The NATO Security Investment Programme (NSIP) is the long term investment programme supported by funding from all 28 NATO Nations and is therefore referred to as a Common Funded programme. It represents one of NATO’s 3 Resource Pillars that, based on the requirements identified by the NATO Defence Planning Process (NDPP), come together to deliver the NATO Capabilities required to fulfil the Alliance’s Military Level of Ambition. The other 2 pillars are Manpower and Operations and Maintenance.

The aims of the NATO Security Investment Programme are to enhance peace, security and stability, through reinforcement and maintenance of a solid transatlantic link demonstrating a strong affirmation of NATO solidarity and to continue the successful practice of sharing the roles, risks, responsibilities, costs and benefits that bind the alliance together.

The essential elements of the NATO Security Investment Programme are referred to as Capability Packages and these Capability Packages consist of a number of projects. The number of projects contained in a Capability Package can range from
one, referred to as a Stand Alone Project (SAP), to in excess of one hundred in some that require more complicated multi-national or NATO-wide implementation. The current programme has 137 Capability Packages in various stages of planning, screening, approval or implementation and together represents a commitment by the Alliance nations of over 8 Billion Euros. The cost of individual projects can range from as little as 50,000 Euro up to several million Euros in some cases. The building site that you pass each day coming into the main building is a good example of an NSIP project in progress.

There is also a smaller programme, within the NATO Security Investment Programme, called the Minor Works programme that deals with smaller projects in a slightly different way. As an example, the headquarters used the minor work programme to fund the expansion of the SACLANT conference room facilities after the 7-Nations expansion in 2004.

Due to the size of the programme, the funding of all these Capability Packages is planned to take place over a number of years. The planned investment, together with the necessary manpower and support costs are the focus of a process that culminates in a document called the Medium Term Resource Plan. The plan looks out over a five year period e.g. 2014-18, 2015-19, 2016-2020 and is updated on an annual basis. Within that plan, the annual amount of expenditure for the NATO Security Investment Programme is set and controlled by the senior resource committee in NATO, the Resource Policy and Planning Board (RPPB) and is referred to as the NSIP ceiling. The ceiling represents a commitment by the Alliance Nations to spend funds on identified and approved Capability Packages and Projects (CP&P) up to a certain amount within a calendar year. For example, the ceiling for 2014 is 700 Million Euro and the ceiling for 2015 and 2016 has been set at 725 million Euros per year.

Obviously, there is no point in planning to build something like a new Military Headquarters without planning for the necessary operation and maintenance cost of the building or identifying the number of personnel that will work there. So while a Capability Package will identify the combination of capital investments, manpower and support costs that when put together with the necessary military forces enables a NATO Commander to achieve a specific Military Required Capability, the NATO Security Investment Programme deals only with the capital investments part of the process.

In making the commitment to commonly fund investments for the Alliance, the Nations have identified a number of essential principles that must be applied before any expenditure can be authorised. The first and most important principle is that of “Over and Above”. Over and above refers to the provision of a capability required by the Alliance that is “over” what is currently available within the Nations and “above” what would be considered reasonable for any single Nation to supply. In addition to the over and above principle the range of facilities eligible for common funding has
generally been limited to the NATO Command Structure Static Facilities, Permanent installations, Deployable Assets, Computer Information Systems and Crisis Response facilities.

Although the over and above principle is strictly applied, the eligibility rules can be modified to accomplish the aims of the Alliance and exceptional eligibility can be granted for individual cases. Each request for NSIP funding is dealt with on a case by case basis and the fact that exceptional eligibility has been granted in certain circumstances in the past does not guarantee that they will be applied in the same way again in the future.

The Nations have also agreed that they will only pay for the Minimum Military Requirement (MMR) to fulfil any particular capability. MMR is therefore defined as “the most austere facility required to fulfil a NATO military need identified by the NATO military authorities” i.e. the Nations will not authorise the procurement of a Rolls Royce if the capability, in this case for transportation, can be fulfilled by a Fiat 500 (no disrespect intended for my Italian readers).

In addition to the long term programme of Capability Packages and Projects (CP&P), Stand Alone Projects (SAP) and the Minor Works (MW) Programme, the NATO Security Investment Programme also supports current operations through the Crisis Response Operations Urgent Requirements (CUR) system. More than 5,000 CURs have been supported during the IRAQ and Afghanistan Campaigns and while the MMR requirements are not limited to pre-agreed Criteria and Standards, as they are in most CP&Ps, the criteria of over and above and eligibility rules are still strictly adhered to.

In all cases where it is identified that a capability requires some NATO common funding investment there are procedural steps to follow to attain the capability. In the case of a Capability Package, these are; **Initiation**, where a requirement is identified through the NATO Defence Planning Process; **Definition**, where the requirement is clearly defined and checked and a consolidate resource proposal to fulfil that requirement is identified; **Approval**, after screening of the proposal by the Military Committee (MC) to confirm the military requirement and the priority and by the Resource Policy and Planning Board (RPPB) to confirm eligibility and affordability the Capability Package is presented for approval by the North Atlantic Council; **Implementation**, by a designated Host Nation (HN) who work closely with the NATO Office of Resources (NOR) to define how and when the capability will be delivered and agree a Capability Package Implementation Plan (PIP); **Operation** of the capability through its life cycle by the Operational Commander and finally, **Disposal**, of the capability and deletion from the NATO inventory when the facility or capability is no longer required. The procedure for Crisis Response Operations Urgent Requirements (CUR) is essentially the same as that of a Capability Package but differs slightly in the screening and approval phase which shortens the procedure commensurate with the urgency that should be attached to current operations. Part 2
of this paper will expand on the Capability Package and its component parts and the entities involved in those processes for those who would like more in-depth information.

Many of the areas that have been touched in this short information paper are more complicated, very detailed and time consuming both in their operation and in their explanation. If your role in the Headquarters involves working in or with any of the resource areas of NSIP, Manpower or Operations and Maintenance budgets we would recommend attendance at the 1-week Resource Management Education Programme (RMEP) course held at the NATO School Oberammergau (NSO) four times per year. If you cannot attend the school but would like more information on NSIP or any of the processes within the NSIP programme, please do not hesitate to contact Mr Tony Solomon of the NSIP Branch, Policy and Programme Management Section on Extension 4273.