offices of Defense Cooperation at U.S. embassies, allied national leaders, and NATO headquarters. The Framework integrates these requirements into the USEUCOM campaign plan that supports the command strategy. With stakeholder input, the USEUCOM Commander assigns staff experts and subordinate commands “lines of activity,” or the responsibility to plan, implement, resource, and assess exercises and activities to enhance the military capabilities of specific NATO and partner countries in support of military objectives in the campaign plan.

Figure 3. USEUCOM Theater Campaign Framework: Supporting Plans and Requirements from Multiple Sources in Support of USEUCOM Campaign Plan and Commander's Strategy



Source: USEUCOM ECJ-5/8.

### *Access to Key Leaders through European Reassurance Initiative Funding*

ERI-supported activities also strengthen USEUCOM and U.S. Embassy access to leaders in NATO and partner countries. The Chief of the USAREUR Security Cooperation Division stated that ERI has led to more frequent and complex key-leader engagements. He described ERI's significant positive impact on access to, and communication with, European forces and leaders and stated that, if needed, access is available. The defense attaché at the U.S. Embassy in Poland made a similar observation about improved access to Polish civilian and military leaders. Finally, an operations staff officer in the U.S. Special Operations Command, Europe, noted that increased access enables U.S. planners to incorporate allied defense plans into training, adding realism to USEUCOM and NATO exercises.

## ***Coordination and Integration During Transition to Deterrence***

### ***Coordination for Enhanced Forward Presence***

The DoD's FY 2017 ERI Budget Request sought funds to continue to support the USEUCOM Commander's requirement for a U.S. Armored Brigade Combat Team (ABCT) presence through rotations of the Regionally Aligned Force ABCT.<sup>27</sup> The FY 2017 plan would maintain a continuous ABCT presence in the Baltic States and Poland and a periodic presence in Bulgaria and Romania. In February 2016, the DoD submitted the 2017 ERI budget supporting this concept, and USEUCOM began to plan accordingly.

At the end of the NATO Warsaw Summit in July 2016, the NATO Heads of State and Government announced a revised Enhanced Forward Presence (EFP) concept, designed to boost the deterrence posture of NATO forces in Central and Eastern Europe by clearly demonstrating an allied ability to respond to aggression. The new concept added four NATO EFP battalions to Central and Eastern Europe – one multinational battalion in each of the three Baltic countries (Lithuania, Latvia, and Estonia) and one U.S. battalion in Poland. The plan reassigned the incoming FY 2017 U.S. ABCT forces, originally planned for stationing in Poland, the Baltics, and the Black Sea countries, to Poland, where U.S. commanders could mass the ABCT forces or deploy them throughout the OAR countries, as needed, to participate in training and exercises.

The timing of the revised EFP announcement concerned some USEUCOM component officials. The new plan to station the ABCT in Poland in early 2017 was not included in the DoD FY 2017 ERI budget submission. A senior operations official of a USEUCOM component indicated that planning for support of the ABCT in Poland was a major concern, with little time to react because the FY 2017 budget was already before Congress. In addition, a senior USAREUR budget official added that the revised plan created significant unfinanced support requirements for his command.

Officials in the U.S. Embassy in Poland expressed similar concerns. A U.S. Embassy defense attaché stated that stationing the ABCT (with associated support personnel) in Poland represented a substantial increase in U.S. presence that, as of August 2016, had not been adequately coordinated with Polish officials. Finally, a senior official of the Department of State noted the unexpected timing of the decision, warning that preparing Polish facilities and logistic systems to support the ABCT by early 2017 necessitated closer coordination between U.S. and NATO officials.

<sup>27</sup> The armored brigade combat team (ABCT) is the U.S. Army's primary armored force, consisting of seven battalions: three combined arms, one cavalry (reconnaissance), one artillery, one engineer, and one brigade-support battalion. Source: <https://www.army.mil/standto/2016-12-01>.

