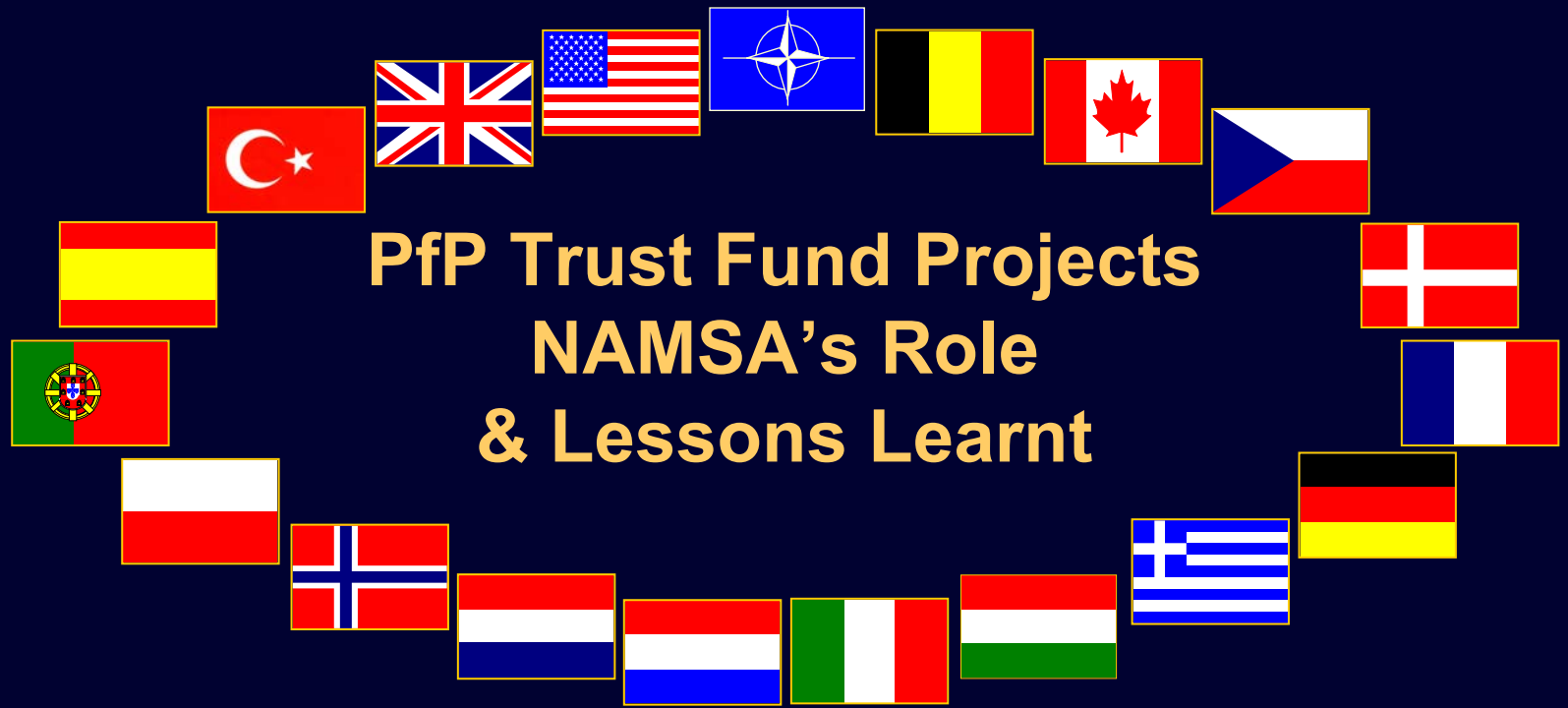




# NAMSA

NATO Maintenance and Supply Agency  
Agence OTAN d'Entretien et d'Approvisionnement



