

FOR OFFICIAL USE ONLY
UNTIL RELEASED BY THE
THE HOUSE ARMED SERVICES COMMITTEE

STATEMENT OF

GENERAL BANTZ J. CRADDOCK, USA

COMMANDER,

UNITED STATES EUROPEAN COMMAND

BEFORE THE HOUSE ARMED SERVICES COMMITTEE

ON

13 MARCH 2008

FOR OFFICIAL USE ONLY
UNTIL RELEASED BY THE

**THE HOUSE ARMED SERVICES COMMITTEE
HOUSE ARMED SERVICES COMMITTEE - WRITTEN STATEMENT
OUTLINE**

INTRODUCTION

STRATEGIC ENVIRONMENT

U.S. EUROPEAN COMMAND STRATEGY

Strategic Approach

Security Cooperation

Strategic Theater Transformation

COMPONENT COMMAND ACTIVITIES

U.S. Army, Europe and Seventh Army

U.S. Naval Forces, Europe

U.S. Air Forces, Europe

U.S. Marine Forces, Europe

U.S. Special Operations Command, Europe

THEATER INVESTMENT NEEDS

Theater Infrastructure

Quality of Life Programs

Theater C2, Communications Systems, and ISR

Strategic Mobility and Maneuver

Pre-positioned Equipment

Partner and Coalition Interoperability

Enhancing EUCOM's Mission

EUCOM AND NATO

Operational Imperatives

NATO Transformation

Partnerships and Engagement

NATO Enlargement

CONCLUSION

INTRODUCTION

Over the past year, the United States European Command (EUCOM) has pursued U.S. security interests in an ever-changing security landscape. The most fundamental commitment of the United States Government and EUCOM is to provide for the security of its citizens. Security, economic interests, and shared political values provide the impetus for engagement with our international partners and form the basis of our Strategy of Active Security. Despite an ever-changing security landscape, there are a number of strategic imperatives that endure, all of them necessary for protecting America and its interests as far forward as possible: defeating terrorism; building effective partner and coalition capabilities for both present and future threats; sustaining the trans-Atlantic relationship; preserving security in Europe; and maintaining our warfighting capacity.

EUCOM's mission is to defend the homeland forward and support U.S. strategic and economic interests by maintaining ready forces for full spectrum operations, securing strategic access and global freedom of action, enhancing trans-Atlantic security through NATO, and promoting regional stability. We achieve this through forward presence, security cooperation, and support to operations in Iraq and Afghanistan. Our strategy emphasizes security cooperation activities with partners, Allies, and potential coalition members.

A key development over the past year was initiation of the standup of U.S. Africa Command, (AFRICOM) created in recognition of the growing importance of Africa. The establishment of AFRICOM remains a work in progress. Until its standup as a fully operational command this October, AFRICOM is a sub-unified command reporting to EUCOM. EUCOM has provided, and will continue to make available, personnel, African subject-matter expertise, and resources, all of which will help ensure AFRICOM's future success in becoming a self-sufficient Unified Combatant Command.

Upon AFRICOM reaching Full Operational Capability (FOC), the EUCOM AOR will reduce in size from 93 to 51 nations. This allows EUCOM to better prioritize and focus our activities in Europe and Eurasia to achieve our strategic and theater objectives.

STRATEGIC ENVIRONMENT

Today, the EUCOM Area of Responsibility (AOR) includes Europe, Russia, the Caucasus, most of Africa, Greenland, Antarctica and the waters within these borders (see Enclosure 1). Composed of 93 sovereign nations, the AOR is

home to approximately 1.4 billion people, 23 percent of the world's population. Their 1,000 plus ethnic groups speak more than 400 languages, profess over 100 religious affiliations, experience the full range of human conditions, and live under a variety of systems of government.

Regional Approach

The extent of U.S. interests and relationships within the theater requires a distinct regional approach focused on engagement in Europe and Eurasia. At the same time, transnational challenges consistently cross traditional geographical, political, and organizational lines. Often the events in one region are directly associated with effects in another. Our activities and responses to these challenges must account for interregional linkages and secondary effects and require theater-level coordination.

Europe

For six decades, Europe's democracies have experienced an unprecedented period of security, stability, and prosperity. NATO remains the world's premier security organization. For over a decade NATO has undertaken major missions outside of its members' territories, most recently leading the International Security Assistance Force (ISAF) in Afghanistan. Not all trends, however, are positive. The defense budgets of many NATO nations have fallen to levels that jeopardize their ability to make long-term strategic military commitments to meet the Alliance's 21st Century missions.

Over the last 15 years, EUCOM has taken the opportunity offered by the emergence of new democracies in Central and Eastern Europe to shape defense reform, emphasize rule of law enforcement, and assist in training deployable units to support operations in Afghanistan and Iraq. Extending NATO membership to a number of Central and Eastern European nations has also helped facilitate the spread of democratic values and institutions. Defense reforms through targeted security cooperation activities helped bring about significant military interoperability with U.S. and NATO forces. Direct interaction with U.S. forces has succeeded not only in developing useful military capabilities, but also in establishing reliable Allies whose political and material support has proven invaluable.

Kosovo, due to its controversial nature, continues to be a source of instability in the greater Balkans region. After 8 years as a UN-administered Serbian province, Kosovo declared independence on 17 Feb 2008. The U.S. recognized the fledgling government and is encouraging the 27 members of the EU to unite in recognizing Kosovo. EUCOM expects political and diplomatic efforts to continue throughout 2008 as Kosovo prepares to implement the tenets of the Ahtisaari recommendations. Second order effects may include

challenges to Pristina or International Civilian Office authority north of the Ibar River in Kosovo and the potential for the Republika Srpska to advocate for secession from Bosnia and Herzegovina.

The NATO-led Kosovo Force (KFOR) is the most respected security organization in Kosovo and is well positioned, well trained, well prepared, and committed to provide a safe and secure environment. KFOR has close to 16,000 troops from 35 nations. EUCOM will remain committed to Kosovo for security cooperation, security assistance, and defense reform for the long term through the International Military Education and Training (IMET) and Foreign Military Financing (FMF) programs. EUCOM will purchase uniforms for the incipient 2,500-man Kosovo Security Force (KSF) recommended by the UN Special Envoy. Additionally, EUCOM will assist NATO in training an NCO corps within the KSF and support NATO in the stand up of a Ministry of Defense for Kosovo.

Significant progress has been made in defense reform in the Balkans despite difficult political, economic, and social challenges. EUCOM is focusing its security cooperation and assistance programs to help integrate the Balkan nations into the Euro-Atlantic community. EUCOM supports the Adriatic Charter nations (Croatia, Macedonia, and Albania) for NATO accession at the Bucharest Summit in Apr 08 and advocates Membership Action Plans for the Central Balkans Three nations (Bosnia and Herzegovina, Serbia, and Montenegro). EUCOM will engage aggressively by utilizing all resources to accelerate defense reform in the Balkans and address their toughest issues. These include: training/equipping a deployable force to contribute to stability operations in Iraq or Afghanistan, human resource management, multi-year budgeting, organic logistics capability, and building defense institution capacity. A robust military-to-military relationship, including high-level visits, State Partnership Program events, and EUCOM component activities will increase regional stability. EUCOM believes our security cooperation activities should combat the transnational threat of terrorism potentially resourced by the abundant stockpiles of small arms, light weapons, ammo, and man-portable air defense systems endemic to the Balkans region. DTRA estimates that a weapons destruction facility would require eight years to destroy these excess stockpiles. EUCOM will work with other agencies to assist and advocate for the destruction of these stockpiles. EUCOM will encourage Balkan nations to become contributing members of the trans-Atlantic family since it fosters security and stability throughout the region. NATO presence is a critical enabler toward that goal in this potentially volatile area of Southeastern Europe.

A secular democracy with a Muslim population, Turkey is a globally accepted example of the successful integration of these two elements. It is

also geographically, economically, politically, and militarily critical. Turkey's geostrategic location, European orientation, and enduring relationship with the United States make it a bridge of stability between the Euro-Atlantic community and the nations of Central Asia and the Persian Gulf. Its international lines of communication are an important factor in energy security. Its proximity to Iran, Iraq, Syria and Russia ensure Turkey will continue to play a vital role in international efforts to combat the transit of foreign fighter terrorists.

At the same time, PKK/KGK terrorist attacks that emanate from Northern Iraq and strike military and civilian targets in Turkey strain the relations between Iraq, Turkey and consequently threaten the stability in the region. Earnest dialogue can help facilitate the resolution of this problem. EUCOM, with CENTCOM support, is providing intelligence assistance to Turkey's efforts to counter the PKK/KGK. While there is no solely military solution to the PKK/KGK terrorist issue, improving Turkey's ability to prevent the organization's freedom of action to cross the border between Iraq and Turkey is an essential step to decreasing reach and influence of the PKK/KGK. This will also improve the stability of northern Iraq, possibly facilitate Turkey's acceptance into the EU, and contribute to the overall stability of the region.

Black Sea/Eurasia

Eurasian nations face a multitude of strategic decisions relating to future economic, political, and defense reform challenges. Economic difficulties, inter- and intrastate conflicts, insurgency, deteriorating infrastructure, ethnic tensions, and demographic trends make reform both imperative and urgent. Russia continues to demonstrate its traditional interest and is a major power in this region.

Russia creates challenges for U.S. policy with its position on the Conventional Armed Forces in Europe Treaty. Its unilateral suspension of the treaty is regrettable and not in the interests of long-term European security. Equally troubling is Russia's opposition to U.S. missile defense initiatives, its aggressive tactics vis-à-vis Georgia, its position on the future status of Kosovo, and its willingness to use energy as an instrument of foreign policy.

Despite political differences, EUCOM engages Russia where it can, seeking Russian participation, but not concurrence. EUCOM's relationship with Russia is a pragmatic one based on realistic expectations. Coordinating all U.S. military-to-military security cooperation activities with Russia, EUCOM strives to improve the quality and complexity of these activities to make our forces more interoperable and to promote mutual understanding. Demonstrating their desire to engage with U.S. forces, the Russian Ministry of Defense has taken considerable steps in funding their own participation in activities with

U.S. forces -- a significant change over previous years. Russia's cooperation with U.S. forces is a major element in fostering military cooperation in the Euro-Atlantic arena.

However, Russia continues to require our attention. Its desire to influence its neighbors in the so-called "near abroad" nations, extensive nuclear capability, significant weapons trade program, and influence on the international energy market all have an impact on the EUCOM AOR. Buoyed by the high price of fossil fuels, Russia has seen consecutive years of impressive economic growth and is increasingly reasserting itself globally. Russia has the potential to be a cooperative partner; how deftly we and our European partners engage it will be a significant factor in what role Russia will play.

There are military-to-military opportunities with Russia, such as those created by the threats of violent extremism and the challenges of addressing proliferation. The NATO Partnership for Peace Status of Forces Agreement opening the way for improved military engagement was signed last August. Russia's cooperation with the U.S. and NATO is a major element in fostering security in the Euro-Atlantic arena. EUCOM has, and will continue to play, a leading role in this bilateral military relationship.

The Caucasus' geostrategic location makes the region an important area for the U.S. and its Allies. Caucasus nations actively support IRAQI FREEDOM and ISAF. They provide alternative hydrocarbon sources from the Caspian Sea and alternative routes of access to Central Asian hydrocarbon reserves. It is an important region for European energy diversification.

Georgia actively seeks NATO membership and is the number one OIF coalition contributor per capita and second only to the United Kingdom in terms of total troops. Georgia has also offered forces for Afghanistan. Like Ukraine, Georgia recently requested favorable consideration of a NATO Membership Action Plan offer. EUCOM is actively assisting Georgia as it works to bring its defense sector to NATO standards. Some specific assistance examples include development of Georgia's Special Forces capabilities, expert assistance in forming strategic defense policy and transforming defense organizations, and tactical training support as Georgia develops organic capability to train and equip its national forces for coalition operations.

Azerbaijan has taken deliberate steps towards Euro-Atlantic integration. Its close proximity to Iran, Russia, and Caspian Sea energy resources makes it important to U.S. strategic interests. Azerbaijan and Georgia provide access to Central Asian hydrocarbon reserves, which, together with Azerbaijan's own resources, provide an important alternative energy source for our European Allies. An example of the region's growing importance to the global market is

the Baku-Tbilisi-Ceyhan pipeline, bringing oil from the Caspian Sea to the Mediterranean.