### *Assurance of Operation Atlantic Resolve Countries*

During interviews with the evaluation team, Baltic officials questioned stationing plans for the U.S. ABCT and NATO EFP units, announced at the Warsaw Summit in July 2016, one month prior. One Presidential Security Advisor stated that her government was determining the impacts of the new EFP framework on future U.S. military participation in exercises and training. A U.S. Embassy Deputy Chief of Mission relayed host-nation fears that Russia would view the removal of U.S. forces from the Baltics as reduced U.S. commitment to the Baltic region. The defense attaché in the same embassy warned that the decision to withdraw U.S. forces from the Baltics sent inconsistent messages to the Baltics and to Russia about U.S. commitment.

U.S. military representatives acknowledged these concerns. A USEUCOM flag officer commented that U.S. presence reassures the Baltic countries, and that this reliance on U.S. presence will not change after the transition to deterrence. His subordinate Division Chief explained that U.S. training is highly valued in Estonia, and that both Estonians and Poles are concerned about any dilution of U.S. military force efforts in their countries.

### *Theater Plans for Deterring Russian Aggression*

In our interviews, Senior U.S. and allied officials questioned allied roles in future military plans in Europe. A U.S. Embassy defense attaché reported that his host-nation counterparts established military training and spending priorities intended to support responsiveness and interoperability with U.S. forces, and that his office relayed the priorities to USEUCOM. However, he knew of no NATO operations plan in force for his host nation. He expressed concern that, without U.S. or NATO plans outlining responsibilities in future military operations, his embassy is unable to advise allied military leaders on host-nation military priorities and expenditures.

In a meeting we held with senior officers from the Polish General Staff, Polish officers discussed the need for a long-term U.S. ERI investment plan to enable General Staff planning and avoid redundancy with U.S. plans. They added that, although they believed that joint training was helpful, they also sought increased operational guidance and input from U.S. military leaders. In a second OAR country, at a Ministry of Defense roundtable, officials agreed that more advance notice of U.S. plans and priorities for their country would enable better long-term military planning.

A Chief of Plans of one USEUCOM component stated that the efficient use of training resources requires better coordination among U.S. planners, allies, and partners, and that training and exercises should address military-capability gaps and weaknesses. He said that a more mature process of accounting for identified strengths and alliance needs, based on operational plans, would better shape training and exercise plans. This reflected observations expressed to the evaluation team by a senior editor of the Economist magazine, who is a senior policy analyst on Central and Eastern Europe. He thought that training priorities for small Eastern European countries should be tailored to their specific strengths and weaknesses, and then integrated into the overall effort.

A component command Director of Logistics, Installation, and Mission Support commented that infrastructure planning should link to and support operational plans. However, he said, to his knowledge, as of September 2016, USEUCOM operational plans for Europe had not integrated operational infrastructure planning. He said he needed operational concepts and goals to determine infrastructure investment and cost-sharing needs for NATO and for the individual allied countries affected.

## Conclusion

The requirement to coordinate and integrate USEUCOM security priorities with NATO capabilities is contained in USEUCOM's October 2015 Theater Strategy document. ERI funds supported these priorities through multinational exercises, BPC, and infrastructure upgrades to improve NATO responsiveness. The USEUCOM Commander's Theater Campaign Framework established NATO coordination and integration channels, including input from U.S. embassies, allied national leaders, and NATO headquarters, and ERI-related key leader engagements enhanced the process.

The revised ABCT and EFP stationing plan, announced in July 2016, resulted in greater NATO involvement in the ERI-supported deterrence effort. However, some OAR officials said that the short time between announcement and execution did not give OAR countries enough time to align plans and resources and to prepare their government constituents for major changes. They also expressed concerns that individual member-countries were not sufficiently aware of their inclusion and roles in U.S. and NATO operations plans.

