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THE SENATE ARMED SERVICES COMMITTEE

STATEMENT OF

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BEFORE THE SENATE ARMED SERVICES COMMITTEE

ON

1 MARCH 2005

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Senate Armed Services Committee - Written Statement

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I. INTRODUCTION

Mr. Chairman, Senator Levin, and distinguished members of the Committee, thank you for the opportunity to appear before you today to discuss the posture of the United States European Command (EUCOM). On behalf of the Soldiers, Sailors, Airmen, Marines, and Department of Defense Civil Servants of EUCOM, and their family members, I want to express our gratitude for your continued support.

This year's hearing marks the fourth time that I have testified before the Committee as the EUCOM Commander. During my initial appearance I articulated the critical importance of U.S. leadership and engagement as a means to achieve our overarching national security objectives. My experiences over the past two years have reaffirmed the intrinsic value of these principles as we build on the successes of time tested alliances, recognize the benefits of an expanded sphere of influence, and develop new relationships that will bring about greater stability in the world. EUCOM, in concert with the other geographically focused Combatant Commands, is a visible means by which the United States demonstrates its global commitment. At EUCOM, we continually assess our capabilities to ensure that we can prevent conflict and defeat aggression in a complex theater that includes 91 countries, 46 million square miles, 28 percent of the earth's oceans (enclosure 1), and several areas of regional conflict. Our current theater posture directly reflects the wise investments in our security dictated by the realities of 20th Century; however, the 21st Century has presented us all with a markedly different set of challenges which must be addressed.

During subsequent appearances before this committee, I provided my views on the compelling need to transform the command and discussed the scope of this transformation. When I met with you in September, I presented the specific planned changes to both forces and facilities in the EUCOM Theater. The challenge before us now is to begin to resource and execute this transformation.

With the support of Congress, we have taken initial steps to transform the theater. Our tasks remain to complete the realignment of forces, to divest ourselves of unnecessary facilities, and to establish a more appropriate infrastructure which will allow us to be more responsive throughout the EUCOM area of responsibility (AOR), all while providing a high level of quality of life for our service members and their families. We need your continued support to achieve these objectives.

The North Atlantic Treaty Organization (NATO) remains our most important strategic partnership. The extended period of peace and prosperity in Europe is the result of our engagement in the Alliance. The United States is a direct beneficiary of this stability. The economic, social, and security ties between the United States and the countries of Europe are long-standing and firmly rooted in shared ideals. Just as our presence in Europe since the end of the Second World War helped create the conditions for security, prosperity and multinational cooperation to flourish, it is my firm belief that a transformed U.S. military posture in an expanded NATO alliance can broaden this sphere of stability beyond the borders of "Western Europe." It is a strategic imperative that the United States remain engaged in Europe and maintains its influential role within the NATO framework. We will share in the developing benefits of a transformed alliance that has the political will and sustainable expeditionary military capability to act beyond the traditional boundaries of its member states.

Our history of bringing stability to areas plagued by ethnic and cultural conflict has prepared us to extend our focus to the east and south. Checking the spread of radical fundamentalism in the largely ungoverned spaces in Northern and Central Africa will require patience and sustained effort. Our goal is to assist nations of the region in building and sustaining effective and responsive governments and to develop security structures responsive to emerging democratic governments. Our success depends on maintaining relevant, focused, and complementary security cooperation, tailored to the social, economic, and military realities in both Europe and Africa.

As we work together to improve our capabilities and to advance U.S. policy objectives, we must also recognize that today's complex security environment requires a greater degree of coordination within the U.S. government and with our allies. EUCOM's plan to promote cooperative security relationships, enhance the capacity of foreign partners, and expand cohesion within the interagency team is consistent with the four core pillars (Building Partnerships to Defeat Terrorist Extremism, Defending the Homeland In-Depth, Shaping the Choices of Countries at Strategic Crossroads, Preventing the Acquisition or Use of Weapons of Mass Destruction by Hostile State or Non-State Actors) of the Department of Defense Quadrennial Defense Review. We must leverage the full spectrum of diplomatic, economic, and military options to advance our national interests and improve our ability to prevent conflict and enhance post-conflict stability.

II. STRATEGIC ASSESSMENT

As we shift our focus east and south we must continue to adjust the capabilities of our force to enhance our strategic effectiveness, to retain our historical leadership role in NATO to build a reformed and deployable Alliance, and nurture developing relationships. The Global War on Terrorism (GWOT); increasing Theater Security Cooperation (TSC) requirements; instability in Africa, Eastern Europe, and the Caucasus, as well as NATO's expansion and transformation, all shape the direction of EUCOM's ongoing transformation to succeed in not only our traditional mission but also to meet the challenges of irregular, cataclysmic or disruptive threats to our security and freedom.

The new security menace is transnational and characterized by enemies without territory, borders, or fixed bases. Threats include the export and franchising of terrorism, proliferation of weapons of mass destruction, narco-trafficking, uncontrolled refugee flow, illegal immigration and piracy on the seas. Many of these threats are nurtured in under-governed regions where terrorists and extremist organizations seek new havens from which to recruit and to operate. We are evolving our strategic posture to reflect the new security reality. EUCOM's greatest contribution to security and stability lies as much in preventing conflict as it does in prevailing on the battlefield. This is accomplished through influence, forward presence and engaged leadership. It is sustained only through our enduring and visible presence and commitment in the theater.

Our 21st century center of gravity reflects the continuing importance of the Greater Middle East, the Caucasus, the Levant, and the "ungoverned" regions of North and West Africa. As a result of U.S. military operations in Afghanistan and Iraq, transnational extremists are increasingly denied their former sanctuaries. Subsequently, they are more reliant on leveraging and franchising indigenous and affiliated terrorist groups worldwide. Further, transnational extremists have demonstrated an interest in exploiting areas where nations are already struggling with resource scarcity, weak national institutions, poverty and inexperienced militaries. These regions are defined by endemic imbalances in the distribution of wealth, staggering health problems, fragile political systems, regressive social systems and disenfranchised youth susceptible to the lure of extremism. They contain equal potential for either positive growth, or catastrophic failure.

Europe

The end of the Cold War rapidly and fundamentally altered the landscape of Europe, creating opportunities for new relationships, new partnerships, and new capabilities for confronting new security challenges. We have witnessed an eastward shift in the center of gravity, along with the emergence of an invigorated European Union and a corresponding European Security Defense Policy. All are key developments that influence the scope, direction, and pace of changes to the forward presence of the United States.

The countries of Eastern Europe have emerged from decades of communist domination with a refreshing enthusiasm for the value of full participation in the global community where human rights, the rule of law, and free and open societies can flourish. Their hard won freedoms have provided a unique appreciation of the threat posed by terrorism and extremism on a global scale and their recent participation in our global military operations is reflective of their becoming some of our most stalwart and reliable allies. Many of these nations have already made important contributions in Afghanistan and Iraq. Their continued willingness and desire to develop the military capabilities necessary to be fully integrated into NATO is key to preventing Eastern Europe from becoming either a safe haven or transit route to terrorist groups. Collectively, they are important to the forward defense of the U.S. homeland.

NATO's recent expansion has moved the Alliance's influence eastward to match the shifting center of gravity, and underscores the need for EUCOM to change its directional emphasis. EUCOM's forward presence in Eastern Europe increases security cooperation engagement and bolsters NATO's newest members' military capabilities, paving the way for significantly developed future contributions to NATO. Although EUCOM will maintain an important presence in Western Europe, an eastward expansion will concurrently develop our constructive influence with the newer NATO members and allow the United States and our Alliance partners to achieve the goals of the 2002 Prague Summit.

Balkans

The fragmentation of Yugoslavia has produced a multi-faceted and extraordinarily challenging security environment. Certain regions within the Balkans are rife with crime and corruption which exacerbate unresolved, simmering ethnic tensions, as a result of the uneven progression of the establishment of democratic institutions in Bosnia and Herzegovina, Macedonia, and Kosovo. Social reforms and reconciliation efforts are taking root unevenly and remain susceptible to ethnic violence and armed conflict.

On the one hand, the military success in Bosnia and Herzegovina has enabled NATO to successfully conclude the Stabilization Force Mission and has allowed the European Union to start a new and distinct mission. There is, however, a continued requirement for U.S. leadership and participation in the NATO mission in Bosnia. Ethnic violence has been halted and re-integration is underway; however, Bosnia faces long-term difficulties associated with narcotics trafficking and the hunt for war criminals. Bosnia's commitment to stability and infrastructure maturity means that our continued presence in Bosnia, even on a reduced but sustained basis, will be necessary.

The situation in Kosovo is more complex and lasting peace remains elusive. Due to the impact of the Balkans on Europe as a whole, the United States must remain committed to the region until political stability is achieved. The near-term goal for Bosnia and Herzegovina, and Serbia and Montenegro is gradual integration into the Partnership for Peace Program, conditional on improvement of their cooperation with the International Criminal Tribunal for the former Yugoslavia. Albania, Macedonia and Croatia continue to work toward NATO membership.

Caucasus

Although the Caucasus is torn by ethnic conflict and is also plagued with corruption and crime, some parts of the region have made remarkable progress toward democracy and sound governance in the last year. The Caucasus is increasingly important to our interests. Its air corridor has become a crucial lifeline between coalition forces in Afghanistan and our bases in Europe. Caspian oil, carried through the Caucasus, may constitute as much as 25 percent of the world's growth in oil production over the next five years, while Caspian hydrocarbons will diversify Europe's sources of energy. This region is a geographical pivot point in the spread of democracy and free market economies to the states of Central and Southwest Asia.

Russia/Ukraine

As NATO and the European Union continue to assess new members, we must prevent a new line of demarcation from being created on the continent. We seek a Europe that is "whole and free" and which includes Russia, Ukraine, Belarus and Moldova as partners for peace and security. We must ensure that they continue their integration into Euro-Atlantic security structures and become full and vital contributors to regional security. EUCOM's military cooperation programs with Russia focus on increasing dialogue with senior Russian commanders and staffs and enhancing the NATO interoperability of Russian units to increase their ability to participate in cooperative operations. The annual French-Russian-United Kingdom-United States (FRUKUS) Joint Task Force exercise, which will be conducted at sea this summer, is an example of this progress. Ukraine is currently a regular contributor to coalition operations. We are working hard to assist Ukraine in meeting the ambitious defense reform goals outlined in its Defense Bulletin 2015 and in enhancing its ability to join future military coalitions through the development of a fully NATO-interoperable Joint Rapid Reaction Force. As Mr. Victor Yushchenko, the newly elected President of Ukraine tackles problems of corruption and accountable governance, it is our hope that democratic and institutional reform will foster continued Euro-Atlantic integration.

Africa

The United States faces strategic options and competition in Africa. According to the 2004 report of the UN Organization for Industrial Development, "Sub-Saharan Africa is the only region of the world where, for the last 20 years, extreme poverty hasn't stopped gaining ground." Continued poverty is but one of the many effects of years of tragic violence and instability in certain regions of Africa.

