

25 November 2011

**INTERNATIONAL BOARD OF AUDITORS FOR NATO**

**REPORT ON THE AUDIT OF THE  
NATO SECURITY INVESTMENT PROGRAMME  
FOR THE YEAR 2010**

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## SUMMARY

The International Board of Auditors for NATO (Board) audits and certifies each project for which NATO Security Investment Programme (NSIP) expenditure is charged to NATO. The Board's main objectives are to ensure that expenditure is within financial and technical authorisations, and carried out according to NSIP rules and procedures.

In accordance with Article 17 of its Charter, the Board prepared this report to Council summarising the results of the audit of NSIP expenditure for the year 2010. An overview of all activities is provided in the Board's Annual Activities Report, issued under reference IBA-M(2011)01, dated 29 April 2011.

In general, the Board's level of activity on project audit and certification mainly depends on the number of technical inspections performed by the Joint Final Acceptance and Inspection teams, and on the willingness of the Host Nations to submit operationally completed and technically inspected projects for audit.

In 2010 the Board audited expenditure totalling EUR 883 million. The total value of the 258 Certificates of Final Financial Acceptance (COFFAs) issued amounted to EUR 958 million (para. 6.1 and 6.2).

For 2010, the Investment Committee noted net adjustments, following the issuance the COFFAs, totalling EUR 4.1 million in favour of the NSIP (para 7.4).

The Board started implementing its Strategic Plan for the period 2010 to 2014, defining its vision, mission statement, core values, and strategic goals. With regard to the NSIP, the Board's strategic goal is to "enhance management and ensure accountability". Along with the strategic goals, the Board developed specific objectives and strategies to achieve them (para.8.2-8.3). Despite the relatively low level of resources devoted to NSIP project audit, the Board managed to further reduce the significant audit and certification backlogs (Table 1).

In 2010 no Slice Programme projects were closed under the Accelerated JFAI and the Enhanced Accelerated JFAI procedures. Therefore the Board suggests that the Investment Committee monitor and evaluate the implementation of its policy decisions concerning the closure of the Slice Programme projects, in particular the projects below EUR 2 million (para. 9.6-9.7).

Finally, the Investment Committee considered two reports assessing progress achieved in the implementation of the Board's recommendations formulated in its performance audit report on NSIP management (para. 10.3-10.4).

## **1. INTRODUCTION**

1.1 The International Board of Auditors for NATO (IBAN) is an independent body composed of six Members appointed by the North Atlantic Council (the Council) from among candidates nominated by member countries. According to Article 3 of the Board's Charter, its Members are responsible for their work only to the Council and shall neither seek nor receive instructions from authorities other than the Council.

1.2 The primary function of the Board is to enable the Council and, through its Permanent Representatives, the Governments of member Countries, to satisfy themselves that common funds have been properly used for the settlement of authorised expenditure.

1.3 This report was prepared in compliance with Article 17 of the Board's Charter. It summarises the result of the audit of NATO Security Investment Programme (NSIP) project expenditure, performed in 2010. For the 2010 NSIP financial data, the report draws on the information provided in the NSIP Financial Statistics 2010<sup>1</sup>, issued in November 2011.

1.4 Besides NSIP project expenditure, the IBAN audits the financial statements of NATO bodies, including Civil and Military Agencies, NATO Production and Logistics Agencies and Military Commands. The Board also audits the efficiency and effectiveness of NATO operations and activities. An overview of all activities is provided in the Board's Annual Activities Report, issued under reference IBA-M(2011)01, dated 29 April 2011.

## **2. THE NATO SECURITY INVESTMENT PROGRAMME**

2.1 The NATO Security Investment Programme was set up in 1951 to build facilities to meet NATO military requirements, e.g. airfields, pipelines, missile sites, naval bases, warning installations and communication systems. The nations share the cost of the programme based on an agreed percentage for each participating nation. Until the end of 1993, Infrastructure project funding was authorised in annual "Slices"<sup>2</sup> and individual projects. In 1994, a Capability Package (CP) approach was started to better link individual projects to specific military requirements. Projects continue to be programmed within the CP approach and audited individually.

2.2 The nation (or Agency) where a project is to be implemented is normally responsible for planning and executing the project. Before implementation, the NATO administration must screen the project and present it to the Investment Committee (IC) for authorisation of the technical scope and funding. The IC oversees the implementation of the programme on behalf of the Council.

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<sup>1</sup> Document AC/4-N(2011)0014 dated 25 November 2011.

