

House of Commons  
Defence Committee

**THE FUTURE OF NATO:  
GOVERNMENT RESPONSE**

Eighth Special Report of Session 2001–2002

*Report and Appendix*

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## DEFENCE COMMITTEE

The Defence Committee is appointed by the House of Commons to examine the expenditure, administration and policy of the Ministry of Defence and its associated public bodies.

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### Contacts

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## **EIGHTH SPECIAL REPORT**

**The Defence Committee has agreed to the following Special Report:**

### **THE FUTURE OF NATO**

The Committee published its Seventh Report of this Session, on The Future of NATO (HC 914) on 31 July 2002. The Government's response to this report was received on 10 October 2002 and is published as an Appendix to this Special Report.

### **APPENDIX**

#### **MINISTRY OF DEFENCE MEMORANDUM IN RESPONSE TO THE HOUSE OF COMMONS DEFENCE COMMITTEE'S REPORT ON THE INQUIRY INTO THE FUTURE OF NATO**

The Government welcomes the opportunity to respond to the Committee's report on The Future of NATO and is grateful for the constructive and positive approach that the Committee took in its inquiry. The report clearly highlights the achievements of NATO and the essential role it plays in our security.

The inquiry has served as an excellent opportunity to expose to parliamentary and public scrutiny the key issues and challenges that are currently facing NATO. The inquiry and the Committee's Report have clearly explained what the Alliance needs to achieve at Prague, and the dangers of failing to achieve those aims.

The report generally mirrors the views of the Government: that NATO has a vital role to play in the future; that NATO needs renewed commitment from its members; and, that the Prague Summit will be a defining moment in the Alliance's history.

We agree with the report's conclusion that the challenge now is for NATO to transform itself into an organisation that can deal with the challenges of the post-11 September world. We believe that NATO can meet this challenge. The UK Government will do everything it can to ensure that is the case.

We agree that one of the key outcomes of Prague must be a clear articulation of NATO's future role in the fight against terrorism. Other key outcomes for Prague must include:

- A new capabilities initiative—focused, realistic, and adequately resourced
- A round of enlargement that strengthens the Alliance
- A strengthening of NATO's Partnership programmes
- Adaptation of the Alliance, including changes to Command Structures and to internal structures and processes

We agree that to achieve all of this NATO needs serious political commitment and a real intent from Alliance members to deliver on the commitments that will be made at Prague, especially on capabilities.

The Government's response to the report's main conclusions is given below.

## **Government response to individual conclusions of the Report**

**(a) We do not agree that NATO is dying. We believe that NATO makes a vital contribution to Euro-Atlantic security and that this is no less necessary in the post Cold War world, despite the change in the nature of the threat. Its missions in peace-keeping and promoting interoperability remain important. We do, however, recognise the danger of the Alliance becoming less relevant if it fails to face up to the need to adapt to the post-11 September context. Prague provides the opportunity for change and a failure to address the issues there could have serious and detrimental consequences for the future of NATO. (Paragraph 39)**

- The Government agrees that the Prague Summit presents Allied leaders with a unique opportunity: to transform NATO to make it as firm a guarantee of our security in the future as it has been in the past.
- The Government recognises the fundamental change in international security brought about by the attacks of 11 September. By invoking Article 5 NATO sent the strongest possible signal of Alliance solidarity in the face of the new threats of terrorism. Now NATO needs to make sure that it is structured and equipped to act effectively in response to the full range of security risks.
- The Government fully recognises the potential consequences of failing to address the issues and achieving the right outcome at Prague. That is precisely why the UK is working so hard towards getting the right decisions at the Summit, and is using every opportunity to articulate the issues and to encourage Allies to move in the same direction. Indications so far are encouraging.

**(b) We believe that NATO should be a tough organisation to be a member of. The UK Government has a strong belief in NATO and in the need to retain the Alliance's role as a capable military alliance, and it is therefore prepared to push for high standards for new entrants, even when this makes it unpopular. We wholeheartedly support this approach. (Paragraph 79)**

**(c) We see no obstacle in principle to the issuing of invitations to each of the seven applicants (although in Slovakia's case this must be with the caveat of the outcome of the September elections) with the proviso that applicants continue to work hard on defence and political reforms up to and beyond any invitation issued at Prague. (Paragraph 79)**

**(d) We heard universal praise in the applicant countries for the assistance which UK defence advisers are providing, and for the range of other activities which the UK is funding and contributing to. There were many requests for this assistance to carry on after the Prague Summit and we strongly support this. (Paragraph 85)**

**(e) We believe that mentoring countries invited to join the Alliance at Prague would be a very worthwhile use of resources and would provide an opportunity for the UK to demonstrate its positive attitude to NATO enlargement. (Paragraph 85)**

- The Government agrees with the Committee's views on enlargement. The Government is following closely the efforts of individual aspirants to reform their armed forces and defence structures. NATO needs new members who can effectively integrate into the Alliance, can genuinely contribute to NATO missions and will enhance NATO's ability to act.

