



NORTH ATLANTIC TREATY ORGANIZATION

**SUPREME ALLIED COMMANDER
TRANSFORMATION**

SACT's remarks to

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Introduction

- Very happy to be with you this afternoon to talk about NATO in today's environment, and what we believe is the way forward for the Alliance.
- You have heard from SACEUR recently, I am the other strategic commander in the permanent command structure of NATO, in charge of transformation.
- First, let me state that my headquarters does not “produce” transformation. The question is: what do we transform?
- We transform the military capacity of the Alliance, to ensure NATO can keep its edge, now and in the future, against any potential adversary.
- In order to understand the stakes of transformation, we must first address the strategic environment.

1) The strategic context and its consequences for NATO

a. Interrelation of crises and threats

- The strategic environment today is evolving at a rapid pace, but several defining trends can be identified:
 - The interrelation of crises: every event in a regional crisis can have an impact on another crisis in another region (example of Russian actions in northern Europe that can influence their actions in Syria and their relations with other countries).
 - The interrelation of threats: state and non-state actors present in different crises and following a different agenda.
 - The variety of threats, sometimes simultaneously present in one region (example of the Balkans, confronted to Russian influence, rise of radical Islam, massive migrations, organized crime).
 - The emergence of new operational domains (cyber, but also space and information)
 - The blurred transition from peace to crisis.
 - Finally, the easier access to technology, which tends to increase the potential danger posed by any threat.



NORTH ATLANTIC TREATY ORGANIZATION

SUPREME ALLIED COMMANDER TRANSFORMATION

b. From complicated to complex

- Consequently, we have transitioned from a “complicated” world to a “complex” world.
 - Complicated meant interacting with many factors, but that we could analyse them, and draw reasonable conclusions to drive our decisions.
 - Complex means that there are so many factors interacting with each other that it is impossible to comprehend all the possible outcomes, thereby making surprise more possible, decision-making based on imperfect information more commonplace, and failure an option – thus making resilience a necessity.

c. The importance of strategic awareness and global reach

- In this context of complexity, it is important to understand that strategic awareness is essential.
- NATO’s area of operations is centered on the Euro-Atlantic space, but we cannot dismiss the possibility that early signs of a developing crisis may appear outside of this space – in Asia, or in Africa.
- This is why the Alliance must ensure that it has the capacity to monitor situations across the globe, and to react accordingly.
- The Pacific side of North America is of importance for NATO, as illustrated by the developing partnerships we have with Australia, New Zealand, South Korea and Japan, to name a few. I’ll be visiting some of these countries next month.
- Strategic awareness also requires an increased exchange of information with a broad range of actors, and the ability to process tremendous amounts of publically available information – we cannot limit ourselves to the traditional boundaries of intelligence anymore.



NORTH ATLANTIC TREATY ORGANIZATION

SUPREME ALLIED COMMANDER TRANSFORMATION

d. Question: how do we adapt?

- Now that we have described the environment, the following question of central interest for my headquarters, is how to adapt to overcome these challenges?
- This brings me to the Warsaw Summit.

2) The Warsaw Summit

a. Importance of the summit in the current context

- The Warsaw Summit represents the acknowledgement of complexity at the scale of the Alliance, which makes it in my opinion one of the most important summits in the history of the Alliance.

b. Warsaw acknowledges the 4th phase in NATO history

- 4 phases in NATO history:
 - 1949-1991: collective defence (post WWII and Cold War period)
 - I invite you to re-read the Atlantic treaty (should we have to re-write it today, we would probably not change a single word).
 - 1991-2001: cooperative security with the eastern enlargement but also the development of partnership (PfP, including with Russia) – and then we had 9/11...
 - 2001-2014: focus on expeditionary operations and crisis management, with a strong emphasis on Afghanistan (non-article 5 operations)
 - Since 2014: the current phase (4th phase) with the returning emphasis on collective defence, and at the same time projection of stability and cooperative security (360 degrees, and the interrelation of crises). These three core tasks are interrelated.
- Warsaw is the Summit that marked the entrance into this 4th phase of NATO's history.