<sup>2</sup> Hence the name « Slice Programme »

2.3 Every half year, the nations and agencies claim payments based on actual and anticipated expenditure for their projects. Since 1<sup>st</sup> January 2003, the Euro (EUR) is used as the unit of account for the NSIP.

2.4 Once they are operationally completed, the projects are inspected by NATO technical teams. A team's inspection report is the basis of NATO acceptance of a project into its inventory. In general, the Board does not perform an audit before the Joint Final Inspection and Formal Acceptance report (JFAI) has been finalised.

### **3. NSIP PROJECT AUDIT OBJECTIVES**

3.1 Under Article 16 of its Charter, the Board is responsible for verifying that common NSIP expenditure has been incurred:

- within the framework of relevant national legislation and regulations;
- in compliance with Council decisions approving Infrastructure projects;
- in accordance with the terms of the contracts for their implementation;
- in compliance with international competitive bidding rules where these apply;
- as economically as possible; and
- without the charging to common funds of works in excess of those authorised by the competent committees.

3.2 The Board is required to check whether all expenditure for which reimbursement is claimed has actually been invoiced and paid, and to identify any item that is ineligible for NATO funding. The audit results in a Certificate of Final Financial Acceptance (COFFA) which certifies for each project audited the final amount charged to NATO common funds<sup>3</sup>.

3.3 The Board formulated a new Strategic Plan<sup>4</sup> for the period 2010-2014. With regard to the NSIP, the Board's strategic goal is to "enhance management and ensure accountability". It is the Board's stated intention to develop, next to its traditional activity of checking NSIP project expenditure and compliance with criteria and regulations, regular audit activities aimed at the evaluation of NSIP project and programme management, efficiency and effectiveness.

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<sup>3</sup> C-M(53)71

<sup>4</sup> Document IBA-M(2009)02 dated 01 December 2009

#### **4. CONDUCT OF NSIP PROJECT AUDITS**

4.1 The Board usually audits projects in the host nations, which prepare the required project documents. Normally the projects need to be fully expended and formally accepted by the IC. However, the Board also audits distinct project components, on condition that they have been technically inspected and accepted. The number of projects and the amounts audited annually mainly depend on the number of auditable projects available and presented for audit by nations.

4.2 For each project, the audit either results in a COFFA or in a Letter of Observation to the nation. The Letter sets out the amounts established by audit and the steps, if any, that the nation needs to take before the Board can certify the expenditure for the audited project. Projects for which a Letter of Observation has been sent remain open until a COFFA can be issued.

4.3 The Letter also explains any proposed and/or agreed adjustments against the amount claimed by that nation (see Section 7). Most of the adjustments are already agreed during the field audit between the nation's representatives and the audit team.

4.4 In NATO agencies acting as a Host Nation, the Board is able to use a different audit approach. The audit team responsible for the annual financial statement audit of an agency also audits the NSIP expenditure, placing reliance as appropriate on the internal control environment. In a NATO agency or command there is a lower risk of unauthorised cost-overruns, excess works and national cost-shares, as these agencies and commands cannot absorb the excess costs. This allows checking the documentation on a sample basis, whereas in nations, in principle, every invoice needs to be checked.

4.5 In addition, there is low risk in performing an audit prior to the completion of projects and prior to the approval of a JFAI document, in NATO agencies. Of course, when the JFAI document is approved, the Board reviews this document before it issues a COFFA.

4.6 Although all expenditure on projects implemented by territorial nations must be presented for audit, the timing of this presentation is not clearly specified by the NSIP regulatory framework. As a result, the Board has no control over the timing and volume of NSIP expenditure presented for audit by the nations. In the NATO agencies NSIP transactions are audited as part of the audit of the annual financial statements. However, the certification (issuance of the COFFA) can only occur after approval of the required technical inspection and final acceptance report (JFAI).

## 5. NSIP OVERALL FINANCIAL SITUATION IN 2010

5.1 End 2009, the NSIP contribution ceiling for 2010 was fixed at EUR 653.3 million. Already by March 2010, a large cash shortfall of EUR 461.7 million was forecasted. In order to avoid a funding deficit, Council agreed to make an additional EUR 296.6 million available on top of the agreed ceiling. A further amount of EUR 165.1 million could be called if necessary.

5.2 After receipt of the nations' financial reporting for 2010 in March 2011, it emerged that the 2010 actual expenditure had remained well below the amount estimated in March 2010. In fact, the 2010 expenditure amounted to only EUR 651.1 million, or EUR 2.2 million below the original contribution ceiling.