## Recommendation

### ***Recommendation E***

**Commander, United States European Command:**

- 1. integrate the newly deployed U.S. Armored Brigade Combat Team and the four North Atlantic Treaty Organization Enhanced Forward Presence battalions in the Operation Atlantic Resolve countries' exercises and training, to ensure continued ERI collaboration and interoperability.**

#### *United States European Command Comments*

The Deputy Commander, USEUCOM, agreed with our recommendation. He provided a list of exercises in which the rotational ABCT, 3rd Brigade Combat Team, 4th Infantry Division, and the EFP battalions had participated since deploying to Central and Eastern Europe. The ABCT participated in national military exercises in Latvia, Lithuania, and Estonia. USEUCOM also incorporated the EFP battalions into Saber Strike, the regional joint exercise in the Baltics in June 2017, and planned to involve EFP and ABCT elements in Saber Guardian 17, the exercise in the Black Sea region, held in July 2017.

#### *Our Response*

Management comments were responsive to the recommendation. Both the U.S. Armored Brigade Combat Team and the Enhanced Forward Presence battalions are fully participating in U.S. and NATO exercises, ensuring continued collaboration and interoperability. For example, the key training objective of Exercise Saber Strike 17 was to integrate, synchronize, and train NATO's Enhanced Forward Presence battalions as part of a multinational division, and to improve the interoperability and readiness of all participating forces.<sup>28</sup> The Armored Brigade Combat Team massed its battalions in the Black Sea Region in the summer of 2017 to participate in Exercise Saber Guardian, a major exercise consisting of 25,000 service members from 20 countries.<sup>29</sup> U.S. coordination and integration of ERI with other NATO plans and capabilities is ongoing. We consider this recommendation closed.

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<sup>28</sup> "U.S., NATO Concludes Saber Strike 17 Exercise;" Department of Defense, June 26, 2017.

<sup>29</sup> "Exercise Saber Guardian 2017," Retrieved from U.S. Army Europe on 3 July 2017 at <http://www.eur.army.mil/exercises>.



2. **complete theater-wide operations plans to inform decisions for European Reassurance Initiative support to fill training gaps in the national military plans of Operation Atlantic Resolve countries, and to convey a coordinated and unified message to allied and partner countries.**

### *United States European Command Comments*

The Deputy Commander, USEUCOM, agreed with our recommendation. He stated that USEUCOM would use ongoing contingency and campaign planning to inform activities with partners and allies. He further stated that the USEUCOM Theater Campaign Plan and Theater Campaign Order continue to be the primary mechanisms to align U.S. activities and messages within the EUCOM area of operations.

### *Our Response*

Management comments were responsive to the recommendation. The recommendation is resolved, but it remains open. After 6 months we will request an update on USEUCOM efforts to assist allies and partners to fill gaps in their military planning, whether through contingency and campaign-planning processes, or through the USEUCOM Theater Campaign Plan, and will close the recommendation on receipt and analysis of the update.



## Appendix A

### Scope and Methodology

We conducted this evaluation in accordance with the “Quality Standards for Inspection and Evaluation” published by the Council of the Inspectors General on Integrity and Efficiency in January 2012. Those standards require that we plan and perform the evaluation to obtain sufficient, competent, and relevant evidence to provide a reasonable basis for our findings, conclusions, and recommendations based on our review objectives. We believe that the evidence obtained provides a reasonable basis for our findings, conclusions, and recommendations based on our review.

This project evaluated the impact of the ERI on the capabilities of U.S. allies in Central and Eastern Europe – Estonia, Latvia, and Lithuania (in the Baltic area), Poland (in Central Europe), and Romania and Bulgaria (in the Black Sea Region). The scope of this evaluation was limited to the three (of five) ERI lines of effort that addressed improving allied-nation capabilities, facilities, and movement infrastructure for co-use by the U.S. and allied forces in Europe:

- bilateral and multilateral military exercises and training with allies and partner nations in Europe,
- activities to improve infrastructure in Europe to enhance the responsiveness of the U.S. Armed Forces, and
- activities to build the defense and security capacity of allies and partner nations in Europe.