## PfP Trust Fund Projects NAMSA's Role & Lessons Learnt

**PREPARED FOR:**

**Standing Committee on Stockpile Destruction  
Geneva**

**PRESENTED BY:**

**Scott Willason  
Ammunition Section  
Special Projects Programme**



# Presentation Outline

- ▶▶ **Overview of the Process**
  - ▶ **Trust Fund Policy**
  - ▶ **The Process**
  - ▶ **NAMSA Potential Roles**
- ▶▶ **Overview of NAMSA Executed PfP Trust Fund Projects**
- ▶▶ **Lessons Learnt:**
- ▶▶ **Operational Challenges**
- ▶▶ **NAMSA Project Principles**
- ▶▶ **Summary**



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# Overview of the Process



# NATO PfP Trust Fund Policy

- ▶▶ **Established in 2000 to provide mechanism to assist Partner nations meet Ottawa Convention obligations**
- ▶▶ **2001 extended to include:**
  - ▶ **Small Arms and Light Weapons**
  - ▶ **All conventional munitions**
- ▶▶ **New Policy November 2002 extended to include:**
  - ▶ **Management of the consequences of defence reform, including but not limited to:**
    - **Civil and democratic reform of armed forces**
    - **Retraining military personnel**
    - **Base conversion**
    - **Defence planning**
    - **Budgeting under democratic control**