5.3 A number of factors were reported to have contributed to this situation:

- after the 2010 cash shortfall was forecasted, measures were taken to limit new commitments to the most critical and urgent requirements<sup>5</sup>;
- outstanding commitments were to be cancelled, deferred or reduced wherever possible and cost effective; requirements amounting to some EUR 1.5 billion were deferred to 2012;
- payments to territorial nations were to be deferred where possible.

5.4 These measures resulted in a massive slowdown of the programme. In 2010, new scope authorisations amounted to only EUR 336 million, against a yearly average of EUR 800 million.

5.5 At the same time, the Investment Committee started a vast programme of NSIP policy reforms. Among others, a new project authorisation procedure was introduced, with a view to improve visibility on the expenditure profiles and the project implementation timelines.

5.6 The absence of reliable expenditure forecasting (para 5.1-5.2 above) and the resulting uncertainty about the affordability of the authorised projects confirmed the Board's observations on the programme's weak accountability mechanisms and inconsistent databases, as formulated in its performance audit report on the NSIP management of 30 April 2010 (see Item 10, below). Since this report, initial improvements were made on the NSIP database. Separately, a business case was developed aiming at a significant upgrade of the database.

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<sup>5</sup> Requirements in support of the Alliance Operations and Missions; specific requirements on airfields, ACCS and VLF; the package of Lisbon Critical Capabilities; health and safety issues; modified munitions storage requirements.

## 6. NSIP PROJECT EXPENDITURE AUDITED AND CERTIFIED

6.1 In 2010, the Board used 1.6 staff-years for NSIP project audits, compared to 1.9 staff-years in 2009. It conducted 15 audit missions in 10 nations, 2 agencies, and one strategic command acting as Host Nation. These audits covered expenditure amounting to EUR 883 million. It issued 258 COFFAs with a total value of EUR 958 million, compared to 265 COFFAs for EUR 682 million in 2009.

6.2 At end 2010 the overall audit and certification status was as follows:

Table 1: Overall status of expenditure

	(in Billion EUR)		
At end	2010	2009	2008
Cumulative expenditure reported	30.75	30.10	29.30
Cumulative expenditure audited	26.21	25.40	24.70
Cumulative expenditure certified <sup>6</sup>	21.65	20.69	20.00
Percentage of reported expenditure audited	85 %	84 %	84 %
Percentage of reported expenditure certified	70 %	69 %	68 %

Sources: Draft NSIP Financial Statistics 2010<sup>7</sup> (for expenditure reported)  
Inframation database (for expenditure audited and certified)

6.3 By individual nation and agency, the expenditure reported, audited, and certified as of 31 December 2010, is shown at Appendix 2.

6.4 At end 2010, the cumulative expenditure not yet audited amounted to EUR 4.54 billion. This amount relates to projects which have either not yet been operationally completed, are not yet technically inspected and accepted, or are not yet presented for audit. Since 2002, the Board normally audits projects only when they have been operationally completed and technically inspected and accepted, i.e. with a JFAI report approved by the Investment Committee<sup>8</sup>.

6.5 At end 2010, the cumulative expenditure audited but not yet certified amounted to EUR 4.56 billion, consisting of EUR 1.90 billion for nations and EUR 2.66 billion for NATO bodies. For nations, the difference is due to the fact that, quite frequently, audited projects cannot be certified and closed for various reasons, such as insufficient fund authorisation or unagreed audit observations. In the case of NATO bodies, the difference between amounts audited and certified is mainly due to

<sup>6</sup> As recorded by the IBAN in the NSIP database

<sup>7</sup> Document AC/4-N(2011)0014 dated 08 September 2011

<sup>8</sup> See IBA-IR(2002)85, Report on the Audit of the NSIP for the year 2001, par.11.7-11.8



the fact that, whereas the expenditure is audited on an annual basis, the large majority of the projects lack an approved JFAI report and thus cannot yet be certified (COFFA). Detailed figures for the number of projects involved are at Appendices 3 (for the Slice Programme) and 4 (for the CP Programme).

6.6 Starting with their financial statements for the year 2007, the Strategic Commands - ACO and ACT - have included information on the NSIP-funded expenditure in their financial statements, in line with the requirement to become IPSAS-compliant. The Strategic Commands still need to present some prior-year NSIP expenditure for audit<sup>9</sup> (see Appendix 2, difference between expenditure reported and expenditure audited).

## **7. ADJUSTMENTS TO CLAIMED EXPENDITURE**

7.1 When auditing NSIP projects the Board checks a number of items. All these checks can lead to adjustments, both in favour of the NSIP and of nations. The Board's audits may result in two types of adjustments.