Furthermore, Azerbaijan's support to the U.S. in global security has been substantial, including being a troop contributor to Kosovo, Afghanistan, and Iraq. Currently Azerbaijan has deployed 250 troops to Iraq, and Baku has expressed the intent to raise that number to 400. In January 2007, Azerbaijan extended blanket diplomatic overflight clearance for U.S. government and contract flights in support of OEF and OIF - extremely important from both a political and operational point of view.

Some nations of the Caucasus region are exporting security by actively supporting the GWOT, but continued corruption and a lack of transparency limit progress with defense reform efforts in this region. Internecine conflicts also continue to challenge security and long-term stability in the region. Armenia and Azerbaijan are stalemated over Nagorno-Karabakh; while South Ossetia and Abkhazia continue moves to assert their aspirations for independence from Georgia. These conflicts will remain a significant obstacle to long-term regional stability. Casualties continue to occur in low-level actions. Russia attempts to maintain status quo. Russian incursions into Georgian airspace and misapplied linkages of regional issues with Kosovo independence make resolution difficult. The Caucasus require sustained and coordinated interagency efforts.

Early optimism on Ukraine as a result of the Orange Revolution has faded as crisis and uncertainty undermined domestic politics and increased tensions with Russia. Ukraine, however, remains an important bridge between East and West. Its strategic location, contributions to international operations and its government's policy of Euro-Atlantic integration make it an increasingly important regional ally. Ukraine's desire to achieve Western standards of political, economic, and defense reform represents a sharp break with its Cold War past. Like Georgia, it has recently requested favorable consideration of a NATO Membership Action Plan offer. EUCOM is actively assisting Ukrainian reform efforts. For example, we are facilitating the development of an NCO corps across the Ukrainian Armed Forces and we are assisting in the development of Ukraine's Joint Rapid Reaction Force. Ukraine has shown its willingness to contribute to international security by deploying forces to Africa, Iraq, and the Balkans. It is the only non-NATO nation providing forces to all four major NATO operations. EUCOM supports eventual NATO membership for Ukraine, but recognizes that this is a Ukrainian decision first.

In the Middle East, the EUCOM-Israel military relationship is based on strong bilateral cooperation, which includes robust programs of exercises and military contacts. The goals of this cooperative effort are enhancing

stability in the eastern Mediterranean, improving Israeli missile defense, and strengthening its border security. Israel is a long-term supporter of U.S. interests and remains globally the largest recipient of U.S. Foreign Military Financing, enjoying well-established agreements with the United States that further the U.S.-Israel goal of deterring aggression in the region.

Transnational Terrorism

There is a growing awareness among many nations in the EUCOM AOR of extremist threats to their populations. Recent attacks in Europe demonstrate our enemy's intent to continue to attack and spread the battlefield beyond Iraq and Afghanistan. Terrorist activities in 2007 include: two attempted car-bombings in downtown London; an attack at the Glasgow airport; the arrest of violent extremists in Denmark and Germany while in the advanced stages of attack planning and explosives procurement; and the December arrest of 14 extremists for conspiring to use explosives to free a convicted Al Qaeda terrorist plotter from Belgian custody. EUCOM continues to deal with the threat of terrorism in all its forms.

Many violent extremist groups are integrally tied to criminal and smuggling networks. Illegal activities such as narcotics trafficking, document forgery, and credit card fraud help fund extremist operations while Europe's open borders facilitate travel across the region. Europe and Eurasia are used as sanctuaries and logistics centers for extremists. Additionally, there is a growing trend of Western European citizens being recruited, trained, and returned to Europe by extremist organizations to launch attacks targeting U.S. and Allied installations and personnel.

Weapons of Mass Destruction (WMD)

The acquisition and potential employment of Weapons of Mass Destruction by state and non-state actors pose a security threat to the United States and our partners and Allies. The majority of the world's nuclear weapons are located within the EUCOM AOR. Furthermore, in Europe and Eurasia, stockpiles may become vulnerable to access and removal by international and internal threats as state and non-state actors continue to improve their capabilities, or via corruption, criminal activity, and inadequate border monitoring. Coordination between our nonproliferation and counterproliferation efforts is increasingly important.

U.S. EUROPEAN COMMAND STRATEGY

The EUCOM Strategy of Active Security is based upon two overarching Strategic Objectives: "Defend the Homeland" and "Create and Maintain an

Environment that Advances U.S. Strategic and Economic Interests." Our objectives in Europe include promoting lasting security and stability, maintaining the ability to employ the full range of capabilities across the military spectrum, and fostering the growth of good governance, strong institutions, and civil society.

Strategic Approach

EUCOM's strategy looks out five years, focusing on proactive security cooperation activities while maintaining a high state of military readiness. Our strategic approach promotes stable environments, protects U.S. interests, and reduces the likelihood of crises that trigger contingency responses by: mitigating risk while the nation is at war; maintaining and strengthening alliances, partnerships, influence, and access where we have long-standing relationships; and, creating and expanding influence into new areas of the theater.

Theater Objectives and Priorities

Our strategy identifies a number of Theater Objectives that provide focus and purpose for EUCOM's activities and align us with the larger Strategic Objectives. These objectives include: ensuring EUCOM forces are trained and ready for global deployment; actively working with Europe as a security partner in order to solve common problems; transforming EUCOM and NATO militaries to ensure effective expeditionary capabilities for the conduct of out-of-area operations; building partner nation capacity necessary for the provision of their own security and the sustainment of regional stability; protecting Allies and partners within a stable Middle East; preserving basing and access to ensure strategic freedom of action; averting local crises and preventing those that do arise from becoming regional conflicts.

In the near term we are focusing our activities and resources on the following strategic priorities:

- Support for Operations IRAQI and ENDURING FREEDOM
- Maintain relevance of, and U.S. leadership within, NATO
- Increase integration of EUCOM activities with the rest of the U.S. Government; especially combating terrorism and WMD proliferation
- Engage Russia or mitigate its potentially negative influence
- Support improved energy security for Europe, Eurasia, and the Black Sea region, to include NATO and EUCOM
- Ensure the successful transition of AFRICOM from a sub-unified command to a fully-operational Combatant Command

- Support NATO transformation for out-of-area operations
- Adjust EUCOM transformation and basing to ensure EUCOM has the capabilities to conduct both security cooperation activities and wartime missions

The Global War on Terror

EUCOM's number one theater-wide goal remains the defeat of transnational extremist organizations that threaten the United States, its Allies, and interests. Our multi-layered approach integrates the U.S. Government activities of building partner capacity to combat terrorism, working with partners to promote regional stability in order to and diminish the conditions that foster violent extremism, and denying extremists freedom of action and access to resources.

We will continue our work to deter, interdict, or defeat violent extremism wherever it appears. These efforts involve close cooperation with U.S. Central Command, U.S. Special Operations Command, U.S. Government agencies and departments, and perhaps most importantly, a growing list of foreign government partners with the same desire to protect their societies from the threat of terrorism. While much of this collaboration remains outside the public arena, it is vitally important to sustaining a shared view of the enemy threat and enhancing mutual support for counter-terrorism efforts.

As detailed in the Component Activities section below, EUCOM-stationed forces continue to be heavily engaged in ongoing combat operations in Iraq, Afghanistan and the Horn of Africa, as well as in building partner nation and coalition capacity supporting these operations. Over 70 percent of our coalition partners in Iraq and Afghanistan come from the EUCOM AOR.

Outside of direct support to combat operations, EUCOM-based forces are in the forefront of promoting the transformation of European militaries. The engagement with, and support to, our Allies and partners underlines the importance of persistent presence of U.S. forces for building effective expeditionary capacity for multilateral theater and global operations.

Trans-Sahara Counter-Terrorism Partnership (TSCTP) is an interagency effort to assist traditionally moderate regional governments and populations to combat the spread of extremist ideology and terrorism. The program is an integrated, approach that draws resources and expertise from the Department of State (DoS), U.S. Agency for International Development (USAID) and the Department of Defense (DoD). This is a multi-faceted multi-year commitment focused on improving individual country and regional capabilities to defeat terrorist organizations, disrupt efforts to recruit and train new terrorist fighters,

particularly from the young and rural poor, and counter efforts to establish safe havens for domestic and outside extremist groups. The multi-year strategy is focused on: strengthening regional counter-terrorism capabilities, enhancing and institutionalizing cooperation among the region's security forces, denying public support and sanctuary for terrorists through strategically targeted development assistance, promoting good governance, developing public diplomacy strategies to define good governance and values and discredit terrorist ideology, and normalizing bilateral military ties with the Sahelian countries. The DoS and USAID funding in support of TSCTP was \$13.6M in FY05, \$10.9M in FY06, and \$36M in FY07. The DoD funding in support of TSCTP was \$6.85M in FY05, \$43M in FY06, and \$81M in FY07.

TSCTP maximizes the return on investment by implementing reforms to help nations become more self-reliant in security and more stable in governance. Concern over the expansion of operations of violent extremists in the Pan-Sahel region, approximately the size of the United States, further underscores the need for TSCTP.

Operation ENDURING FREEDOM - TRANS-SAHARA (OEF-TS) is the DoD contribution to DoS's Trans-Sahara Counter Terrorism Partnership (TSCTP). The partnership comprises the United States and nine African countries: Algeria, Chad, Mali, Mauritania, Morocco, Niger, Nigeria, Senegal and Tunisia. OEF-TS supports TSCTP by forming security relationships among all of the Trans-Sahara nations. OEF-TS strengthens counterterrorism and border security, promotes democratic governance, reinforces bilateral military ties, and enhances development and institution building. It is designed to assist governments seeking better control of their territories and to prevent terrorist groups from using the region's vast open areas as safe havens.

OEF-TS uses Special Operations Forces, as well as EUCOM staff and Component personnel, to train partners on the conduct of counter-terrorism (CT) operations. EUCOM provides mentoring on military leadership and responsibility as well as equipment and advice to partner nations' armed forces, thereby increasing their capacity and capability to deny violent extremists safe haven and ultimately to defeat their extremist activities. Our cooperation strengthens regional counter-terrorism capabilities and assists participating nations in halting the illegal flow of arms, goods, and people through the region.

OEF-TS provided Military Information Support Teams (MIST) to assist DoS Public Diplomacy efforts to counter extremist ideology messages in Chad, Mali, Mauritania, Niger, and Nigeria. Civil Military Support Elements (CMSE) in Chad, Mali, Mauritania, and Niger have identified projects to help the local population to reject extremist ideology. To enhance regional cooperation, EUCOM conducted a regional CT exercise and a command post exercise that

include all nine OEF-TS partner nations and three of our European Allies. In addition, U.S. forces provide and exemplify democratic ideals of civilian control of the military. OEF-TS is scheduled to transition to AFRICOM during the fourth quarter of fiscal year 2008. EUCOM will continue OEF-TS actions until AFRICOM assumes full control.

Theater Posture and Transformation

Forward-deployed forces in EUCOM are the primary tool for maintaining U.S. influence within the AOR and projecting power beyond it. Forward-stationed units, rotational forces, and installations are visible manifestations of U.S. commitment and enable us to apply influence, assure access when and where needed, and preserve a leadership role in NATO.

For decades, the trans-Atlantic security relationship was based primarily on providing collective security on the Continent. In recent years this relationship has evolved to increase the focus on exporting security *from* Europe. Forward presence provides more frequent engagement at all levels, builds habitual relationships and trust and provides critical continuity, and serves as a role model and catalyst for transformation efforts among European militaries. Partner confidence and willingness to contribute to coalition operations are increased when their militaries are trained to U.S. standards and with U.S. formations.

As EUCOM continues its Strategic Theater Transformation, the contributions of the Reserve Component (RC) are increasingly important. On any given day, approximately 4500 members of the RC are deployed across the theater. Without this support, EUCOM would be unable to fulfill many of its staffing and force protection requirements. The contributions of our Guard and Reserve forces have enabled us to mitigate risk, and programs such as the National Guard's State Partnership Program (SPP) have helped us achieve our theater goals.

Security Cooperation

Security Cooperation (SC) programs remain the foundation of EUCOM's strategy to promote common security. These programs contribute to building the vital relationships that bolster U.S. strategic interests, enhance partner security capabilities, provide essential access, allow access to en-route infrastructure, and improve information exchange and intelligence sharing.

Security cooperation is central to EUCOM's Strategy of Active Security implementation because it is future-oriented and offers the most intense form of foreign partner interaction in peacetime. Through these partnerships and funding activities, such as the Coalition Warfare Program, we anticipate not

only the extension of our relationships with existing Allies, but also the development of new relationships with additional partner countries.

