

SACT REMARKS to

COTC Panel 1 "Perspectives on post-Summit Outcomes"

NORFOLK, 17 December 2014

General Paloméros

Supreme Allied Commander Transformation

Your Royal Highness Princess Tessy de Luxemburg,

Deputy Ministers

Admirals, Generals, Ladies and Gentlemen,

It is a great honour to welcome such a distinguished audience to our Chief of Transformation Conference.

If I may, Princess, I would like to start our discussion by reminding everyone of Luxemburg's national motto: "*Mir wëlle bleiwe wat mir sinn*"– *We want to remain what we are*.

And I firmly believe that our Alliance is strengthened by the diversity of its members, but I think also that this motto fits very well the Alliance and its purpose: to remain a strong, a relevant political-military organization, ready and able to cope with the current and future security environment. An alliance built on solid foundations, on common values, on the will and the solidarity of the 28 for the 28, and last but not least, a very credible mix of nuclear and conventional forces.

Reaffirming these key principles was a clear goal of our Heads of States and Government when they met in September in Wales. Another key message delivered by this very important summit, stresses the need for our Alliance to maintain its very dynamic transformation, to keep up with the many present and foreseeable security challenges, and so to be able to





respond to its global responsibilities, in the East, the South, in Afghanistan and anywhere it might be needed in the future.

These ambitious objectives set by our Heads of States and Government are of particular relevance for this chief of Transformation conference. Those of you who took part in the previous Chief of Transformation Conference will remember that we focused our attention on most, if not all, the topics addressed in Wales and which could be summarized in capability development, priorities and critical shortfalls, readiness, interoperability, partnership and transatlantic bound. All of that was stressed during the Wales Summit.

This should not come as a surprise, according to our primary mission as Transformation's leaders: prepare the future, anticipate, adapt, innovate, create a favorable environment, and build a very powerful network of thinking and expertise, a network of excellence to enable a collaborative and effective transformation. And this is the clear aim of this 2014 session.

So, before addressing specifically the outcomes of the Summit and the required coherency of our transformational strands of work, I would like to share with you my perspectives on the main security challenges for the foreseeable future, focusing in particular on what I would call some potential game changers

[Future security challenges and role of game changers]

First, we have to keep in mind that our main goal on the short/medium term, reaffirmed by NATO's Heads of States and Governments in Wales, remains the effective implementation of our NATO Forces 2020, stated in Chicago as a coherent set of deployable, interoperable and sustainable forces equipped, trained, exercised and commanded so as to be able to meet NATO's Level of Ambition. These forces should also be able to operate together and with partners in any environment.

To achieve this aim, I'm convinced that the next cycle of our NATO Defense Planning Process, in addition with initiatives such as the Federated Mission Network, Joint Intelligence Surveillance and Reconnaissance strategies and the completion of some -hopefully many-Smart Defence projects will help us. In fact we now have a clear roadmap in front of us to address the priority shortfalls endorsed by our Heads of States.

But let's be realistic: this will take us well beyond the end of this decade. NATO forces 2020 must be considered for what it is, a key milestone, not an end state. We need to look forward,





as of today, to assess future capability requirements according to the foreseeable geostrategic environment and evolving threats. This is the main objective of the Framework for Future Alliance Operations that we are developing with your collaboration, to set the scene for the future and influence our next NATO Defence Planning Process cycle starting with the political guidance to be developed by June 2015.

While the Framework for Future Alliance Operations will be addressed in a specific session, I will not go into details but still, I would like to stress some of the main challenges and even potential game changers which stand in front of us, in our quest to maintain the relevance and the military credibility of NATO over the long term.

The first question which comes to my mind, when we see major powers outside the Alliance investing impressively both in their defense and in new technologies, (which by the way has been the western model so far), the question is if and how our military technological superiority can be guaranteed in the next decades.

And as it is stressed by many studies and US officials through what they call the 3rd offset initiative, Western Nations, including the US, may lose the technological superiority within 15 years or so.