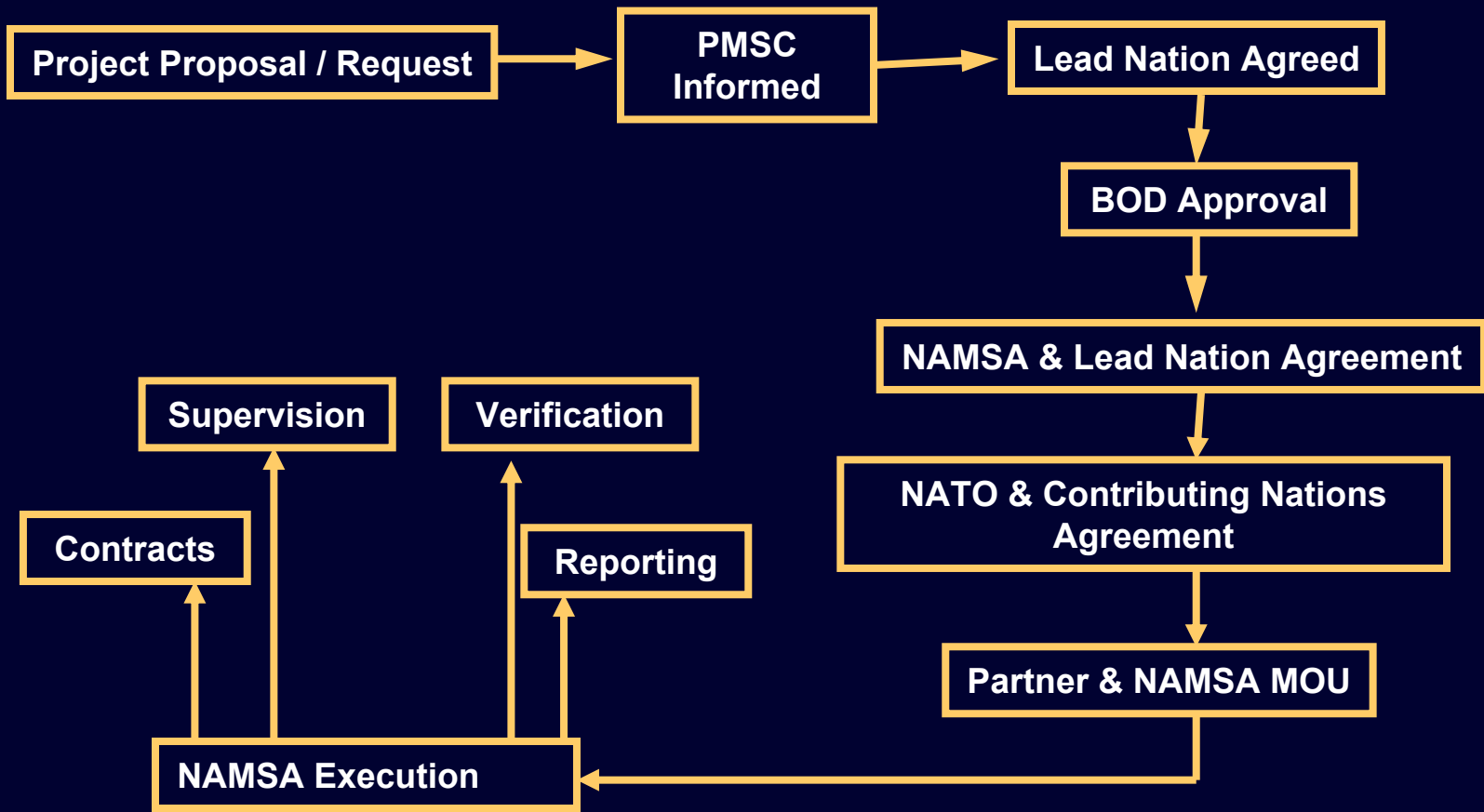
# The NATO PfP Trust Fund Process

- ▶ **Projects to be lead jointly by a NATO nation and the Partner nation**
- ▶ **Any nation or international organization may be Contributors**
- ▶ **Contractors may be from any contributing country (or from all countries within a supra-national donor entity e.g. EU)**
- ▶ **NAMSA acts as executing agent after approval by the BOD**





# The NATO PfP Trust Fund Process





# Partnership for Peace Countries

	ALBANIA		LITHUANIA
	ARMENIA		MOLDOVA
	AUSTRIA		ROMANIA
	AZERBAIJAN		RUSSIA
	BELARUS		SLOVAKIA
	BULGARIA		SLOVENIA
	CROATIA		SWEDEN
	ESTONIA		SWITZERLAND
	FINLAND		TAJIKISTAN
	GEORGIA		THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA*
	IRELAND - IRLANDE		TURKMENISTAN
	KAZAKHSTAN		UKRAINE
	KYRGHYZ REPUBLIC		UZBEKISTAN
	LATVIA		

\* Turkey recognises the Republic of Macedonia by its constitutional name



# MOU - PfP Nations

## ▶▶ MoU signed with:

Switzerland	07/96	Austria	10/96
Bulgaria	03/98	Sweden	12/98
Finland	03/00	Latvia	07/00
Albania	01/01	Estonia	03/01
Moldova	06/01	Lithuania	07/01
Ukraine	12/01	Uzbekistan	04/02
Slovakia	05/02	Georgia	10/02
Croatia	11/02	Kazakhstan	01/03

## ▶▶ Negotiations with:

Azerbaijan	Belarus
Kyrgyz Republic	Romania
Slovenia	Yugoslavia
	(Exchange of Letters)





# NAMSA Roles

- ▶▶ **Pre-feasibility studies and assistance**
- ▶▶ **Preparation of project proposals**
- ▶▶ **Act as Executing Agent:**
  - ▶ **Project Management and real time supervision**
  - ▶ **Contract management**
  - ▶ **Financial management**
  - ▶ **Public relations and media activities**
  - ▶ **Reports to NATO HQ and Lead Nation**



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# Completed PfP Projects



# Albania-I

Completed 4 April 2002



## ▶▶ Aims:

- ▶ Demilitarize 1.6 Million APMs
- ▶ Build local capacity

▶▶ Cost: US\$ 800,000

▶▶ Lead Nation: Canada

▶▶ Contributors: Austria, Belgium, Hungary, Netherlands, Norway, Switzerland, UK

## ▶▶ Achievements:

- ▶ 1,683,860 APM destroyed
- ▶ 1,100t ferrous metals recycled
- ▶ 192t TNT converted to ammonite



**ON TIME, WITHIN BUDGET, NO INCIDENT**



# Moldova

**Completed 27 December 2002**

## ▶▶ Aim:

- ▶ Disposal of Melanj oxidizer
- ▶ Destruction APM Stockpile & surplus munitions

