

July 2001

NATO

U.S. Assistance to the  
Partnership for Peace



GAO

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United States General Accounting Office  
Washington, DC 20548

July 20, 2001

The Honorable Joseph R. Biden, Jr.  
Chairman  
The Honorable Jesse A. Helms  
Ranking Minority Member  
Committee on Foreign Relations  
United States Senate

The Honorable Henry J. Hyde  
Chairman  
The Honorable Tom Lantos  
Ranking Minority Member  
Committee on International Relations  
House of Representatives

After the collapse of the former Soviet Union and the Warsaw Pact in 1991, North Atlantic Treaty Organization (NATO) allies and the United States sought new ways to cooperate with the political and military leadership of their former adversaries. In January 1994, NATO established the Partnership for Peace (PfP) to increase defense cooperation with former Warsaw Pact members and other former communist states in Central and Eastern Europe. Supported by the United States through the Warsaw Initiative,<sup>1</sup> the Partnership plays a key role in developing the military capabilities of those states and reforming their defense establishments. The Partnership also helps prepare aspirant countries for NATO membership. In 1999, the partner states of Hungary, Poland, and the Czech Republic—three former Warsaw Pact members—joined NATO. In 2002, NATO is expected to again extend invitations for alliance membership to partner countries. While NATO's decisions largely will be driven by political considerations, these decisions also will be affected by the military capabilities and contributions of aspiring states.

Given the key role the Partnership for Peace has played in the transformation of NATO's relationship with these states, the significant U.S. involvement and investment in this program through the Warsaw Initiative, and the impending debate on potential NATO members drawn

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<sup>1</sup> The Warsaw Initiative is the mechanism used by the United States to provide funding and assistance to eligible partnership countries.

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from the Partnership, we have undertaken this study to (1) provide an historic overview of previous NATO accessions, (2) describe the cost and content of the Warsaw Initiative, and (3) describe the results and benefits of Warsaw Initiative programs.

To address these objectives, we combined the results of our Warsaw Initiative cost analysis with the results of two Department of Defense (DOD) studies on the effectiveness of Warsaw Initiative programs. We also drew upon recent testimony from U.S., international, and military officials and from testimony gathered from similar officials in our previous efforts from 1995 through 1999. Comprehensive cost data collected from DOD were not readily available for all years of the program and, in some cases, had to be estimated or reconstructed using our previous work. This report was completed under our basic legislative responsibilities and is addressed to you in your capacity as the Chairman and Ranking Member of the committee of jurisdiction.

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## Results in Brief

Previous NATO accessions have been shaped by the political and strategic circumstances of the day. Since 1949, when 12 member countries united in response to the emerging threat from the Soviet Union, NATO has expanded on four occasions. On the first three occasions, NATO invited four countries to join the alliance to strengthen its military position in confronting the Soviet Union and its allies. NATO first invited Turkey and Greece, then West Germany, and then Spain to join despite their varying degrees of democratic and military development and commitment to NATO. The accession to NATO of the Czech Republic, Hungary, and Poland in 1999 differed from previous enlargements that had the goal of strengthening NATO's strategic position against the Communist bloc. This accession was the culmination of NATO's efforts to promote the political stability and security of the newly democratic states in Eastern Europe after the collapse of the bloc and the end of the Cold War.

Between 1994 and 2000, the Warsaw Initiative provided about \$590 million in assistance to 22 partner states to make these countries' militaries better able to operate with NATO and contribute to NATO missions. Most of these resources were devoted to five programs and the 12 partner nations that had formally declared an interest in joining NATO. In addition, between 1994 and 2000, the United States provided to the partner states \$165 million in military assistance outside the framework of the Warsaw Initiative but complementary to its objectives.

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The Warsaw Initiative and the Partnership for Peace have produced important results and benefits for NATO and the Partner states. The contributions of Partner states to NATO-led operations in the Balkans, the formation of new peacekeeping units, and the extent to which Partnership assistance helped to prepare the three newest NATO countries for membership evidence the effectiveness of the Partnership and the Warsaw Initiative. Moreover, our analysis of both program costs and other assessments of program results demonstrates that a large portion of Warsaw Initiative resources were devoted to programs judged effective in enhancing the ability of recipient nations' militaries to contribute to NATO and to operate with NATO forces.

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## Background

The North Atlantic Treaty was signed on April 4, 1949, by 12 European and North American countries to take measures against the emerging threat the Soviet Union posed to the democracies of Western Europe. Of indefinite duration, the treaty created a political framework for an international alliance obligating its members to prevent or repel aggression, should it occur against one or more treaty countries. Article 10 of the treaty provides for the possibility of accession by any other European state in a position to further the principles of the treaty upon the unanimous agreement of the current members; it contains no explicit criteria an aspiring member must meet to join NATO.

The PFP program was a U.S. initiative launched at the January 1994 NATO summit in Brussels as a way for the alliance to engage the former members of the Warsaw Pact and other former communist states in Central and Eastern Europe.<sup>2</sup> The objectives of the partnership, stated in NATO's Partnership Framework Document, are to (1) facilitate transparency in national defense planning and budgeting processes; (2) ensure democratic control of defense forces; (3) maintain the capability and readiness to contribute to crisis response operations under the United Nations and other international organizations; (4) develop cooperative military relations with NATO for the purposes of joint planning, training, and exercises for peacekeeping; search and rescue; and humanitarian operations; and (5) develop forces that are better able to operate with

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<sup>2</sup> The Warsaw Treaty Organization—commonly known as the Warsaw Pact—was created in 1955 and included the Soviet Union, Albania, Bulgaria, Czechoslovakia, East Germany, Hungary, Poland, and Romania. It was dissolved in 1991.

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NATO members. NATO also uses PfP to support countries interested in NATO membership.