NORTH ATLANTIC TREATY ORGANIZATION

SUPREME ALLIED COMMANDER TRANSFORMATION

c. Brief mention of the key decisions

- The overarching theme of the Warsaw summit was to reinforce significantly NATO's deterrence and defence posture, while remaining able to project stability outside of our borders.
- Some key decisions were taken to that effect.
- Deterrence and defence:
 - eFP and tFP
 - Definition of cyber as a domain
 - Ballistic Missile Defence Initial Operational Capacity
 - Renewed and stronger messaging for nuclear deterrence
- Projecting stability:
 - Reinforcement of partnerships and overhaul of the function
 - Framework for the South and Hub for the South
 - Reinforced partnership with the European Union (and joint declaration) – part of a greater necessity to increase cooperation with other international organizations
- And to ensure that the Alliance would be able to meet all potential challenges up to its highest level of ambition, the nations also ordered a functional assessment of the NATO Command Structure, which is still in progress

d. Deeper, long-terms implications for the core tasks

- NATO's 3 core tasks, defined by the 2010 Strategic Concept, are still valid today, but they are more interrelated than before
- The decisions of the Warsaw Summit support these core tasks, but they are mostly short-term oriented.
- But if we want to remain relevant in the future, we must integrate these actions in a medium and long term perspective.
- Quote of Peter Drucker : “long-term planning is not about taking future decisions, but about the future of current decisions”
- Let us now address some of the longer term adaptation challenges for NATO.



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3) Deterrence and defence

a. MJO+ concept development

- Addressing deterrence and defence raises the question of NATO's level of ambition.
- The biggest challenge laid out in this level of ambition was defined as a Major Joint Operation Plus – namely, a massive commitment of forces in a major crisis.
- But this concept was not defined precisely enough and did not match every possible scenarios of a crisis involving a near-peer competitor in the current context (including cyber and hybrid threats)
- ACO and ACT are hence working on a new concept to define what the requirements of an all-out conflict would be, integrating all domains of operations.
- The aim is not to replay a cold war scenario. But with the resurgence of state actors threats, the credibility of our defence posture lies in the proper understanding of all implications of a worst-case scenario.

b. Importance of the appropriate command structure

- MJO+ cannot be defined by adding up joint forces commands and listing capabilities. In a context of complexity, we have to define the appropriate command structure to conduct all-domain operations – including on emerging domains of warfare.
- This concept requires a short-term and a long-term vision, and this is why a coordinated work of both Strategic Commands – operations and transformation – is necessary.
- This rationale is driving the current functional assessment of the NATO Command Structure decided in Warsaw.



NORTH ATLANTIC TREATY ORGANIZATION

SUPREME ALLIED COMMANDER TRANSFORMATION

c. Challenges to be addressed:

- i. SLOCs: if we look at the situation with Russia, NATO has deployed forces with eFP and tFP that would serve as a “tripwire” in case of an aggression – playing a deterrent role. But this deterrence works only if we can demonstrate the credibility of our follow-on forces. This leads us to re-think the concept of secure SLOCs across the Atlantic. This effort also requires to “enable SACEUR’s AOR,” meaning the ability, if needed, to deploy and move ready-to-fight forces in and through the European theater, both quickly and timely.
- ii. Exercises: under constrained resources, the focus of NATO in terms of training is now put on MJO+ level and realism, while we will rely more on the nations to train for non-article 5 scenarios. This requires a significant renewal of our training and exercises policy.
- iii. Cyber: as an emerging domain heavily reliant on changing technology, cyber poses many challenges, one being the federation of nationally-owned capabilities into a common effort. NATO has decided to rely on the nations for offensive cyber operations – quite similarly to space operations. Addressing our requirements in cyber capabilities necessitates a quicker acquisition process and a review of our current policies.

d. A key principle: persistent federated approach

- The ability to conduct a MJO+ is NATO’s most demanding level of ambition: this is our objective.