7.2 The first type are financial adjustments arising from the audit of the cost statements presented by the nations. These audit adjustments may result from mathematical errors, currency conversion errors, excess works, missing invoices, etcetera. They can result in savings in favour of the NSIP or in favour of the nation.

7.3 The second type are adjustments to the Financial Report. Nations can claim advances against authorised funds in the Semi-Annual Financial Report (SAFR). Ideally, expenditure claimed in the SAFR should match the expenditure in the local accounts (cost statements). However, this is not always the case in practice, because nations sometimes over-report or under-report the cost of the project.

7.4 Adjustments to expenditure reported and forecasted, resulting from the issuance of Certificates of Final Financial Acceptance, are reported in the NSIP Semi-Annual Financial Reports. For the year 2010 the Investment Committee noted total net adjustments resulting from COFFA in favour of the NSIP of EUR 4.1 million<sup>10</sup>.

7.5 Adjustments to reported expenditure may also occur after an audit, but before the issuance of a COFFA. In 2010, a mission concerning two radar projects resulted in the effective reduction of reported expenditure in the amount of EUR 7 million, although a COFFA could not yet be issued for these projects. A further reduction, estimated at EUR 3 million, will be recorded at the issuance of these COFFAs.

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<sup>9</sup> See Appendix 2 (difference between expenditure reported and expenditure audited)

<sup>10</sup> AC/4(PP)N(2010)0137 (SAFR as at 30 June 2010) and AC/4(PP)D/26898 (SAFR as at 31 December 2010)

## 8. NSIP PROJECT AUDIT PERFORMANCE

8.1 At end 2009, the Board developed its Strategic Plan for the period 2010-2014, defining its vision, mission statement, core values, and strategic goals. With regard to the NSIP, the Board's strategic goal is to "enhance management and ensure accountability in the NSIP". Along with the strategic goals, the Board developed specific objectives and strategies to achieve them. In addition, the Board's Annual Performance Plan for 2010 identified the performance measures and targets to be used to evaluate the achievement of its objectives.

8.2 The first performance measure identified was the reduction of the number of auditable projects<sup>11</sup>, with a target of 15 projects or less per nation. For 16 out of 24 territorial nations having open projects, and for 4 out of 6 NATO bodies receiving NSIP funding, this target was reached. In practice, a number of auditable projects are simply not presented for audit, for various reasons such as loss of documentation, outstanding deficiency correction, and legal claims.

8.3 The second performance measure identified was to programme NSIP project audits within 6 months after the nation's request, with a target of 80%. This target was achieved, as all national NSIP audit requests were honoured within 6 months.

8.4 In 2010, the Board used 1.6 staff-years for NSIP project audits, compared to 1.9 staff-years in 2009. It conducted 15 audit missions in 10 nations, 2 agencies, and one strategic command acting as Host Nation. These audits covered expenditure amounting to EUR 883 million. It issued 258 COFFAs with a total value of EUR 958 million, compared to 265 COFFAs for EUR 682 million in 2009.

8.5 As illustrated above (Table 1, Overall Status of Expenditure) the audited and certified portions of the programme continued to increase in 2010. Despite the relatively low level of resources devoted to NSIP project audit, the Board managed to further reduce the significant audit and certification backlogs.

8.6 Finally, the Board would like to re-emphasize that its level of activity on project audit and certification mainly depends on the number of technical inspections performed by the Joint Final Acceptance and Inspection teams, and on the willingness of the Host Nations to submit operationally completed and technically inspected projects for audit.

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<sup>11</sup> An "auditable project" is defined as a project which is both operationally completed and technically inspected and accepted.

## 9. ACCELERATED CLOSURE OF SLICE PROGRAMME PROJECTS

9.1 In 2004, the IC agreed on an Accelerated Joint Final Inspection and Formal Acceptance (JFAI) procedure for Slice Programme projects, approved prior to 1994, and meeting the following criteria:

- a value of less than EUR 0.5 million;
- no current Minimum Military Requirement (MMR);
- if current MMR, deficiencies are to be corrected under separate action;
- no reported excess works, or excess works not requiring additional funding;
- no other issues.

9.2 The use of the Accelerated JFAI procedure has two main consequences:

- for the technical inspection, the Simplified Procedure is used, which does not require the on-site visit of a JFAI team;
- as the IC agreed that projects qualifying for the Accelerated JFAI process would automatically qualify for a lump sum conversion of the existing fund authorisations, the expenditure does not need to be audited by IBAN<sup>12</sup>.