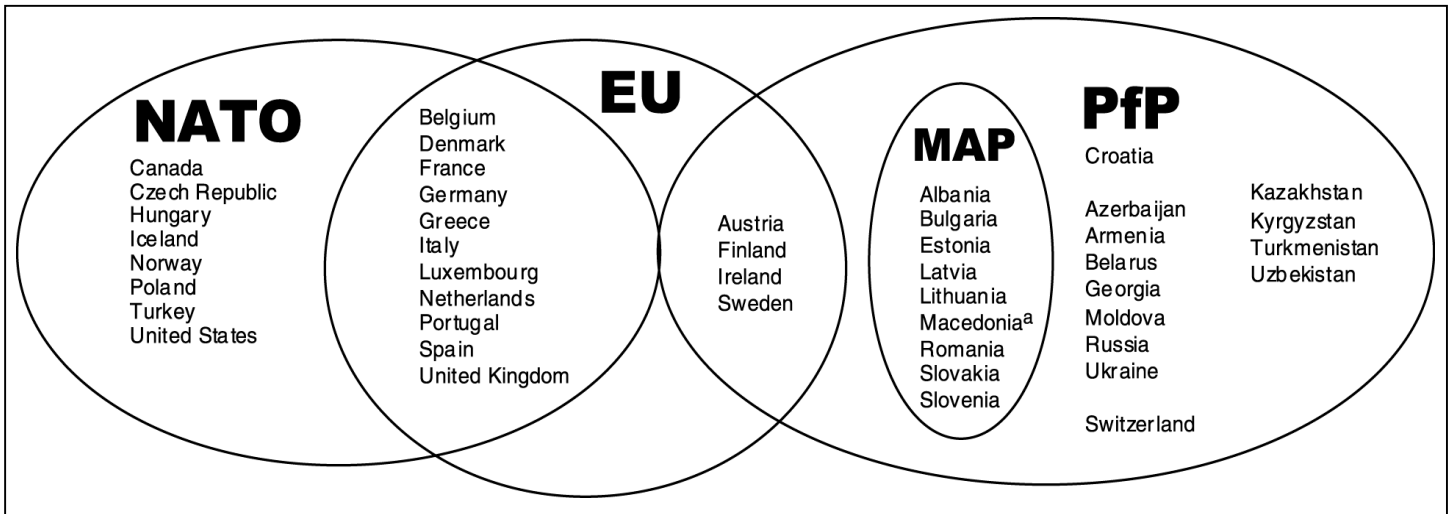
In July 1994, the United States launched the Warsaw Initiative to support the objectives of the Partnership. According to joint DOD and State Department guidance, the objectives of the Initiative are to (1) facilitate the participation of partner states in exercises and programs with NATO countries, (2) promote the ability of partner forces to operate with NATO, (3) support efforts to increase defense and military cooperation with Partnership partners, and (4) develop strong candidates for membership in NATO. The Initiative is jointly funded and administered by DOD and the State Department.

A total of 29 nations have joined the Partnership, and 3 have since joined NATO. The partner states range from mature free market democracies in the European Union, such as Finland and Sweden, which have relatively advanced military technologies that do not receive and have no need for Warsaw Initiative assistance, to autocratic command economies with outdated military structures such as Uzbekistan, and others such as Georgia that are greatly dependent on Western security assistance for their reform efforts.<sup>3</sup> (Fig. 1 shows the overlapping memberships of NATO, EU, MAP, and PfP members.)

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<sup>3</sup>Eleven NATO states and 4 partner states comprise the European Union (EU), previously known as the European Community, which is an institutional framework for the construction of an economically united Europe. The European Community was created after World War II to unite the nations of Europe economically to make war less likely. In 1999, the EU decided to establish the military capacity to perform humanitarian and rescue tasks, peacekeeping, and the ability to deploy combat forces in crisis-management roles.

**Figure 1: Membership in NATO, EU, MAP, and PfP**



MAP = Membership Action Plan

<sup>a</sup>Macedonia is an unofficial name for the state recognized by the U.S. government as The Former Yugoslav Republic of Macedonia.

Source: GAO based on NATO data.

Each partner participates in activities to the extent it desires and assembles a unique annual work program by selecting from a variety of activities listed in NATO’s annual partnership work program, a compendium of activities offered by donor countries. For those states that have formally expressed their interest in joining the Alliance, NATO has developed a Membership Action Plan to help them become better candidates. (MAP countries are identified in figure 1.) The MAP builds upon Partnership activities, helps ready these states for the full range of NATO missions, and requires additional planning by the partner country and review by NATO. Countries provide assistance to partner states primarily through bilateral arrangements in order to meet the requirements identified in the work program.<sup>4</sup>

<sup>4</sup>NATO also provides assistance to PfP countries through its commonly funded budgets. In fiscal year 1999, this assistance amounted to \$35 million from the civil budget and \$26.9 million from the military budget. The United States contributes about 25 percent of these funds.



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## NATO Has Expanded Four Times Since Its Inception

Since the beginning of the alliance in 1949, NATO has held out the prospect of membership to other nations as changing political and strategic circumstances warranted. NATO has expanded on four occasions since 1949, adding seven new European members. The first three expansions took place during times of confrontation with the Communist bloc, particularly the Soviet Union, and were undertaken to meet pressing strategic and security needs. A significantly different strategic environment marked the fourth and latest expansion, wherein NATO's goal was to extend stability eastward into the political vacuum left after the collapse of the Soviet Union. (Fig. 2 shows the countries that have joined NATO since 1949, as well as MAP and PfP members.)