Violence from numerous crises has created areas of lawlessness that transcend state borders and cause instability. High population growth rates, poor land management, desertification and agricultural disruptions caused by economic shifts, internal conflicts, and refugee influxes are making it increasingly difficult for several countries to feed themselves. This is especially true in Chad, where drought and refugees from the conflict in the Darfur region of Sudan have created a humanitarian catastrophe. In many areas of Central Africa, such as the vast interior of the Democratic Republic of the Congo and the northern sections of Chad, there is very little military or police presence, and often no central government influence. These

problems, aggravated by difficult terrain and a lack of infrastructure, have allowed smuggling and conflict to flourish.

Fragile democracies are having to combat serious challenges to include security concerns, social pressures, teachings of radical fundamentalism, disease, and criminality that imperil the future hopes for the people of Africa. Again, the broad expanses of ungoverned or poorly governed regions, as well as the proximity and ease of movement to population centers in Europe, are increasingly attractive to transnational terrorists interested in exploiting the region for recruiting, logistics, and safe-havens. The breeding grounds of terrorism and illicit activity on the continent of Africa require our attention at both the national and regional security level.

III. U.S. EUROPEAN COMMAND STRATEGY

In a world of uncertainty and unpredictability, EUCOM must have the agility to rapidly respond to a range of threats that were largely unforeseen just a few years ago. Geographically, EUCOM is ideally positioned to disrupt and prevent terrorists from using their lines of communication and methods of resourcing that are crucial to their operations and sustainment.

The ability to rapidly project military power during times of crises or contingencies is the central premise for the forward stationing of forces, and determines their necessary size and capabilities. The presence of such forces either forward based or rotational, and the military capabilities they possess, are powerful instruments of national influence. Forward forces serve to strengthen U.S. diplomacy and foreign policy; signal U.S. commitment to the security of friends and allies; demonstrate the resolve of the United States to meet its commitments; and bolster regional security through theater security cooperation programs. In addition to maintaining our traditional lines of communication and access, we seek access to new facilities and routine freedom of transit to the Black Sea, the Caucasus, the Levant, and Africa in order to advance U.S. national interests.

EUCOM's ability to pursue, engage, and win decisively on the modern battlefield requires a highly responsive force which is properly equipped, well trained, and maintained at a high state of readiness. It must be agile, deployable, and sustainable. The investment in these capabilities will allow forces to operate flexibly across a broader portion of our area of responsibility and provide a significant advantage in addressing a volatile world situation.

Strategic Theater Transformation

EUCOM's Strategic Theater Transformation plan is a component of the Department of Defense Global Posture Strategy announced in August 2004. Our objective is to increase strategic effectiveness through the realignment of bases and the improvement of access and force capabilities. In no way should the change in our posture be interpreted as a reduced commitment to the region. It is, rather, a shift to better methods of promoting our interests in today's international security environment.

In previous testimony before this committee, I outlined the eight assumptions (enclosure 2) upon which the EUCOM transformation plan is based. The need to transform is a result of the successful integration of former Warsaw Pact nations into an overall European security framework, recognizes our growing strategic interests, and addresses the new operational requirements of the Global War on Terrorism. These developments have mandated the most significant changes to the U.S. force posture in Europe since EUCOM's founding.

Certain elements of the EUCOM Transformation plan, including force levels, training, access to facilities and protocols to assure freedom of action for our forward forces, continue to be negotiated with host nations. Further, EUCOM's transformation is being synchronized with the efforts of the other combatant commands, the Services, NATO, and the Base Realignment and Closure (BRAC) process in the United States. Simultaneous Service transformations will impact unit capability and availability. For example, the modularization of the U.S. Army will change the size, equipment sets, and capabilities of units stationed in Europe and on rotation to the Command. Prepositioned stocks must be transformed to fit the units that might draw them either in a planned rotation or in a crisis.

EUCOM's success hinges on maintaining critical assets and capabilities as both a supported and a supporting combatant command, including mobility; power projection platforms; bases for our operations; Command, Control, Communications, Computers and Intelligence (C4I); alliances and coalition partners; and theater-based and rotational forces. We will capitalize on our long history of employing expeditionary and rotational forces. Naval Carrier Strike Groups, Expeditionary Strike Groups, and the entire range of Marine Corps forces available to the command are by their very nature rotational. The Air Force has adopted a similar model with the Air Expeditionary Force and the Army's emerging Eastern European Task Force will also use an expeditionary construct which incorporates rotational forces.

Our evaluation of joint, theater, and global infrastructure requirements resulted in a proposed network of four types of facilities: Main Operating Bases (MOB), Forward Operating Sites (FOS); Cooperative Security Locations (CSL); and Prepositioned Sites (PS) (defined in enclosure 3). We will preserve our critical capabilities by maintaining select installations which support the rapid deployment and sustainment of expeditionary forces. In addition, a new family of FOSs and CSLs established throughout the AOR will provide essential facilities and equipment for expeditionary forces near areas of interest, crisis, or conflict and avoid saturation at key nodes along lines of communication.

The combination of installations and prepositioned war reserve material provides the scalability and agility needed for EUCOM to support a global strategy. En Route Infrastructure and Prepositioned Sites enable the movement, equipping, and engagement of rotational forces and provide the ability to rapidly project equipment to crisis areas and sustain military power. EUCOM's En Route Infrastructure in the United Kingdom, Germany, Spain, Portugal, Turkey, and Italy has played a critical role in our ability to prosecute the Global War on Terrorism and provides logistical support to forces participating in Operations ENDURING FREEDOM and IRAQI FREEDOM.

Theater Investment Needs

EUCOM is working closely with our component commands to obtain Service investments to support our theater requirements, most notably military construction (MILCON). A listing of EUCOM's MILCON projects, to include other theater investment needs, is provided at enclosure 4. We are eliminating unneeded facilities and investing resources in infrastructure that supports expeditionary forces arrayed throughout the European and African theaters. U.S. Air Forces in Europe (USAFE) is continuing to recapitalize critical base infrastructure at their enduring facilities, including Ramstein, Spangdahlem, Aviano, Incirlik, Lajes, Lakenheath and Mildenhall. Simultaneously, U.S. Naval Forces Europe (NAVEUR) continues work on previously funded recapitalization programs in Rota and Sigonella. U.S. Army Europe's (USAREUR) major focus remains the completion of the Efficient Basing Grafenwoehr (EBG) project; expansion of facilities and infrastructure at Vicenza, Italy to support the Southern European Task Force and the modularization of the 173rd Airborne Brigade; and the establishment of forward operating sites in Eastern Europe for the Eastern European Task Force.

Military Construction - Family Housing

Continuing to provide adequate housing for our service members and their families is critical to ensuring combat readiness and quality of life. Presently, 58 percent of our families live in inadequate housing. This is the direct result of drastic reductions in MILCON funding between 1991 and 1999 and the significant refurbishment and maintenance backlog that resulted.

EUCOM and the Services have an aggressive plan to address this situation by way of Build-to-Lease initiatives, renovations, and new construction at our enduring facilities. Significant Family Housing MILCON investments are included in the President's budget request for fiscal year 2006. USAREUR is requesting **\$133.1** million in MILCON funds to fully renovate more than 900 family housing units at enduring communities in Stuttgart, Garmisch, Wiesbaden, Ansbach, and Vilseck. USAFE requests **\$229.4** million for improvements to over 800 family housing units at Incirlik, Ramstein, Spangdahlem, Lajes, Moron, and Lakenheath. NAVEUR continues to improve its housing inventory through Build-to-Lease projects. With greater fidelity in our transformation plan, EUCOM has been able to more precisely refine its long term basing strategy and the infrastructure needed to support our plan.

Quality of Life Programs

Quality people are the bedrock of EUCOM's warfighting effectiveness. Of all our military assets, there are none more important than our troops and their families. The quality of our force is key to achieving our theater goals and is the direct result of our strong and sustained commitment to Quality of Life (QoL) issues. The Global War on Terrorism has called for tremendous sacrifices by our servicemembers and placed a considerable burden on their families. Our ability to support them during this period of extended deployments is inextricably linked to these QoL programs.

In our QoL strategy we recognize that our forces deserve fair compensation, good places to live, quality educational opportunities, meaningful work, challenging off-duty opportunities and access to quality health care. This command is committed to supporting all members of the EUCOM team (Active Duty, Reserves, DoD Civilians, DoD Contractors, Retirees and Family Members) with a standard of living comparable to their counterparts in continental United States (CONUS). Through a series of initiatives we continue to seek ways to enhance the educational opportunities for our family members and to improve spousal career development opportunities. At the same time, we remain dedicated to an excellent

education system. EUCOM is grateful for the support that Congress provides in investing in our children's future. These schools, which educate nearly 48,000 of our children, need and deserve your continued support and funding to maintain high educational standards.

We urge Congress to favorably consider the EUCOM QoL construction projects in the President's budget: the three Grafenwoehr and Vilseck barracks projects (\$53.6 million); housing projects throughout EUCOM (\$362.5 million); a Consolidated Community Center at Incirlik (\$5.8 million); a Family Support Center at Aviano (\$4 million); an elementary school at Vilseck (\$2.3 million); and room additions for Department of Defense Dependant Schools at Landstuhl (\$5.6 million) and Rota (\$7.9 million). We also ask your support in safeguarding the recent accomplishments in Quality of Life and base infrastructure that have enabled our forces to maintain a high state of readiness. These investments are invaluable resources that affirm our commitment to our fighting men and women, aptly recognize our most precious asset, and contribute to the future viability of the high quality force our mission demands.

U.S. Army Europe

The most ambitious and challenging aspect of EUCOM's transformation involves the realignment of forces and bases for U.S. Army Europe (USAREUR). The goal is to establish a more agile strategically positioned land force that has a greater capability to shape the security environment and to respond to crises throughout the theater. As we tailor the existing force structure, the combination of permanent forces in the AOR and rotational forces from CONUS will satisfy the full spectrum of operational requirements. Our objective is to complete this transformation by September 2010.

The transformed USAREUR will consist of two echelons of command. USAREUR and V Corps headquarters will merge into a single headquarters, to be called USAREUR & Task Force 5, which will include appropriate Intelligence, Communications and Logistics capabilities. It will function as the higher echelon and will include the capability to deploy and operate two standing Joint Task Force (JTF) Headquarters simultaneously. The second echelon will be comprised of modular Brigade Combat Teams and tactical enabler units such as Combat Engineers and Aviation. This construct will significantly enhance EUCOM's deployable warfighting capabilities and our ability to carry out the Theater Security Cooperation (TSC) requirements. The primary combat forces will include a fully structured Airborne Infantry Brigade Combat Team

stationed in Italy, a STRYKER Brigade stationed in Germany, a rotational Brigade deployed in Eastern Europe, two AH64D Longbow Attack Helicopter Battalions, and a High Mobility Artillery Rocket System (HIMARS) Rocket Battalion stationed in Germany.

USAREUR will return approximately two-thirds of the Army's current inventory of 239 installations, located in 16 major communities, to host nations. In Germany, 14 major Army communities will be reduced to four. The consolidation of our bases will occur on a timeline that is linked to the re-deployment of approximately 60 percent of our 62,000 Soldiers to CONUS and the transformation of remaining forces. We seek to minimize the need for units to relocate more than once while ensuring continuity of Soldier and family support.