Identifying low-cost, high impact engagement initiatives to build relationships that will shape the future landscape in which we engage is a critical component of our SC program. A major focus of our efforts is building relationships with strategically important nations seeking to maintain their own security.

Through SC programs, EUCOM's assigned units provide frequent engagement at all levels, building habitual relationships and trust, and providing critical continuity. EUCOM facilities and programs, ranging from airborne exercises to non-lethal weapons instruction, provide practical and state-of-the-art training that strengthens relationships and increases the capacity of our Allies and partners. As an example, U.S. Army Europe (USAREUR) assisted the Polish Land Forces to prepare for their FY2007 deployment to Afghanistan by hosting two battalion-level mission rehearsal exercises in at the Joint Multinational Training Center.

EUCOM's assistance in the development of capabilities to conduct effective peacekeeping and contingency operations helps mitigate the conditions that lead to conflict. These efforts will ensure that we can work effectively with our Allies and partners should conflict arise. The deployment of EUCOM-stationed forces to Iraq and Afghanistan constrains its ability to resource theater SC requirements. EUCOM SC efforts require consistent and predictable investment in order to have an impact on the multitude of strategic, security, economic, and political challenges we face.

Security Assistance Programs

EUCOM also develops partnerships by executing security assistance programs using our 44 Offices of Defense Cooperation and Component mil-to-mil engagements in concert with host U.S. Embassy Country Teams.

International Military Education and Training (IMET) and Expanded IMET (E-IMET) provide education and training opportunities for foreign military and civilian personnel. The EUCOM portion of the FY 2008 IMET appropriation was approximately \$41.5M, down 1.3 percent from FY07. IMET remains our most powerful SC tool and proves its long-term value every day. For a relatively small investment, IMET provides foreign military and civilian leaders access to U.S. military training, builds relationships, and enhances influence. Indeed, today's IMET graduates are tomorrow's Chiefs of Defense, Ministers of Defense, and Heads of State.

Title 22 funding under the TSCTP program provided \$13.75 million for Mobile Training Teams to build five new light infantry companies, train

tactical military intelligence personnel, build a tactical intelligence company, and provide better air mobility capabilities in Chad, Mali, Mauritania, and Niger. Today, we continue to see the value of this program in the professional development and transformation of militaries in such established partners as Poland, Romania, Tunisia and many other countries. The importance of IMET cannot be overstated, and we seek Congress' help in sustaining this excellent program.

Foreign Military Financing (FMF) provides critical resources to assist strategically important nations without the financial means to acquire U.S. military equipment and training. EUCOM's FMF has continued to increase over the past years. This is deceiving however, and is due solely to increases in the earmarked funding for Israel. When the earmarked amounts for Israel are removed, the remainder of EUCOM's FMF has steadily decreased. [FMF for Europe and Eurasia: FY 03 \$236M, FY 05 \$212M, FY 08 \$137M] Along with the decrease of available funds for Europe and Eurasia, additional earmarks further limit the amount of available funds. This will ultimately result in delayed or cancelled scheduled programs to improve Allied and partner abilities to productively work with our forces.

FMF is an essential instrument of influence, building allied and coalition military capabilities and improving interoperability with U.S. and Allied forces. When countries buy U.S. military equipment through the FMF program, they also buy into a long-term commitment with the U.S. for spare parts and training. Failing to fully fund vital FMF programs in any of these nations can unintentionally send incongruent messages.

I therefore seek Congressional support to ensure the Department of State's FMF program is fully funded.

Foreign Military Sales (FMS) and Direct Commercial Sales (DCS) demonstrate our nation's continued commitment to the security of our Allies and partners by allowing them to acquire U.S. military equipment and training. FMS and DCS sales are vital to improving interoperability with U.S. and NATO forces, closing capability gaps, and modernizing the military forces of our Allies and partners.

Section 1206 of the FY07 National Defense Authorization Act coupled the authorities of DoS with the resources of DoD to rapidly build and enhance the military capacity of our key partners. In FY07, EUCOM received \$50M to conduct innovative train and equip programs for partners interested in assisting the U.S. in the GWOT and providing security and stability throughout

the AOR. In Africa, NAVEUR expanded the Maritime Safety and Security Information System to 16 countries, while SOCEUR conducted OEF-TS operations in eight countries. EUCOM requested \$245M in FY08 to further our ability to support the international cooperation necessary to achieve the type of overarching global collective security networks the President directs in NSPD-41. This authority and corresponding appropriations are key GWOT tools and should be expanded for FY09 as part of the Building Global Partnership Act (BGPA).

The *National Guard State Partnership Program (SPP)* continues to be one of our most effective SC programs, with 28 states currently participating (see Enclosure 2). By linking American states with designated partner countries, we promote access, enhance military capabilities, improve interoperability, and advance the principles of responsible governance. The unique civil-military nature of the National Guard allows it to actively participate in a wide range of security cooperation activities.

In 2007 alone, the National Guard conducted over 90 SPP events and along with members of the Reserve, participated in over 150 of 527 Joint Contact Team Program (JCTP) activities. For example, the Oklahoma Army National Guard (ARNG) and its SPP partner Azerbaijan executed an extremely successful SPP medical outreach exercise that administered medical examinations and care to thousands of Azerbaijanis.

Combating Weapons of Mass Destruction (WMD) Proliferation is among our highest priorities as the majority of the world's nuclear weapons are located in the EUCOM AOR. The Defense Threat Reduction Agency (DTRA) works in concert with EUCOM to cover the entire spectrum of this unique mission. Cooperative Threat Reduction programs address the non-proliferation of known WMD; detection programs address counter-proliferation, particularly interdiction of unknown items; and DTRA's exercise programs address our consequence management responsibilities, reassuring our partners and Allies regarding EUCOM capabilities. Programs, such as the Global Initiative to Combat Nuclear Terrorism and the Proliferation Security Initiative, which seek to deny access at the source and build capacity for interdiction in transit, form the most effective framework to prevent WMD use. In this regard, the Nunn-Lugar program has been very successful in mitigating the risk posed by WMD through non-proliferation projects to reduce and secure WMD materials and weapons. In recent years, the Nunn-Lugar program has expanded to build partner capability to interdict WMD in transit, making it a significant aspect of the counter-WMD effort.

Train and Equip programs continue to develop partner nation GWOT capabilities. EUCOM recently completed the Georgia Sustainment and Stability Operations Program II (SSOP) to prepare Georgian forces for deployments in OIF and now use this as a yardstick for success for future similar programs. Georgia is now the third largest contributor to OIF, providing over 7,800 troops since 2004.

The Georgia-U.S. mil-to-mil relationship is an excellent example of a partnership that significantly benefits both the partner nation and the United States. The United States and Georgia have developed a solid, cost-effective partnership dedicated to promoting peace and stability and countering terrorism. With three land force brigades forming the core of their armed forces, Georgia is the largest per capita contributor of forces to OIF after the United States.

Additionally, for the past three years the U.S. Army in Europe (USAREUR) has provided tactical human intelligence (HUMINT) collection and management training to our NATO Allies, to include Estonia, Latvia, and Lithuania. Recently, the initiative led to the training of the HUMINT force in the Romanian Army. As a result, Romanian HUMINT teams have been embedded within U.S. forces during the last two Balkans rotations. We look forward to expanding this program to other countries in the AOR eager to build needed military capabilities.

Humanitarian Assistance (HA) Programs are a way to shape perceptions and place the U.S. in a positive light, especially in areas susceptible to adopting extremist ideologies. EUCOM'S HA programs continue to steadily increase in scope and importance. EUCOM HA consists of three programs: the Humanitarian and Civic Assistance (HCA) Program, the Humanitarian Assistance-Other (HA-Other) Program and the Humanitarian Assistance Program-Excess Property (HAP-EP).

Our projects complement USAID efforts, enhance regional security cooperation, and are a vital tool for advancing U.S. interests throughout the region. They are an avenue for training U.S. troops while promoting U.S. interests abroad. Humanitarian Assistance helps stabilize and secure regions, generates positive public relations for DoD and the U.S. government, bolsters a country's capability to respond to disasters (thereby mitigating future DoD involvement), and serves as an example of what a professional military can accomplish. While the EUCOM HA budget is small compared to other SC activities, it has a disproportionate impact as a highly visible and a very positive engagement influence activity.

FY08 HA program funding is \$15.9M (including \$12.3M for Africa) for projects to be conducted in 57 different countries, ranging from providing

medical care, building and furnishing schools and clinics, digging wells, providing clean water in rural and austere locations, to providing disaster relief. This is a 53 percent increase over FY07 funding of \$10.4M.

U.S. military engineers have engaged in projects as part of Department of State-led initiatives in the Congo and Niger and are supporting USAREUR-led operations in Romania and Bulgaria. Projects identified for community support included the renovation of schools, medical facilities, and orphanages in these emerging partnership countries. The impact of these 36 engineers and a mere \$182,000 in construction materials solidified critical relationships in theater and improved our ability to work jointly with new partners.

EUCOM is an active participant in the *U.S. Humanitarian Mine Action (HMA) Program*, executed by DoD, DoS, and USAID. HMA assists in relieving the plight of civilian populations experiencing adverse effects from landmines and explosive remnants of war. EUCOM's efforts span 15 nations on three continents, with a focus on training the trainer and providing a mine action force multiplier capacity.

The *Caspian Regional Maritime Security Cooperation Program* is designed to coordinate and complement U.S. government security cooperation activities in Azerbaijan and Kazakhstan. U.S. Naval Forces Europe continues to promote Maritime Safety and Security and Maritime Domain Awareness in the Caspian Sea through routine engagement with Azerbaijan. These efforts are targeted to create an organic ability within Azerbaijan to "observe, evaluate, and respond" to events in their maritime domain. Russia, the only other EUCOM nation bordering the Caspian, has rejected involvement of non-Caspian nations in the region.

Additionally, the Caspian Sea's location on the seam with CENTCOM, and the critical support Caspian nations provide for Operations IRAQI FREEDOM and ENDURING FREEDOM make coordination of efforts between NAVEUR and Naval Forces Central Command (NAVCENT) critical to promoting security efforts in the region. To this end, NAVEUR and NAVCENT have begun shared flag-level interactions, shared responsibility for Theater Security Cooperation events, and have assigned staff points of contact to provide for coordinated interaction and unity of message.

EUCOM *Regional Center for Security Studies* providing professional development of emerging civilian and military leaders, reinforcing ideals of democratic governance and stable apolitical militaries, and facilitating long-term dialogue with and among current and future international leaders.

Co-sponsored by the U.S. and German Governments, the George C. Marshall European Center for Security Studies located in Garmisch-Partenkirchen, Germany is EUCOM's leading proponent for security sector education. The Center has built a strong reputation in the region and has proven to be an essential asset in the execution of EUCOM's regional strategy. Its alumni represent a networked community of more than 5,000 security sector leaders from over 100 nations, including nearly 200 distinguished alumni who have risen to parliamentary and ministerial leadership levels of government or who have become senior defense officials or their nation's highest ranking military officers. This network has proven invaluable for harmonizing views on common security challenges in the region.

The Marshall Center provides a range of resident and non-resident security educational programs that are essential to EUCOM's effort to enhance the security sector capacity of our Allies and partners. It is developing partner capabilities for democratic governance, combating terrorism, conducting stability operations and homeland defense. Marshall Center programs and activities are vital strategic communications platforms, greatly enhancing our ability to explain and elicit partner nation support for combating a host of shared security challenges facing the AOR.

The Defense Environmental International Cooperation (DEIC) program is another low cost, high impact program that is reaping dividends beyond its focus area. Established in FY01, the annual worldwide DoD budget for the DEIC program is between one and two million dollars with the FY08 DEIC funding level for the EUCOM AOR set at \$582,000. The cost of a typical project or event ranges from \$10,000 to \$80,000.

The Baltic Sea Spill Response Exercise, focusing on host nations' capabilities, plans, and procedures as they relate to spill response, is a recent example of the DEIC program. Representatives from the Republic of Azerbaijan, Denmark, Estonia, Finland, Georgia, Germany, Latvia, Lithuania, Poland, Sweden, and Ukraine participated in this successful exercise in response to an environmental spill. A second recent DEIC engagement activity was the Sustainability Workshop, held in October 2007 in Bucharest, Romania. The focus of this workshop was on the new strategy for the Romanian military and its effect on the environment. Discussions in the workshop centered on sustainable training ranges, land rehabilitation, and Geographic Information Systems.