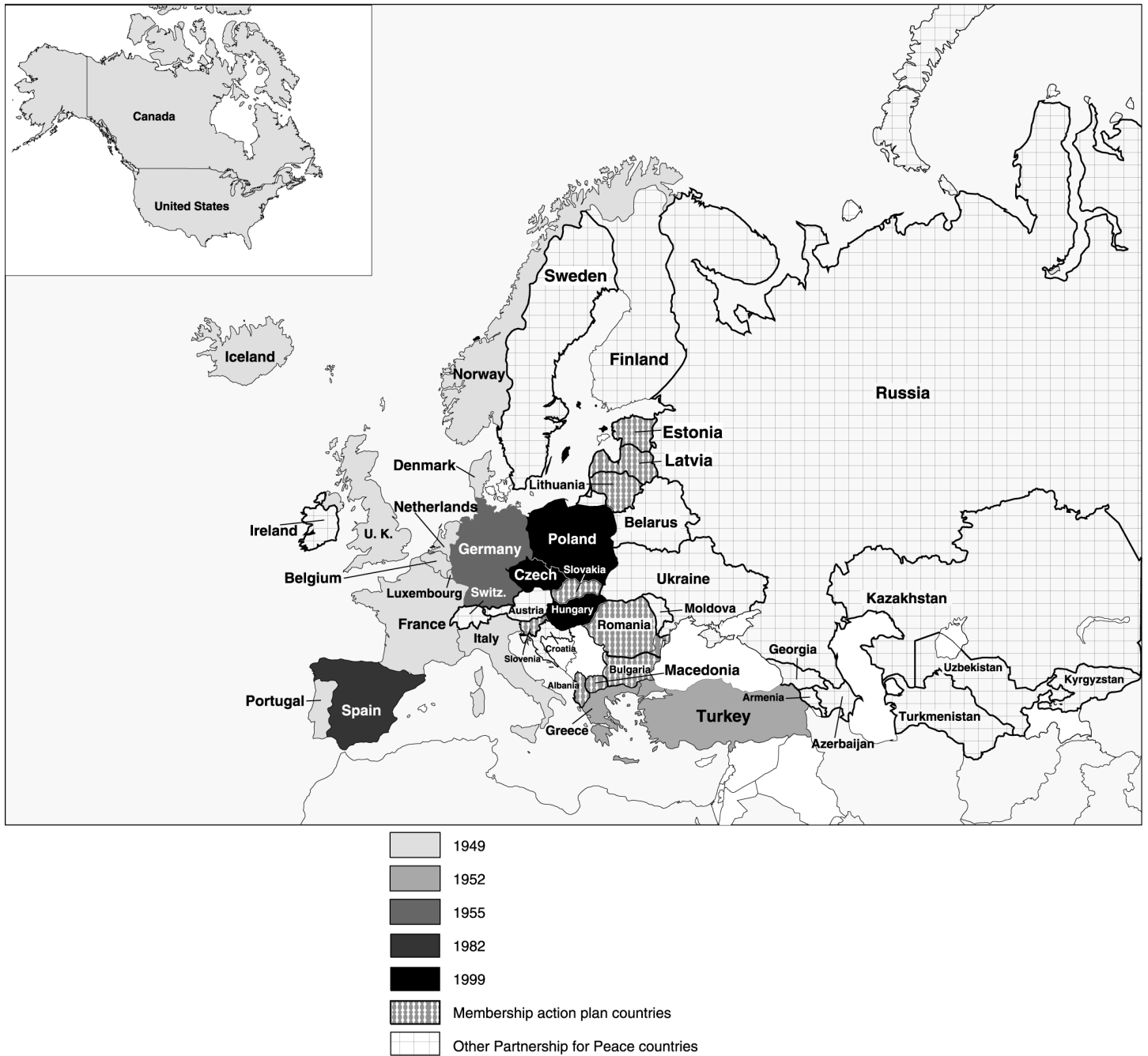
In 1952, Turkey and Greece joined NATO for strategic reasons; the Korean War was at its height, and the United States wished to shore up NATO's southern flank to forestall similar Communist military action in Europe. West Germany acceded in 1955, after it agreed to maintain large NATO forces on its territory and to place its national army within NATO's integrated command structure.<sup>5</sup> Spain joined the alliance in 1982 at NATO's invitation. NATO wanted to gain better access to Spain's air and naval bases, while the newly democratized Spain sought membership as a means to better its chances to join the European Economic Community.

In 1991, NATO redefined its strategic concept to reflect the post-Cold War geopolitical landscape and to pursue greater cooperation with its former adversaries to the east. NATO committed itself in January 1994 to enlarging its membership to include the newly democratic states of the former Communist bloc. In 1999, the Czech Republic, Hungary, and Poland joined NATO in fulfillment of this commitment.

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<sup>5</sup>After Germany reunited in 1990, the territory of the former East Germany became part of NATO without a formal accession process. NATO's military presence in this territory was restricted by agreement with Russia until 1994.

**Figure 2: Accessions to NATO by Date, 1949 Through 1999, MAP Countries and Other Pfp Members**



Source: GAO based on NATO sources

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## Warsaw Initiative Funds Support Five Key Programs and Target Aspirant Countries

Between 1994 and 2000, the Warsaw Initiative provided assistance worth about \$590 million to 22 partner states to support equipment grants, training, exercises, information technology, and other activities to make these countries' militaries better able to operate with NATO and contribute to NATO's missions.<sup>6</sup> Moreover, a large portion of this funding was allocated to five programs, and about 70 percent has been devoted to the 12 partner nations that had formally declared an interest in joining NATO. In this same time period, the United States provided to the partner states additional security assistance totaling over \$165 million outside the framework of the Warsaw Initiative but complementary to its objectives.

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## Five Key Programs Receive Most Funding

About 90 percent of the approximately \$590 million in Warsaw Initiative funds (\$530 million) has funded five programs. The largest program provides nonlethal military equipment and training.<sup>7</sup> The other programs support military exercises, information technology programs, a defense education institute, and a defense resource management system.<sup>8</sup> See table 1 for the costs of these five programs. Appendix I contains details on other Warsaw Initiative interoperability programs.

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<sup>6</sup> The total extent of bilateral PFP assistance from other countries is unknown, as donors and recipients are sometimes reluctant to reveal the full extent of their bilateral relationships with other partners and NATO members.

<sup>7</sup> This equipment and training is provided through the Department of State's Foreign Military Financing Program.

<sup>8</sup> These programs are generally categorized as interoperability programs.

**Table 1: Major Warsaw Initiative Program Categories by Cost, Fiscal Years 1994 Through 2000 (millions of dollars)**

<b>Program</b>	<b>New NATO members and MAP countries</b>	<b>Other PfP members and U.S. costs</b>	<b>Total cost</b>
Military equipment and training	\$290.9	\$68.5	<b>\$359.4</b>
Military exercises	54.5	61.6	<b>116.1</b>
Partnership Information Management System	17.8	13.2	<b>31.0</b>
Marshall Center	7.2	4.8	<b>12.0</b>
Defense Resource Management System	5.7	5.8	<b>11.5</b>
Subtotal	376.1	153.9	<b>530.0</b>
Other Warsaw Initiative activities	34.3	24.7	<b>59.0</b>
<b>Total</b>	<b>\$410.4</b>	<b>\$178.6</b>	<b>\$589.0</b>

Source: GAO based on DOD and State Department data.

- Funding for military equipment and training was used to provide communications, search and rescue, mountaineering, and mapping equipment, along with field gear, air defense radar systems, and computers; training for English language, noncommissioned officer development, vehicle maintenance and logistics, and other purposes. According to State Department documents and a DOD-sponsored study, this equipment and training have directly contributed to partner country participation in NATO-led peacekeeping operations in the Balkans. For example, this funding provided
  - communication equipment to Romania for engineering units in the NATO-led Stabilization Force (SFOR) in Bosnia;
  - air traffic management systems to Hungary, which supported Operation Allied Force;
  - fuel, supplies, and construction assistance to Ukraine to support the initial deployment of a battalion for peacekeeping duties in the Kosovo Force/International Security Force (KFOR) in Kosovo; and
  - an automated logistics system to Poland to help deploy its military units in peacekeeping operations.
- Of all the interoperability programs supported by the Warsaw Initiative, military exercises were typically cited in Defense-sponsored studies and by U.S. and international officials as the most useful of partnership activities. Exercises range from search and rescue simulations to joint multinational amphibious landing exercises. Exercises have grown in complexity and sophistication as the skills and experiences of partner participants have grown. For example, the United States annually conducts Exercise Combined Endeavor. In the 1995 exercise, 10 countries participated in a demonstration of the use of common communications equipment. In the 2000 exercise, 35 countries participated in the

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identification, testing, and documentation of communications interoperability between NATO and PfP communication networks.