- if they do not reinvest in their defence,
- if they are not able to take the benefit of emerging, even breakthrough technologies,
- if they don't adapt their model of forces and procurement,
- if they don't identify the key game changers of the future,
- and if they don't do all of that rapidly, together.

The main feature, from my perspective, of the so called game changers is that they can dramatically increase our vulnerabilities and instantly outdate our concepts our doctrines, our strategies and our policies! For your thoughts today, I would like just to emphasize 2 potential game changers

• First, the dissemination of A2AD (Anti-Access, Area Denial) capabilities. They may impede our ability to plan, posture and intervene on a theatre of operation.





 Such existing or emerging weapons systems as Iskander missiles, S-400 air defence systems, Bastion coastal defence missiles, long range new generation air to air missiles being deployed at the periphery of our Alliance, or exported to potential adversaries, represent as many crucial challenges.

On the one hand, they can affect our political decision making process, prevent the deployment of our forces, even within the borders of our Alliance. They represent also a clear threat for NATO strategic assets such as air tankers, AWACS, manned or unmanned Joint ISR platforms, to name only a few.

On the other hand, the dissemination of technologies to non State actors such as manpads, drones –and many others- could have strategic effects even if they are regarded as tactical assets. Empowered by new technologies, these non-state actors will certainly try to increase the lethality of their actions against our forces in order to undermine national support to the Alliance's operations.

 We could also consider as a game changer the extended use of a <u>hybrid strategy</u>, as it is the case in Ukraine. It is true that hybrid strategy is not new, but being used overtly by a major power may destabilize established international rules and agreements.

We could see more and more adversaries using simultaneously and in very innovative, adaptive manner, conventional and non-conventional means, including cyber-aspects.

By blurring the lines and maintaining ambiguity, they could hamper our assessment of the threat and elevate the threshold of our intervention. Accordingly, any potential evolution of neighbouring nations' tactical nuclear posture should be very carefully evaluated.

Obviously, there are no simple answers to those challenges. And this is why we are here together to reflect and adapt our strategy, our capabilities, our training, our exercises.





As a matter of fact, the complexity of this transformation has been reflected in the impressive number of tasks that ensued from the summit (78 so far).

[OUTCOMES of the SUMMIT]

Among these tasks, the Readiness Action Plan attracts most of the attention, most of our time as well. This need to reinvigorate the readiness and the responsiveness of our forces, of the Alliance as a whole, is not new. In fact, I have set it in ACT as a priority alongside interoperability for my command 2 years ago.

But being recognized as a key priority by our Heads of States and Governments makes a lot of difference.

First, the Readiness Action Plan addresses a missing dimension in our Transformation: the need to adapt NATO's posture, to improve NATO's responsiveness.

In a certain way I would say that the Readiness Action Plan operationalizes our Transformation. That also means that the Readiness Action Plan must not be considered in isolation because Readiness cannot be assured only by changing our posture, our structures, or even only by establishing a new VJTF.

- Readiness relies on every single strand of our Transformation efforts.
- Readiness relies on credible, robust capabilities, on demanding high level training and exercises, on our ability to work with our partners with no delay where and when it is needed.
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To tell the truth, increasing NATO's forces readiness will require a great effort, a great commitment by the Allies collectively and individually.

We know that in the vast majority of our nations -to be frank-, financial constraints have affected the preparedness of our people, the serviceability of our equipment, logistic support and the modernization of our capabilities.

And this is the great challenge that our Heads of States and Governments have endorsed in Wales.





- This is why their pledge to reinvest in defence, for the 2%GDP and 20% in investment is so crucial for building, or perhaps I should say, rebuilding the solid foundations of an effective Readiness.
- This is why we must keep the pace of Transformation through all its components together. We cannot afford the luxury of prioritizing our efforts on NATO Defence Planning Process, SMART Defence, the Connected Forces Initiative, RAP, using as well the Centres of Excellences, partnerships because all these strands are closely intertwined and only their sum, I would say their synergy will empower us to face the challenges I referred to earlier.
- This is why as well we must prioritize very carefully, and improve our defense spending.