▶▶ Cost: US\$ 1,129,000

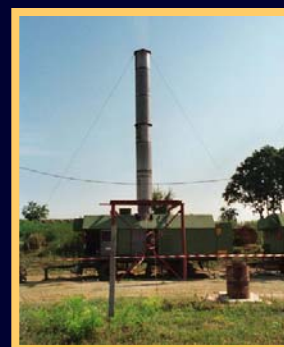
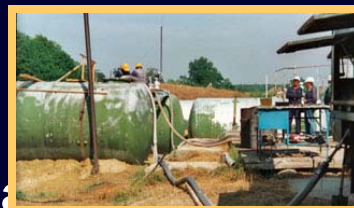
▶▶ Lead Nation: Netherlands

▶▶ Contributors: Canada, Germany, Hungary, Luxembourg, Poland, UK, US

## ▶▶ Status:

- ▶ Trained personnel, refurbished plant
- ▶ Disposed of 325t of Melanj oxidizer
- ▶ Demil of 12,000 APMs
- ▶ Demil 300 tons of munitions

**ON TIME, WITHIN BUDGET, NO INCIDENT**





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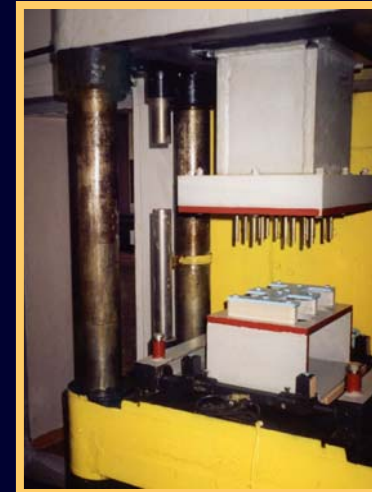


# Current PfP Projects



# Ukraine I

- ▶▶ Aim: Demil PMN & PMN2
- ▶▶ Target: Complete by July 2003
- ▶▶ Cost: US\$ 800,000
- ▶▶ Lead Nation: Canada
- ▶▶ Contributors: Netherlands, Hungary, Poland
- ▶▶ Status:
  - ▶ Commenced Feb 02 (Donetsk)
  - ▶ Refurbishment complete Jun 02
  - ▶ 100% mines delivered 17 Jul 02
  - ▶ Demil started 2 Sep 02
    - 50 % complete to date





# Albania II



- ▶▶ **Four year programme :**
  - ▶ **Demil 11.000 tonnes SALW Ammunition**
  - ▶ **Establish regional demil capacity**
- ▶▶ **Cost: Euro 6.400.000**
- ▶▶ **Lead nation: Canada**
- ▶▶ **Contributors: Czech Republic, Estonia ,Greece, Hungary, Ireland, Netherlands, Norway, Sweden, Switzerland, US**
- ▶▶ **Status:**
  - ▶ **Commenced Dec 02**
  - ▶ **Pre-operational preparations underway**
  - ▶ **In-country office established 10 Feb 03**





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# Potential PfP Projects





# Yugoslavia

- ▶▶ **Three month programme :**
  - ▶ **Demil 23.223 SALW**
  - ▶ **Using facility at Čačak**
- ▶▶ **Cost: € 400.000**
- ▶▶ **Lead Nation: Netherlands**
- ▶▶ **Contributors: To be confirmed**
- ▶▶ **Status:**
  - ▶ **Proposal presented 15 Aug 02**
  - ▶ **Final endorsement and funding awaited**
  - ▶ **Format of Exchange of Letters being discussed with NATO legal staff**
  - ▶ **Financial Management Agreement – not yet received**
  - ▶ **Draft Executing Agent Agreement prepared**





# Georgia



- ▶▶ **Aim: UXO Clearance and AA missile disposal**
- ▶▶ **Target: To be confirmed**
- ▶▶ **Cost: EUR 1.254.000**
- ▶▶ **Lead Nation: Luxembourg**
- ▶▶ **Contributors: To be confirmed**
  