- The Partnership Information Management System (PIMS) created an information management and communications system among Partnership members that stores and disseminates all types of data relevant to the PfP community. The system has been used to support military exercises, civil-military emergency planning, military medical education, environmental security activities, and provides e-mail capabilities and other basic information management capabilities. The system currently links 18 partner capitals and NATO and is augmented by networks that include ministries of defense, national defense academies, other international organizations, and U.S. and NATO military commands.
- The Marshall Center is a jointly funded U.S.-German defense educational institution that focuses on the resolution of security issues involving Atlantic, European, and Eurasian countries. The Center offers post-graduate studies, conferences, research programs, foreign area studies, and language courses to civilian and military professionals from more than 40 countries. Warsaw Initiative funding supports the Marshall Center's annual conferences for PfP members on topics ranging from defense planning and management to civil oversight of the military.
- DOD's Defense Resource Management program creates models for individual partner countries to help restructure their militaries. Initially, DOD conducts a 6-month study in the subject country to help it develop a rational defense program linked to strategic assessments and budget constraints. Thereafter, the Department conducts short follow-up visits to provide technical assistance and help implement a defense resource management system. The objectives of the program include exposure of partner countries to defense management systems similar to those of NATO members. The program also aims to help partner states' civilian officials assert control over their military structures by making defense management more transparent.

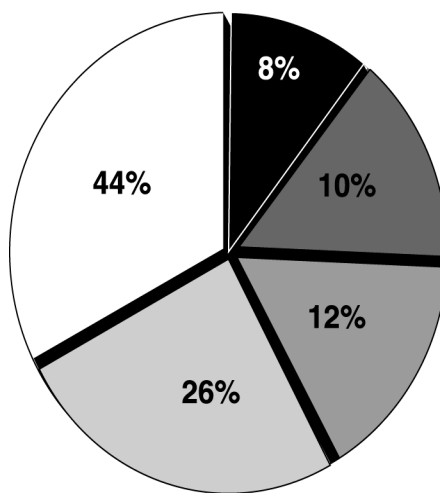
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## Twelve Partner States Receive Large Portion of Funding

About 70 percent of the Warsaw Initiative's approximately \$590 million in assistance has been provided to the 12 partner states that have joined or declared their intention to join NATO. Approximately twenty-six percent of all Warsaw Initiative assistance between 1994 and 2000, or \$153 million, went to Poland, Hungary, and the Czech Republic—the three former Warsaw Pact states that joined NATO in 1999. Almost 44 percent of that funding, or \$258 million, has gone to the nine MAP states of Albania, Bulgaria, Estonia, Latvia, Lithuania, Macedonia, Romania, Slovakia, and Slovenia. The remaining funding, \$178 million, has supported Partnership activities in Croatia and countries that were once part of the former Soviet Union—Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia,

Turkmenistan, Ukraine, Uzbekistan—and to support certain U.S. costs associated with the program.<sup>9</sup> Figure 3 shows the distribution of Warsaw Initiative funding.

**Figure 3: Distribution of \$590 Million in U.S. Warsaw Initiative Funds by Region, 1994 Through 2000**



-  MAP states<sup>a</sup>
-  New NATO members<sup>b</sup>
-  Croatia/Central Asia/Caucasus<sup>c</sup>
-  Russia/Ukraine/Belarus/Moldova
-  U.S. administrative costs

<sup>a</sup>Albania, Bulgaria, Estonia, Macedonia, Latvia, Lithuania, Romania, Slovakia, and Slovenia.

<sup>b</sup>Czech Republic, Hungary, and Poland.

<sup>c</sup>The former Soviet Republics of Georgia, Kazakhstan, Kyrgyzstan, Turkmenistan, and Uzbekistan.

Source: GAO based on DOD and Department of State data.

In addition, between 1994 and 2000, the United States provided to the partner states military assistance totaling over \$165 million outside the framework of the Warsaw Initiative but complementary to its objectives.

<sup>9</sup> Section 907 of the Freedom Support Act prohibits U.S. Warsaw Initiative assistance to Azerbaijan until it lifts its blockade of Armenia. U.S. policy prohibits Warsaw Initiative assistance to Azerbaijan's rival, Armenia. Most forms of U.S. assistance to the government of Belarus, including Warsaw Initiative funding, are also suspended.

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This funding was distributed through three Department of State and DOD programs that predate the Warsaw Initiative: the International Military Education and Training Program, Cooperative Threat Reduction Defense and Military Contacts Program, and the U.S. European Command's Joint Contact Team Program. Although these programs were not designed to implement Warsaw Initiative objectives, they provide additional training to partner militaries, facilitate military contacts, and promote closer relationships with NATO. Appendix II provides details on these programs.

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## Warsaw Initiative and PfP Programs Have Had Important Results and Benefits

U.S. and international officials and DOD-sponsored studies provide consistent and reinforcing views that Partnership and Warsaw Initiative programs have had important results and benefits.

- U.S. and NATO military commanders and other international officials have concluded that Warsaw Initiative and PfP programs have enhanced the capabilities of partner countries to participate effectively in NATO-led peace operations in the Balkans and have improved their ability to operate with NATO, thus making them better candidates for membership in the alliance.
- Warsaw Initiative funding has directly supported the creation of seven multinational peacekeeping units composed of NATO and partner state troops, some of which can or have been deployed to NATO-led peace operations in the Balkans.
- According to representatives of the three newest NATO member states, PfP and Warsaw Initiative assistance was invaluable to their preparation for joining NATO.
- Our cost analysis, along with the DOD-sponsored studies, reinforced these conclusions by showing that most Warsaw Initiative funding is associated with effective programs.