Partnership for Peace (PfP) exercises support efforts to deepen defense and military cooperation between the U.S., NATO, and PfP partners. Enabling PfP with DoD Warsaw Initiative Funds (WIF) has proved successful in building

partner nation participation and cooperation in theater. FY08 WIF funding for the EUCOM theater is \$11M, an increase of 16 percent over the FY07 funding level of \$9.2M. DoD WIF provides an important source of funding for a number of partner countries that would otherwise be unable to participate in these important activities. DoD WIF pays for partner participation in NATO/PfP and *In the Spirit of PfP* exercises and conferences, the Civil Military Emergency Preparedness Program (CMEP) and OSD interoperability events that include U.S. participation. The focus is on peace support operations, search and rescue, emergency response, and consequence management interoperability events.

Regional cooperation through PfP greatly facilitates U.S. access to bases and overflight rights in the prosecution of campaigns such as OIF and OEF. Several PfP nations have provided basing, force protection at bases, and personnel to operations in Afghanistan and Iraq. Through exercises, Eastern European and Central Asian states became familiar with U.S. forces, methodologies, and leadership. Without this pre-established relationship, support to these U.S. operations would be harder to secure and incorporate.

WIF-supported PfP activities have also been remarkably successful in preparing nations for full NATO membership. Ten PfP states (Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, and Slovenia) have become NATO members since the program's inception. These new NATO members and twelve other PfP states (Albania, Armenia, Austria, Azerbaijan, Croatia, Finland, the Former Yugoslav Republic of Macedonia, Georgia, Ireland, Sweden, Switzerland, and Ukraine) provide forces to OEF/OIF and Kosovo.

EUCOM's *Clearinghouse Initiatives* ensure that U.S. SC actions are coordinated with other nations involved in the same region or issue. Clearinghouse Initiatives help deconflict programs to avoid duplication and to find ways to collaborate on matters of mutual interest. They exist in Africa, the South Caucasus, and Southeast Europe, and enable interested countries to share information about security assistance programs. The goal is to capitalize on limited resources by merging various SC programs into a comprehensive, synchronized regional effort.

Strategic Theater Transformation

Our forward-based and rotational forces are powerful and visible instruments of national influence and international commitment. Central to EUCOM's efforts is the completion of our Strategic Theater Transformation (STT) plan. This involves a basing strategy that seeks to sustain and leverage commitments to our long-standing Allies and U.S. operations in other theaters, such as OEF and OIF.

EUCOM's STT plan includes retaining eight fighter aircraft squadrons in the UK, Germany, and Italy. For ground forces, it includes two permanently stationed infantry brigade combat teams – a Stryker Brigade Combat Team in Germany and an Airborne Brigade Combat Team in Italy – along with two heavy Brigade Combat Teams in Germany that will return to CONUS by 2013. EUCOM's STT is closely synchronized with OSD, the Joint Staff, individual Services, and NATO to ensure that global efforts of other Combatant Commands, NATO, and the results of the Base Realignment and Closure (BRAC) Commission process in the U.S. are mutually supportive. STT aims at improving our effectiveness and operational flexibility, but it has at the same time significantly reduced costs.

Since this process began EUCOM has closed 43 bases and installations and returned approximately 11,000 servicemembers and 16,000 family members to the United States. Current plans anticipate the closure of several hundred other bases and installations, the return of over 32,000 more military personnel and over 43,000 more family members to the United States, and the downsizing of 14,500 DoD civilians and host nation employee positions by 2013.

Ballistic Missile Defense (BMD)

The spread of nuclear, chemical, and biological weapons and the ballistic missiles to deliver them is one of the central security challenges confronting the U.S. and its Allies. Iran already possesses ballistic missiles that can reach parts of Europe and is developing missiles that can reach most of Europe. By 2015 Iran may also deploy an Inter-Continental Ballistic Missile (ICBM) capable of reaching all of Europe and parts of the U.S.

The U.S. proposal for Missile Defense (MD) in Europe is to base a tracking radar in the Czech Republic and 10 long range interceptor missiles in Poland (similar to the interceptor missiles based in Alaska and California). The Central European location optimizes the defense of both Europe and the U.S. against longer range threats launched from the Middle East. While the U.S. system will provide initial long-range protection to much of Europe, areas of southeastern Europe would still be threatened by shorter-range ballistic missiles. NATO nations are already pursuing shorter-range MD systems that could improve their ability to defend against short-range ballistic missiles. In essence, the U.S. would focus on long-range defense while NATO systems handle shorter-range threats. Our combined efforts will help keep U.S. and NATO collective security closely linked by providing all members of the Alliance with defense against the full range of missile threats.

Russia has expressed opposition to this initiative, claiming it would threaten its national security. The system would be purely defensive in nature - it does not even carry explosives. The planned 10 defensive interceptors do not pose a threat to Russia's strategic deterrent, which includes hundreds of missiles and thousands of warheads. Moreover, the location of the site in Europe, while optimal for defending against longer-range missiles from Middle East, is such that U.S. interceptors would be incapable of catching Russian missiles in flight. The Russians are aware of these facts and the U.S. has gone to great lengths to consult with them on its plans at very senior levels - even offering to host Russians visits to U.S. MD bases in Alaska and California.

COMPONENT COMMAND ACTIVITIES

EUCOM's four theater Service Components - U.S. Army, Europe, (USAREUR), U.S. Air Forces in Europe (USAFE), U.S. Naval Forces Europe (NAVEUR), U.S. Marine Corps Forces Europe (MARFOREUR), and its functional subordinate unified command for special operations, Special Operations Command Europe (SOCEUR), are responsible for the implementation of our mil-to-mil programs across the AOR. Headquartered in Heidelberg, Ramstein, Naples, and Stuttgart, the Components provide critical capabilities necessary to build military capacity among partners and Allies, support military requirements, and promote vital national security interests through the use of military power.

U.S. Army, Europe (USAREUR)

EUCOM-assigned U.S. Army forces continue to provide extensive support to ongoing combat operations in Iraq and Afghanistan. They are heavily engaged in EUCOM's efforts to build partner military capacity and provide an expeditionary stance through strategic positioning of forward-stationed forces.

Support for GWOT. USAREUR remains heavily engaged in the GWOT. During the past year, all USAREUR combat forces returned from or deployed to OEF and OIF. The 2d Brigade Combat Team (BCT) of the 1st Infantry Division recently returned from Iraq and is currently reconstituting. The 1st Armored Division headquarters with its 2d BCT is currently serving in Iraq. The 2d Stryker BCT is also in Iraq. The 173d Airborne BCT is deployed to Afghanistan. In addition to these combat forces, USAREUR has provided the 12th Aviation Brigade, the 18th Military Police Brigade, one Military Police battalion, the 18th Engineer Brigade, an Engineer battalion, a Signal battalion and several companies and detachments in support of OEF and OIF. As a forward-postured headquarters, USAREUR also continues to provide key logistical support to forces in Kosovo, Iraq, Afghanistan, and Africa.

Building Partner and Coalition Capability. The protracted nature of irregular warfare has significantly increased the importance of partnership capacity in meeting common security objectives and with it the need for persistent forward presence to help partners build such capabilities. Despite the deployment of its own units, USAREUR has played a leading role in promoting the transformation of European armies into effective expeditionary partners for ongoing and future operations.

Since 2005, USAREUR's Joint Multinational Training Command (JMTC) in Germany has trained over 19 battalion equivalents from 22 partner nations in the EUCOM AOR for OEF or OIF, ISAF, and the Kosovo Force mission (KFOR). JMTC training focuses on building individual partner expeditionary capacity, as well as developing robust interoperability among partner militaries through collective multinational training.

In 2007, JMTC conducted training for the soldiers and staff of the 43rd Multinational Brigade as the unit prepared to assume command of ISAF's Regional Command (South). The brigade, built around the Netherlands' 43rd Mechanized Infantry Brigade, consists of soldiers from 20 NATO countries with a headquarters comprised of members from Canada, the United Kingdom, and the Netherlands. These examples highlight how the JMTC prepares NATO partners to fulfill critical military roles in Afghanistan and Iraq that had previously been performed by U.S. forces.

Recognizing the importance of its contribution to EUCOM's Strategy of Active Security, USAREUR continues to execute a robust schedule of bilateral and multilateral exercises in Europe, Africa, and the Caucasus. While deploying, sustaining, and redeploying forces in support of OIF and OEF, USAREUR uses remaining forces, heavily leveraged with National Guard and Reserve units, to execute over twenty engagement exercises per year. In 2008, USAREUR will conduct exercises in Georgia, Israel, Russia, and Ukraine, as well as a host of others throughout the AOR. These exercises are designed to enhance partner interoperability in support of current and future U.S.-led coalitions, and provide HA support in the form of Medical and Dental Civic Action Programs.

Setting an Expeditionary Stance. USAREUR continues to reduce its installation footprint on a timeline synchronized with BRAC requirements and the modular transformation of enduring Army forces. Last year, USAREUR returned the 1st Brigade Combat Team of the 1st Armored Division and the 3d Corps Support Command to the U.S., and inactivated V Corps Artillery headquarters. 1st Armored Division HQ (Wiesbaden) is expected to return in 2011, followed by 2d BCT/1AD (Baumholder) in 2012, and 2d BCT/1ID (Schweinfurt/Grafenwohr) in 2013. By 2009, USAREUR will have transformed into the new Seventh Army (7A) configuration, a process already begun through the

merger with V Corps to form 7A headquarters. When all transformation actions are complete in 2013, 7A brigades and battalions will be fully restructured and efficiently garrisoned across six Main Operating Bases (MOB) (Wiesbaden, Grafenwoehr-Vilseck/Hohenfels, Ansbach, Baumholder and Kaiserslautern, Germany; and Vicenza, Italy). 7A will have the 2d Stryker Cavalry Regiment stationed at Vilseck; the 173rd Airborne Brigade Combat Team stationed at Vicenza, Italy; and Joint Task Force-East (JTF-E) headquarters established and operating from Romania and Bulgaria, with Forward Operating Sites (FOS) in the Black Sea Region.

Although we are reducing our footprint, our forward presence affords unique advantages in building partner and coalition capability. It serves as an expeditionary role model, catalyzes transformational efforts through more frequent engagement and continuity, builds habitual relationships and trust, and provides opportunities for partners to train alongside U.S. units, thereby building partner confidence and willingness to participate in coalition operations.

U.S. Naval Forces, Europe (NAVEUR)

U.S. Naval Forces Europe (NAVEUR) continues to build and maintain naval core competencies of leadership and combat readiness to counter any adversary. NAVEUR's presence not only strengthens relationships with enduring Allies and emerging partners, it also develops maritime capabilities in the AOR's southern and eastern regions.

NAVEUR's main-pillar activity is building maritime partnerships. Over the past few years, NAVEUR has shifted course to focus increasingly on international efforts in the Black and Caspian Seas, as well as in Africa. NAVEUR is using its maritime expertise to support and encourage prosperity and development by improving regional Maritime Safety and Security (MSS).

NAVEUR-led Exercise BALTOPS 07, conducted in the Baltic Sea, demonstrated the ability of 10 NATO and PfP nations, to include Russia, to form and integrate multinational and regional task forces. These structures enhance regional maritime security and contribute to proliferation security initiatives, while improving interoperability and command, control, and communications.

The multilateral Exercise SEA BREEZE 07, led by Ukraine and the U.S., enhanced the capabilities of PfP nations within the Black Sea region in the areas of maritime interdiction, security and stability, and expeditionary operations, as well as improved regional cooperation.

In the Caspian Sea, NAVEUR is promoting Maritime Safety and Security and Maritime Domain Awareness with Azerbaijan. These efforts will assist

Azerbaijan in developing an organic capacity to observe, evaluate, and respond in their maritime domain.

A critical aspect of Maritime Safety and Security is awareness of activities in the maritime environment. Maritime Domain Awareness provides participating nations the capability to network maritime detection and identification information with appropriate national defense and law enforcement agencies. Transparency and partnership are vital to its success.

The first step to achieve Maritime Domain Awareness is the Automatic Identification System (AIS). Similar to the FAA system for aircraft identification, AIS is utilized around the globe but data has not been widely shared. Through NAVEUR initiatives, 31 nations now share unclassified AIS data through the Maritime Safety and Security Information System (MSSIS). \$5.8M of Section 1206 funds for FY08 will equip and train 16 African nations with MSSIS. To develop this initiative further, DoD has requested authorization from DoS to negotiate and conclude information sharing agreements with countries in the EUCOM and AFRICOM AORs for MSSIS (Circular 175).

NAVEUR's commitment to enduring partners remains steadfast through force contributions to Standing NATO Maritime Groups. These exercises have the benefit of enhancing the Alliance's capability and readiness to conduct full spectrum operations. We continue to work closely with the AOR's coastal states to encourage participation and cooperation in the program.

