



Highlights of [GAO-09-771](#), a report to congressional requesters

## Why GAO Did This Study

The Missile Defense Agency (MDA) estimated in 2008 that the potential costs of fielding ballistic missile defenses in Europe would be more than \$4 billion through 2015.

Planned ballistic missile defenses in Europe are intended to defend the United States, its deployed forces, and its allies against ballistic missile attacks from the Middle East. They are expected to include a missile interceptor site in Poland, a radar site in the Czech Republic, and a mobile radar system in a still-to-be-determined European location.

GAO was asked to evaluate the Department of Defense's (DOD) plans for missile defense sites in Europe and address to what extent DOD has (1) planned for the sites' implementation and (2) estimated military construction and long-term operations and support costs. Accordingly, GAO reviewed key legislation; examined policy and guidance from MDA, the Army, the Air Force, and the Army Corps of Engineers; analyzed budget documents and cost estimates; and visited sites in Poland and the Czech Republic.

## What GAO Recommends

GAO is recommending that DOD clarify roles and responsibilities, refine military construction cost estimates, and define who is responsible for operations and support costs for the European sites. DOD generally agreed, stating that steps are being taken to address these issues, but that operations and support cost estimates will not be completed in time for the 2011 budget.

View [GAO-09-771](#) or [key components](#). For more information, contact John Pendleton at 404-679-1816 or [pendletonj@gao.gov](mailto:pendletonj@gao.gov).

## BALLISTIC MISSILE DEFENSE

### Actions Needed to Improve Planning and Information on Construction and Support Costs for Proposed European Sites

#### What GAO Found

DOD has begun planning for the construction and implementation of the European missile defense sites, including coordinating with international partners and U.S. stakeholders; however, several challenges affecting DOD's implementation of ballistic missile defenses in Europe remain. First, neither Poland nor the Czech Republic has ratified key bilateral agreements with the United States, limiting DOD's ability to finalize key details of the sites, such as how security will be provided. Second, DOD's efforts to establish the roles and responsibilities of key U.S. stakeholders for the European sites remain incomplete because MDA and the services have not yet made important determinations, such as establishing the criteria that must be met before the transfer of the European missile defense sites from MDA to the Army and Air Force. Since 2002, MDA has been directed by DOD to begin planning for the transfer of missile defense elements, including the direction to coordinate with the services on resources and personnel needed to provide an effective transition of responsibility. Without clear definitions of the roles that MDA and the services will be responsible for and agreement on criteria for transfer, DOD will continue to face uncertainties in determining how the European Interceptor Site and the European Midcourse Radar Site will be sustained over the long term.

DOD's cost estimates for military construction and operations and support have limitations and do not provide Congress complete information on the true costs of ballistic missile defenses in Europe. Key principles for cost estimating state that complete cost estimates are important in preparing budget submissions and for assessing the long-term affordability of a program. Further, according to DOD military construction regulations, the Army Corps of Engineers typically certifies that key construction design milestones have been met and verifies military construction cost estimates before the estimates are submitted as budget requests. However, DOD's original military construction estimates in the fiscal year 2009 budget did not include all costs, primarily because MDA submitted the estimates before accomplishing key design milestones and without a review by the Army Corps of Engineers. Consequently, DOD's projected military construction costs for the interceptor and radar sites could potentially increase from DOD's original \$837 million estimate to over \$1 billion. DOD operations and support cost estimates are also incomplete because they do not include projected costs for base operations that will be managed by the Army and Air Force. Key cost factors that will affect these estimates, such as how security will be provided at the sites, remain undefined. In addition, MDA and the services have not yet agreed on how the operations and support costs for the interceptor and radar sites will be funded over the long term. As a result, Congress does not have accurate information on the full investment required for ballistic missile defenses in Europe.