- ▶▶ **Status:**
  - ▶ **Preliminary Visit: 17-19 Jun 02**
  - ▶ **Feasibility study: 16-20 Sep 02**
  - ▶ **MOU signed 1 Oct 02**
  - ▶ **Proposal Presented 8 Oct 02**
  - ▶ **Financial Management Agreement – not yet received**
  - ▶ **Draft Executing Agent Agreement – in coordination**





# Azerbaijan

- ▶▶ Aim: UXO clearance
- ▶▶ Target: To be confirmed
- ▶▶ Cost: To be confirmed
- ▶▶ Lead Nation: Turkey
- ▶▶ Contributors: To be confirmed
- ▶▶ Status:
  - ▶ LOI received Oct 02
  - ▶ Initial Feasibility Study visit 21-25 Oct 02
  - ▶ Level 2 Survey completed by ANAMA Dec 02
  - ▶ Follow-up technical visit 20-25 Jan 03
  - ▶ Proposal in preparation (due 01 March 2003)





# Ukraine II



- ▶▶ **Demilitarization of:**
  - ▶ **1.5 million+ Small Arms**
  - ▶ **15.000 tonnes SALW ammunition**
  - ▶ **120.000 tonnes artillery munitions**
- ▶▶ **Target: To be confirmed**
- ▶▶ **Cost: To be confirmed**
- ▶▶ **Status:**
  - ▶ **Formal request to PMSC - 27 Jun 02**
  - ▶ **NAMSA to undertake feasibility study – funded by Greece, Turkey and Germany**
  - ▶ **NAMSA Executing Agent of Ad-hoc Steering Committee (ASC)**
  - ▶ **Initial visit by ASC 25-29 Nov 02**
  - ▶ **Follow-up technical visit 5-15 Feb 03**





# Ukraine II

## Feasibility Study Sitrep

- ▶▶ **Follow-up NAMSA technical visit planned 5-15 Feb 02 to address:**
  - ▶ **Consequences of disbandment of State Commission**
  - ▶ **Disposition of ammunition and weapon stocks**
  - ▶ **Priorities for demilitarization**
  - ▶ **Project Phasing**
  - ▶ **Identify existing and potential demilitarization agencies and capacity**
  - ▶ **Ukraine contributions 'in kind'**
  - ▶ **Ukraine intern post at NAMSA**
  - ▶ **Legal issues**
- ▶▶ **NGO contracts prepared and under staffing**

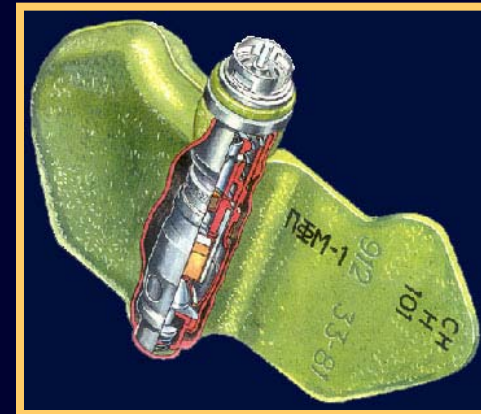


# Russia

## Limited Engagement

- ▶▶ Aim: Disposal of PFM-1 APM
- ▶▶ Cost: To be confirmed
- ▶▶ Lead Nation: To be confirmed
- ▶▶ Contributors: To be confirmed
- ▶▶ Status:

- ▶ Informal discussions with NATO Headquarters
- ▶ Informal technical discussions with Russian delegation to NATO – Aug 02
- ▶ Preliminary visit 13-15 Nov 02
- ▶ Request to brief Stockpile Destruction Committee in Geneva 6 Feb 03