In addition to pursuing EUCOM's SC strategy, NAVEUR continues to maintain its core warfighting capabilities and fleet assets. FLEXIBLE LEADER '07 tested NAVEUR's ability to operate independently aboard the USS MOUNT WHITNEY command ship. As a result of these and other efforts, NAVEUR is certified as a headquarters under the new Joint Forces Headquarters (JFHQ) certification process and the first numbered fleet to be certified as a Joint Force Maritime Component Commander Headquarters (JFMCC HQ).

Developing Navy leaders is an enduring priority. NAVEUR's mission requires some skill sets not previously emphasized for U.S. Navy professionals. Several initiatives are in place to develop regional knowledge and expertise, including use of the Navy's Center for Language, Regional Expertise and Culture (CLREC); the Naval Postgraduate School (NPS); and the Naval War College. Additionally, the NPS Regional Security Education Program (RSEP) provides insight into the religion, economics, history, culture, and politics of countries surrounding the Black and Caspian Seas. Partnering with our Reserve Components, NAVEUR is placing Maritime Assistance Officers downrange to assist country teams with maritime activities, enabling and enhancing our execution of security cooperation. Their presence provides insight into maritime culture, attitudes, and capacity - all necessary in

understanding where we can best assist each country in building Maritime Safety and Security.

NAVEUR has continued its transformation with the closing of several facilities. In September 2007 all bases in the central London area were closed and Commander, U.S. Naval Activities United Kingdom was disestablished. Also in September, the USS EMORY S. LAND departed for a new homeport in CONUS. Naval Support Activities La Maddalena, Italy, was disestablished in February 2008. Naval Support Activity Naples Department Gaeta, Italy, continues to reduce its presence as well.

NAVEUR is developing manning and logistics requirements for supporting AFRICOM and EUCOM as AFRICOM attains Full Operational Capability (FOC) in October 2008.

U.S. Air Forces, Europe (USAFE)

USAFE is a key force provider in the form of tactical combat air forces and airlift assets for OIF and OEF. In 2007, USAFE units flew over 17,000 combat-fighter hours and nearly 6000 tanker/transport hours supporting Operation JOINT GUARDIAN, OIF, and OEF. Furthermore, USAFE has deployed seven of its eight fighter squadrons, nearly 100 percent of its heavy airlift crew and aircraft, and nearly 50 percent of its forward-based Airmen in support of the GWOT. To plan and execute EUCOM's quick-strike capability, USAFE operates a fully functional Falconer Air Operations Center (AOC).

USAFE's Control and Reporting Centers have provided 100 percent of OEF tactical-level battle management command and control capability in Afghanistan since 2005. In addition, they are responsible for operations at Al Udeid AB, Qatar through September 2008.

Direct support of the GWOT is provided by virtually all USAFE bases and units. USAFE main bases and Geographically Separated Units (GSUs) throughout the EUCOM AOR enable Global Attack, Global Mobility, Coronet, Air Bridge, Force Extension and Theater Support air refueling missions. USAFE air mobility hubs at Incirlik AB in Turkey, Ramstein and Spangdahlem ABs in Germany, Moron AB and Rota NAS in Spain enable crucial logistical support of U.S., Allied, and coalition forces fighting in the CENTCOM AOR. Meanwhile, Lajes AB in the Azores (Portugal) serves as vital throughput for combat air and mobility air forces alike. Furthermore, the 435th Contingency Aeromedical Staging Facility at Ramstein processed over 12,000 patient movements - as many as 120 in a single day - during the past year. Sick and wounded patients received at Ramstein AB are treated at Landstuhl Regional Medical Center or are sent on to the U.S. for additional care.

In addition to fully supporting the GWOT, USAFE fulfills a variety of missions in support of EUCOM. Supporting both combat operations and

humanitarian assistance, it is EUCOM's lead agent for personnel recovery, Aerospace Expeditionary Force (AEF) rotation support, manned space flight support, theater mobility control, and medical evacuation. USAFE plays a vital role in EUCOM's SC strategy, having participated in over 200 TSC events in 45 countries.

Two operational highlights include USAFE support to NATO and Mobility Operations. USAFE provided continuous Combat Air Patrols in the skies over Riga, Latvia during the NATO Summit. This effort included fighter, mobility and support forces from five separate USAFE Wings. Approximately 500 Airmen deployed to seven European nations to support the Baltic Air Policing activities with additional aircraft, communications and maintenance support. Following that effort, a squadron of F-15Cs deployed to Skyrdsstrup, Denmark to improve tactical interoperability with our NATO partners. Also, in December 2007, USAFE completed the seventh deployment in which Airmen have assisted in rotating Rwandan troops in and out of Darfur. This latest phase airlifted 4200 troops and 18 personnel carriers in support of the African Union peacekeeping mission in the region.

USAFE is a key player in executing EUCOM Security Cooperation strategy. USAFE-led Exercise MEDCEUR 2007 in Moldova, a multinational medical training exercise. This Peace Support Operations exercise integrated the Air National Guard (ANG) and 434 participants from 13 different countries in Crisis Response, HA, DR, and Foreign Consequence Management operations. During the medical outreach portion of the exercise, Moldovan civilians were screened and treated for diabetes and hypertension, and given pediatric dental care. Participants also orchestrated Humanitarian Civic Assistance (HCA) projects involving a kindergarten renovation and an artesian well supporting a village of 2,700 residents.

A vital component of USAFE's presence in theater is cooperation and interaction with our NATO allies. USAFE conducted 19 Joint Chiefs of Staff (JCS) exercises in 16 different countries. USAFE-led Exercise NORTHERN VIKING 07, conducted in Keflavik, Iceland, provided training and experience in joint and combined air defense, sea surveillance, public relations, and counter-terrorism for U.S. and NATO forces. With no permanently stationed U.S. forces in Iceland, NORTHERN VIKING 07 successfully demonstrated continued support to U.S. treaty commitments to Iceland.

USAFE is also working to grow and sustain a strong, mutually beneficial relationship with the Russian Federation Air Forces (RFAF). Engagements in 2007 included Exercise TORGAU '07 and the Moscow Air Show. Numerous USAFE engagement activities, including weapons training, Deployable Air Traffic Control, Operational Airlift, and Close Air Support and Tactical Air Control Party engagements, are scheduled for implementation in 2008.

To further interoperability and extend capacity of limited U.S. Intelligence, Surveillance, and Reconnaissance (ISR) assets, USAFE continues to explore expansion of its traditional intelligence exchanges, while investigating new opportunities with partner nations. USAFE aggressively pursues the opportunity to work with partner nations which now possess, or are developing, airborne ISR capabilities. Robust coalition operations can be realized by building on these relationships and standardizing tactics, techniques, and procedures (TTPs).

In addition, USAFE and partner nations are simultaneously pursuing methods to integrate ISR architectures and leverage coalition assets to satisfy mutual requirements. For example, USAFE is engaged in an intelligence initiative with the United Kingdom to develop a shared/integrated net-centric ISR capability to support coalition partners. These actions have provided much-needed manpower relief and additional insight into complex problem sets for both USAFE and CENTCOM. Moreover, USAFE's Distributed Ground Station, DGS-4, began SIGINT Mission Management last fall and obtained a multiple-intelligence methods collection capability, improving accuracy and timeliness of actionable intelligence for theater warfighters. Of note, USAFE is currently planning the deployment of the 603 Air Operations Center to Romania in April, 2008. This will be a combined operations engagement which will entail 24 hour operations in support of the NATO Summit in Bucharest.

USAFE is the lead agent for the Air Force in working with AFRICOM and EUCOM to develop the construct and missions for the new Air Force Component to AFRICOM. USAFE will initially be in general support and will then exercise Administrative Control (ADCON) of Seventeenth Air Force (17th AF) after stand-up.

Looking toward the future, USAFE continues to restructure and streamline, reducing manpower by 3500 personnel and its Command headquarters by 50 percent. This will result in an increased reliance on technology and on assets in the U.S.

U.S. Marine Forces, Europe (MARFOREUR)

MARFOREUR continues to conduct operations, exercises, training, and SC activities in the region through the employment of a small staff of both active duty and RC Marines. Its streamlined posture affords flexibility to adapt to the dynamic demands of the GWOT, including its participation with EUCOM/SOCEUR in numerous OEF-TS activities, strategic prepositioning programs, maintenance support (including assigned personnel) to Landstuhl Regional Medical Center, logistical throughput for Mine Resistant Ambush Protected vehicles to OIF, as well as administrative support to Marines transiting to CENTCOM's AOR.

Marine Forces Africa (MARFORAF), as a Component of AFRICOM, is preparing to stand up by FY09. MARFOREUR is diligently laying the foundation of success for this focused command by infusing it with its already-developed regional knowledge base and preparing Marines for any and all contingencies on the continent. This includes developing appropriate courses of action for the short- and long-term geographical array of this new command and its organizational requirements.

In FY07, MARFOREUR conducted 15 exercises (11 of these being multi-service joint exercises), 31 mil-to-mil events (20 in Europe and 11 in Africa), and 14 DoS-sponsored ACOTA events. The areas of focus for the majority of these activities were West Africa/Gulf of Guinea and the Black Sea/Caucasus, and we will see an increase in the number of programs in FY08, with 30 events scheduled for Europe (20 in the Black Sea/Caucasus region). In short, MARFOREUR's SC activities continue to provide maximum impact with minimal forces.

MARFOREUR conducts exercises in the region involving Marine units up to the battalion/squadron-size level. Support to the Joint Exercise Program relies largely on the Marine Corps Reserve, offering unique annual training opportunities to U.S.-based forces while offsetting the impact of limited active duty force availability.

Non-Lethal weapons (NLW) continue to play an important role in supporting EUCOM's Strategy of Active Security. Through engagement, training, and capacity building, we expand our ability to positively impact Allied and partner nations across the AOR. Throughout 2007, as the executive agent for NLW, MARFOREUR has conducted NLW education and training programs aimed at both existing and emerging partners. This year, by integrating NLW weapons training in exercises SEA-BREEZE and NOBLE SHIRLEY, we have conducted NLW training for over 500 military personnel from Armenia, Georgia, Germany, Israel, Macedonia, Moldova, and Ukraine. NATO engagement has increased dramatically and will continue to grow in the future, as EUCOM actively participates in the newly created NATO governing body for NLW and continues to conduct NLW Professional Military Education at the NATO schools. Similarly, we continue to educate and train EUCOM forces in the employment of non-lethal capabilities in order to provide them with the flexible response options they require. NLW training is now a standard part of the Kosovo Force pre-deployment training package. By expanding our development of tactics, techniques, and procedures, we are making the most out of existing capabilities. Our greatest challenge in this arena is the technical limitations of the non-lethal capabilities that exist. Continuing focus on emerging technologies will allow greater expansion in this critical area.

The High Speed Vessel (HSV) is another program that enables more frequent, diverse, yet focused engagement activities with coalition and emerging partners across the EUCOM AOR. The vessel provides persistent "soft presence," enhances our strategic lift capability, and enables a broad spectrum of activities to include Phase 0 Theater SC. Continued support of the High Speed Vessel and Joint High Speed Vessel (JHSV) is critical to demonstrate commitment through presence and provide a broad spectrum of traditional crisis response and irregular warfare options throughout the EUCOM AOR.

The MARFOREUR Hospital Liaison Team (HLT) personnel at LRMC continue to provide the best care possible for wounded Marines medevaced out of the CENTCOM AOR in support of OIF, as well as facilitate the visits of family members that travel to Germany to visit these wounded Marines. From the beginning of the GWOT through October 2007, approximately 1700 wounded Marines have been treated at LRMC.

U.S. Special Operations Command, Europe (SOCEUR)

SOCEUR GWOT-efforts in 2007 focused on expanding strategic partnerships and building counter terrorism capacity of North African partner nations through OEF-TS. COMSOCEUR was also designated the director of the NATO Special Operations Coordination Center, the core element of the NATO SOF Transformation Initiative. This is a North Atlantic Council and U.S. Government approved and supported product of the Riga Summit, chartered to enhance SOF capacity among NATO partners. Finally, following the stand up of AFRICOM, SOCEUR implemented a transition team to support the establishment of SOCAFRICA.