9.3 In July 2008 the IC approved the Enhanced Accelerated JFAI Procedure, applicable to Slices 21 to 45<sup>13</sup>. The aim was to expedite the financial closure of Slice Programme projects by :

- extending the existing procedure to projects with a financial value from EUR 0.5 million to EUR 2 Million, with the addition of a statement by the International Staff that “the works have been seen and have been executed”;
- creating new procedures for projects from EUR 2 Million to EUR 10 Million; in these cases, the JFAI report may be elaborated in a written procedure.

9.4 In 2010 two projects were proposed for application of the Accelerated JFAI procedure<sup>14</sup>, as well as six projects for the application of the Enhanced Accelerated JFAI procedure<sup>15</sup>. Of these eight projects, only one project was closed, after the issuance of a “normal” JFAI report (with on-site visit)<sup>16</sup>.

9.5 As at September 2011, 497 Slice Programme projects were still open : 285 projects with a value below EUR 2 million (totalling EUR 162,267,467) and 212 projects with a value higher than 2 MEUR (totalling EUR 3,129,563,322). (See

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<sup>12</sup> AC/4-D(2004)0004 and AC/4-D(2004)0004-ADD1, approved by AC/4-DS(2004)0019 and AC/4-DS(2004)0032 respectively.

<sup>13</sup> AC/4-D(2004)0004-ADD2-REV1, approved by AC/4-DS(2008)0019.

<sup>14</sup> AC/4(PP)N(2009)0165 dated 23 April 2010

<sup>15</sup> AC/4(PP)N(2009)0164 dated 23 April 2010

<sup>16</sup> Project Norway Slice 44.1.AF.50480.M with document AC/4(PP) FA/11952 of 20 September 2010.

Appendix 5). In value, the 285 projects below 2 MEUR amounted to 5 % of the total Slice Programme still open.

9.6 In conclusion, the Board notes that in 2010 no Slice Programme projects were closed under the Accelerated JFAI and the Enhanced Accelerated JFAI procedures.

9.7 The Board suggests that the Investment Committee monitor and evaluate the implementation of its policy decisions concerning the closure of the Slice Programme projects, in particular the projects below EUR 2 million.

## **10. PERFORMANCE AUDIT ON NSIP MANAGEMENT**

10.1 On 30 April 2010, the Board issued its report on the performance audit of the NSIP management (document C-M(2010)0037, Annex II).

10.2 The Board assessed the clarity of the segregation of duties and responsibilities, the monitoring of the implementation phase, and specific aspects of the Alliance Operations and Missions (AOM) project management. In the report, a series of recommendations were made concerning specifically :

- projects in support of Alliance Operations and Missions (requirements, planning, prioritisation)
- fragmented and complex NSIP management procedures
- unclear role of the Strategic Commands
- need for a more comprehensive approach
- quick evolution of monitoring tools and difficulties in assessing progress
- low priority of the acceptance phase.

10.3 In its report<sup>17</sup> to Council, the Investment Committee concluded that the timing of the Board's report<sup>18</sup> was such that it was possible to report that almost all of its recommendations had been addressed in one form or another, within the multiple strands of work undertaken under the mandated resource reforms within the overarching Balancing of Requirements and Resources.

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<sup>17</sup> Document C-M(2010)0079, Annex 1

<sup>18</sup> Document C-M(2010)0037, Annex 2

10.4 On 14 December 2010 the IC considered its second report following up on the Board's Performance Audit Report, and noted, concerning the topics mentioned above:

- the further development of the AOM Requirements and Resource Plans (ARRP) process;
- the elaboration and updating of the new NSIP Manual;
- the clarification of the Strategic Commands' role, as well as their involvement in the Capability Package review, the stratification of projects, and the identification of requirements to be deferred; defining the SC role in Implementation Management remains to be addressed;
- the initial efforts to hold joint meetings between the resource committees concerned (Investment Committee and Budget Committee);
- the development of monitoring tools and implementation management procedures; work to upgrade the NSIP database is underway;
- an increased JFAI production, but little policy work on this topic; this issue is to be followed-up in 2011.

## **11. AXING AUTHORITY**

11.1 The Board's axing authority was established by Council in 1979 (C-M(79)52). Under the axing authority, the Board's audit observations are considered accepted by the nation after one year has elapsed without a substantive response, or at least an explanation as to why an answer cannot be given within that year. Axing a project has significant consequences for nations. Axed expenditure will no longer be eligible for NATO funding. This directly impacts on the expenditure the nation can claim for reimbursement by the other NATO nations and on the contributions it has to pay or receive.