# Overview of NAMSA Executed PfP Trust Fund Projects

Project	Aim	Lead Nation	Cost	Status
Albania I	1.6 Million APMs	Canada	USD 800,000	Complete 0402
Moldova	325 tonnes Melanj 12,000 APM	Netherlands	USD 1.129 M	Complete 1202
Ukraine I	400,000 APM	Canada	USD 800,000	50% complete
Albania II	11,000 tonnes SALW munitions	Canada	Euro 6.4 M	Started 1202 Tech preparation
Yugoslavia	23,000 + SALW	Netherlands	Euro 400,00	Proposal 0802
Georgia	UXO Clearance AA missile destruction	Luxembourg	Euro 1.254 M	Proposal 1002
Azerbaijan	UXO Clearance	Turkey	TBD	Feasibility Study
Ukraine II	1.5 M SALW 135,000 tonnes munitions	Greece Turkey Germany	TBD	Feasibility Study
Russia	PFM mines	TBD	TBD	Pre- Feasibility



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# Operational Challenges





# Philosophy

Problem or Asset ?

Secrecy



Safety





# Infrastructure

## Facilities



## Equipment





# Skills and Experience

**Business**



**Logistics**



**Management Processes**



**Technical Management**



**Safety Procedures**



**Technical Supervision**





# Legislation

## Taxation

OTTAWA AGREEMENT (20.09.1951)