SOCEUR's operations in the Trans-Sahara region gained momentum and made progress towards building a capable counter-terrorism capacity to enable governments to conduct operations against violent extremists operating within their borders. Partner enthusiasm and support for this capacity building was evident during Exercise FLINTLOCK in August 2007, when nine African and three European partner nations came together to conduct a counter-terrorism exercise across an area larger than the entire continental United States. This highly successful exercise forged relationships and developed a common understanding among participants about how to proceed against an insidious and shared problem set.

SOCEUR conducted 29 Joint Combined Exchange Training (JCET) events in 17 countries during 2007. These events have continued to develop our OEF-TS partner nations into more capable, professional militaries, with the added benefit of increased political support and commitment from their political leadership.

SOCEUR also continues to focus on transformation, and the command took the lead in promoting the transformation of NATO and partner nation SOF with the designation and stand up of the NATO Special Operations Coordination Center (NSCC). This initiative speaks directly to EUCOM's goal to generate greater capacity through NATO and European partner SOF by providing them with required capabilities. This will enable them to take a more proactive role in global defense efforts where our national interests intersect, and thus reduce the strain on U.S. SOF. COMSOCEUR was designated the Director of the NSCC and took as his first task the delivery of a SOF strategic assessment and overarching SOF strategy recommendation to the ISAF commander. Beginning with just a handful of loaned U.S. personnel, the NSCC became a true coalition organization by the end of 2007, reaching Initial Operational Capability with voluntary national contributions of 81 personnel from France, Germany, Italy, Spain, the UK, and the U.S.

In addition to its transformational role, SOCEUR expanded its efforts into Afghanistan by deploying a Special Operations Task Unit (one U.S. Special Forces company and associated staff officers) to support ISAF. This deployment was a tangible example of U.S. commitment to NATO success and demonstrated the ability to further increase NATO SOF capacity in Afghanistan. The NSCC's establishment as the NATO SOF proponent has already generated a desire and willingness on the part of Alliance and partner nations to contribute SOF to NATO operations in Afghanistan. Since the NSCC's initial assessment in February 2007, the number of NATO Special Operations Task Groups in ISAF grew from two to seven by the end of 2007, more than tripling NATO SOF combat power.

In FY08, SOCEUR plans to conduct 90 different engagement events with 23 countries in Europe and Africa. In addition to JCETs and bi-lateral training, SOCEUR supplements its tactical efforts by bringing senior officers and civil authorities from partner nations together to attend seminars and courses to promote exchanges about military aspects of good governance and interagency coordination. Furthering these themes, the command's information operations and civil affairs actions have focused on humanitarian activities, with messages designed to erode popular support for violent extremist organizations.

SOCEUR continues to deploy component forces and staff members in support of OEF/OIF, and contributes to EUCOM's initial crisis response force. During 2007, the Command deployed teams in support of EUCOM to Guinea and Zimbabwe to assist the DoS in preparing for potential non-combatant evacuation operations. In the 4th quarter of 2008, SOCEUR will conduct a major SOF exercise in Central and Eastern Europe, involving up to twelve nations and multiple U.S.

agencies and military commands in order to further develop partner SOF capacity and validate the command's crises response capabilities.

THEATER INVESTMENT NEEDS

EUCOM's ability to continue its transformation and recapitalization in Europe will depend in large measure on the investment provided for military construction (MILCON), Quality of Life programs, Theater Command, Control and Communications Systems, ISR, and Pre-positioned Equipment. The MILCON program is a critical aspect in enabling EUCOM to correctly align its assigned forces.

Theater Infrastructure

MILCON investments are programmed for those enduring installations that support EUCOM's transformation. We must, however, use sustainment, restoration and modernization (SRM) dollars and other resources to maintain non-enduring installations to acceptable standards until all the Soldiers, Airmen, Sailors, civilian employees and their families stationed at these locations redeploy. We do not invest MILCON resources in non-enduring installations.

Previous annual MILCON authorizations and appropriations have allowed EUCOM to begin to modernize and rationalize our basing and housing facilities. These authorizations and appropriations have supported our theater strategy by providing enduring infrastructure from which to operate. As these were discussed in detail in the 2007 EUCOM posture hearings, they will not be recapitulated here.

We must anticipate infrastructure requests beyond FY 08 for our future force structure. To that end, the FY 09 President's Budget requests a total of \$599.2M in MILCON funds for EUCOM (Enclosure 3). This investment will enable us to eliminate substandard housing and includes projects that will pay dividends as we divest non-enduring bases and consolidate our forces into more efficient communities.

STT and Operational Programs

Future requirements resulted in the FY09 MILCON request that includes \$246.9M for six significant STT and operational programs:

- \$119.0M for the 7th Army Theater Command and Control Facility at Wiesbaden, Germany, beginning the consolidation of 7th Army command and control capability and eliminating split-based operations (signal assets in Mannheim, intelligence capability in Darmstadt and Army headquarters in Heidelberg);

- \$19.0M for operational facilities supporting the Shadow Unmanned Aerial System (UAS) operations at the Grafenwoehr/Vilseck MOB;
- \$30.0M of the \$173M required (\$46M was funded in FY08) for completion of Army infrastructure at MOB Vicenza, Italy, and to consolidate the 173rd Airborne Brigade Combat Team (ABCT), the only split-based brigade in the Army;
- \$48.0M for a DLA-funded Logistics Distribution Center, at Gernersheim, Germany, to meet EUCOM's theater cross-docking requirements and streamline the distribution operations to support current and future contingencies;
- \$23.6M for fuel storage tanks and distribution at Souda Bay, Greece, providing additional fuel storage capacity and replacement of an existing but deteriorating JP-5 fuel line from the Marathi Depot to NSA Souda Bay;
- \$7.3M for construction of a fully AT/FP compliant Large Vehicle Inspection Station at RAF Lakenheath, United Kingdom

NATO Security Investment Program (NSIP)

EUCOM continues to advocate for NATO support to U.S. operational infrastructure requirements that can be directly linked to supporting the Alliance. Since 1996, EUCOM has been allocated over \$1B to perform projects ranging from harbor dredging to constructing medical treatment facilities. NATO identifies infrastructure requirements through Capability Packages (CP), which is a statement of military capability required to meet NATO military requirements. Other future projects may include improvements to fuel and aircraft infrastructure. This program has expanded operational capability throughout our AOR, particularly Ramstein AB, Germany, Aviano AB, Italy, and RAF Fairford, UK. NSIP reduces the need for MILCON and SRM money to fund many of EUCOM's requirements.

Quality of Life (QoL) Programs

The well-being of EUCOM's servicemembers and civilians and their families directly supports readiness, retention, the reinforcement of core values, and mission accomplishment. Our warfighters and their families continue to endure real and perceived hardships in an operational overseas environment impacted by transformation, extended deployments, record lows of the U.S. dollar compared to foreign currencies, and countries where off-base health care and dental support is unfamiliar. I am committed to helping sustain appropriate entitlements that compensate our servicemembers for their

sacrifices. Our collective efforts should match their commitment to duty and country with a pledge that we will strive to provide them with a standard of living comparable to the society they have committed to defend.

EUCOM's top QoL issues are: deployment and counseling support for servicemembers and families; Child, Youth, and Teen program support; dependent education programs provided by the DoD Dependent Schools - Europe (DoDDS-E); and improved access to health care and behavioral health counseling services. Paramount to achieving improvements to these programs is the need for adequate Operations and Maintenance (O & M) funding to sustain day-to-day operating requirements of these functions at an appropriate level. The importance of these programs is magnified in an overseas environment where members and families cannot rely on off-base options as they do in the U.S.

Deployment and Counseling Support

EUCOM has strengthened counseling services for servicemembers and their families. With the challenges of accomplishing the mission in today's high operations tempo environment, programs and services are required to assist personnel in coping with the rigors of serving, living and deploying while overseas. Supplementing overseas counseling through off-base providers is extremely challenging due to differences in language and standards of care. Component commanders have identified the current need of over \$18M for additional Family Advocacy Program treatment staff, community mental health staff, and post deployment outreach programs to meet existing servicemember and family needs. EUCOM will conduct a Deployment Support survey this spring to continue to identify requirements. It is imperative that EUCOM be able to continue to provide servicemembers, their families, and our support personnel with adequate and available behavioral and mental health counseling and services.

Child, Youth and Teen Needs

EUCOM and our Service Component commands consistently receive requests for increased support of child development centers, school age programs and youth and teen programs and services. Forty-four percent of EUCOM's civilian and military personnel have children. Consequently, EUCOM is dedicated to increasing funding for child, youth, and teen programs such as the child care subsidy, after school programs, summer camps, summer enrichment and summer school programs, gang prevention and awareness programs, and Drug Abuse Resistance Education (D.A.R.E.).

A recent EUCOM-wide survey identified a gap between our members' and families' child care requirements and the level and funding available to provide programs that meet their needs. Addressing this gap will improve

EUCOM's ability to conduct and sustain our diverse missions, especially in this era of continuously high operational tempo. Off-base options for child, youth and teen programs are limited by culture, language barriers, lack of U.S. standards of care and quality, availability, and above average costs compared with those at U.S.-based military communities.

Department of Defense Education Activity (DoDEA) Schools

EUCOM works with DoDEA and DoDDS-E to provide our children with quality educational opportunities. Ensuring DoDDS-E delivers a first class education is essential to EUCOM families, whose overseas location lacks the off-base schooling options found in the U.S. DoDDS-E has 90 schools serving EUCOM's 36,500 students. These schools represent almost half of DoDEA's inventory of 199 schools, and operating and maintaining them requires constant attention.

Delivery of a quality education depends on good facilities. This means DoDDS-E must modernize the aging schools in Europe. Some DoDDS-E schools are in facilities constructed prior to World War II.

With 45 percent of DoDEA's schools and 43 percent of DoDEA's students in the EUCOM theater, the health of the DoDEA budget is essential to the well being of our educational infrastructure in Europe. While EUCOM has benefited from DoDEA MILCON funding across the Five Year Defense Program (FYDP), it still has over \$191M in critical MILCON school requirements for Army and Air Force installations in Europe. The result is that projected annual DoDEA MILCON funding is inadequate to meet EUCOM school requirements. Adding to this difficult infrastructure challenge is DoDEA's inability to provide adequate SRM funds to maintain existing aging facilities. The inevitable outcome of this situation is being played out in Europe, where our children are cramped in long-standing temporary buildings, unable to clean up after physical education, rushing through multiple-stage lunch periods, etc. Keeping in mind there are virtually zero off-base schooling options, we support an increase to DoDEA's MILCON funding to help meet EUCOM's requirements.

EUCOM appreciates continued Congressional support to make school construction a top quality of life priority for overseas families. Giving students and their families an education comparable to what they would find stateside will mean improved recruiting and retention.

Medical and Dental Care

Family member access to both medical and dental care is challenging overseas. EUCOM's military medical treatment facilities (MTFs) must prioritize their limited resources to ensure a ready military force. Many of

EUCOM's health care providers are deploying to support the GWOT, further worsening availability of care.

As a result, the already-limited, space-available care may not exist and our families are frequently referred off-base to receive host nation medical and dental care. EUCOM family members must often use local community medical and dental services characterized by providers who speak a different language, manage care according to the standards of their culture, and are difficult to access and understand when compared to on-post care in a MTF.

The unique circumstances overseas dictate reliance on U.S. medical care professionals and liaisons to assist family members in accessing care in an often cumbersome, routinely frustrating health care system. The weakened dollar further stresses families, as upfront costs are higher and insurance limits (expressed in U.S. dollars), especially in dental care, are reached much sooner than in the U.S. This presents a huge challenge to EUCOM's ability to sustain an adequate QoL. Our success in strengthening programs, obtaining resources and deploying beneficiary awareness campaigns will lead to healthier communities.

Family Housing

EUCOM QoL construction investments affirm our commitment to servicemembers and their families. Our request for family housing construction, renovation, and replacement projects provides housing for the 7th Army move to Wiesbaden and meets the Defense Planning Guidance (DPG) requirement to eliminate inadequate housing, ensuring our forces have quality housing and barracks. Investment in commissaries and exchanges ensures our servicemembers and their families have access to the supplies and services they need.

Our programmed family housing investments will meet DPG standards by FY09. Also, NAVEUR and USAREUR continue to improve their housing inventory through the Build-to-Lease (BTL) program. Through this program, USAREUR has begun the process of improving Grafenwoehr with 1,600 new units and is planning to acquire 215 more Build-to-Lease units in Vicenza. Each Component continues to explore additional BTL housing opportunities throughout Europe to meet their housing requirements.