The cornerstone of USAREUR's transformation is the deployment of a STRYKER Brigade Combat Team to the EUCOM AOR. This unit, which will be stationed at the Vilseck facilities of the Grafenwoehr MOB to take advantage of the world class facilities and infrastructure of the Army's Joint and Combined Expeditionary Training Center, will likely achieve full operational capability in Europe by the end of fiscal year 2007.

Efficient Basing Grafenwoehr (EBG) is another key component of USAREUR's transformation plans. We will use these new facilities to station a brigade sized equivalent of our deployable, combat enabler units (including Artillery, Engineer, Military Police, Signal and Logistic units) adjacent to the Army's best training area in Europe. This project has received over 50 percent of its funding to date. The barracks are our highest priority and must be completed as soon as possible to allow consolidation of the Soldiers. Family housing is being provided through build-to-lease arrangements. The required community support, maintenance and operations facilities to complete the initiative are included in the Department's Future Years Defense Plan.

As you have seen during your visits, Grafenwoehr is strategically located in southeastern Germany and enjoys a superb deployment infrastructure. Grafenwoehr also serves as a gateway to Eastern Europe for both training with Allies and to conduct land deployments into potential crises areas farther east and south. USAREUR will consolidate its aviation assets into a Multi-Function Aviation Brigade located in the Ansbach/Illesheim area. These are our best rotary wing training facilities and their proximity to Grafenwoehr Training Area will enable combined arms training with the STRYKER Brigade and other units.

The 173rd Airborne Brigade will expand to a full modular Airborne Brigade Combat Team and remain in Italy. This expansion will provide greater capability for rapid deployment and forced entry operations and enhance the brigade's ability to sustain itself during joint and coalition operations. We plan to begin converting the 173rd when it returns from combat operations in Afghanistan. The Brigade will remain in close proximity to Aviano Airbase, its primary deployment center. USAREUR has plans to expand the facilities and infrastructure in the Vicenza area, including the U.S. Army facilities at Dal Molin Airfield, to accommodate the growth associated with this restructuring.

Another major element of USAREUR's transformation will be the addition of a rotational brigade combat team to form the Eastern European Task Force (EETAF). Operating out of Forward Operating Sites (FOS) in Eastern Europe, this force will conduct Theater Security Cooperation (TSC) exercises, to include Joint/Combined training activities. Operating from FOSs will improve regional security, improve joint and combined logistics capabilities, enhance integration with our NATO allies, and dramatically decrease deployment timelines of expeditionary forces to areas of contention before they become areas of crises. The Initial Operational Capability of the Eastern European Task Force will be provided by using a battalion from the Europe-Based STRYKER Brigade after its arrival. The next sequence would commence with Brigade-sized units rotating from CONUS.

Our expeditionary posture will be characterized not only by the types of forces we will forward-deploy, but also by the way we organize our command and control structure. As we reorganize units, return forces to CONUS and co-locate our remaining units at the enduring locations in Europe, the stability and effectiveness of our command and control structure is vitally important. USAREUR Headquarters must be able to execute Title 10 and force provider responsibilities while achieving our transformation objectives. At the same time, V Corps must remain prepared to reassume a major role in U.S. combat operations as it did in Iraq. For those reasons, the consolidation of USAREUR and V Corps will be the last major step in transforming Army forces in Europe.

USAREUR will begin to return heavy forces to CONUS at approximately the same time the STRYKER Brigade is deployed in Germany. EUCOM is recommending that elements of the 1st Infantry Division begin returning to CONUS, followed by the re-deployment of the 1st Armored Division in the out years. The merger of USAREUR Headquarters and V Corps is expected to follow the return of the

two heavy divisions to CONUS. EUCOM is working within DoD to ensure these movements are coordinated with the BRAC process. We are also committed to informing Congress about our progress and requirements as these and other planned movements within the theater are executed. These major force structure changes have been coordinated to meet our anticipated requirements to prosecute the Global War on Terrorism.

U.S. Air Forces Europe

Aggressive streamlining has postured U.S. Air Forces Europe (USAFE) with the appropriate permanent force structure to conduct future operations as an integral part of EUCOM. USAFE continues to orient its existing forces to increase responsiveness and enhance force projection as it supports the changed strategic environment.

Even with its in-theater responsibilities, USAFE maintains an expeditionary mindset. As an inherently expeditionary force, USAFE assets are postured to deploy and deliver specific combat capability to any combatant command in any theater. Currently, USAFE has four of its ten flying squadrons conducting operations in support of U.S. Central Command. The USAFE Basing Strategy maintains theater presence while adjusting operating sites and locations to better support current and future missions. USAFE Main Operating Bases (MOB) provide visible presence and form the baseline for our strategic power projection capability, while Forward Operating Sites (FOS) and Cooperative Security Locations (CSL) enable expeditionary operations and extend our reach.

USAFE continues to invest in developing the capability of current main operating bases. For example, Ramstein Air Base and Spangdahlem Air Base are being developed to replace the capability lost with the closure of Rhein Main Air Base. At the same time, USAFE will close 41 of 203 current sites in theater, including Sembach Air Base, and Bitburg Air Base. USAFE has a graduated plan for the remaining closures to be completed and is also reviewing potential sites to locate permanent combat forces farther south and east in order to deal with the challenges of the future. Safeguarding freedom of action to deploy our aircraft during contingency and crisis operations is a key consideration in the relocation of forces.

Additionally, rotational forces are part of USAFE's future plans. Forward-basing rotational forces allows daily interaction with partner nations. The "face of America" offers immense contributions toward theater security cooperation. This methodology has worked well, as the many

exercises and visits conducted under the Partnership for Peace program contributed to the rapid entry of 10 new nations into NATO since the dissolution of the Warsaw Pact. The use of rotational forces to augment permanently stationed forces will allow a comprehensive and successful cooperation program.

The use of CSLs throughout the theater is a critical part of the basing plan. In addition to their operational benefit, they are also critical to conducting Theater Security Cooperation. USAFE intends to improve critical CSLs during the conduct of deployments and engagement events. Such a strategy minimizes up front costs, provides investment commensurate with capability derived from the site and allows plans to be adjusted as relations develop. These facilities will take advantage of local or contracted support where possible, thereby permitting the use of smaller force packages to meet a variety of contingencies.

USAFE has established a warfighting headquarters which directly supports EUCOM's Standing Joint Force Headquarters and provides theater planning, sustainment and execution of ongoing operations. We have also started the process of expeditionary support planning at a multitude of forward operating and support locations in the AOR based on projected threat analysis. Accordingly, analysis is underway to identify locations where USAFE can strategically locate and secure prepositioned assets to rapidly meet emerging threats. These new expeditionary combat support planning processes ensure readiness to project airpower where and when needed.

U.S. Naval Forces Europe

NAVEUR is realigning its infrastructure to support operations to the south and east in a transformed EUCOM. The result will be a more effective, efficient, and focused naval force which provides increased flexibility and reduces reliance on host nation approval. This force will be more responsive to surge, more efficient to sustain, and better able to reconstitute rapidly.

NAVEUR's transformation is supported by the U.S. Navy's Fleet Response Plan. This plan prepares forces to deploy earlier in their work-up cycle, if needed, and allows them to stay in a ready posture longer after completing scheduled deployments. This scalable, global force will more effectively satisfy EUCOM's operational, exercise and security cooperation requirements.

The Fleet Response Plan was successfully demonstrated during Exercise MAJESTIC EAGLE/SUMMER PULSEX 2004. The Secretary of Defense directed the execution of Global Carrier Strike Group Operations and Pulse Deployments to

the EUCOM, CENTCOM, U.S. Pacific Command and U.S. Southern Command AORs during June and July of 2004, with four of the seven Carrier Strike Groups deploying to the EUCOM AOR. This successful effort clearly demonstrated the maritime force capability available in a national emergency.

NAVEUR will play a key role in maritime security to advance EUCOM's security cooperation objectives in the increasingly important west coast of Africa. With the discovery of large oil reserves in the Gulf of Guinea there is tremendous economic potential for the region that has heretofore been absent. The energy potential is, in a sense, a double-edged sword: While it provides economic development value for the region, it is also a lightning rod for conflict that simmers below the surface of an ethnically and culturally diverse region. NAVEUR is working to coordinate deployments of primarily Navy, Marine Corps and Coast Guard assets to support Gulf of Guinea maritime forces as they address crises that can undermine future growth. Our presence and security cooperative measures can help mitigate instability, assist fragile democracies to confront threats, and provide the basis for real progress and economic prosperity in the region.

In addition, for minimal investment by the United States and other developed countries, a multinational network of radars to monitor surface ship and air traffic in the Gulf of Guinea would establish the operational foundation for multinational cooperation and regional solutions to inherently regional threats. Such an investment would not only enable our friends to avoid falling prey to terrorists and organized criminals who will eventually threaten U.S. interests, but would also contribute to the President's homeland security concept of extending maritime domain awareness to remote regions. Nigeria's recent purchase of fifteen US-built patrol boats demonstrates a commitment to increasing maritime security. Such commitments should be supported and developed in ways that produce mutual benefits.

The infrastructure at NAVEUR bases sustains the combat readiness of permanent, rotational and surge naval forces, as well as that of other service component forces transiting, temporarily assigned, or permanently stationed at NAVEUR bases. Bases at Rota, Spain, Sigonella, Italy and Souda Bay, Greece are strategically located across the Mediterranean to provide flexible and highly capable logistic support. NAVEUR is leveraging more than a decade of investment in these bases to ensure they are optimally structured for the future. Upgrades to Souda Bay facilities are complete. Improvements to our bases in Naples and Sigonella are well underway, while La Maddalena and Rota have just begun their long-range recapitalization.

As part of transformation, NAVEUR has made considerable improvements to overall force protection, including significant progress towards comprehensive electronic waterside security systems which complement existing barrier systems at several primary ports. NAVEUR also conducted its first theater-wide antiterrorism/force protection exercise, simulating simultaneous attacks and incorporating host nation security personnel in Italy, Spain, and the United Kingdom.

Consolidation and collocation of NAVEUR's command structure will improve effectiveness and yield efficiencies. NAVEUR is shedding excess infrastructure by closing its headquarters in London and moving its command functions to Naples. A parallel effort to reduce Naples-based staff by streamlining functions in NAVEUR, Sixth Fleet, and fleet task force staffs will result in significant billet reductions. By reducing the combined staff size from over 1000 billets to the target of 487, NAVEUR will be able to relocate to Naples without additional funding for facilities or services. A substantial core of the staff is already working in Naples, with the remainder utilizing technology and various collaborative tools to work together from locations in London and Gaeta.

NAVEUR will maintain required NATO alignment and improve integration with the NATO command structure by consolidating Flag Officer billets in a transformed U.S./NATO command structure. Near-term relocation and stand-up costs are minimal and being funded within the current Navy total obligation authority.