Special International Status

Privileges

Immunities

Taxes + Duties Exemptions

## Transfer of Assets



## Third Country Involvement



## Exporting for Demil





# Priorities

## Funding: Availability v Size of the problem

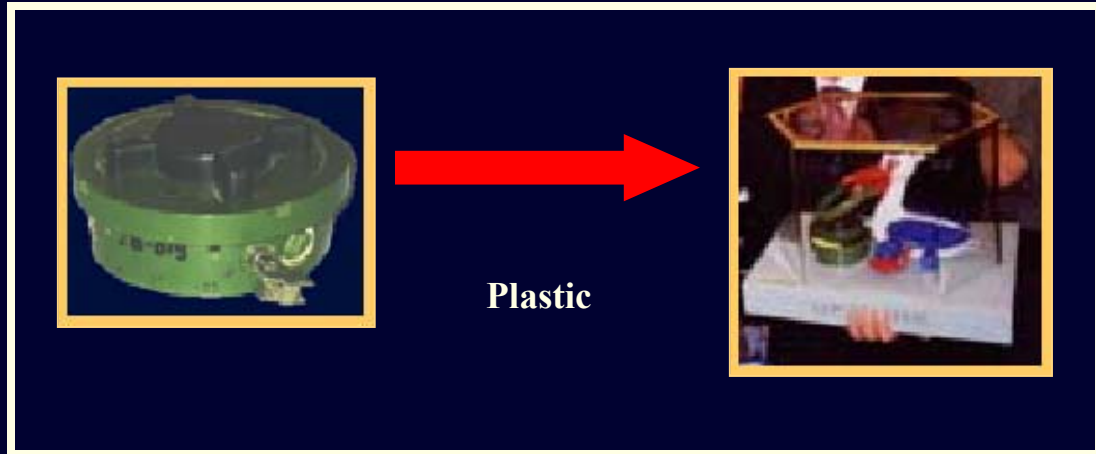
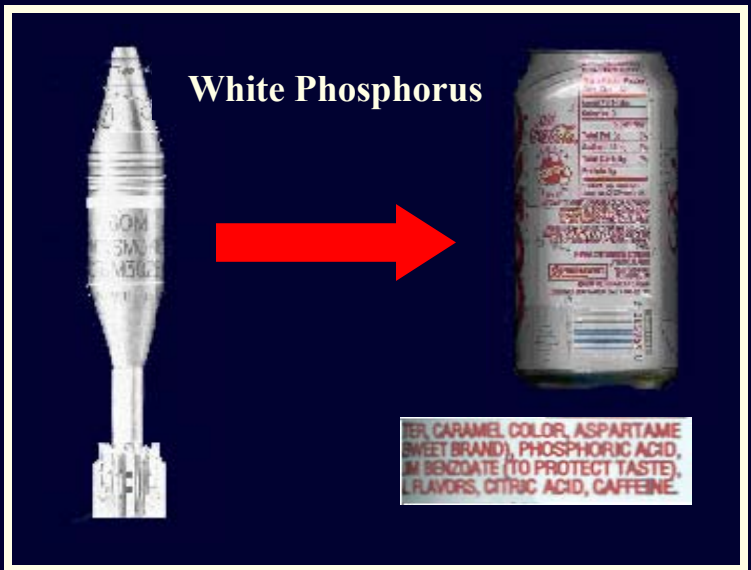
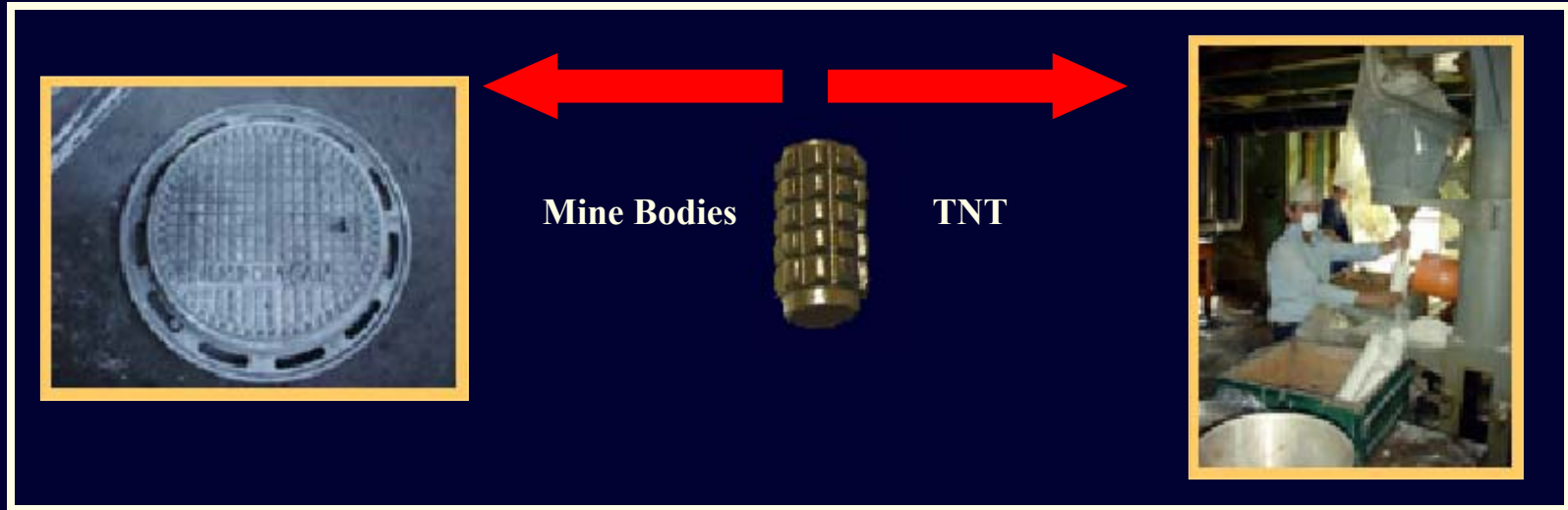


## Political Priorities





# Recycling





# Environmental Protection





# Verification and Transparency

Supervision, inspections and audit



## Communications Plan







# Host Nation Contribution





# Capacity Building & Socio-economic Benefit





# Summary

- ▶▶ **Scope and number of PfP Trust Fund Projects expanding**
- ▶▶ **Process established and modified with experience**
  - ▶ **Trust Fund policy and process**
  - ▶ **NATO sponsor nation**
  - ▶ **MOU**
  - ▶ **NAMSO BOD**
- ▶▶ **Fully supports NATO objectives**
- ▶▶ **NAMSA appreciates factors affecting PfP Trust Fund Projects**
  - ▶ **High visibility**
  - ▶ **Politically sensitive**
  - ▶ **High technical risk**