EUCOM requested the following QoL projects in the FY09 MILCON submission:

- \$291.3M for family housing construction, renovation and replacement:
 - \$153.0M to construct 326 housing units at Wiesbaden in support of 7th Army consolidation;
 - \$71.8M to construct 182 replacement housing units at Lakenheath, UK;

- \$86.4M for renovation of 372 housing units to meet the family housing requirements at Wiesbaden, Germany; RAF Lakenheath, Alconbury and Menwith Hill, UK; and Lajes AB, Azores.
- \$65.0M for Exchange and Commissary projects at Spangdahlem and Ansbach, Germany and Vicenza, Italy.

Theater Command, Control, and Communications Systems, and ISR

Communicating and sharing information across an expansive theater is a critical capability and an essential enabler to EUCOM's strategic mission. Whether conducting activities in the EUCOM or AFRICOM AORs or in a supporting role to CENTCOM and PACOM operations, the ability to talk, share information and command forces over three continents is provided by EUCOM and its partners' Command, Control, and Communications (C³) network infrastructure.

The U.S. increasingly relies on its network of coalition partners to carry out missions abroad. Each participating nation brings unique hardware, software, and data structures for command and control purposes, driving the required investment in international communications standards. Information sharing initiatives remain key requirements for the EUCOM AOR. These capabilities are essential in improving our Allies' and partners' abilities to share intelligence information and provide for robust command and control for coalition operations and collaboration on non-military projects which respond to humanitarian crises and other related regional threats.

In both the EUCOM and AFRICOM AORs, investment in international communications standards will promote "plug and play" capabilities for sharing of operational command and control information across national boundaries, thus increasing the timeliness and effectiveness of coalition communications during combined operations. EUCOM is ensuring a seamless transition with AFRICOM to ensure that current information sharing initiatives which are focused on Africa are not lost, reduced or disrupted as AFRICOM approaches FOC.

Additionally, maintaining a robust Combined Interoperability Program solidifies coalition communications capabilities and security to support EUCOM's SC program. Our overall communications strategy is to continue to build partner nation capacity for information sharing and to execute internal and cross-boundary operations.

Our Strategy of Active Security places forces in regions not currently supported on a day-to-day basis by the DoD Global Information Grid (GIG). Establishing network capabilities to support operations in remote areas can only be accomplished with reliable satellite resources. This satellite network enables the joint force by providing secure access and distribution of critical C³ ISR, and logistics information. In order to achieve a high level

of agility and effectiveness in a dispersed, decentralized, dynamic and uncertain operational environment, our MILSATCOM architecture must be robust and ready.

Today, current MILSATCOM systems are fragile and over-utilized. The proposed replacement architecture is plagued with delays and unacceptable disconnects between space and ground segments. We need to commit resources to address architectural inadequacies or accept that we will have serious shortfalls and a loss of our current capabilities that are already stressed.

Our increased reliance on networked capabilities and the value of information riding on those networks has become more critical each day. While a network-centric, web-enabled force offers a tremendous advantage in carrying out nearly every dimension of our national strategy, it will be our greatest vulnerability if left inadequately protected. What has been characterized as a "cyber riot" in Estonia this past summer was a demonstration of the potential havoc that can be created by a better-resourced and technically advanced opponent. The network is our most vital non-kinetic weapon system. We need continue prioritizing investment to safeguard the most powerful tool we have in this century: information and the knowledge it can engender.

Strategic Mobility and Maneuver

Strategic and tactical airlift are essential elements of EUCOM's Strategy of Active Security. Meeting the objectives of this strategy, particularly robust Theater Security Cooperation, requires dependable and available airlift. Further, we envision increased lift requirements as a result of the increased engagement in Africa facilitated by AFRICOM. Equally important, our ability to respond rapidly to crises depends on readily available strategic lift platforms capable of covering the vast expanse of our AOR. For example, the distance between Central Europe and Sub-Saharan Africa is equivalent to that between Europe and California. EUCOM's current fleet of C-130s, which cannot carry out-sized cargo, lack the range or capacity to support the rapid movement of forces or humanitarian assistance throughout the theater. To this end, EUCOM will continue to pursue increased organic tactical and strategic lift capability to enable the full range of engagement and contingency activities.

The mobility infrastructure within Europe and Africa continues to be an integral part of the national strategic mobility effort. In recent years, EUCOM has inherited significantly increased responsibilities in, and through, our theater directly supporting the War on Terror. EUCOM is meeting these challenges, and our existing mission requirements of training and engagement with Allies and partners, through key programs of support.

In the near term, EUCOM is actively addressing emerging requirements to the South and East, including en-route expansion possibilities and locations, new air and sea port uses, and continued support to AFRICOM. EUCOM's infrastructure is evaluated through the TRANSCOM Global En-Route Infrastructure Steering Committee and the Installation Planning Review Board in order to shape EUCOM's strategy and funding requirements. From FY06 to FY13, EUCOM has requested \$91.8M in MILCON for seven EUCOM en-route infrastructure projects. Additionally, the NATO Security Investment Program provides cost recoupment opportunities for EUCOM while increasing the capabilities of the Alliance.

Future EUCOM en-route infrastructure requirements will continue to be shaped by emerging global access demands from changes in the long-term EUCOM force posture, seam regions such as the Caucuses and Central Asia, trans-regional mobility support to CENTCOM, transition planning for AFRICOM, and NATO/ISAF operations.

Pre-positioned Equipment

Continued support of the Services' Pre-positioned War Reserve Materiel (PWRM) programs demonstrates commitment through presence and preserves a broad spectrum of traditional crisis response and irregular warfare options globally. As we transform and transition to a more expeditionary posture, there is a heightened need for PWRM equipment sets in strategically flexible locations.

All four Services maintain PWRM in EUCOM's AOR, either on land or afloat. USAFE continues to maintain PWRM in theater, with centrally managed storage sites in Norway and Luxembourg. Equipment includes Basic Expeditionary Airfield Resources (BEAR) kits postured for CENTCOM and PACOM, as well as multiple classes of flightline support equipment for exercises, maneuvers, and operations in the EUCOM AOR. USAFE also maintains a stock of pre-positioned equipment in the UK for support of Air Combat Command bomber beddown.

Many stocks have been drawn down to support OEF and OIF and they will not be reset until at least 2015. Over two-thirds of the Marine Corps Pre-positioning Program-Norway (MCPN) and the Maritime Pre-positioned Force (MPF) programs are being used in direct support of OIF and OEF. Equipment was also drawn out of the EUCOM MPF program to outfit additional combat units in support of the Marine Corps expansion. The Department of the Army's Heavy Brigade Combat Team pre-positioned set from Camp Darby near Livorno, Italy, is being used to support OIF and OEF as well.

Continued Service investment in this capability is necessary to ensure that a fully flexible range of options remains available to Combatant Commanders globally. EUCOM is actively involved in DoD-led studies examining the global disposition of PWRM and is working to ensure our strategic direction and operational requirements are incorporated in these studies and ultimately in an overarching DoD PWRM strategy.

Partner and Coalition Interoperability

COMBINED ENDEAVOR (CE) is the largest and most powerful Security Cooperation, Communications, and Information Systems exercise in the world. It is sponsored by EUCOM and brings NATO, PfP members, and other nations together to plan and execute interoperability scenarios with national systems in preparation for future combined humanitarian, peacekeeping, and disaster relief operations. Further, results are published in the CE Interoperability Guide, enabling multinational communicators to rapidly establish command and control systems for the force commander. The rapid integration of past participants into the UN Mission in Lebanon, tsunami relief, ISAF deployments and multinational divisions in OIF were salient examples of COMBINED ENDEAVOR'S effectiveness. CE '08 emphasis includes network security, multinational common operational picture, friendly force tracking, as well as information sharing and collaboration with NGOs. CE '08 will provide communications support to Exercise MEDCEUR, affording CE participants a venue to address TTPs in an operational environment.

The Coalition Warrior Interoperability Demonstration (CWID) is an annual event that enables the Combatant Commands (COCOMs) and the international community to investigate command, control, communications, computers, intelligence, surveillance, and reconnaissance (C⁴ISR) solutions that focus on relevant and timely objectives for enhancing coalition interoperability. CWID investigates information technologies that will integrate into an operational environment within the near term. CWID is also a venue for information technology development or validation of fielded or near-fielded commercial, DoD, and partner systems to reduce fielding costs or programmed transition timelines.

Our efforts to build partnerships and improve interoperability with nations in the EUCOM AOR are progressive and ongoing. Sharing common equipment with our partners and Allies is an ideal way to minimize interoperability problems and maximize the benefits of shared costs. However, we are challenged by a lack of coordination among the individual Services' Foreign Military Sales (FMS) activities. Breaking down these stove-pipes will help enhance our coordination and strengthen the overall TSC effort in theater.

There are also policy challenges that are preventing us from fully pursuing the intent and the means of Theater Security Cooperation. For example, the U.S. has sold secure communications equipment to partner nations. While our national policies have enabled us to share keying material for coalition activities, the same policies prohibit our partners from using the same material for their own national purposes. They are often compelled to purchase additional equipment from other sources to gain that desired capability. By leaving our partners unable to use U.S.-sponsored capability internally, we have in some ways left them less capable than they were prior to obtaining this equipment. The U.S. must carefully but expeditiously remove roadblocks to building our critical trust relationships and better coordinate military sales and technology transfer efforts.

As has been described above, EUCOM has significant competencies, relationships, and resources to draw upon in order to promote security and stability throughout the region. One of the primary ways that we mitigate the risk to our own security is through building strong relationships with our partner nations. Our Theater Security Cooperation programs form a foundation for shared and interoperable capabilities response to contingencies.

Legislation enabling the Combatant Commander to build partner nation capacity will enhance our nations flexibility to build enduring relationships that will empower other nations to address our common threats to the free world.

Combatant Command Budgetary Authority Flexibility is essential to maximize COCOM responsiveness and agility in confronting the constantly changing geostrategic landscape in which we operate. This Budgetary authority requested would be the ability to redirect resources to align financial authorities with the operational responsibilities of the COCOM.

Another way to provide the COCOM the agility to adapt to the evolving environment would be to expand current authorities to fund partner nation training. Section 1206 capacity building authority allows Combatant Commanders, working jointly with Ambassadors, to rapidly train and equip partner nation forces for urgent or emergent counter-terrorism or security cooperation missions. From project nomination to implementation, this is a coordinated, dual-key program that is more flexible than other traditional programs. FMF operates on a two-year budget cycle; 1206 is designed to respond to emerging crises or opportunities. Given the tremendous need for capacity-building and to meet emergent threats and opportunities, I fully support both the extension of Section 1206 authority and the \$750M in the President's Budget for FY09.

Reform of the Security Cooperation Structure is crucial to streamline the process where COCOMs, in coordination with the interagency, plan and conduct SC activities. We need reforms that will significantly improve our ability to help friendly nations develop capabilities to better govern and secure their interests and to work effectively in concert with our forces. A reformed SC structure must increase the speed and efficiency with which we can start programs to meet emerging requirements and ensure we have the right resources on hand. It must assist with logistical support and equipment for our partners deploying alongside of, or instead of, our own forces. It must enhance mutual understanding and build relationships by increasing shared education, facilitating common doctrine, and increasing our ability to work closely with Allies. It must also increase our flexibility for both planned HA and stabilization activities and for commanders to provide immediate assistance during operations to meet the critical needs of local populations.

Theater security cooperation relies on many different sources of funding, only a few of which are directly controlled by EUCOM. The DoS's Foreign Assistance process covers numerous program areas ranging from counter-terrorism, to stabilization operations, to disaster readiness. Institutional barriers and resource limitations hinder effective coordination, within DoD and across the interagency, in the planning and implementation of existing security cooperation programs such as FMF and IMET. The resulting lack of unity of effort limits our ability to capitalize on emerging opportunities and degrades EUCOM's ability to build the capacity of partners and Allies in the AOR.

Legislation geared toward streamlining current Title 10 and Title 22 statutory SC authorities would certainly increase the agility and effectiveness of the designated agency responsible for executing these programs. Section 1206, Building Capacity of Foreign Military Forces, legislation enacted in 2005, remains an important framework for a more comprehensive SC reform effort and should be continued. An improved process will better achieve our nation's foreign policy objectives.

EUCOM AND NATO

We recognize that many of the challenges in the current security environment exceed the capacity of any one nation to resolve. Today's threats require a strategic partnership among nations and a comprehensive approach by the international community, involving a wide spectrum of civil and military instruments. EUCOM's efforts are coordinated with, and complementary to, a broad range of national, international, and regional actors. Most notably, EUCOM remains the focal point for the U.S. commitment to the NATO Alliance.