- No decision has yet been taken on who will be invited at Prague. The Government will make a decision closer to Prague having completed all the necessary assessments and in consultation with Allies.
- We expect countries invited at Prague to continue with the reform and investment needed to be effective members on accession. This is an integral part of the Membership Action Plan process which will continue after Prague. NATO will need high level political commitment from invitees to keep to an agreed timetable for their reforms.
- The UK enjoys very good bilateral relations with aspirant members of the Alliance. The Government will continue to offer aspirants and invitees every support after Prague.
- For invitees the Government would be happy to build on existing assistance, suitably adapted to their new status. This might include tailoring of existing co-operation programmes, as well as assistance in new areas.

**(f) We believe that, given the importance of the region's stability and its potential to assist in combating international terrorism, NATO should place a higher priority than it has done previously on revitalising the Mediterranean Dialogue and that the UK government should be active in pushing for progress in this area. (Paragraph 91)**

- Improvements to NATO's partnership programmes, including Mediterranean Dialogue, NATO-Russia and NATO-Ukraine, are high on the Prague agenda.
- NATO members fully recognise the importance of the Mediterranean Dialogue to our security interests in the region. The UK Government wants to see Partnership aimed increasingly at developing stability to NATO's south, building on progress already made through the Mediterranean Dialogue, and focussing on practical projects. At the UK's initiative, the Alliance has worked up an inventory of co-operative activity to offer to Mediterranean Dialogue partners.

**(g) The developments in NATO-Russia relations, particularly since 11 September, have been exciting and promise a great deal. We shall be watching their progress with interest. Despite the disappointment of the PJC, NATO is right to take this opportunity to test Russia's willingness to engage constructively in important common security issues. And, correspondingly, NATO should be wary of giving the impression of any 'pre-cooking' of decisions. (Paragraph 99)**

- The new NATO/Russia Council, operating "at 20", is a major step forward and offers the potential for a fundamental change for the better in European security. The priority is now on making the NATO/Russia Council work programme succeed. Progress has been encouraging, with a freer exchange of views than ever experienced under the old PJC mechanism. We expect concrete progress in a number of areas by the end of the year, in particular peacekeeping, TMD and search and rescue at sea. Co-operation in the counter-terrorism field has been productive—the NRC has already agreed a joint threat assessment on SFOR and KFOR forces, other joint assessments are in the pipeline.
- It will also be important that joint decisions, which we have taken on the basis of consensus, address real challenges and enable us to deliver real results. Only through working together in this way can we achieve the common objective of strengthened security. The UK is careful to guard against unjustified attempts to pre-co-ordinate Alliance positions.

**(h) A question which needs to be answered during the 12 months of the Greek presidency of the EU on defence matters is whether the present impasse on the use of NATO assets for EU-led missions in fact demonstrates the unsoundness of the ESDP**

**in principle. If this is not the case, the Greek government must be persuaded to resolve its internal problems and allow the agreement between NATO and the EU on use of NATO assets to be formalised. (Paragraph 112)**

- The principles of ESDP are clear and sound. There is a trans-Atlantic and trans-European consensus that a close EU-NATO relationship is essential. However, difficult issues of security are under discussion. This is not just an issue for Greece: any solution has to be acceptable to all EU and NATO members. The Government is hopeful that this can be resolved soon and stands ready to offer assistance.

NB: The report states that the UK is leading ECAP panels on strategic air and sea lift. That is inaccurate. We are leading the panel "Outsize Transport Aircraft", but not a sea lift panel.