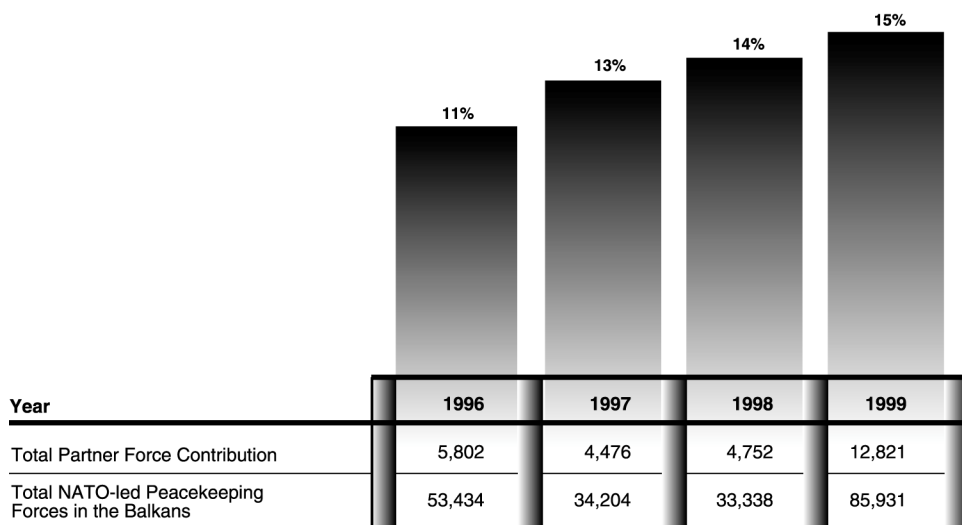
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## Partner States Provide Trained Forces and Other Aid to NATO-led Operations

U.S. and international officials noted that the growing contribution of Partner states' troops and other assistance to NATO-led peacekeeping operations in the Balkans is the most significant indicator of the effectiveness of U.S. and NATO PfP programs. Between 1995 and 1999, NATO established three peacekeeping missions—two long-term and one short-term—with partner state military participation. The long-term missions are the Implementation Force (IFOR) in Bosnia and Herzegovina and Croatia, now known as SFOR, and KFOR in Kosovo, Macedonia, and Albania. In 1999, NATO also established the short-term Albania Force during the NATO bombing campaign against Serbia and Montenegro to assist and coordinate humanitarian efforts. As shown in figure 4, partner state's contributions of troops to these missions rose from about 5,800 in

1996 to more than 12,800 in 1999 (11 percent and 15 percent of the total force, respectively).<sup>10</sup> Twenty partner states contributed troops to one or more of these missions; 9 partners contributed a battalion or more.<sup>11</sup>

**Figure 4: Partner Troops as a Percentage of All Troops in NATO-led Peacekeeping Forces in the Balkans, 1996 Through 1999**



Source: GAO from DOD and NATO data.

Moreover, NATO heads of government stated in the 1997 Madrid Declaration that without the experiences and assistance PFP had provided, the participation of partner forces in SFOR and IFOR would not have been as effective and efficient. Several SFOR and KFOR commanders and other NATO officers also noted that PFP activities, particularly exercises with NATO troops, were effective in preparing partner units to operate with NATO forces in an integrated command structure. One NATO official stated that every soldier a partner contributes to SFOR and KFOR means that NATO will not have to send an additional NATO or U.S. soldier to perform that function.

<sup>10</sup> Although the Czech Republic, Hungary, and Poland joined NATO in March 1999, for purposes of comparison, their troop contributions are counted as part of the total Partner country force contributions for 1999.

<sup>11</sup> Those contributing a battalion or more included Austria, the Czech Republic, Finland, Hungary, Poland, Romania, Russia, Sweden, and Ukraine.



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According to DOD officials and documents, partner states also provided logistical assistance for the 1999 NATO bombing campaign against Serbia and Montenegro. The Czech Republic, Hungary, and Poland offered or provided basing rights for NATO aircraft. Along with Romania and Bulgaria, the three newest NATO members permitted allied aircraft to transit their airspace. Romania also helped NATO commanders direct the bombing campaign by providing NATO air controllers access to their NATO-compatible radar coverage system, which was procured through the Warsaw Initiative.

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### Warsaw Initiative Supported Formation of Non-NATO Peacekeeping Units

U.S. officials and documents also indicate that Warsaw Initiative programs have helped create or support seven international peacekeeping units of battalion size or larger involving a total of 5 NATO countries (including the 2 former partners Poland and Hungary) and 16 partner countries. In 1996, the Congress declared that some of these units should receive appropriate support from the United States because they could make important contributions to European peace and security and could assist participant countries in preparing to assume the responsibilities of possible NATO membership. Two of these units have been deployed to the Balkans. See table 2 for details on the composition of these units and the U.S. assistance they have received.

**Table 2: Regional Peacekeeping Units Formed With Assistance From Warsaw Initiative Programs**

Unit	Participants	Date formed/deployed	Warsaw Initiative assistance
BALTBAT <sup>a</sup>	Estonia Latvia Lithuania	1995/deployed to Bosnia 1997	Unit equipment Communications gear PfP exercise support
CENTRASBAT <sup>b</sup>	Kazakhstan Kyrgyzstan Uzbekistan	1996	Communications equipment Trucks PfP exercise support
POLITBAT <sup>c</sup>	Lithuania Poland	1999	PfP exercise support
POLUKBAT <sup>c</sup>	Poland Ukraine	1996/deployed to Kosovo 2000	Exercises Communications gear English language training
MPFSEE/ SEEBRIG <sup>d</sup>	Albania, Bulgaria, Greece, Hungary, Italy, Macedonia, Romania, Turkey	1998	Equipment for Bulgarian contingent PfP exercise support
Multinational Land Force <sup>e</sup>	Croatia, Hungary, Italy, Slovenia	2000	PfP exercise support Assistance to develop joint training facilities
CENCOOP Brigade <sup>f</sup>	Austria, Hungary, Romania, Slovakia, Slovenia, Switzerland	2000	PfP exercise support

<sup>a</sup>BALTBAT: Baltic Battalion.

<sup>b</sup>CENTRASBAT: Central Asian Battalion.

<sup>c</sup>POLITBAT and POLUKBAT: Joint Polish-Lithuanian and Polish-Ukrainian battalions.

<sup>d</sup>MPFSEE/SEEBRIG: Multinational Peace Force Southeast Europe/South Eastern Europe Brigade.

<sup>e</sup>Also known as the Tri-national brigade, this was a unit originally formed by Hungary, Italy, and Slovenia which now includes Croatia.

<sup>f</sup>Central European Nations Cooperation in Peacekeeping (CENCOOP) is a regional organization planning to create a multinational peacekeeping brigade using forces from Austria, Hungary, Romania, Slovakia, Slovenia, and Switzerland.

Source: GAO based on DOD, State and DFI International data.