11.2 In 2010, the Board issued four "Axing Warning" letters, giving the Nations an additional six-month period to provide a reply to a prior Board Letter of Observations. Two cases were resolved satisfactorily, the two other cases are on hold, pending advice from the NATO Office of Resources.

## LIST OF ABBREVIATIONS

AOM	Alliance Operations and Missions
Board/IBAN	International Board of Auditors for NATO
CEPMA	Central European Pipeline Management Agency
COFFA	Certificate of Final Financial Acceptance
Council	North Atlantic Council
CP	Capability Package
EUR	Euro
HQ	Headquarters
IC	Investment Committee
IPSAS	International Public Sector Accounting Standards
JFAI	Joint Final Acceptance Inspection
MOU	Memorandum of Understanding
NACMA	NATO ACCS Management Agency
NADGEMO	NATO Air Defence Ground Environment Management Organization
NAMSA	NATO Maintenance and Supply Agency
NC3A	NATO Consultation, Command and Control Agency
NOR	NATO Office of Resources
NSIP	NATO Security Investment Programme
ACT	Allied Command Transformation
SAFR	Semi-annual Financial Report
SHAPE	Supreme Headquarters of the Allied Powers in Europe
UK	United Kingdom
USA	United States of America

**Reported Expenditure Audited and Certified by Nation and Agency  
(Cumulative as of 31 December 2010)**

	<b>Expenditure Reported (€ millions)</b>	<b>Expenditure Audited (€ millions)</b>	<b>Expenditure Certified (€ millions)</b>	<b>Expenditure Audited %</b>	<b>Expenditure Certified %</b>
Canada	80	80	80	100	100
Luxembourg	59	59	59	100	100
France	1,006	962	962	96	96
United Kingdom	2,491	2,456	2,282	99	92
Netherlands	902	862	801	96	89
Denmark	724	649	630	90	87
Germany	5,694	5,024	4,600	88	81
Lithuania	37	24	24	80	80
Norway	2,119	1,901	1,680	90	79
Turkey	4,485	3,799	3,557	85	79
Belgium	779	654	574	84	74
Italy	2,175	1,476	1,330	68	61
Portugal	570	420	339	74	59
Greece	1,780	1,110	1,005	62	56
USA/Iceland	1,234	925	602	75	49
Spain	187	29	29	16	16
Hungary	117	37	17	32	15
Poland	291	46	41	13	11
Czech Republic	103	9	9	10	10
Bulgaria	7	0	0	0	0
Estonia	28	0	0	0	0
Latvia	16	0	0	0	0
Slovakia	28	0	0	0	0
Slovenia	5	0	0	0	0
Romania	1	0	0	0	0
<b>Nations (1)</b>	<b>24,917</b>	<b>20,522</b>	<b>18,621</b>	<b>82</b>	<b>75</b>
NADGEMO (3)	33	33	33	100	100
SHAPE	959	868	715	91	75
CEPMA (2)	167	124	124	70	70
NC3A	3,167	3,167	1,874	100	59
NACMA	882	882	171	100	19
NAMSA	612	612	113	100	18
SACLANT	13	1	1	9	9
<b>Agencies</b>	<b>5,833</b>	<b>5,687</b>	<b>3,031</b>	<b>97</b>	<b>52</b>
<b>TOTAL</b>	<b>30,750</b>	<b>26,209</b>	<b>21,652</b>	<b>85</b>	<b>70</b>

(1) Albania and Croatia not listed (expenditure € 0 million)

(2) Acting as Host Nation on behalf of France

(3) NADGEMO projects are finalized (NADGEMO is closed)

**Slice Programme**  
**Number of projects to be inspected, audited, and certified by Nation**  
**(Figures as at September 2010 and September 2011, source Inframation database)**

	Project complete but JFAI not yet requested		JFAI Requested but not yet performed		JFAI accepted but project not yet audited		Project audited but not yet certified (COFFA)		TOTAL PROJECTS	
	Sep-11	Sep-10	Sep-11	Sep-10	Sep-11	Sep-10	Sep-11	Sep-10	Sep-11	Sep-10
<b>Belgium</b>	8	7	5	5	1	2			14	14
<b>Denmark</b>	2	2		1	5	4	1	3	8	10
<b>Germany</b>	11	12	6	8	20	7	11	32	48	59
<b>Greece</b>	31	30	11	13	15	12	1	7	58	62
<b>Italy</b>	26	19	65	86	12	3	3	21	106	129
<b>Netherlands</b>	1	1	3	3		2		0	4	6
<b>Norway</b>	13	4	3	17	6	5	2	2	24	28
<b>Portugal</b>	2	1		1					2	2
<b>Turkey</b>	23	17	8	15	11	9	3	9	45	50
<b>United Kingdom</b>	9	10	2	6	25	20	1	6	37	42
<b>USA</b>	9	10	3	6	7	6			19	22
<b>CEPMA</b>						1				1
<b>NC3A</b>		1	10	23	3			13	13	37
<b>TOTAL</b>	<b>135</b>	<b>114</b>	<b>116</b>	<b>184</b>	<b>105</b>	<b>71</b>	<b>22</b>	<b>93</b>	<b>378</b>	<b>462</b>
NOT INCLUDED									31	38
									88	95
									50	144
TOTAL									<b>547</b>	<b>739</b>