These three lines of effort accounted for 29 percent of the \$1.77 billion ERI funds enacted in FYs 2015 and 2016. We considered the remaining two LOEs – “increased presence” and “enhanced prepositioning” – as applying almost exclusively to improving the capabilities of U.S. forces and therefore outside the scope of this evaluation. Specifically we reviewed:

- ERI-related policies, plans, and activities related to increasing responsiveness, interoperability, and sustainability of the military forces belonging to the six OAR countries;
- completed, ongoing, and planned ERI-supported infrastructure projects and their linkage to improving capacity and capability to deploy, train, and sustain military forces;
- metrics used to assess security and capability gains to military forces as a result of ERI-funded activities; and
- coordination and integration of training-, capacity-, and infrastructure-improvement initiatives of the NATO countries impacted by ERI.

We announced the project on April 27, 2016. The team collected data, attended ERI-related policy events and discussions, and conducted interviews from May to September 2016. To evaluate our objectives, we:

- reviewed public laws and budget requests, White House Fact Sheets, and DoD regulations and fact sheets related to implementation and evaluation of ERI;
- reviewed national, regional, DoD, and USEUCOM strategies, plans, and evaluations relevant to the implementation and evaluation of ERI;
- reviewed published reports and professional articles and attended public-policy forums and congressional testimony pertaining to ERI and other U.S. efforts in support of NATO allies and partners; and
- interviewed more than 230 civilian and military leaders assigned to the Office of the Under Secretary of Defense for Policy, U.S. Department of State, USEUCOM headquarters, and Component Commands; U.S. Embassies in Poland, Estonia, and Romania; the Operational Command Staff, General Command Staff, and General Staff of Poland; the Ministry of Defense and Presidential Security Advisor of Estonia; and the Chief of Defense of Romania.

The team deployed to Europe from August 13 until September 3, 2016. We visited the headquarters of USEUCOM and of Army, Marine, and Air Force Component Commands in Germany; U.S. embassies and allied military and civilian officials in Poland, Estonia, and Romania; and training sites in Poland and Estonia. The team also interviewed officials assigned to U.S. Naval Forces Europe, in Naples, Italy, and the Joint Analysis Center, in Molesworth, England, using secure video teleconferencing.

## Limitations

The team limited its country visits to Poland, Romania, and Estonia, based on our analysis of the distribution of ERI-funded efforts and the advice of subject-matter experts. Our visits to these three countries allowed the team to obtain direct observation of allied military representatives in Central Europe and the Black Sea and Baltic Sea regions.

To reach our conclusions the team relied on testimonial evidence with supporting documentation, including combatant command strategy, theater-campaign plans, public law and military legal guidance, congressional testimony, published think-tank reports and follow-up interviews with authors, and addresses in public forums by key USEUCOM leadership.

There were no available ERI-funded exercise during our scheduled site visit. However, the team collected physical documentation from two host-nation military bases, attended an after-action review for a 24-nation ERI-supported exercise, and observed U.S. and host-nation preparation for a month-long U.S. Air National Guard training and a capacity-building activity with Polish forces, also supported with ERI funds. Finally, almost none of the programmed infrastructure construction was complete by the conclusion of this review.

## **Use of Computer-Processed Data**

We did not use computer-processed data to perform this evaluation.

## **Prior Coverage**

We found no prior coverage of ERI during the past 5 years.

## Appendix B

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### Applicable Criteria

Circular No. A-11, "Preparation, Submission, and Execution of the Budget," Executive Office of the President, Office of Management and Budget, July 2014 (Revised November 2014): Provides guidance to Federal Agencies about proposed budget requests, evaluation results, program performance indicators, and performance goals.

Department of Defense Financial Management Regulation 7000.14-R, Volume 2A: "Budget Formulation and Presentation," October 2008: Chapters 1-3 discuss performance-measure requirements to justify resources requested in the budget year.