U.S. Marine Forces Europe

Marine Forces Europe (MARFOREUR) facilitates the conduct of joint and combined Marine operations, exercises, training, and Theater Security Cooperation (TSC) activities in the EUCOM AOR by utilizing expeditionary prepositioned theater assets and task organized rotational forces sourced from active and reserve Marine components. These forces will deploy as Marine Ground Task Forces embarked in Naval shipping operating from either a sea base or locations ashore. MARFOREUR is focused south on Western Sub-Saharan Africa and east to the Caucasus in support of USEUCOM TSC objectives, highlighted by past successes in the Trans-Sahara Counter Terrorism Initiative (TSCTI), Africa Contingency Operations Training and Assistance (ACOTA) program, and Georgia Security Assistance, as well as other theater and inter-agency initiatives. MARFOREUR continues to work with EUCOM and Headquarters U.S. Marine Corps to reconstitute and transform the Maritime

Prepositioned Force (MPF), and the Marine Corps Preposition Program-Norway (MCPN), to ensure the flexible and relevant capabilities these strategic programs provide. Over the next five years, the USMC plans to spend **\$46.3** million on MPF and **\$36.3** million on MCPN reconstitution and modernization. These prepositioning programs support not only EUCOM operational requirements but, as seen over the last three years, directly support Operations ENDURING FREEDOM and IRAQI FREEDOM.

MARFOREUR is also working closely with NAVFOR to coordinate Expeditionary Strike Group (ESG) / Marine Expeditionary Unit (MEU) operations in non-traditional places such as North Africa, western Sub-Saharan Africa and the Gulf of Guinea. ESGs will conduct operations and training with African partner nations to develop and sustain relationships, enable African military forces to operate as peacekeeper and encourage the establishment of maritime security forces. During the past three years ESG presence in USEUCOM AOR has been minimized by ongoing operations in the Middle East. MARFOREUR will also continue to leverage future ship technologies, such as the High Speed Connector (HSC), to enhance current capabilities and expand future expeditionary capabilities of joint and combined forces.

Special Operations Command Europe

EUCOM and Special Operations Command Europe (SOCEUR) are coordinating with U.S. Special Operations Command (SOCOM) to source a combination of permanent and rotational forces to be based in Southern Europe. The details of the plan are classified because of ongoing negotiations with host nations. Basing all theater-assigned SOF (i.e., air, ground, and sea) south of the Alps will enhance interoperability, training, and responsiveness to crises in the Caucasus and Africa. The plan calls for permanently relocating and consolidating SOCEUR with its ground, maritime (command and control only) and air SOF components, currently stationed in three countries, as well as one additional Army and maritime SOF units to be provided to the theater on a rotational basis. The increased SOF presence will improve our capability to accomplish Theater Security Cooperation objectives to increase our operational flexibility to fight the Global War on Terrorism, and to support operations in adjacent theaters as required.

The intent is to move south and east in the AOR in two phases. Current funding has already been requested to complete the first phase of this plan, which will provide for the move of the SOCEUR headquarters and portions of in-theater and rotational SOF. To support this plan, the President's Budget

Request includes **\$3.2** million in fiscal year 2006 and **\$5.9** million in fiscal year 2007 to fund planning and design requirements. In addition, SOCOM and the Service Departments have programmed more than \$200 million for fiscal years 2008-2011 to execute this critical transformation. The second phase of the plan will request additional funding in fiscal years 2011 to 2015 in order to move the 352nd Special Operations Group (Air Force SOF), currently located at Royal Air Force Base Mildenhall in the United Kingdom. This move will complete the strategic relocation and essential consolidation of EUCOM's Special Operations Forces.

Strategic Mobility and Maneuver

EUCOM's experience in the Global War on Terrorism demonstrates the value of our European infrastructure. Over 295,000 short tons of equipment and 60,000 passengers, plus an additional 17,000 troops from 16 Coalition partner nations, have been transported from EUCOM to the CENTCOM AOR since December 2003. This represents 75 percent of all coalition troops moved into that theater.

Our en route system has evolved with the realization that the Global War on Terrorism requires fighting the enemy in places unforeseen before 9-11. The U.S. Transportation Command (TRANSCOM) relies increasingly on southern tier routes, such as Lajes Air Base, Naval Station Rota, Naval Air Station Sigonella, and Incirlik Air Base, to project U.S. forces to crises areas in the Middle East, Northern Africa, Eastern Europe, and the Caucasus. Modest investments in these four strategically located bases will ensure we maintain critical southern air mobility routes for TRANSCOM and an "air-bridge" to expand operational reach. As we look even further south, we envision expanding the EUCOM en route system so we can engage future threats in sub-Saharan Africa. This new system will consist of a series of CSLs located across Africa's western and central regions to enable the rapid deployment of forces.

The combination of mature en route infrastructure and the requisite strategic and theater lift will enable EUCOM to support the U.S. global force posture. Continued C-17 procurement is crucial to fulfill EUCOM's strategic and theater lift requirements. Current airlift and air refueling assets do not satisfy the minimum requirements set forth in the "Mobility Requirements Study 2005" completed in 2001. The shortfall in air mobility assets is accentuated by the increasing demand on these assets driven by the Global War on Terrorism and the decreasing reliability of our aging fleet.

Investment in high speed intra theater sealift capability, such as provided by the Theater Support Vessel (TSV), will provide EUCOM a viable alternative to intra-theater airlift for the operational movement and sustainment of combat forces at every point of the spectrum of operations. Complementing Army Transformation, it will create an opportunity to achieve operations throughput, provide a means to counter unanticipated anti-access threats. Of equal importance is our ability to move and maneuver in littoral regions, the launching point for most expeditionary operations. Current efforts to deliver the Littoral Combat Ship to the fleet will help secure our dominance of that critical battlespace. Speed and agility in littoral operations are often the key to success and future missions will become increasingly reliant on these capabilities.

Theater C4ISR

An additional theater investment need is the upgrade of EUCOM's Network Centric Command, Control, Communication and Computers (C4) infrastructure. The Department of Defense has made enormous strides in enhancing bandwidth to the warfighter with programs such as the Global Information Grid Bandwidth Expansion (GIG-BE) and Transformational Satellite (TSAT). Unfortunately, many of our current installations and military communities do not have the infrastructure necessary to support these two vital projects, thus limiting our ability to achieve information and decision superiority.

Additionally, EUCOM continues coordination with the Services to increase Intelligence, Surveillance, and Reconnaissance (ISR) assets and analytical resources to effectively prosecute the Global War on Terrorism. Persistent ISR would improve our ability to find, track and interdict mobile and technically competent terrorist groups operating within the vast, ungoverned regions of our AOR. Unmanned air, surface and subsurface persistent surveillance platforms will be essential to forward operations based on our reduced footprint in theater. A major EUCOM focus is joint and combined interoperability of ISR systems to optimize information collection by NATO and non-NATO partners and to complement Department of Defense intelligence capabilities.

EUCOM is also leading efforts within NATO to establish an intelligence fusion center to improve integration. A shortfall exists within the Alliance for theater strategic and operational intelligence. The NATO Intelligence Fusion Center (NIFC) proposal has been spearheaded by EUCOM leadership to create an Alliance-focused capability to overcome the stove-piped means by

which individual nations currently support their own forces. The NIFC will support NATO with timely, fused, and predictive network-enabled intelligence. The current goal is to achieve full operational capability by 2007.

The Joint Analysis Center (JAC) at RAF Molesworth in the United Kingdom is EUCOM's theater intelligence analysis center. It has provided support for peacekeeping operations in the Balkans, U.S. policymakers in the Caucasus, and supported crises response and counterterrorism operations in Africa. It also provides intelligence products for U.S. Central Command. The JAC aggressively supports the GWOT with counter-terrorism analysis and has almost a quarter of its analysts temporarily deployed to Iraq and Afghanistan. Many successful counterterrorist operations have resulted from innovative analysis, close cooperation and information sharing with allies. EUCOM's integration of U.S. and multi-national law enforcement and intelligence reporting has given us insight into terrorist support infrastructure, recruitment, and training. We are working closely with interagency representatives, coalition partners, and U.S. Embassy teams to further develop these relationships.

Non-Lethal Capabilities

Non-Lethal capabilities are an emergent requirement and challenge for EUCOM. Current and developing technologies promise a set of non-lethal disabling and incapacitating force response options which will enhance force protection and deterrence capabilities. Current non-lethal capability is focused on tactical, short range, crowd control equipment and techniques. Future non-lethal capabilities promise precision, range and effective payloads to neutralize threats at stand-off distances while minimizing friendly casualties, particularly in the urban environment. Further development and acquisition of long-range precision non-lethal systems will provide the capability to clear personnel from facilities and structures; to deny access to areas to both personnel and vehicles; and to conduct non-invasive searches of vessels using imaging, acoustical, and chemical, biological, and radiological detection devices. These capabilities have application across the spectrum of conflict and offer alternatives to traditional manpower intensive means of physical security, crowd control, force protection, and search and seizure.

Supporting U.S. Central Command

EUCOM provides vital support to U.S. Central Command (CENTCOM) in its prosecution of Operation ENDURING FREEDOM (OEF) and Operation IRAQI FREEDOM (OIF). Over 16,000 EUCOM-based personnel are currently deployed to the CENTCOM AOR. Since 9-11, EUCOM has continuously maintained a Joint Operations Center (JOC) to monitor ongoing OEF and OIF activities and rapidly respond to Global War on Terrorism missions. In addition to providing combat and support forces (including V Corps, 1st Armored Division, 1st Infantry Division, and the 173rd Airborne Brigade), EUCOM contributions to OEF and OIF have included humanitarian airlift support, logistics support, evacuation and treatment of casualties, surveillance, compliant boarding of suspect merchant vessels, movement of detainees to Guantanamo Bay, and training and equipping Coalition Forces. Of particular significance is recent coalition support to provide security to the successful elections in Afghanistan and Iraq. A large percentage of all Iraqi theater communications are routed through EUCOM links.

As many members of Congress and this Committee have seen, Landstuhl Regional Medical Center (LRMC) is vital to caring for our service members and their families as we prosecute the Global War on Terrorism (GWOT). LRMC is the principal tertiary medical facility outside the United States. Over 21,000 patients from Afghanistan and Iraq have been treated at this critical facility that serves as the main evacuation site for 37 of our coalition partners since 2003. LRMC's strategic location astride our en route infrastructure and near the combat area of operations directly contributes to the 98 percent survival rate for soldiers wounded in action.

Additionally, as the largest American tertiary medical facility outside the U.S., LRMC has responsibility for a beneficiary population of 508,000 uniformed members, civilian employees and family members in the EUCOM and CENTCOM AORs. Two Fisher Houses, opened since 18 June 2001 and 4 December 2002 respectively, offer critical support to the LRMC community. Located on the LRMC grounds, these temporary residences provide a home away from home for families during medical treatment and have been 100 percent occupied since opening.

Relationship with Joint Forces Command

The U.S. Joint Forces Command (JFCOM) plays a pivotal role in the transformation of the U.S. Armed Forces. As the advocate for Combatant Commanders, JFCOM promotes the infusion of future technologies, manages the

sourcing of forces necessary to carry out peacetime as well as combat operations, and establishes tactics, techniques, and procedures for shifting to a capability-based force. The importance of the close cooperation between EUCOM and JFCOM can be seen in the Advanced Concept Technologies Demonstration (ACTD) program.

As EUCOM identifies capability gaps, JFCOM provides access to emerging technologies to meet these shortfalls and provides opportunities for the Combatant Commanders to assess these technologies in field conditions. JFCOM's lead in the ACTD efforts is critical to bringing technology to the warfighter as quickly as possible. Ongoing efforts include several projects to demonstrate net-centric Intelligence, Surveillance and Reconnaissance (ISR) interoperability, as well as Coalition Combat Identification systems.