In order to invest better, to spend better, I see a great opportunity to capitalize on what I referred to the US 3rd offset strategy, in conjunction with our new NATO Defense Planning Process cycle, on our 151 smart defence projects, but also on the European Council initiatives for improved European capabilities.

I see a great opportunity to look for more modular, cost effective, evolutive platforms and systems. Let's take for instance the future replacement of AWACs Capability as a benchmark of a sound operational Analysis, of our ability to innovate, to anticipate the foreseeable environment in which it should operate.

- Let's <u>put in common our best expertise</u> to optimize, to adapt our crucial Joint Intelligence Surveillance and Reconnaissance systems through innovative operational experiment such as CWIX and Unified vision.
- Let's <u>capitalize as well on our remarkable network of Centers of Excellence –here</u> <u>represented-</u> to improve our collective understanding of our complex environment and respond to transverse challenges such as the hybrid question.
- Let's take a pragmatic approach to the most pressing problems as we did recently for Cyber through a very successful Cyber Coalition exercise during which more





- than 600 technical, government and cyber experts operated from dozens of locations across the Alliance and partner nations.
- Let's <u>build on a more productive, a more confident relationship with industry on</u> <u>both sides of the Atlantic</u> to capitalize on our common interests and find common agreeable innovative answers, as it was stressed during our recent industry forum in Split.
- Let's <u>improve and enhance our partnerships</u>, which have produced such impressive results in operations such as in Afghanistan. In this wonderful country, let's show our commitment to the future of the Afghan people in ensuring the success of the Resolute Support Mission.
- Let's find the way for a <u>more productive cooperation with the EU</u> which is no longer an option but a requisite to address the global security problems of the 21st century.
- Last but certainly not least, let's <u>take the benefit of our Connected Forces Initiative</u> <u>to reinvest for our people</u>, to reinvest in our men and our women. Having attended last week ,with SACEUR, Exercise Trident Lance 2014, acknowledging LANDCOM reaching its Full Operational Capability well before the expected date, having seen how together with SHAPE we have been able to use CFI as a key instrument in the scope of the assurance measures, I'm optimistic.
- I'm certain that next year we will achieve the initial which was unthinkable in a certain way- objective of increasing from one strategic exercise in 2013 to 6 strategic exercises in 2015 including the biggest livex we have had for at least a decade. Trident Juncture 15, with more than 26000 men and women a number which by the way increase everyday- will be a great demonstration of solidarity, credibility, and strength.
- I'm also certain that in parallel, we will be able to keep the pace on the assurance measures, in the East, to show NATO resolution to prevent, deter, and to act if necessary for its collective defence.
- I am convinced also that together, we will find the path to improve NATO's readiness and to imagine a very effective and very reliable Very High Readiness Joint Task Force.





And I can ensure you that both Strategic Commanders are determined to provide together a credible, sustainable and politically acceptable answer, as it has been proven by our first proposals.

[CONCLUSION]

One of my favourite author, aviator, poet and philosopher, Antoine de Saint-Exupéry wrote in <u>Night Flight</u> that *"In the life, there are no solutions. There are forces in motion. Those need to be created and solutions follow".* This is, in my perspective, the real challenge of Transformation: Put Transformation forces in motion.

Ladies and gentlemen, it is true that:

- We are living a very demanding period,
- We are facing many puzzling challenges,
- Time and resources are constrained. Yes.

But our Alliance possesses today a remarkable capital, an outstanding potential to create, to put forces in motion.

- It can build on 65 years of experience, on 65 years of success.
- It can capitalize on the commitment of the 28 nations for the good of all 28 Allies.
- With its very reliable partners, it can cooperate together for a better, and wider security.

These are the key messages in my perspectives of the Wales Summit which encourage us to keep on a coherent, comprehensive, effective and dynamic Transformation.

And this is exactly the aim of this Chief of Transformation Conference.

Thank you for your participation in this conference and I will now yield the stage to Timo Koster, the International Staff Director for Defence Policy and Planning.