United States European Command Theater Campaign Plan 2015, November 24, 2015 (classified)

United States European Command Operations Order – "Operation Atlantic Resolve," October 22, 2014 (classified)

# Management Comments

## Office of the Deputy Secretary of Defense



DEPUTY SECRETARY OF DEFENSE  
1010 DEFENSE PENTAGON  
WASHINGTON, DC 20301-1010

JUN 29 2017

MEMORANDUM FOR INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE

SUBJECT: Evaluation of the European Reassurance Initiative

I have reviewed your report on the extent to which the European Reassurance Initiative (ERI) focuses resources on the six Operation Atlantic Resolve countries. The report accurately describes concerns regarding instability related to short-term Overseas Contingency Operations (OCO) funding for ERI, particularly for infrastructure, sustainment and strategic planning.

We will continue to work with Congress and OMB to address funding ERI in the Base budget or in OCO. Additionally, the upcoming Budget Control Act negotiations and the National Defense Strategy development effort will help frame ERI strategy and resourcing. All these discussions will inform our opportunities to align resources with our European Strategy.

cc:  
Under Secretary of Defense (Comptroller)  
Commander, European Command  
Director, Cost Assessment and Program Evaluation



OSD006315-17/CMD010135-17





## Director, Joint Staff



UNCLASSIFIED// [REDACTED]

**THE JOINT STAFF**  
WASHINGTON, DC


Reply ZIP Code:  
20318-0300

DJSM 0097-17  
21 June 2017

**MEMORANDUM FOR INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE**

**SUBJECT:** Inspector General of the Department of Defense Draft Report, "Evaluation of the European Reassurance Initiative (ERI) (Project No. D2016-D00SPO-0144.000)"

1. The Joint Staff concurs with the subject Inspector General of the Department of Defense draft report and its recommendation that we assess competing mission and personnel priorities related to the European Reassurance Initiative (ERI) to determine whether U.S. European Command (USEUCOM) and its subordinate commands have sufficient personnel resources to execute the ERI mission. Additional comments are attached for consideration.
2. The Joint Staff reviewed USEUCOM personnel resources in relation to ERI requirements as part of the 24-28 April 2017 review of the ERI Program Budget/Review submission. This review is done annually and addresses the report recommendation. The review findings are still being assessed, and the results will be used to shape USEUCOM's personnel posture.
3. The Joint Staff point of contact is [REDACTED]

  
WILLIAM C. MAYVILLE, JR.  
LTG, USA  
Director, Joint Staff

Attachment:  
As stated

UNCLASSIFIED When Separated From U//FOUO Attachment  
UNCLASSIFIED// [REDACTED]

## Commander, United States European Command



HEADQUARTERS  
UNITED STATES EUROPEAN COMMAND  
Deputy Commander  
UNIT 30400  
APO AE 09131

July 21, 2017

Kenneth P. Moorefield  
Deputy Inspector General, Special Plans and Operations  
Department of Defense  
4800 Mark Center Drive  
Alexandria, Virginia, 22350-1500

Dear Mr. Moorefield,

Thank you for the opportunity to review the recommendations contained in the 22 May 2017 draft report on the Evaluation of the European Reassurance Initiative (ERI). We concur with the recommendations pertaining to United States European Command (USEUCOM) and are providing a summary (below) of the actions we have taken or plan to take to accomplish them.

Recommendation C.1. (Note: USEUCOM suggests rewording the recommendation to read, "Ensure that future infrastructure facility improvements meet U.S. and North Atlantic Treaty Organization operational requirements and design standards." This ensures that the recommendation remains aligned with U.S. Unified Facilities Criteria). USEUCOM (ECJ4 lead) remains an active participant in NATO Security Investment Program (NSIP) efforts which are led by the U.S. Mission to NATO. USEUCOM is currently updating the Support to NATO CONPLAN which will enable further synchronization of U.S. and NATO operational requirements.

Completion date – ongoing.

Recommendation C.2. ERI funded activities in FY17, such as the Joint Reception, Staging, Onward Movement, and Integration of 3rd BCT, 4th ID from Bremerhaven to Poland and the use of the port at Thessaloniki, Greece are proving invaluable in offering real world lessons learned on transportation network requirements in theater. USEUCOM recently completed a "speed of assembly" theater-wide terrain walk that provided valuable data and context for senior leaders as well. USEUCOM J4 continues to lead efforts in this regard but it should be understood that many of the transportation network improvement requirements USEUCOM identifies may be inappropriate for ERI funding and will require host nation or NATO funding.