JFCOM is also laying the foundation for the implementation of the Global Force Management (GFM) concept. This is especially vital to EUCOM as we balance our capabilities between permanently assigned and rotational forces. As a significant portion of standing forces return to the Continental United States (CONUS) from Europe, EUCOM will be increasingly dependant upon rotational force deployments to execute our Theater Security Cooperation (TSC) strategy. Our close coordination with JFCOM ensures that we are developing methodologies to identify global force requirements while enhancing EUCOM's strategic posture. By maintaining the delicate balance between resourcing current operational requirements and future capabilities commitments, we are posturing for our future success.

Theater Security Cooperation

EUCOM's Theater Security Cooperation (TSC) programs are the centerpiece of our efforts to promote security and stability by building and strengthening relationships with our allies and regional partners and are an indispensable component of our overarching theater strategy. They are regionally focused and assist our allies with the development of capabilities required to conduct peacekeeping and contingency operations with U.S. forces. Well trained, disciplined allied and friendly forces reduce the conditions that lead to conflict, prepare the way for warfighting success, and ultimately mitigate the burden on U.S. forces. Most importantly, Theater Security Cooperation efforts support the long-term strategic objectives of the Global War on Terrorism by building understanding and consensus on the terrorist threat; laying foundations for future "coalitions of the willing;" and extending our country's security perimeter.

Security Cooperation Activities

Security Cooperation Activities are managed programs planned and executed for the purpose of shaping the future security environment in ways favorable to U.S. interests. Key among EUCOM's TSC tools are Foreign Military Financing, Foreign Military Sales, Direct Commercial Sales, and International Military Education and Training. These programs provide access and influence, help build professional, capable militaries in allied and friendly nations, and promote interoperability with U.S. forces. We execute the larger security assistance programs using our 44 Offices of Defense Cooperation in concert with U.S. Embassy Country Teams, while smaller programs are executed by Defense Attachés and Embassy Offices.

Security Assistance

Foreign Military Financing (FMF) provides critical resources to assist nations without the financial means to acquire U.S. military equipment and training. It is an essential instrument of influence; builds allied and coalition military capabilities; and improves interoperability between forces. Poland, Georgia, Romania, and Bulgaria are among our top FMF recipients and all are effectively serving beside our forces in Operations ENDURING FREEDOM and IRAQI FREEDOM. This years FMF request for countries in the EUCOM AOR, included in the International Affairs (Function 150) account, totals **\$2.51** billion.

Foreign Military Sales (FMS) and Direct Commercial Sales (DCS) demonstrate our nation's continued commitment to the security of our allies and friends by allowing them to acquire superior U.S. military equipment and training. FMS and DCS sales are vital to improving interoperability with U.S. forces, closing NATO capability gaps, and modernizing the military forces of our new allies and partners. The F-16 and High Mobility Multipurpose Wheeled Vehicle (HMMWV) sales to Poland and C-17 lease to the United Kingdom illustrate the crucial importance of these programs.

International Military Education and Training (IMET) and Expanded IMET (E-IMET) provide education and training opportunities for foreign military (IMET) and civilian personnel (E-IMET). These programs enhance coalition operations by improving military-to-military cooperation and interoperability; reinforcing civilian control of the military; advancing the principles of responsible governance; and supporting the stability of newly-formed democracies. As a result of the relationships that develop from this program, our return on investment in long-term access and influence is

significantly enhanced. Consequently, our interests are disproportionately injured if this program is reduced or sanctioned. Today's IMET participants are tomorrow's senior foreign military and civilian leaders. In Africa, IMET and E-IMET have been the most successful programs in promoting professional militaries that respect democracy and human rights. The EUCOM portion of the fiscal year 2006 IMET request is **\$12.935** million and like FMF, is also included in the International Affairs (Function 150) account.

Defense and Military Contacts

Another viable influencing activity is Defense and Military Contacts. Under this program professional military contacts build valuable, often life-long relationships at all levels that serve to enhance cooperation and advance U.S. strategic interests. One of the most successful and influential programs employed by EUCOM is the National Guard *State Partnership Program* (SPP). The SPP links U.S. states and territories with partner countries for the purpose of supporting EUCOM's security cooperation objectives and assists partner nations in making the transition from authoritarian to democratic governments. The unique civil-military nature of the Guard allows it to actively participate in a wide range of security cooperation activities that provide great flexibility in meeting our Theater Security Cooperation objectives. Currently there are 25 states partnered with 23 foreign nations in the EUCOM AOR.

This past year was extremely successful as National Guard Soldiers and Airmen conducted over 115 events with partner nations. Indeed, SPP has been so successful that EUCOM is aggressively seeking funding to expand the program in Africa. In the last two years, four partnerships have been added: South Africa - New York; Morocco - Utah; Ghana - North Dakota; Tunisia - Wyoming. SPP is a key Theater Security Cooperation tool that supports U.S. Government objectives by promoting access, bolstering capabilities, and enhancing interoperability.

Multinational Education

Another important security cooperation tool is the *Multinational Education* activities that provide instruction to foreign defense and military personnel by U.S. institutions and programs, both in CONUS and overseas:

- The *Africa Center for Strategic Studies (ACSS)*, since its foundation in 1998, developed into an institution that addresses the challenging strategic issues of the continent's weak political institutions, arms

proliferation, the impact of migration and ethnic and religious conflict;

- The *Near East-South Asia Center for Strategic Studies* conducts executive and senior executive seminars to foster professional defense planning and emphasizes the functions of a military establishment in a pluralistic society. Israeli, Tunisian, Algerian, Moroccan, and Mauritanian military personnel routinely participate in these seminars;
- The *George C. Marshall European Center for Security Studies* continues to be at the core of EUCOM's engagement strategy by building trust and cooperative relationships with the leaders (current and future) of over 50 nations across Europe and Eurasia. On the front line in the "Battle of Ideas," the Center endures as an asset EUCOM can count on to engage even seemingly impenetrable countries. Its ever deepening and widening network of resident course graduates and Conference Center participants now totals nearly 16,000, many of whom move into key positions of influence, and recently included members of the new Afghan military. The German-American character of the institution allows the U.S. to promote our policies and ideas with an implicit European stamp of approval. The Marshall Center has increased its focus on the Caucasus and the Central Asian States. The Congress can amplify the already great impact of the Marshall Center by supporting submitted legislative changes that will clarify and streamline funding of participants from strategically vital areas of the world including Iraq;
- The *NATO School* is a EUCOM-supported activity in Oberammergau, Germany, which falls under the operational control of the Allied Command, Transformation. Its primary mission is to conduct courses, training and seminars in support of NATO strategy and policy, including cooperation and dialogue with military and civilian personnel from non-NATO countries. Most recently it has been engaged in the delivery of out-of-country training to members of the fledgling Iraqi National Army.

Regional Approach to Theater Security Cooperation

EUCOM's TSC strategy is derived from regional priority and policy themes stated in the Secretary of Defense's Security Cooperation Guidance. EUCOM has taken a regional approach that links individual country objectives to broader theater goals. In Africa, EUCOM's priorities are to increase the capability of African nations to conduct peacekeeping and contingency

operations in their regions, particularly through the African Union and other regional organizations; to protect natural resources; and to promote stability by assisting medical advice and assistance progress on health issues such as HIV/AIDS, cholera, malaria and other diseases that have humanitarian and strategic consequences.

In Europe, EUCOM's priorities are to assist our allies in developing capabilities to deploy rapidly and operate with U.S. forces; to deepen and strengthen our relations with Poland, Hungary, Romania, Bulgaria and Turkey as NATO transforms and increasingly becomes a source for building coalition forces; to shift U.S. focus in Europe to the east and south to strengthen our ability to conduct out-of-area operations; to increase U.S. influence with new NATO members; and to improve partner interoperability. EUCOM will also focus on enhancing stability in the Caucasus and Black Sea regions and assisting Western Balkan countries in their integration into EURO-Atlantic institutions. Multinational training and exercises are essential elements of our regional approach to build military-to-military cooperation, to improve interoperability, and to facilitate the development of professional militaries.

African Regional Initiatives and Programs

The *Gulf of Guinea Guard* is a EUCOM initiative to assist Ghana, Togo, Benin, Nigeria, Cameroon, Equatorial Guinea, Sao Tome and Principe, Gabon, Republic of the Congo, and Angola in protecting their natural resources and achieving long-term security and stability. The focus of this initiative is to prevent the region's political, economic, and social issues from becoming regional stability problems requiring international involvement. NAVEUR hosted the first Gulf of Guinea Maritime Security Conference in October 2004, which provided momentum to this ongoing initiative.

The *Global Peace Operations Initiative (GPOI)*, enacted as part of the Consolidated Appropriations Act, 2005 (PL 108-447), is designed to meet the world's growing need for well-trained peace operations forces by enabling the United States to work with lead nations and selected international organizations to support, equip and train other countries' forces. In Africa, GPOI will supplement the existing Africa Contingency Operations Training and Assistance program and fund an exercise program which meets international peace operations standards. In Europe, we will leverage GPOI funding to help the militaries of Eastern Europe and the Caucasus develop their peacekeeping capabilities.

EUCOM established *Joint Task Force AZTEC SILENCE* under the Commander of the U.S. Sixth Fleet in December 2003 to counter transnational terrorism in the under-governed areas of Northern Africa and to build closer alliances with those governments. In support of this, U.S. Navy intelligence, surveillance and reconnaissance assets based in Sigonella, Sicily were used to collect and share information with partner nations and their militaries. This robust cooperative ISR effort was augmented by the release of intelligence collected by national assets.

The *Trans-Sahara Counter Terrorism Initiative (TSCTI)* is a proposal to develop the internal security forces necessary to control borders and combat terrorism. This program will focus on Algeria, Morocco, Tunisia, Senegal, Ghana, and Nigeria. As follow-on to the Pan-Sahel Initiative completed in early 2004, TSCTI increases assistance with detection and response to the migration of asymmetric threats throughout the region. The initiative will also help these nations maintain security by building the capacity to prevent conflict at its inception. TSCTI seeks to maximize the return on investment by implementing reforms to help nations become more self-reliant.

EUCOM has aggressively worked with regional organizations, such as the *Economic Community of West African States (ECOWAS)*, the *Southern African Development Community (SADC)*, and the *East African Community (EAC)*, to develop a regional ability to respond to crises. Under the EUCOM TSC Strategy, ECOWAS is a regional stability partner. Within West Africa, ECOWAS has continued to champion economic and peace building efforts. The ECOWAS Standby Force will be a model for other regional organizations.

The U.S. needs to continue engagement with nations that are supportive of regional initiatives leading to peace and stability. Regional leaders like Senegal, Ghana and Uganda have not only been willing to support the Global War on Terrorism, but also have been proactive in facilitating dialogue between nations within their area of influence that were once in conflict. Their approach to curbing HIV/AIDS and providing economic stimulus are models that are proven to work in the African context for African nations.