**Capability Package Programme**  
**Number of projects to be inspected, audited, and certified by Nation and Agency**  
**(Figures as at September 2010 and September 2011, source Inframation database)**

	Project complete but JFAI not yet requested		JFAI Requested but not yet performed		JFAI accepted but project not yet audited		Project expenditure not yet certified (COFFA)		TOTAL PROJECTS	
	Sep-11	Sep-10	Sep-11	Sep-10	Sep-11	Sep-10	Sep-11	Sep-10	Sep-11	Sep-10
Belgium	11	2	6	3	1	8	1		19	13
Bulgaria	4		1		2	1			7	1
Canada	1	1			1	1			2	2
Czech Republic	5	13	3	4	16				24	17
Denmark	28	15	9	7	10	8		1	47	31
Estonia	1				2		3		6	
France		1	1			1			1	2
Germany	60	82	29	7	41	32	8	10	138	131
Greece	112	84	1	6	4	6	1	1	118	97
Hungary	2	3	5	12	5	1	7	3	19	19
Italy	76	96	39	8	15	4			130	108
Latvia	3	1				1			3	2
Lithuania	1	2		6	14				15	8
Netherlands	15	12	3	1	14	20			32	33
Norway	3	2	3	10	14	2		2	20	16
Poland	4	8	10	4		7	2	1	16	20
Portugal	2	16	15	7	5	6	1	2	23	31
Romania	5								5	
Slovenia	1				2				3	
Slovakia	5		6						11	
Spain	6	7	8	4	5	1		1	19	13
Turkey	99	102	58	23	15	48	5	8	177	181
United Kingdom	13	11	4	13	12	11	2	3	31	38
USA	4	14	17	13	3	2			24	29
<b>TOTAL NATIONS</b>	<b>461</b>	<b>472</b>	<b>218</b>	<b>128</b>	<b>181</b>	<b>160</b>	<b>30</b>	<b>32</b>	<b>890</b>	<b>792</b>

APPENDIX 4  
ANNEX 1  
C-M(2012)0039  
IBA-IR(2011)0124

	Project complete but JFAI not yet requested		JFAI Requested but not yet performed		JFAI accepted but project not yet audited		Project expenditure not yet certified (COFFA)		TOTAL PROJECTS	
	Sep-11	Sep-10	Sep-11	Sep-10	Sep-11	Sep-10	Sep-11	Sep-10	Sep-11	Sep-10
<b>CEPMA</b>		<b>1</b>	<b>2</b>	<b>1</b>	<b>14</b>	<b>31</b>			<b>16</b>	<b>33</b>
<b>NC3A</b>	151	238	141	79	54	63			346	380
<b>NACMA</b>	3	3		1					3	4
<b>NAMSA</b>	57	8	3	3	2	2			62	13
<b>ACT</b>	11	4	1	2	1				13	6
<b>SHAPE</b>	107	112	30	37	24	11	2	8	163	168
<b>SUBTOTAL AGENCIES</b>	<b>329</b>	<b>366</b>	<b>177</b>	<b>123</b>	<b>95</b>	<b>107</b>	<b>2</b>	<b>8</b>	<b>603</b>	<b>604</b>
<b>OVERALL TOTAL</b>	<b>790</b>	<b>838</b>	<b>395</b>	<b>251</b>	<b>276</b>	<b>267</b>	<b>32</b>	<b>40</b>	<b>1493</b>	<b>1396</b>

<b>OTHER</b>	<b>DELETED AND CANCELLED</b>	<b>133</b>	<b>303</b>
	<b>AWAITING CLOSE-OUT AFTER COFFA</b>	<b>140</b>	<b>114</b>
	<b>JFAI PUBLISHED BUT NOT ACCEPTED</b>	<b>0</b>	<b>49</b>
<b>TOTAL</b>		<b>1766</b>	<b>1862</b>