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SUPREME ALLIED COMMANDER TRANSFORMATION

- To achieve this objective, we must address the question of the appropriate C2 structure. And in this regard, the NATO Command Structure is the backbone on which this structure has to be built.
- However, the MJO+ situation is only a part of the equation. NATO has to be able to meet all kinds of challenges, especially during transitions from peacetime to crisis.
- The NCS must be able to connect seamlessly with forces and capabilities coming from the NATO Force Structure and the nations. How we array these assets to meet the requirements of any situation is the key.
- To achieve this, we must rely on a system in which the NCS can federate all these forces on a permanent basis. In peacetime, it would allow greater exchange of information. In a crisis, it would allow the swift constitution of flexible C2 architectures.
- This persistent federated approach will allow NATO to be able to adjust seamlessly to all types of scenarios.
- To compare with the classical strategic model:
 - MJO+ is the end,
 - C2 structure is the way
 - Persistent Federated Approach is the means.
- ACT and ACO are working together to deliver a concept paper to the nations in support of this persistent federated approach.
- Because both commands believe that it is better suited, more agile, more adaptable to face the complexity of our environment.
- And because we are reviewing the NATO Command Structure, we have the opportunity to assess ACO and ACT responsibilities and their respective spectrum of activities. This aims at avoiding duplications and overlaps, in order to be more effective.



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4) Cooperative security and projecting stability

a. The importance of partners to address contemporary crises

- NATO retains its task to project stability beyond our borders, because the prevention and resolution of crises is a condition of our collective security.
- This must be done with a wide range of partners, who face the same threats, and recognizing it requires a regional approach.
- Partners are essential because they bring expertise, capabilities and support to help preventing or reacting to a crisis.
- But we must rethink our relationship with our partners to constitute a broad network beneficial for all. This is part of the partnerships functional assessment currently ongoing in the Alliance.

b. Challenges to be addressed:

- Our current partnerships focus too much on activities – exercises, education, interoperability, to name a few – without the definition of clear objectives.
- To put our partnerships into a longer-term perspective, we must design these activities within a larger focus, and define the objectives of these partnerships in a win-win perspective: objectives for NATO and for each partner.
- This requires the development of a better coordination between political and military objectives.
- The definition of objectives can help us connect with all nations, developing partnerships on a bilateral basis, but also with international organizations, in order to, at least, deconflict our initiatives and synchronize our actions as much as possible.
- The overarching principle that drives our partnership – and projecting stability – policy is that no organization holds alone the key to every crisis.
- And projecting stability requires a broader approach than purely military solutions: this is why we need to involve a broad range of actors. The expertise is not in Brussels, it is in the regions concerned.



NORTH ATLANTIC TREATY ORGANIZATION

SUPREME ALLIED COMMANDER TRANSFORMATION

- A first example of this regional approach is under development with the Hub For The South, focused on the Mediterranean region.

c. Develop coherence with international organizations (UE/UN)

- To harmonize political and military objectives, a central focus is our relationship with international organizations, such as the EU or the UN.
- Cooperation frameworks already exist on crisis management. But they do not exist yet on building stability – and there is something to build here. Once ISIS is defeated, we will focus on stability building in Iraq. And for Afghanistan, we hope to meet the conditions that will allow us to transition to the next phase in the near future – and to build an enduring partnership as well.

d. Bring partner expertise to projecting stability (PFA approach)

- As I have mentioned, a wide network of partners is essential to project stability.
- The development of this network requires a persistent federated approach – and I insist on the term “persistent” because the key lies in the persistence of information exchange.