European Regional Initiatives and Programs

During the past year, EUCOM maintained dialogue with European and Eurasian nations. In addition to a variety of conferences conducted, some completed and ongoing programs include:

- In the Caspian Basin, we have made tremendous progress in the last year moving from concept development to full implementation of the *Caspian Guard* initiative which established an integrated airspace, maritime and border control regime for the nations of Azerbaijan and Kazakhstan.
- In Georgia, the Sustainment and Stability Operations Program (SSOP) is geared to training two peacekeeping battalions for service in Iraq. The program combines funding from several sources, including Foreign Military Financing. SSOP also will provide the country with a trained cadre of trainers and staff to support additional sustainment personnel and peacekeeping units. Finally, SSOP will help solidify the progress made during the Georgia Train and Equip program and continue to assist in the implementation of western standards in the Georgian armed forces.
- In Poland, we provided assistance with the successful bed-down of F-16s purchased through the Foreign Military Sales Program. U.S. Air Force experts are assisting their Polish counterparts with developing plans to make these new weapons systems fully operational.
- With Russia, the U.S. conducted Exercise NORTHERN EAGLE in the North Sea in September 2004. This bilateral maritime exercise focused on maritime interdiction operations and was designed to share naval tactics and techniques in order to increase interoperability and develop common operating baselines. Additionally, our USAREUR Army Forces conducted Exercise TORGAU '04 with the Russian Land Forces north of Moscow in the summer of 2004. We will build on TORGAU '04 with TORGAU '05, an ambitious Russian-U.S. land exercise to be conducted sequentially in Russia then concluding in Germany in the summer of 2005. This will be the largest, most ambitious land exercise we have conducted with the Russians since the end of the Cold War. TORGAU '05 will exercise expansive echelons of U.S. and Russian commands, ranging from combat vehicle interoperability with crew exchanges, all the way to a large scale senior command combined arms peace enforcement / security and stability simulation.
- In Turkey, we are helping promote the Center of Excellence-Defense Against Terrorism (CoE-DaT) into a world-class center in the fight against terrorism. The Turkish CoE-DaT directly supports U.S. security goals by building a common understanding of the operational and strategic terms and objectives in the Global War on Terrorism. The

Center will also provide a key venue for NATO outreach to the broader Middle East and North African countries. Active participation in this center will give the United States the ability to shape the curriculum of the CoE-DaT. The United States will also have direct influence on the perceptions and motivations of the students attending the training; students who by design will be shaping antiterrorism programs and policies in their own countries.

- In Ukraine, we are working to establish a comprehensive interoperability program for that nation's Joint Rapid Reaction Force. The goal is to establish two fully NATO-interoperable Ukrainian brigade task forces, which will greatly enhance its capability to participate in international coalition and peacekeeping operations.

Coordination of Theater Security Cooperation: The Clearinghouse Approach

A regional TSC approach is being refined, in part, through clearinghouse initiatives. Clearinghouses, created for Africa, the South Caucasus, and Southeast Europe, allow the United States to coordinate its actions with other nations involved in security cooperation in the same region. Each serves as a multi-national forum for interested countries to share information about their security assistance programs for specific regions. The objective is to optimize the use of limited resources by merging the various security cooperation programs into a comprehensive, synchronized regional effort. Clearinghouses provide a medium for deconflicting programs, avoiding duplication and finding ways to collaborate and cooperate.

- The *Southeast Europe Clearinghouse*, aimed at the three Adriatic Charter nations (Albania, Croatia, Macedonia) plus Bosnia and Herzegovina, and Serbia and Montenegro, is open to all NATO, European Union, and partner countries (Russia and Ukraine specifically) that have engagement programs in Southeastern Europe. The objectives of this clearinghouse are to assist the Adriatic Charter nations in their efforts toward NATO membership and to speed the integration of Bosnia and Herzegovina and Serbia and Montenegro into the Euro-Atlantic Community.
- The *South Caucasus Clearinghouse* is now firmly established as a forum for EUCOM, our European partners, and international organizations like NATO and the Organization for Security and Cooperation in Europe to coordinate security cooperation programs with Armenia, Azerbaijan, and

Georgia. This clearinghouse focuses on defense reform, energy security, maritime security, disaster response, peacekeeping, and training and education.

- The *Africa Clearinghouse*, EUCOM's most recent initiative has brought thirteen African countries together with NATO, the United Nations, and the European Union. The inaugural conference, held in May 2004, focused on West Africa and the Economic Community of West African States (ECOWAS). The regional approach continued in December 2004 with a conference concentrated on east Africa.

IV. GROWING STRATEGIC IMPORTANCE OF AFRICA

Torn apart by war, disease and poverty, and marked by vast ungoverned spaces, Africa can be a haven for our enemies in the Global War on Terrorism. That is why stability on that continent has emerged as such a key goal of EUCOM's strategic plan. Despite obvious problems, African nations are joining together and making progress in their quest to provide security and stability for Africans. The United States should concentrate resources and efforts to assist our African partners in building their regional capabilities.

EUCOM has created relationships with, and actively assists three major multi-national organizations in Africa: the African Union; the Economic Community of West African States (ECOWAS); and the United Nations (UN). The African Union, formed in 1999, comprises more than 50 nations, and is progressing toward establishment of the Africa Standby Force. It is envisioned that this force will be comprised of five regional brigades that can support the type of challenging security requirements the continent offers. Our investment in AU capabilities today will reap tremendous benefits in the future by giving Africans the capability to deal with challenging issues before they require international intervention.

ECOWAS is a regional organization of 16 West African nations formed in 1975. Its military intervention in Liberia in 2003 proved to be a successful undertaking, but not without substantial multinational support. Working collectively with the United Kingdom, France, Canada, and several other countries, EUCOM has sought to help build ECOWAS' capacity for conducting peacekeeping operations to a level which requires limited U.S. and European logistic support, and no U.S. troop support, during any regional crisis. With coordinated support and encouragement from the United States, allied donor nations including non-governmental organizations and international

corporations, ECOWAS has measurably improved its capacity to respond to regionally supported operations.

We have worked closely with Uganda in the prosecution of a local terrorist organization, resulting in a country more prepared to counter insurgencies that threaten internal and regional stability. Other nations in the region have not only expressed interest in similar activities, but also provide capabilities that are found only within their region.

Many other countries in Africa have shown both the willingness and the capability to support peacekeeping operations. Angola and Nigeria provided strategic airlift for crucial peacekeeping operations in Cote d'Ivoire and Sudan. Gabon has taken a lead role in the UN mission in the Central African Republic. South Africa has supported several international military missions. Although the African Union continues to improve its peace keeping operations capacity, the UN remains very active on the continent. For example, there are currently more than 43,000 United Nations military peace keepers involved in operations in Sierra Leone, Liberia, Cote d'Ivoire, the Democratic Republic of Congo and Burundi.

The major U.S. security objectives in Africa should be to eliminate ungoverned areas, to counter extremism, and to reduce the chronic instability that hampers and often extinguishes hope for political and economic development. Development of effective security structures in Africa will lay the foundation for future success; however, they are dependent upon on a new level of commitment to devote the manpower, financial, and institutional resources necessary to establish and sustain real progress. We must craft a policy that recognizes the growing strategic importance of Africa and its potential to become the next front in the Global War on Terrorism. African security issues will continue to directly affect our homeland security. It appears that we have a small window of opportunity to make relatively modest near-term investments to avoid massive problems requiring U.S. intervention in the future that could prove costly.

V. NATO ALLIANCE

The North Atlantic Treaty Organization (NATO) remains the most successful political-military alliance in history and provides our nation a critical link to Europe at a time when cooperation is essential to our success in the Global War on Terrorism. The meaningful participation by the United States in the Alliance continues to yield benefits far beyond the costs of our contribution. NATO transformation efforts, begun in earnest

following the Prague Summit in 2002, continue apace today, and are yielding tangible results in the form of an enhanced military capability that is deployable to the trouble spots of the globe.

As we continue to refine the critical relationship between Allied Command Operations (ACO) in Mons, Belgium, and Allied Command Transformation (ACT) in Norfolk, Virginia, we have already made great strides in doctrine development and process improvement. As ACO articulates operational requirements as identified by commanders serving in Afghanistan and participating in NATO exercises throughout Europe, ACT has begun developing the framework to turn this vision into measurable capabilities. This close cooperation enables the infusion of research and technology to address training, equipment, or doctrine shortfalls and provides the first ever process by which to certify NATO forces as ready to conduct the full spectrum of military operations.

We have seen similar success in recent NATO's commitment to conduct operations beyond the traditional boundaries of the Alliance. NATO has embarked upon an expansion of the International Security Assistance Force (ISAF) mission in Afghanistan, has begun the NATO Training Mission in Iraq (NMT-I) to provide assistance to the Iraqi Interim Government, and has completed the largest round of expansion since its inception. All these accomplishments have been achieved since testimony before this committee last March.

Value of U.S. Leadership

U.S. contributions of forces and resources to the Alliance, despite a gradual decline in relative levels, still comprise the largest share when measured by dollars and capabilities. This sustained level of commitment permits the United States to occupy the key military leadership posts of the Alliance, which include Supreme Allied Commander Europe and Supreme Allied Commander Transformation. The advantages of leadership within NATO's military structure are clear and provide an avenue by which to suggest changes for the direction of the Alliance. Unfortunately, if the level of U.S. contributions continues to decline, our claim to leadership posts will inevitably be challenged.

The recognized linkage of EUCOM and NATO transformation efforts is a clear dividend brought about by our persistence, focus, and leadership within the Alliance. NATO's force structure has begun to transform from a reflection of 20th Century realities, when massive armies were necessary to

blunt a Warsaw Pact thrust into Central Europe, to a more agile, expeditionary and responsive force. These formations were manned by conscript soldiers who served in units that were almost purely defensive and located in their own homelands. As a result, they were not designed with expeditionary capabilities, strategic lift or robust support infrastructure. Few nations have trained, equipped, or organized their forces to operate beyond their own borders. Since ships and aircraft possess inherent mobility, the transformation of NATO naval and air forces has been much easier to accomplish than the armies of Europe; therefore, the focus has been, and must remain, on the transformation of ground force components. NATO's recognition of this challenge was clearly expressed at the Prague Summit in 2002 and re-affirmed at the Istanbul Summit in June 2004.

The initial round of NATO transformation began with the elimination of unnecessary layers of command structure, including the deactivation of 12 sub-regional Headquarters during 2004. Another major step occurred in March 2004 in Lisbon, when Joint Headquarters Lisbon was established under the command of U.S. Vice Admiral Harry Ulrich, Commander of the U.S. Sixth Fleet.

NATO also made remarkable progress in creating and developing the NATO Response Force (NRF), the primary vehicle for transforming the Alliance's force structure. With the critical assistance of Allied Command Transformation, the NRF reached initial operating capability in October 2004 and conducted its first significant command-post exercise, Exercise ALLIED WARRIOR 04, in November 2004. As a result of these dramatic changes to NATO's command and force structure, and the overall willingness of Allies to support commitments to the NRF, NATO stands poised to act on the global stage, as an operationally-focused, mobile and deployable force.