**(i) US involvement is essential to NATO's continuing existence. The US must make it clear what it expects of European Allies and must be prepared to engage properly with NATO as an alliance. There is considerable uncertainty, if not suspicion, among some European members as to the true nature of the US's commitment. But the Europeans must also pull their weight. We emphasise the importance we place on NATO having a future as an effective functioning organisation. (Paragraph 123)**

**(j) We believe that capabilities are key both to NATO's future and to US engagement. (Paragraph 124)**

**(k) NATO members have expressed good intentions about capabilities on many occasions in the past. The Prague Summit will test whether, this time, Allies have the resolve necessary to achieve real improvements in capabilities or whether the new initiative will just be another false dawn. (Paragraph 132)**

**(l) Despite the very real challenges that improving capabilities presents, it is vital that clear progress is made by NATO leaders at Prague. It is a crucial factor in ensuring that the United States remains interested and engaged in NATO and that it is prepared to call on NATO in future operations. As our predecessors noted, improving capabilities requires the necessary political will and co-operation, combined with adequate financial resources. NATO as an organisation cannot compel its member states to spend money on defence or to spend it appropriately. This relies on each of the Allies fulfilling the commitments which NATO membership demands, and to which they have signed up. If NATO is to remain a credible military organisation then we believe that all of its members must fulfil their commitments to improve capabilities. This means having defence budgets which effectively deliver those capabilities. (Paragraph 141)**

- The Government has no doubts about the United States' commitment to NATO. But if the Alliance is to be able to achieve its missions, all members must demonstrate that they are willing and able to play their part, perhaps most importantly by developing and funding the appropriate military capability that will allow them to work effectively together. The UK's recently announced increase in defence spending strongly signals our intent.
- The key to NATO's future success lies in acquiring the right capabilities to deal with the range of threats, including Weapons of Mass Destruction and terrorism, and in having the right structures to employ these capabilities.
- The new capabilities initiative to be launched at Prague will need to be more focused than DCI, and must be backed up with allocation of sufficient resources. The

Government shares the Committee's view that the key to success will depend on the political resolve of NATO members.

**(m) The UK has frequently been at the forefront in pushing for reform in NATO. We expect the Government to continue to use all the persuasion and leverage at its disposal before and at the Prague Summit to secure the necessary reforms in NATO structures. (Paragraph 146)**

**(n) NATO needs to be innovative and open-minded in its approach to its working practices. Only by taking decisive and clearly thought-through steps to secure administrative reform will it ensure that it remains an effective organisation which is uniquely capable of taking military action, and avoid unnecessarily bureaucratic procedures which might hamper its ability to act. (Paragraph 149)**

**(o) We strongly support the view that any new command structure should be based on tasks and capabilities, not on geography. We accept that most Allies are anxious to have a NATO asset on their soil but we believe that this should not determine the command structure. The UK is in a position to take the lead in driving change in this area as it has no particular vested interest to protect and we expect the Government to be pressing for meaningful reform in this area at Prague. (Paragraph 158)**

- The Government agrees with the Committees' points on reform. NATO's structures and processes need further adaptation to ensure that the Alliance remains efficient and effective. The UK will continue to be at the forefront in pushing for significant reform at Prague in support of the Secretary General's proposals, tabled at the Spring Ministerials.
- NATO must have command and force structures which provide greater flexibility and deployability and are based on actual operational need. The structures must allow for a streamlined yet flexible command chain, which allows our service men and women to do their job properly.
- There has been an emerging consensus among Allies on the agenda for Prague, and on the need for substantial modernisation of the Alliance's structures and processes, if NATO is to retain its efficiency and effectiveness.

**DEFENCE COMMITTEE REPORTS IN THE CURRENT PARLIAMENT**

FIRST REPORT: *Ministry of Defence Police: Changes in jurisdiction proposed under the Anti-terrorism, Crime and Security Bill 2001*, HC 382, published on 6 December 2001

SECOND REPORT: *The Threat from Terrorism*, HC 348-I, published on 18 December 2001.

THIRD REPORT: *The Ministry of Defence Reviews of Armed Forces' Pension and Compensation Arrangements*, HC 666, published on 9 May 2002.

FOURTH REPORT: *Major Procurement Projects*, HC 779, published on 10 July 2002

FIFTH REPORT: *The Government's Annual Report on Strategic Export Controls for 2000, Licensing Policy and Prior Parliamentary Scrutiny*, HC 718, published on 19 July 2002

SIXTH REPORT: *Defence and Security in the UK*, HC 518, published on 24 July 2002.

SEVENTH REPORT: *The Future of NATO*, HC 914, published on 31 July 2002.