**SLICE PROGRAMME**  
**ALL PROJECTS AS AT SEP 2011-11**  
(Source : Inframation database)

	Other		Complete but no JFAI Request		JFAI Requested		JFAI Published but not Accepted		JFAI but no Audit		Deleted and Cancelled		Audit but no COFFA		TOTAL	
	N°	Value	N°	Value	N°	Value	N°	Value	N°	Value	N°	Value	N°	Value	N°	Value
<b>BELOW 2 MEUR</b>																
Belgium	0	0	2	2,571,737	1	692,400	0	0	0	0	1	1,248,397	0	0	4	4,512,534
Denmark	1	29,704	1	7,589	0	0	0	0	3	2,976,942	1	52,148	0	0	6	3,066,383
Germany	2	187,432	6	2,734,793	5	5,632,857	0	0	10	11,805,163	4	1,957,676	3	3,473,903	30	25,791,824
Greece	0	0	6	5,353,428	3	3,438,493	0	0	3	3,999,967	6	180,189	0	0	18	12,972,077
Italy	5	1,125,706	15	11,682,831	45	28,482,277	0	0	3	2,960,141	32	4,132,472	1	74,630	101	48,458,057
NC3A	1	106,664	0	0	8	6,441,420	0	0	1	362,752	0	0	0	0	10	6,910,836
Netherlands	4	103,344	1	1,838,270	3	2,819,331	0	0	0	0	4	237,394	0	0	12	4,998,339
Norway	0	0	2	1,399,914	2	1,344,765	0	0	4	2,688,833	0	0	0	0	8	5,433,512
Portugal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Turkey	3	617,687	5	5,898,463	3	3,227,858	0	0	5	6,718,589	21	2,065,231	0	0	37	18,527,828
UK	10	1,890,015	5	5,388,263	2	1,660,067	0	0	17	15,626,674	19	1,595,569	0	0	53	26,160,588
USA	0	0	3	1,898,083	0	0	1	1,586,704	2	1,950,702	0	0	0	0	6	5,435,489
	<b>26</b>	<b>4,060,552</b>	<b>46</b>	<b>38,773,371</b>	<b>72</b>	<b>53,739,468</b>	<b>1</b>	<b>1,586,704</b>	<b>48</b>	<b>49,089,763</b>	<b>88</b>	<b>11,469,076</b>	<b>4</b>	<b>3,548,533</b>	<b>285</b>	<b>162,267,467</b>
<b>OVER 2 MEUR</b>																
Belgium	0	0	6	48,001,049	4	29,126,274	0	0	1	8,999,279	0	0	0	0	11	86,126,602
Denmark	0	0	1	17,110,619	0	0	0	0	2	7,728,195	0	0	1	3,816,661	4	28,655,475
Germany	0	0	5	64,693,079	1	132,810,071	0	0	10	210,569,508	0	0	8	58,538,431	24	466,611,089
Greece	0	0	25	290,906,049	8	79,393,251	0	0	12	179,975,421	0	0	1	9,918,989	46	560,193,710
Italy	1	3,861,319	11	109,199,980	20	178,877,514	1	18,930,216	9	80,433,476	0	0	2	36,596,248	44	427,898,753
NC3A	0	0	0	0	2	22,691,758	0	0	2	29,339,291	0	0	0	0	4	52,031,049
Netherlands	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Norway	0	0	11	265,753,152	1	2,585,176	0	0	2	12,518,786	0	0	2	29,115,536	16	309,972,650
Portugal	0	0	2	212,909,610	0	0	0	0	0	0	0	0	0	0	2	212,909,610
Turkey	0	0	18	232,149,721	5	84,926,388	0	0	6	91,037,011	0	0	3	64,685,451	32	472,798,571
UK	0	0	4	46,417,522	0	0	0	0	8	59,276,538	0	0	1	5,672,885	13	111,366,945
USA	0	0	6	220,769,489	3	19,822,186	2	8,294,782	5	152,112,411	0	0	0	0	16	400,998,868
	<b>1</b>	<b>3,861,319</b>	<b>89</b>	<b>1,507,910,270</b>	<b>44</b>	<b>550,232,618</b>	<b>3</b>	<b>27,224,998</b>	<b>57</b>	<b>831,989,916</b>	<b>0</b>	<b>0</b>	<b>18</b>	<b>208,344,201</b>	<b>212</b>	<b>3,129,563,322</b>
<b>TOTALS</b>	<b>27</b>		<b>135</b>		<b>116</b>		<b>4</b>		<b>105</b>		<b>88</b>		<b>22</b>		<b>497</b>	