Transformation Initiatives and Operations

NATO has made encouraging progress this past year. Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia, and Slovenia became full members of the Alliance. The Istanbul Summit produced an agreement to begin training Iraqi security forces. Following a September 2004 decision by the North Atlantic Council (NAC), initial training commenced in November 2004 in Stavanger, Norway. Following the successful Iraqi elections there has been a renewed interest within the Alliance to increase the commitment to train the Iraqi Security Forces. This year, NATO will open a Training, Education, and Doctrine Center in Iraq to provide mid-grade to senior officer training courses, with plans to expand training to senior noncommissioned officers.

This is the institution we expect to produce the guardians of the Iraqi people's government and through which a liaison to the West is established and maintained. Another significant development was the NATO Chemical Biological Radiological Nuclear Task Force deployment to Greece during the 2004 Summer Olympic Games, manned by troops from Belgium, the Czech Republic, Hungary, Italy, Poland, and Spain.

Finally, the decision to expand the ISAF mission in Afghanistan further underscores the level of transformation occurring in the Alliance. The generation of forces required for the implementation of Stage 2 expansion in Western Afghanistan has been achieved. National contributions will facilitate the establishment of several more Provincial Reconstruction Teams (PRTs) and Forward Support Base requirements. Additionally, several Nations have informally offered to establish PRTs in the Southern part of the country (Stage 3). Based on these developments we can be optimistic that upon NAC approval, and with continued support of the Member Nations, the expansion of NATO operations will complete its final expansion to Eastern Afghanistan (Stage 4) in due time.

NATO member nations have begun to examine important facets of their tactics, techniques, and procedures, including the professionalization of their non-commissioned officer (NCO) corps. The backbone of the American military is our NCO leadership. Our NATO partners have begun to realize that they can increase capability by capitalizing on the experience of the U.S. military. Under the leadership of the Allied Command Operations Sergeant Major Alford L. McMichael, USMC, the former Sergeant Major of the U.S. Marine Corps, NATO has established three levels of NCO leadership training: preliminary, intermediate, and advanced. Working with the Marshall Center, an International Senior NCO course is being developed for Sergeants Major. The appetite for this training is far greater than we envisioned.

Another major development in the Alliance was the result of two years of concentrated effort to improve the manner by which the Alliance matches political will with actual military capabilities. Forces for NATO operations and missions, such as the Kosovo Force, Stabilization Force, and ISAF, have traditionally been provided by Alliance members through individual force generation conferences. The growing demands on NATO's military forces have made balancing the varying requirements of each operation increasingly difficult. To address this inefficiency, NATO held the first ever Global Force Generation Conference in late November 2004. Led by the Deputy Supreme Allied Commander, General Sir John Reith, British Army, this conference

accomplished two important objectives: identifying long-term requirements, including current gaps; and establishing the ability for individual nations to accomplish more effective long-term force planning. Additionally, this initiative bolstered the case for Alliance transformation by highlighting capability shortfalls in a timelier manner, and spotlights the limitations, or "national caveats," that nations use to limit the "usability" of their force contributions.

NATO continues to promote security in other ways. One of its most successful outreach programs is the Partnership for Peace (PfP). PfP has increased stability and built stronger security relationships in Europe, the Caucasus, and Central Asia through political consultations and individual national programs. EUCOM involvement and leadership in PfP training, exercises, and bilateral programs with participating nations help make this program a success.

Thirty nations have joined the PfP since it was launched in 1994, with 10 achieving NATO membership. Seven of these 10 nations were accessed via the NATO Membership Action Plan (MAP). The MAP provides for concrete feedback and advice from NATO to aspiring countries on their own preparations directed at achieving future membership. Currently, EUCOM continues to help three MAP nations (Albania, Croatia, and Macedonia) meet membership requirements, especially in the areas of civil-military relations and making appropriate military contributions to the Alliance.

NATO has also reached out to the nations of North Africa and the Middle East through the Mediterranean Dialogue program and the recently announced Istanbul Cooperation Initiative. These programs, though less extensive than PfP, provide for political dialogue and practical cooperation with participating countries and help foster democratic and military development with countries important to the U.S. and NATO in the war on terrorism.

NATO continues to strengthen relationships with Russia and Ukraine. The NATO-Russia Council and the NATO-Ukraine Commission focus on a variety of issues including counter-proliferation, peacekeeping, theater missile defense, civil emergency response and responses to terrorism. At the military level, the NATO-Russia Interoperability Program explores avenues to facilitate meaningful Russian participation in NATO-led operations. A recent agreement on the modalities for Russian naval support to NATO's anti-terrorist maritime interdiction mission, Operation ACTIVE ENDEAVOR, is expected to yield Russian participation beginning later this year.

NATO successfully concluded the Stabilization Force mission in Bosnia and Herzegovina on 2 December 2004 after achieving the military objectives outlined in the Dayton Peace Accords. The European Union mission comprised of approximately 7,000 troops has assumed the predominately police enforcement mission to ensure continued stability in the country. The United States continues to demonstrate its firm commitment to the region by sourcing a portion of a new NATO Headquarters (NHQ) in Sarajevo. The new mission requirements for NHQ Sarajevo decrease NATO sourcing levels to less than 250 personnel, including a one-star general/flag officer who will serve as the senior military representative. NHQ Sarajevo will focus on the execution of defense reform, partnership for peace activities, counterterrorism operations, and apprehension of persons indicted for war crimes (PIFWC). The United States acceptance of the Bosnia and Herzegovina offer to allow continued use of Eagle Base is another sign of commitment to the country and to the region.

NATO's Kosovo Force continues to provide critical security to this region in support of the United Nations' Interim Administration in Kosovo. Currently, Task Force Falcon has approximately 1900 soldiers from both the active and reserve components deployed as part of Multi-National Brigade - East to enforce the "Military Technical Agreement" and to conduct operations to further deter hostilities and promote a stable environment. NATO's troop strength was reduced to 17,730 in 2004 with U.S. forces contributing nearly 12 percent (2,010) of the personnel. While it is anticipated that the U.S. footprint will be adjusted in the coming the year as part of the NATO Periodic Mission Review process, continued U.S. presence remains essential.

Challenges for NATO

The development of the European Union's (EU) Security and Defense Policy (ESDP) requires that the EU and NATO coordinate closely their plan and operations. The development of greater European capabilities in support of peace and security is to be welcomed, and a good working relationship has developed between the NATO Staff at Supreme Headquarters Allied Powers Europe (SHAPE) and the EU planning cell. But there remains only one set of forces, regardless of the number of assigned missions or institutional affiliations, a truth applicable to both European and to U.S. forces. We seek to ensure that unnecessary duplication of NATO capabilities by the EU is kept to a minimum and that EU missions not degrade NATO readiness.

While political ambition is expanding and improvements are being made in important military aspects of NATO, cumulative Alliance defense spending has declined over the past few years. Seventeen of the 26 member nations spend less than the agreed upon benchmark of a minimum of two percent of their gross domestic product on defense. Additionally, antiquated acquisition processes seriously impede progress and limit operational effectiveness. The Alliance is being inhibited by funding difficulties, lack of suitable investment in new technologies, and business practices that are outdated and inefficient. Sharing industrial benefits and open competition are desirable but must be balanced against the risks of operational failure. True transformation cannot be achieved until these conditions are addressed.

A shortfall exists within the Alliance for theater strategic and operational intelligence. The NATO Intelligence Fusion Center (NIFC) proposal, discussed previously, has been spearheaded by EUCOM leadership to address this capability deficiency. As NATO creates more permanent standing formations, the NIFC will support the NRF with timely, fused, and predictive network-enabled intelligence.

The ongoing transformations in EUCOM and NATO are inextricably linked to the challenges of today's security environment and are complementary and mutually supporting. Together, they will produce an effect greater than the sum of its parts. By leadership and example, EUCOM supports NATO transformation and serves as a model for the Alliance and its member nations.

VI. CHALLENGES FOR TOMORROW'S MILITARY

The complexity of today's security environment requires new methodologies to promote conflict prevention and conduct post-conflict operations. A military approach alone will not deliver the desired outcome in countries or regions where there is little or no experience in responsible governance. Integrated interagency and international action is necessary to achieve long-term strategic goals.

Afghanistan, Iraq, the Balkans, and Liberia provide numerous examples of the post-conflict challenges that present themselves and require the resources and skill sets of multiple U.S. government agencies and the international community. Regardless of scope or scale of any given conflict, U.S. involvement encompasses elements codified in interagency coordination doctrine.

While the requirements for successful post-conflict resolution are not easy to predict, our experience in operations in Somalia and Iraq reaffirms the axiom that success requires unity of effort, both within the U.S. government and the international community. It hinges upon the long-term stability of the social, political, and economic systems of societies. The absence of a comprehensive, integrated strategy can prolong conflict or even a regression to pre-conflict conditions.

As we increase the agility and responsiveness of our military capabilities through transformation, we must also adjust our decision-making process. Interagency coordination and cooperation are key to attaining desired end states. Each solution must be tailored to the existing geopolitical and demographic situation of the given region or conflict.

Integration of EUCOM and other U.S. agency activities throughout our AOR continues to mature and is a key element of theater transformation. By including representatives of governmental and non-governmental agencies and organizations early in the planning process, military planners have been able to develop more comprehensive plans at the strategic and operational levels. Additionally, these representatives gain a better understanding of the military and its operational techniques, capabilities and limitations.

As you know, EUCOM has already implemented the Standing Joint Force Headquarters (SJFHQ). The EUCOM SJFHQ has largely been carved from existing staff to provide a standing, cross-functional command and control element that maintains a daily focus across the full spectrum of warfighting. EUCOM has elected to call our SJFHQ the European Plans and Operations Center or EPOC. The EPOC has brought intelligence, logistics, communications, political military affairs, and operations closer together and serves as a vital component to our transformation as we move toward a more agile, cross-functional headquarters, synchronized with interagency and multi-national partners in support of our U.S. National policy and strategic objectives.

On the counterterrorism front, EUCOM and other government agencies have worked together to develop the Trans-Sahara Counterterrorism Initiative, a long-term strategy to counter terrorism in the Sahel region of Africa. In preparation for the 2004 Summer Olympic Games in Athens, the State and Justice Department representatives to EUCOM's Joint Interagency Coordination Group (JIACG) shaped operational planning and support mechanisms for the U.S. intelligence and operational fusion element in Athens. They also worked to educate the EUCOM planners and operators regarding potential counterterrorism and consequence management operations in the event of a terrorist attack. At

the same time, the Treasury Department's representative from the Office of Foreign Assets Control provided substantial sustained support to the theater's counterterrorism efforts and the apprehension of persons indicted for war crimes in the Balkans and elsewhere.

EUCOM has already begun to modify our JIACG to better integrate all the elements of national power. We have developed strong ties with the Office of the Coordinator for Reconstruction and Stabilization at the Department of State, sharing deliberate planning information on several areas of concern and jointly developing doctrine, techniques and procedures for mutual operational and planning support. Exercise FLEXIBLE LEADER 05 validated our standing joint force headquarters and transformational planning constructs by exercising participation by State, Justice, Treasury, Commerce, and Agriculture departments. The lessons learned during this exercise will help shape the nature of collaboration between non-traditional partners in military planning and operations. EUCOM is also pursuing closer coordination with the Department of Homeland Security to reinforce its ability to defend the homeland from forward locations.