Completion date - TBD.

Recommendation C.3. USEUCOM continues to support Office of the Secretary of Defense (OSD) and Department of State (DoS)-led efforts associated with forming overarching framework agreements with countries where none currently exist (e.g., Hungary, Slovakia). For those countries for which framework agreements exist (e.g., Baltics, Poland) USEUCOM will conclude the appropriate agreements on a case-by-case basis. Agreements shall outline specific U.S. and Host Nation responsibilities to operate and maintain infrastructure investments, usually on a proportionate basis of use. USEUCOM does not view the requirement to attain agreements as a valid reason not to pursue required infrastructure investments. USEUCOM continues to plan required infrastructure investments in parallel with

## Commander, United States European Command (cont'd)

-2-

negotiations of bilateral agreements but will not initiate U.S. funded construction until the conditions specified in DoD Instruction 3000.12, *DoD Management of U.S. Global Defense Posture* are met.

Completion date – ongoing.

Recommendation C.4. USEUCOM prepared an FY18 ERI FYDP proposal (submitted July 2016) and is currently working on an FY19 FYDP update. It should be noted that in both FY15 and FY17, when MILCON was appropriated in ERI, it was under a multi-year appropriation unlike the rest of ERI which was funded under standard OCO one year appropriation rules.

Completion date – September 2017.

Recommendation D. In order to improve assessment of integrated campaign objectives and the effectiveness of deterrence and assurance measures, USEUCOM will request additional assessment capabilities in ERI in FY19. In the interim, USEUCOM will enhance its campaign assessment process to better capture ERI impact. However, as long as ERI remains O&M funding, the impact on allied and partner capability and capacity is indirect. Further, ERI is one of many DoD and DoS funding streams being leveraged to conduct deterrence and assurance operations, actions and activities. USEUCOM will continue to prioritize limited staff assets on the accurate assessment of its campaign, rather than concentrating assessments on specific programs.

Completion date – ongoing.


Recommendation E.1. Operation ATLANTIC RESOLVE forces, including elements of the rotational Armor Brigade Combat Team, participated in the Latvian national exercise Summer Shield (April 2017), Lithuanian national exercise Flaming Thunder (May 2017), and Estonian national exercise Spring Storm (May 2017). USEUCOM also incorporated Allied eFP battlegroups into our annual regional joint exercise in the Baltics, Saber Strike, in June 2017. Finally, USEUCOM continues to work with our Service Components to enhance joint training of U.S. forces through our Joint Exercise Program, including the upcoming Saber Guardian exercise in Bulgaria, Hungary, and Romania in July 2017.

Completion date – ongoing.

Recommendation E.2. USEUCOM contingency and campaign planning is on-going and will be used to inform activities with partners and Allies. The USEUCOM Theater Campaign Plan and Theater Campaign Order, along with the regional and country campaign plans, continue to be the primary mechanisms to align US activities and messages within the USEUCOM AOR.

Completion date – ongoing.

Sincerely,

  
TIMOTHY M. RAY  
Lieutenant General, USAF  
Deputy Commander

## Acronyms and Abbreviations

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<b>ABCT</b>	Armored Brigade Combat Team
<b>BAO</b>	Bilateral Affairs Officer
<b>EFP</b>	Enhanced Forward Presence
<b>ERI</b>	European Reassurance Initiative
<b>LOE</b>	Line of Effort
<b>NATO</b>	North Atlantic Treaty Organization
<b>OAR</b>	Operation Atlantic Resolve
<b>OCO</b>	Overseas Contingency Operations
<b>SPP</b>	State Partnership Program
<b>USAREUR</b>	United States Army Europe
<b>USEUCOM</b>	United States European Command



# **Whistleblower Protection**

## **U.S. DEPARTMENT OF DEFENSE**

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