## Warsaw Initiative and Partnership for Peace Helped Prepare New NATO Members

According to the NATO delegations of the three newest NATO members, PfP assistance, of which the United States was their largest donor through the Warsaw Initiative, was invaluable to their preparation for joining NATO. In particular, PfP exercises, equipment grants, and exposure to western military doctrine and practice boosted the ability of their forces to operate with NATO. Members from all three delegations affirmed the value of Partnership for Peace and Warsaw Initiative support in making them better candidates for NATO membership. In particular, they cited

- the exposure to NATO procedures, operations, and command structures they received through PfP exercises and programs;

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- the professional and personal contacts that they developed to build a defense establishment better able to operate with NATO; and
  - exercise experiences and equipment grants that improved the ability of their military forces to operate with NATO.

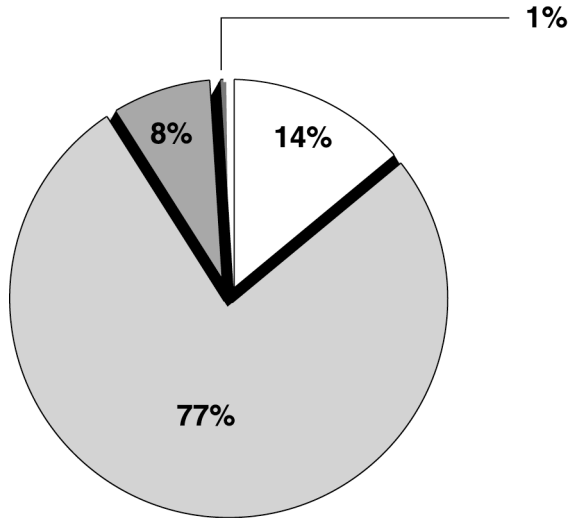
The Czech delegation noted that its experiences in PfP activities helped expose the conflicts between the prerequisites for being a successful NATO ally and the practical difficulties of achieving those prerequisites, given their political and economic realities. For example, PfP activities helped them (1) reconcile the theoretical need for public support for accession at a time when political support within the government was relatively low and (2) plan a defense strategy and budget that met the demands of NATO interoperability goals and spending targets in a constrained budget environment.

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### DOD-Sponsored Assessments of Warsaw Initiative Programs

In 2000, DOD commissioned two studies to analyze the objectives, activities, and accomplishments of Warsaw Initiative programs and identify the lessons learned from program implementation and results. The studies, conducted by DFI International, reviewed programs that represented \$409 million of the approximately \$590 million in Warsaw Initiative funding. By combining the cost data that we collected from DOD and the State Department with the results of these studies, we determined that, in aggregate, about \$367 million, or 90 percent, of the funding associated with the programs examined, was deemed effective or successful in promoting the objectives of the Warsaw Initiative. The first study, which focussed on the partner states of Central and Eastern Europe, showed that 91 percent of the resources associated with the programs examined were exceptionally or significantly effective. Figure 5 shows in greater detail the findings of this study.

**Figure 5: Effectiveness of Selected Defense- and State-Funded Warsaw Initiative Programs in 12 Central and Eastern European Partner States, as a Percentage of Total Cost of Programs Assessed, 1994 Through 2000**



- Exceptional
- Significant
- Marginal
- Minimal

**Exceptional:** The program produced a positive fundamental change or supported the development of a capability that would not have occurred otherwise; the program is unambiguously the primary reason for progress towards Warsaw Initiative objectives. PfP military exercises constitute the entire category.

**Significant:** The program provides the tools or information necessary for the target country to make interoperability improvements, continue existing defense reform, increase its contributions to NATO, or expand its regional cooperation. Five programs fall into this category: Civil Military Emergency Planning, Foreign Military Financing for Equipment Grants, Foreign Military Financing for Training, Logistics Exercises, and the Regional Airspace Initiative.

**Marginal:** The program provides sufficient exposure to U.S. and NATO-compatible methods such that the target country has taken tentative steps toward implementing or accomplishing Warsaw Initiative objectives. Four programs fall into this category: Command and Control Studies, the Defense Resource Management System, the Navigational Aids Program, and the Partnership Information Management System.

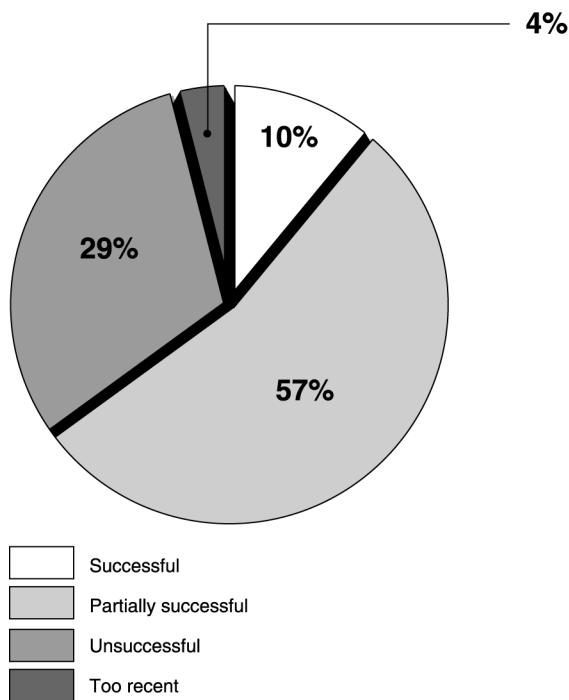
**Minimal:** The program provides a venue for familiarization with U.S. and NATO operating procedures but did not contribute to meaningful improvements in Warsaw Initiative objectives. One program—the U.S. Army Corps of Engineer Assessments—constitutes this category.

**Note:** Study assessed programs worth \$386 million, or 94 percent, of total 1994-2000 Warsaw Initiative costs for these countries.

**Sources:** GAO based on DOD, State, and DFI International data.

The second study, which focussed on the Central Asian and Caucasus partner states along with Russia, Ukraine, and Moldova, showed that 67 percent of the resources associated with the programs examined were successful or partially successful. Figure 6 shows in greater detail the findings of this study.

**Figure 6: Effectiveness of Defense-Funded Warsaw Initiative Programs in Nine New Independent States, as a Percentage of the Total Cost of Programs Assessed, 1994 Through 2000**



**Successful:** Programs that initiate follow-on Warsaw Initiative or Warsaw Initiative-related activities. Furthermore, they have either caused improvements in Warsaw Initiative objectives of recipient nation defense reform or increased ability to operate with NATO, or they have demonstrated a significant potential to do so. Seven programs are in this category: Civil Military Emergency Planning, Defense Planning Exchange, Defense Public Affairs Exchange, Defense Resources Planning Exchange, Economic Adjustment Seminars, Joint Consultative Economic Committee, and Logistics Exchange.