Unprecedented challenges and change are the only consistent characteristics of the post-Cold War. Institutions that are not adequately equipped or organized to confront the realities of an extremely fluid and complex security landscape will become increasingly unsuccessful in protecting U.S. interests. The application of national power must include the widest array of national resources and capabilities. The determination of requirements, the development of policies, and the implementation of strategies require the synchronization of all of the elements of the government that have a stake in the success or failure of the outcome. As the Combatant Commands of the U.S. military become increasingly involved in a broadening range of national security activities, we must be organized in a manner that is reflective of the inter-agency process that produces the strategies to be implemented.

At EUCOM we continue to seek new and innovative ways to transform not only our force posture, but also our thinking. We will continue to reach out to multiple stake-holders in governmental, as well as non-governmental activities in our broad, diverse, and challenging AOR, to maximize our ability to achieve our national objectives. Preparing for the urgent challenges before us will require institutional innovations and the creation of new capabilities which will yield a more comprehensive security apparatus

and enable greater coordination and cooperation throughout the United States government and the international community.

VII. CONCLUSION

Today's security environment requires operational capabilities that are more agile, expeditionary, and responsive. The implementation of EUCOM's Strategic Theater Transformation Plan, which arrays forces throughout a much wider portion of Europe and Africa, will increase our strategic effectiveness within our own area of responsibility while simultaneously enhancing our ability to support adjacent commands.

NATO, which has been at the center of trans-Atlantic and inter-European security since its inception, continues to transform in order to remain the preeminent security alliance. NATO and U.S. presence in this important theater must continue to evolve in order to shape and influence an uncertain world.

It is a privilege to represent this proud nation. The challenges we now face are enormous, yet our past is replete with examples of how we have overcome daunting, seemingly insurmountable barriers that tested our resolve. Our history demonstrates our commitment to the principles of freedom. What lies before us is the opportunity to advance our leadership role in global affairs, define the 21st Century, and extend peace and prosperity throughout the world. The indispensable influence attained by our forward presence provides the best chance for success in meeting these goals and fighting the Global War on Terrorism.

We look forward to working with the members of this committee as we continue to refine our plans for transformation and improve our capabilities in the new strategic era.

Enclosure 2: Eight Assumptions

EUCOM's theater transformation is based on the assumptions that the United States:

1. Desires to maintain its current position as a nation of global influence through leadership and the efficient and effective application of informational, military, economic, and diplomatic power
2. Remains committed to its friends and allies through global, regional and bilateral organizations and institutions, and supports treaties and international agreements to which it is a signatory
3. Pursues a global strategy, a cornerstone of which is increased access and forward presence in key areas, which contributes to the first line of defense for peace, stability and order
4. Supports in-depth transformation of its armed forces and basing structure to respond to 21st century asymmetrical threats and challenges
5. Seeks ways to mitigate or offset obstacles posed by 21st century sovereignty realities through a re-orientation of its land, maritime, air and space presence
6. Recognizes current U.S. basing within EUCOM may not adequately support either the strategic changes attendant to an expanded NATO Alliance, or the national requirements of a rapidly changing AOR
7. Seeks to preserve those assets which have enduring value to its missions, goals, and national interests
8. Continues to enhance and build defense relationships enabling the United States, allies, and friends to respond effectively

These assumptions serve as the cornerstone which underpins EUCOM's Strategic Theater Transformation Plan.

Enclosure 3: Lexicon of Terms

Our **Main Operating Base (MOB)** is an enduring strategic asset established in friendly territory with permanently stationed combat forces, command and control structures, and family support facilities. MOBs serve as the anchor points for throughput, training, engagement, and U.S. commitment to NATO. MOBS have: robust infrastructure; strategic access; established Command and Control; Forward Operating Sites and Cooperative Security Location support capability; and enduring family support facilities. As previously stated, these are already in existence.

A **Forward Operating Site (FOS)** is an expandable host-nation "warm site" with a limited U.S. military support presence and possibly prepositioned equipment. It can host rotational forces and be a focus for bilateral and regional training. These sites will be tailored to meet anticipated requirements and can be used for an extended time period. Backup support by a MOB may be required.

A **Cooperative Security Location (CSL)** is a host-nation facility with little or no permanent U.S. presence. CSLs will require periodic service, contractor and/or host nation support. CSLs provide contingency access and are a focal point for security cooperation activities. They may contain prepositioned equipment. CSLs are: rapidly scalable and located for tactical use, expandable to become a FOS, forward and expeditionary. They will have no family support system.

A **Preposition Site (PS)**, by definition, is a secure site containing prepositioned war reserve materiel (Combat, Combat Support, Combat Service Support), tailored and strategically positioned to enable rotational and expeditionary forces. They may be collocated with a MOB or FOS. PSs are usually maintained by contractor support and may be sea based. They are an important component to our transformation efforts.

"En Route" Infrastructure (ERI), is a strategically located, enduring asset with infrastructure that provides the ability to rapidly expand, project and sustain military power during times of crises and contingencies. ERI bases serve as anchor points for throughput, training, engagement and U.S. commitment. They may also be a MOB or FOS.

Enclosure 4: Theater Investment Needs

Component	Country	Location	Project	FY 2006 Request (\$ millions)
LINE-ITEM MILITARY CONSTRUCTION/FAMILY HOUSING PROJECTS				
AMC ¹	Italy	Livorno	Ammunition Storage Facilities (AMC)	5.3
DLA ²	Greece	Souda Bay	Marathi Fuel Depot, P120	7.1
DoDEA ³	Germany	Grafenwoehr/Vilseck	Expand/renovate Elementary School	2.3
DoDEA	Germany	Landstuhl Regional Medical Center	Classroom Addition Elementary/Middle Schools	5.6
DoDEA	Spain	Naval Station Rota	Multipurpose Bldg Elementary School/High School	8.0
USAFE	Germany	Ramstein	Munitions Maintenance Facility (USAF)	3.1
USAFE	Germany	Ramstein	Replace Family Housing (101 units)	63.0
USAFE	Germany	Ramstein	Airfield Maintenance Compound	8.6
USAFE	Germany	Spangdahlem	Replace Family Housing (79 units)	45.4
USAFE	Germany	Spangdahlem	Large Vehicle Inspection Station Gate	5.4
USAFE	Germany	Spangdahlem	Control Tower	7.1
USAFE	Italy	Aviano	Consolidated Support Center	10.9
USAFE	Italy	Aviano	Family Support Center	4.0
USAFE	Italy	Aviano	Air Control Squadron Warehouse	7.8
USAFE	Portugal	Lajes	Fire/Crash Rescue Station and Tower	12.0
USAFE	Turkey	Incirlik	Consolidated Communications Facility	5.8
USAFE	Turkey	Incirlik	Replace Family Housing (100 units)	22.7
USAFE	UK	Lakenheath	Small Dia Bomb Facility Storage (ACC ⁴)	2.5
USAFE	UK	Lakenheath	Small Dia Bomb Maint Facility (ACC)	2.6
USAFE	UK	Lakenheath	Replace Family Housing (107 units)	48.4
USAFE	UK	Mildenhall	Base Civil Eng Complex	13.5
USAREUR	Germany	Grafenwoehr/Vilseck	Urban Assault Course	1.6
USAREUR	Germany	Grafenwoehr/Vilseck	Shoot House	1.8
USAREUR	Germany	Grafenwoehr/Vilseck	Barracks Complex	13.6
USAREUR	Germany	Grafenwoehr/Vilseck	Barracks Bn 1	40.0
USAREUR	Germany	Grafenwoehr/Vilseck	Brigade Complex Forward Support	41.0
NSA	UK	Menwith Hill Station	Operations and Technical Building	41.7
LINE ITEM MILCON TOTAL				430.2

¹ Army Materiel Command

² Defense Logistics Agency

³ Department of Defense Education Activity

⁴ Air Combat Command (US Air Force)

Enclosure 4: Theater Investment Needs

Component	Country	Location	Project	FY 2006 Request (\$ millions)
NON LINE-ITEM MILITARY CONSTRUCTION/FAMILY HOUSING PROJECTS				
USAFE	Portugal	Lajes	Improve Family Housing	16.2
USAFE	Spain	Moron	Replace Family Housing	7.1
USAFE	Turkey	Incirlik	Improve Family Housing	20.1
USAFE	UK	Mildenhall	Improve Family Housing	2.0
USAREUR	Germany	Bleidorn	Ansbach (WNR ⁵ 60 units)	9.0
USAREUR	Germany	Garmisch	Garmisch (WNR 25 units)	5.0
USAFE	Germany	Ramstein	Improve Family Housing	4.5
USAREUR	Germany	Grafenwoehr/Vilseck	South Camp--Family Housing (WNR 134 Units)	11.4
USAREUR	Germany	Stuttgart	Robinson Barracks (WNR 108 unts)	17.5
USAREUR	Germany	Stuttgart	Moehringen (WNR 96 units)	23.0
USAREUR	Germany	Stuttgart	Robinson Barracks (Bath/laundry 126 units)	4.7
USAREUR	Germany	Wiesbaden	Aukamm (WNR 80 units)	13.2
USAREUR	Germany	Wiesbaden	Crestview (WNR 96units)	13.8
USAREUR	Germany	Wiesbaden	Aukamm (WNR 95units)	15.5
USAREUR	Germany	Wiesbaden	Hainerberg (WNR 108 units+ sporting facilities for 506units)	20.0
NON LINE ITEM TOTAL				183.0
TOTAL MILITARY CONSTRUCTION/FAMILY HOSUING PROJECT FUNDING REQUEST				613.2

⁵ Whole Neighborhood Revitalization

Enclosure 4: Theater Investment Needs

ADDITIONAL KEY THEATER INVESTMENT NEEDS		
Description	Component/Program	Page #
Cooperative Security Locations	(EUCOM-All Components)	9;14-15;19
Forward Operating Sites	(EUCOM-All Components)	8-9;13-14
Efficient Basing Grafenwoeher (EBG)	U.S. Army Europe	9,12
Full Modular Airborne Brigade Combat Team (173 rd Airborne)	U.S. Army Europe	9,13
Establish Rotational Task Force in Eastern Europe	U.S. Army Europe	12-13
Deployment of Stryker Brigade in Germany	U.S. Army Europe	12-13
Radar network in Gulf of Guinea	U.S. Naval Forces Europe	16
Reconstitute and Modernize Maritime Preposition Force	U.S. Marine Forces Europe	17-18
Reconstitute and Modernize Marine Corps Preposition Program-Norway	U.S. Marine Forces Europe	17-18
Trans-Sahara Counter Terrorism Initiative	U.S. Marine Forces Europe	17,28,39
SOF Consolidation (Planning and design funds)	U.S. Special Operations Cmd	18-19
Strategic Airlift/Mobility	Strategic Mobility Maneuver	19
Theater Support Vessel	U.S. Naval Forces Europe	19-20
Littoral Combat Ship	U.S. Naval Forces Europe	20
C4 Upgrades	Theater C4ISR	20
Intelligence, Surveillance & Reconnaissance Assets	Theater C4ISR	20
NATO Intelligence Fusion Center	Theater C4ISR	20-21,38
Long-Range Precision Non-Lethal Capabilities	Non-Lethal Capabilities	21