5) Bringing coherence through capability development

- To achieve NATO’s core tasks, there is one common requirement: the credibility of our military posture.
- The credibility of this posture implies that it is deterrent to any potential adversary. Deterrence is the product of three equally essential factors: resolve, capacity, and messaging. Nullify any of these factors and deterrence is no longer effective.
- Setting aside resolve and messaging, let me expand on the capacity part of the equation. Military capacity requires adequate capabilities – signaling that we have the necessary assets to do what we have to, if we need to.



NORTH ATLANTIC TREATY ORGANIZATION

SUPREME ALLIED COMMANDER TRANSFORMATION

- Capability development is consequently a significant work strand of NATO, in which ACT plays a major role.

a. The NATO Defence Planning Process

- To ensure that NATO has the required capabilities, we implement a 4-year cycle known as the NATO Defence Planning Process, or NDPP.
- This process takes into account the collective nature of the Alliance and starts from the identification of military requirements to meet NATO's level of ambition.
- The process compares these requirements, defined by both Strategic Commands, with the existing capabilities in the nations. Any gap constitutes a shortfall, which we mitigate by defining targets.
- This is where the defence pledge comes into play. This is the engagement that nations took in Wales, in 2014, to devote 2% of their budget to defence spending, and within this figure, 20% to investments in new capabilities.
- The NDPP ensures that every nation contributes in accordance with its resources and that no nation is assigned targets beyond its reach. This is the principle of fair burden-sharing – not to be confused with the actual budget of the Alliance.
- Once the targets are apportioned and approved, which is the stage we have just reached in the current cycle of the NDPP, nations must demonstrate that they integrate these targets in their respective national plans.

b. The stakes of the defence pledge

- But defence spending is not just about figures.
- We must ensure that the understanding of these requirements are shared by the political leadership in every nation.



NORTH ATLANTIC TREATY ORGANIZATION

SUPREME ALLIED COMMANDER TRANSFORMATION

- A shared military and political understanding of the requirements implies that these capability targets are implemented in every nation's national defence planning process.
- It also implies that nations fulfill their 2%-20% objective – but there is more.
- The defence pledge also implies that nations commit their capabilities, when needed, in support of NATO's missions and operations. This also comes at a cost.
- This is why defence spending cannot be measured only by financial aspects. It is a broader picture.

c. Way ahead of the NDPP

- To ensure the coherence of defence planning, there are several challenges to tackle.
- The first one is the harmonization and consistency of capability development plans between NATO, the EU, and the nations.
- The second is the interoperability – we need common standards to ensure that capabilities can connect and work together across the Alliance (Federated Mission Networking, for example).
- The third challenge is to better integrate national long-term plans into our capability development process, as some capabilities will require 15 to 20 years before their entry into service. A long-term perspective will allow the NDPP to deliver more appropriately, based on the definition of required effects rather than platforms.
- But we also need to develop a short-cycle planning process for certain capabilities (in IT or cyber, for example). This is critical in the current context defined by fast-paced emergence of new technologies. We have commissioned a study on this topic.
- The overarching question of capability development is a question of governance and management. The organization is not clear today, which leads to delays and additional costs.



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- The NDPP is a way to harmonize our collective capabilities and to reduce gaps. This is also an important part of the credibility of our posture.

Conclusion:

ACT works closely with ACO on many of the topics I have mentioned – each strategic command bringing a different, valuable perspective – to improve NATO and make sure it remains relevant, now and in the future.

This is an immense task, but Warsaw signaled a strong unity among the nations to preserve this Alliance, which has been a cornerstone of peace and security in Europe for close to 70 years.

To address the complexity of our environment, we are working on innovative principles: flexibility, adaptability, extended partnerships, and the overall requirement to bring coherence in our policies and actions are instrumental to this adaptation efforts.

And the principles we use are the same that the most innovative companies use in their respective domain, interestingly. This should not be a surprise: we have different purposes, but we live in the same environment, complex and unpredictable.

Thank you for your attention. I will be happy to answer your questions.