Across the NATO Military Command Structure, U.S. military leaders are privileged to hold positions of influence, with responsibility to assist in development of the Alliance agenda and support execution of its military operations.

Operational Imperatives within the Alliance

NATO's efforts to address common security challenges, including terrorism, consist of a wide range of initiatives and practical activities. With a clear unity of purpose, American forces, men and women of the Alliance, and 16 other troop-contributing nations are serving in operations on three continents - in Afghanistan, the Balkans, the Mediterranean, Iraq, the Baltic states, and Africa. The more than 60,000 deployed military forces currently under my command as Supreme Allied Commander, Europe (SACEUR) are a visible and effective demonstration of our collective resolve to project stability and to deter, disrupt, and defend against threats to the Alliance, wherever they occur.

The *International Security Assistance Force (ISAF)* remains NATO's most important and challenging mission. With over 48,000 forces, including more than 19,000 U.S. Soldiers, Sailors, Airmen, and Marines, the Alliance has responsibility for ISAF operations throughout Afghanistan. Working alongside additional U.S.-led coalition forces of OEF and other international actors, ISAF's mission is to provide security and stability, establishing the conditions in which sustainable reconstruction and development can take place, and supporting the Afghan government in extending its authority across the country.

The 25 Provincial Reconstruction Teams (PRT) under ISAF are the leading edge of NATO's efforts for security and reconstruction, bringing civilian experts together with military personnel in order to address unique regional needs in a coordinated manner.

Building an effective Afghan National Army (ANA) is crucial for long-term security in Afghanistan. While the development of the ANA lies primarily with the U.S.-led coalition, provision of direct support to the ANA remains one of NATO's key military tasks. Indeed, one of our most significant priorities lies in the commitment of Observer, Mentor, and Liaison Teams (OMLT) in order to create an enduring Afghan force, capable of independent and sustained operations. NATO has yet to meet its commitment for training the ANA and must do better, both in quantity and quality.

The *Kosovo Force (KFOR)* mission will continue under NATO leadership, providing a safe and secure environment following Kosovo's declaration of independence. NATO reaffirms that KFOR shall remain in Kosovo on the basis of UNSCR 1244 and KFOR will continue to execute this mandate in an impartial

manner in accordance with its Operational Plan. NATO will respond resolutely to any attempts to disrupt the safety and security of the population of Kosovo. KFOR is the most trusted security organization in Kosovo and is well positioned, well trained, well prepared, and committed to provide a safe and secure environment to stem any large-scale violence. EUCOM remains fully committed in its effort to support NATO and KFOR, and contributes approximately 10% of the 16,000 international troops currently in Kosovo. The vast majority of U.S. troops located in Multi-National Task Force East at Camp Bondsteel are National Guardsmen, who will remain in Kosovo until December 2008. Due to recent violence and an uncertain political climate which threaten stability, KFOR will operate in a manner of increased vigilance.

Operation ACTIVE ENDEAVOUR (OAE), the only operation currently conducted under Article V of the Washington Treaty, is focused on defending against terrorist-related threats in the Mediterranean. Maritime forces of OAE are patrolling sea lines of communication, sharing relevant intelligence and information, escorting ships, and conducting compliant boarding of suspect ships. Non-NATO contributions to this mission in 2007 included the integration of ships from Ukraine and Russia into the NATO Task Force.

The Alliance supports Iraqi security forces through *NATO's Training Mission-Iraq (NTM-I)* both in Iraq and at educational facilities across Europe. NATO has established the National Defense University in Baghdad, focused on training mid-level and senior officers. Most recently, the Alliance initiated a gendarmerie training program. Additionally, NATO has facilitated the acquisition and delivery of military equipment donated by NATO nations for use by Iraqi security forces.

NATO has assisted the *African Mission in Sudan (AMIS)* in expanding its peacekeeping mission in Darfur by providing airlift for troop rotations of peacekeepers, providing staff capacity-building activities in key African Union (AU) headquarters, and deploying mobile training teams to work with their AU counterparts. NATO's capacity-building approach to increase stability and security on the continent complements EUCOM's efforts to deliver long-term effects with minimal, focused resources.

NATO Transformation

In parallel to EUCOM's transformation, NATO is embracing an ambitious transformation agenda to develop more agile, flexible, full-spectrum expeditionary military forces. It is in our nation's interest to ensure that our collective efforts are complementary and contribute to joint and multinational interoperability.

The NATO Response Force (NRF), an initiative proposed by the U.S. and adopted by the Alliance at the 2002 Prague Summit, remains a vital part of the

Alliance's strategy to rapidly respond to emerging crises and conduct the full range of military missions at strategic distances. This joint and multinational force further serves as a catalyst for transformation and interoperability, improving NATO's expeditionary capability in key areas such as multinational logistics and deployable communications. Current operational commitments across the Alliance draw on significant forces and reduce access to capabilities that might otherwise be available to the NRF.

While the high operational tempo of the NATO forces limits a sustained fill for the NRF, any potential losses in transformational effects are mitigated as NATO's forces rotate through the on going ISAF, KFOR, and OAE theaters. It is clear however, that sustaining the NRF in the long term will prove valuable for improving training postures and hastening transformation of member nation militaries, especially for those members with smaller militaries.

In an attempt to sustain the NRF as both a transformational entity and a crisis response force during this period of high tempo, NATO modified its force generation process. Through a priority fill methodology -- referred to as the Graduated Response model -- this new process works to fill a core of capabilities. The concept is that this core element has the capability to rapidly deploy, a sustain itself, and conduct at least one of the designated missions with out further force generation required. For other missions which may be assigned, the remainder of required subordinate forces would be generated from Alliance members' high readiness force pools.

A key enabler for the NRF and NATO operations in general is the Intelligence Fusion Center (IFC) in support of NATO, located in the United Kingdom alongside the intelligence analysis element of EUCOM's Joint Intelligence Operations Center (JIOC). The IFC provides NATO operational forces with theater-level intelligence support much like that provided to U.S. theater and component commanders. It is the first theater-level intelligence capability of its kind within NATO. The IFC, which achieved full operational capability (FOC) in December 2007, is comprised of over 140 intelligence personnel from 22 NATO nations. Despite having reached FOC just recently, the IFC is already receiving high marks from NATO commanders, particularly for the intelligence support being provided to ISAF. On behalf of DoD, EUCOM provides infrastructure and other support services to the IFC as well as over half of its personnel. The relatively small investment made in the IFC has paid large dividends already, not only with regard to the intelligence support provided, but also in that the IFC is a reflection of NATO's commitment to transformation.

Missile Defense is not a new issue within NATO. There is a shared perception among Allies that a ballistic missile threat exists, as well as a

shared desire that any systems deployed by the U.S. and NATO should be complementary. The Alliance intends to pursue a three-track approach to missile defense.

First, NATO will continue the ongoing NATO program, called NATO Active Layered Theater Ballistic Missile Defense (ALTBMD), which would provide a "theater missile defense" package to protect deployed troops from short and medium-range missile threats by 2010. Second, NATO has committed to fully assessing the implications of the U.S. missile defense system for the Alliance. The objective is to determine the possibility of linking the NATO and U.S. defense systems to ensure that all Alliance territory and population centers would have defense against missile threats. Finally, NATO is committed to continuing the existing dialogue with Russia on theater missile defense, as well as consultations on related issues.

Transformation for U.S. and NATO forces involves more than developing new technologies and compatible military equipment. Transformation depends in large measure on the ability of disparate units, headquarters, and nations to work together. Such interoperability among Allies and partners is a key enabler and is recognized as an important force multiplier.

With regard to Transformation, the ISAF operation has revealed that the Alliance military formations do not have enough of the key capabilities needed for the 21st Century low intensity operations. These shortfalls in capabilities include rotary wing lift, Unmanned Aerial Vehicles (UAV) for intelligence and surveillance purposes and medical formations. The ISAF operation further highlights the requirement to rapidly adjust training programs to effectively counter the rapidly changing enemy tactics -- for example, the need to train techniques to counter improvised explosive devices. In order for NATO member nations to acquire and maintain the required capabilities for tomorrow's challenges, the alliance will need to invest in the training and equipping of their militaries today. This transformation of NATO member's capabilities will contribute to NATO's ability to address the emerging threats of the 21st century.

Finally, one of NATO's most significant initiatives in progress, from both an operational and a transformational perspective, is the development of an Alliance capability for strategic airlift. Fourteen NATO nations, plus Sweden and Finland, are currently working to purchase three C-17 aircraft to be flown by multinational crews with a multinational command and control structure. The U.S. has committed to participate alongside our Allies in this program. Sustaining U.S. support will be vital to the long-term success of this strategic initiative. The goal is to receive the first C-17 aircraft in late 2008, with full operational capability in 2009.

Partnerships and Engagement

As with U.S. national engagement initiatives, there is a strategic value to NATO's partnership framework. The varied partnership mechanisms in place continue to deepen and broaden to meet both NATO's new priorities in the evolving security environment and the aspirations of the myriad nations with which the Alliance engages. Partnership programs and initiatives cover the full spectrum of efforts, to include promoting dialogue with interested nations, building stable democratic structures, and developing defense capabilities that are interoperable with those of NATO. EUCOM provides the preponderance of U.S. forces that contribute to the success of many of these Alliance programs.

The NATO-Russia relationship has matured since the 1997 NATO-Russia Founding Act and establishment in 2002 of the NATO-Russia Council. This visible, pragmatic relationship continues to be a component of international efforts to promote stability and understanding. There has been more cooperation between our respective military forces to make them more interoperable, though our expectations on what is realistic and achievable remain modest. Russia has security interests and concerns - concerns about missile defense, NATO enlargement, and arms control. These are complex legal and political issues that are not easy to resolve and currently pose significant problems for the NATO-Russia relationship at the political level. NATO Allies are committed to working with Russia, in the NATO-Russia Council as well as in other international fora, on these and other difficult issues. We also continue our efforts for practical cooperation in areas where our interests clearly converge.

NATO Enlargement

NATO has been clear in its declaration that the door to new members remains open. Although no decisions have been made with regard to extending further invitations at the Bucharest Summit in April, three nations with aspirations for full membership (Albania, Croatia and Macedonia) currently participate in the Membership Action Plan. Both EUCOM and NATO entities have worked closely with these three aspirants to assist them in preparing their defense establishments to meet the military standards expected of a candidate for NATO membership. In addition to the three aspirant nations, Georgia and Ukraine participate in an Intensified Dialogue with NATO, an important step in the commitment to a closer relationship with the Alliance and its members.

CONCLUSION

The U.S. European Command is fully and actively engaged in addressing the challenges of this diverse and expansive area of responsibility. Even as EUCOM supports combat operations in other theaters, we are transforming our posture to shape the evolving security landscape in our AOR. We, however, are not transforming unilaterally, but in coordination with our NATO Allies.

While the U.S. military can help set the conditions to create a stable environment, it is but one facet of the comprehensive governmental and non-governmental approach required in order to achieve lasting stability and security. New and deepened partnerships within the U.S. government and among other COCOMs are required to more effectively counter the transregional trends and issues which define our globe: threats of terrorism and WMD, internecine regional conflicts, unresolved territorial disputes, complex geopolitical relationships, and humanitarian needs. Moreover, global partnerships are required to better counter the threats to our collective security. EUCOM remains committed to working with European, African, and Eurasian partners in collaborative efforts that meet our common security challenges.

The leadership and the capabilities our nation contributes to the NATO Alliance will remain fundamental to preserving trans-Atlantic security, now and into the foreseeable future. NATO remains an alliance of shared values, committed to the common defense of its member states. Nations will continue to use the Alliance as the essential forum for trans-Atlantic security consultations and cooperation, confronting threats to our security in a unified manner. The Alliance is well-placed and, with the proper resources and political will, capable of accomplishing great things. It is in our national interest to ensure NATO succeeds.

Global posture shifts and U.S. military transformation have fundamentally changed our strategic positioning in the EUCOM AOR over the last decade. These efforts will culminate in a force posture capable of operating across the broad spectrum of conflict. The success of our engagement, however, hinges on ensuring the presence of relevant capabilities in our theater and the environment we are facing is far from certain.

The assistance of the Members of this Committee is essential in ensuring EUCOM's effectiveness in its ongoing programs, operations, and initiatives. Your efforts underpin EUCOM's ability to operate across the entire spectrum of potential military missions. Committee support also sustains effective engagement with, and credible support to, the Alliance and our regional partners. Since 1952 the dedicated men and women of the U.S. European Command have remained committed and able to achieve our national goals. Your support allows them to continue this proud tradition.