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
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

1. Project Proposal / Request
2. PMSC Informed
3. Lead Nation Agreed
4. BOD Approval
5. NAMSA & Lead Nation Agreement
6. NATO & Contributing Nations Agreement
7. Partner & NAMSA MOU
8. NAMSA Execution
9. Supervision
10. Verification
11. Reporting
12. Contracts

6 February 2003
## Partnership for Peace Countries

<table>
<thead>
<tr>
<th>Country</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALBANIA</td>
<td>LITHUANIA</td>
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<tr>
<td>ARMENIA</td>
<td>MOLDOVA</td>
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<tr>
<td>AUSTRIA</td>
<td>ROMANIA</td>
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<td>AZERBAIJAN</td>
<td>RUSSIA</td>
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<td>SLOVAKIA</td>
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<td>BULGARIA</td>
<td>SLOVENIA</td>
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<td>CROATIA</td>
<td>SWEDEN</td>
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<tr>
<td>ESTONIA</td>
<td>SWITZERLAND</td>
</tr>
<tr>
<td>FINLAND</td>
<td>TAJIKISTAN</td>
</tr>
<tr>
<td>GEORGIA</td>
<td>THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA*</td>
</tr>
<tr>
<td>IRELAND - IRLANDE</td>
<td></td>
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<tr>
<td>KAZAKHSTAN</td>
<td>TURKMENISTAN</td>
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<tr>
<td>KYRGYZ REPUBLIC</td>
<td>UKRAINE</td>
</tr>
<tr>
<td>LATVIA</td>
<td>UZBEKISTAN</td>
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* Turkey recognises the Republic of Macedonia by its constitutional name
### MOU - PfP Nations

#### MoU signed with:

<table>
<thead>
<tr>
<th>Country</th>
<th>Date</th>
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<tbody>
<tr>
<td>Switzerland</td>
<td>07/96</td>
</tr>
<tr>
<td>Austria</td>
<td>10/96</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>03/98</td>
</tr>
<tr>
<td>Sweden</td>
<td>12/98</td>
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<tr>
<td>Finland</td>
<td>03/00</td>
</tr>
<tr>
<td>Latvia</td>
<td>07/00</td>
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<tr>
<td>Albania</td>
<td>01/01</td>
</tr>
<tr>
<td>Estonia</td>
<td>03/01</td>
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<tr>
<td>Moldova</td>
<td>06/01</td>
</tr>
<tr>
<td>Lithuania</td>
<td>07/01</td>
</tr>
<tr>
<td>Ukraine</td>
<td>12/01</td>
</tr>
<tr>
<td>Uzbekistan</td>
<td>04/02</td>
</tr>
<tr>
<td>Slovakia</td>
<td>05/02</td>
</tr>
<tr>
<td>Georgia</td>
<td>10/02</td>
</tr>
<tr>
<td>Croatia</td>
<td>11/02</td>
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<tr>
<td>Kazakhstan</td>
<td>01/03</td>
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#### Negotiations with:

<table>
<thead>
<tr>
<th>Country</th>
<th></th>
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<tbody>
<tr>
<td>Azerbaijan</td>
<td>Belarus</td>
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<tr>
<td>Kyrgyz Republic</td>
<td>Romania</td>
</tr>
<tr>
<td>Slovenia</td>
<td>Yugoslavia (Exchange of Letters)</td>
</tr>
</tbody>
</table>
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
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
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

Completed 27 December 2002
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
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

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

Problem or Asset?

Secrecy

Safety
Infrastructure

Facilities

Equipment
Skills and Experience

- Business
- Logistics
- Management Processes

- Technical Management
- Safety Procedures
- Technical Supervision

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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

Mine Bodies → TNT

White Phosphorus → Plastic
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