**Partially successful:** Programs at least partially satisfy the study's measures of effectiveness. Recipient countries initiate changes or follow-on efforts based on the information or recommendations included in a program. The Partnership Information Management System—a large program—constitutes this category.

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Unsuccessful: Programs either (1) required levels of transparency, absorption capacity, or resources for successful implementation that partner country recipients are unable to provide; or (2) did not initiate follow-on Warsaw Initiative or Warsaw Initiative-related activities that were completed and were unlikely to have contributed to notable amounts of defense reform or interoperability. Five programs were included in this category: Army Corps of Engineers Assessments, Defense Resource Management Institute Exchange, Defense Resource Management System, Environmental Workshops, and the Inspector General Exchange.

Too recent: Three programs whose results cannot be currently measured due to extremely recent implementation are included in this category.

Note: Study assessed programs worth \$22.6 million, or 17 percent, of total 1994-2000 Warsaw Initiative costs for these countries.

Source: GAO based on DOD and DFI International data.

In addition, both studies concluded that the Warsaw Initiative programs need to be better focused on U.S. strategic and regional objectives and to better take into account the capacities of the recipient states to absorb or apply the programs. For example, the second study noted that certain programs emphasizing NATO interoperability are not well suited for the Central Asian states.

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## Scope and Methodology

To prepare our overview of previous NATO accessions, we reviewed historical texts, and for the most recent accession, interviewed numerous U.S. and international officials and scholars. We also obtained U.S. and NATO documents on the accession process.

To describe the cost and contents of Warsaw Initiative programs, we obtained comprehensive cost and program data by recipient country and year from DOD and State. We interviewed DOD and State Department country desk officers, program managers, and fiscal officers. We obtained historic budget and program documents from DOD and State. For information we were unable to obtain from DOD, we drew on our previous reports and workpapers on Partnership for Peace. For fiscal years 1994 and 1995, we extrapolated from planning documents to approximate actual obligations by recipient country. In cases where costs were not readily attributable to a specific country, we applied decision rules for country allocation generated in agreement with Defense officials.

To assess the outcomes of Warsaw Initiative programs in support of Partnership for Peace, we synthesized information we obtained from numerous U.S. and international officials and scholars and historical information developed for our previous reviews of NATO-led peacekeeping operations in the Balkans. U.S. officials include cognizant officials from the Departments of Defense and State, members of the U.S.

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mission to NATO, and the Defense Security Cooperation Agency. We also interviewed and obtained documents from U.S. military officers at the U.S. European Command in Stuttgart, Germany, and from the U.S. National Military Representative to the Supreme Headquarters, Allied Powers Europe, in Mons, Belgium. International officials included members of the Czech, Hungarian, Swedish, and Polish delegations to NATO; NATO's International Staff in Brussels, Belgium; and the director of the Partnership Coordination Cell in Mons, Belgium.

We also reviewed the results of two studies the Department of Defense commissioned in 2000 to analyze the objectives, activities, and accomplishments of Warsaw Initiative programs and identify the lessons learned from program implementation and results. One study, "Assessing the Practical Impact of the Warsaw Initiative" examined 11 of the largest Defense and State-funded Warsaw Initiative programs in Albania, Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Macedonia, Poland, Romania, Slovakia, and Slovenia. The other study, "Department of Defense Engagement of the New Independent States: Developing the Warsaw Initiative and Minimizing Risks in the Russia Relationship," examined all DOD-sponsored Warsaw Initiative programs and other related DOD assistance activities in the nine New Independent States of Belarus, Russia, Ukraine, Moldova, Georgia, Kazakhstan, Kyrgyzstan, Turkmenistan, and Uzbekistan. This study also looked at DOD-sponsored security activities in three other New Independent States: the partner states of Armenia and Azerbaijan, which did not receive Warsaw Initiative assistance between 1994 and 2000; and Tajikistan, which is not a PfP member. Both studies evaluated the effectiveness of programs in terms of objectives associated with the Warsaw Initiative and the Partnership for Peace. The principal analysts of these studies briefed us on their methodology. This methodology included the development of measures of effectiveness and other metrics to assess the programs. To implement this methodology, the analysts collected information from DOD and State Department officials, including desk officers, Defense Security Cooperation Agency officials, and U.S. embassy personnel from partner countries. In addition to briefing us on its methodology and results, DFI International provided us with their detailed results on each program for each country, along with the specific criteria used in evaluating each program.

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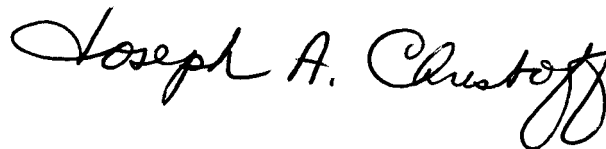
## Agency Comments and Our Evaluation

The Department of State and DOD generally concurred with the report's major findings, and State complimented GAO's analysis and methodology. In addition, both DOD and State offered technical and editorial suggestions, which we have incorporated where appropriate. The State Department's written comments are presented in appendix III; DOD provided oral comments.

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We are sending copies of this report to other interested congressional committees. We will also send copies to the Secretary of State and the Secretary of Defense. We will also make copies available to others upon request.

Please contact me at (202) 512-8979 if you or your staff have any questions about this report. Key contributors to this assignment were F. James Shafer, Muriel J. Forster, B. Patrick Hickey, and Lynn Cothorn.



Joseph A. Christoff  
Director  
International Affairs and Trade Issues



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# Appendix I: Other Warsaw Initiative Interoperability Programs

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During fiscal years 1994 through 2000, the Department of Defense (DOD) supported numerous U.S. interoperability programs in Partnership for Peace (PfP) nations. Among the largest dollar programs are the following activities.

SIMNET (\$9.0 million): SIMNET is an exercise simulation network focused on peace support operations and scenarios. It is part of a U.S.-launched effort to link defense education institutions to increase the level of sophistication of military exercises and cooperative defense education.

Commander in Chief Conferences and Other Expenses (\$13.4 million): These two program categories combined provide funding to cover costs of hosting PfP-related conferences or sending U.S. or partner personnel to attend PfP-related events either in the United States or abroad.

Command and Control (C4) Studies (\$6.1 million): C4 studies analyze and document command and control interoperability of the subject country's forces with U.S. forces for bilateral or multilateral contingencies. The purpose of the studies is to understand the country's capabilities for NATO interoperability and identify useful recommendations for improvement.

Transportation for Excess Defense Articles (\$4.5 million): DOD sells or transfers articles no longer needed by U.S. armed forces to partnership countries. Warsaw Initiative funding can be used to support the costs of transporting this equipment.<sup>1</sup>

U.S. Army Corps of Engineers Exchanges and Assessments (\$3.6 million): The Army Corps of Engineers conducts information exchanges and assessments in Partner countries on environmental and infrastructure topics, such as hazardous waste and material storage and transportation, disaster relief, and contamination control and prevention at military bases.

Civil Military Emergency Planning (\$3.4 million): This initiative aims to enhance the capabilities of partner states to work with each other, with neighboring nations, and with the international community to prepare for natural and technological disasters within any partner nation. Workshops and exercises are conducted in country by traveling contact teams or through exchanges of military personnel between units of the U.S. National Guard and comparable units of partner armed forces.

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<sup>1</sup> No funds were expended to transport excess defense articles in fiscal year 2001.

Regional Airspace Initiative (\$3.3 million): This program seeks to help develop civil and military airspace regimes that are fully interoperable with West European civilian airspace organizations. Warsaw Initiative funds are used to study partner requirements for building and operating an effective air sovereignty system. State Department foreign military financing funds may be used to procure the hardware necessary to implement the system.

Navigational Aids Program (\$3.2 million): This initiative supports assessments that document the interoperability of navigational aids and landing systems of partner states with western military forces under various contingencies. The assessments provide recommendations for modernization, with a focus on interoperability.

Logistics Exchanges (\$2.5 million): These exchanges consist of in-country workshops that focus on improving partners' understanding of NATO's collective logistics doctrine and logistics support requirements of NATO operations and of hosting NATO forces.

National Military Command Centers (\$1.4 million): This initiative aims to provide modern, centralized command center support to military and civil crises and disaster management. Its goal is to establish common command and control information systems throughout a region.

Partnership for Peace Consortium (\$1.1 million): This program primarily supports the annual conference costs of the Consortium, which includes representatives from 188 military academies, universities, and defense study institutions.

Radar Interoperability and Lifecycle Upgrade Study (\$1.1 million): More than 600 radar in 14 countries remained from the Warsaw Pact military structure. This study evaluates the utility and NATO compatibility of those radar for integration into the evolving airspace systems in the partner states.

Defense Resource Planning Exchanges (\$1.0 million): This program consists of small group workshops that provide an introduction to and explanation of the DOD's resource management system to encourage partners to consider U.S. concepts that could be used to improve their resource management.

National Guard (\$1.0 million): In 1999, the Air National Guard supported the Partnership for Peace program largely through military-to-military

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**Appendix I: Other Warsaw Initiative  
Interoperability Programs**

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contacts. This 1-year Warsaw Initiative funding supported National Guard participation in flood preparedness workshops, exchanges for engineering platoons, air exercise planning, field training, medical training, and other activities.

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# Appendix II: Other U.S. Security Assistance Provided to Partner Countries, 1994 Through 2000

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The Departments of State and Defense provided additional military assistance to partner states totaling more than \$165 million between 1994 and 2000. This funding was distributed through three programs with objectives that complement the objectives of the Partnership for Peace and the Warsaw Initiative. These programs are:

The International Military Education and Training Program (IMET) (\$72.4 million): This program provides military education and training on a grant basis to allied and friendly nations' militaries to (1) increase their exposure to the proper role of the military in a democratic society, including human rights issues, and to U.S. professional military education; and (2) help to develop the capability to teach English. The State Department funds IMET through its Foreign Operations Appropriation, and DOD implements the program through the Defense Security Cooperation Agency. IMET complements or builds on Warsaw Initiative programs by offering more advanced training to partner state defense officials, including English language training, defense resource management, and instruction in doctrines common to the officials of NATO countries.

The Cooperative Threat Reduction (CTR) Defense and Military Contacts Program (\$40.4 million): The United States launched the Cooperative Threat Reduction initiative in 1991 to help the nations of the former Soviet Union eliminate, control, and prevent the proliferation of weapons of mass destruction. This program has assisted CTR efforts by supporting defense and military contacts between the United States and Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Turkmenistan, Ukraine, and Uzbekistan (Belarus and Turkmenistan are currently ineligible for CTR funding). The objectives of these efforts complement the objectives of Partnership for Peace and the Warsaw Initiative by expanding contacts between defense establishments.

The Joint Contact Team Program (\$52.9 million): This program supports the deployment of small teams of military personnel to operate in a number of partner states and other countries within the U.S. European Command's area of responsibility. The teams' mission is to promote stability, democratization, and closer relationships with NATO. They exchange ideas and demonstrate operational methods to host nation military personnel and assist their militaries in the transition to democracies with free market economies. They do not conduct formal training or supply equipment. According to a U.S. European command document, 90 percent of the teams' efforts support partner countries' PFP programs.

# Appendix III: Comments From the Department of State



**United States Department of State**

*Chief Financial Officer*

Washington, D.C. 20520-7427

JUN 29 2001

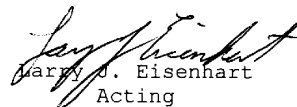
Dear Ms. Westin:

We appreciate the opportunity to review your draft report, "NATO: United States' Assistance to the Partnership for Peace," GAO-01-734, GAO Job Code 711549.

The Bureau of European Affairs, Office of European Security and Policy (EUR/RPM) took the lead role in reviewing this report. Its overall conclusion was that the draft report was an accurate, well-written assessment of U.S. assistance efforts involving Partner countries in Central and Eastern Europe. The draft report was a significant accomplishment given the complexity of U.S. and NATO efforts in the region, which involve complicated programs, such as the Partnership for Peace, and millions of dollars in U.S. Government funding via the Warsaw initiative. The report effortlessly balanced its review of the policy aspects of U.S. involvement in this region with more programmatic aspects. In doing this, it successfully provides observers the background and current knowledge needed to assess U.S. efforts.

EUR/RPM strongly agreed with the report's final conclusion that the Warsaw Initiative and the Partnership for Peace have produced important results for the U.S. and NATO and for the recipient Partner states.

Sincerely,

  
Mary S. Eisenhart  
Acting

cc: GAO/IAT - Mr. Christoff  
State/OIG - Mr. Atkins  
State/EUR/RPM - Mr. Andrusyszyn

Ms. Susan S. Westin,  
Managing Director,  
International Affairs and Trade,  
U.S. General Accounting Office.

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