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## **Concept Paper on Defence Conversion in SEE**

### **1. Introduction**

At the Ministerial meeting on defence conversion, held in Bucharest on 31 March 2005, the Ministers of Defence of the SEECP participating countries reaffirmed their commitment, by issuing a Declaration, to enhance cooperation and dialogue in SEE and also with international partners, on specific defence conversion related processes, emphasizing that the challenges associated with defense conversion are an integral part of overall Security Sector Reform in countries concerned.

They express their awareness that Defense and Security Sector Reform, including defense conversion, represents a crucial dimension of much wider transformation processes, so it has to be dealt within the context of overall socio-economic development, reconstruction and social development policies.

They recognized that most of the SEE countries face similar circumstances and challenges in dealing with the economic and social costs of restructuring and downsizing of their armed forces resulting in base closures, relocations of military units, re-integration of surplus military personnel and destruction or selling surplus equipment and weapons.

In this regard they emphasized that, enhanced regional cooperation should focus on sharing information regarding relevant national policies and programmes, on sharing lessons learnt and expertise acquired, on seeking improved access to international expertise and assistance for project development and implementation, and finally, on seeking improved access to international project funding from

international and private sources. Therefore, these countries would benefit from having access to a shared pool of knowledge and experience.

In this perspective, they agreed to use the existing capacities of the Regional Arms Control Verification and Implementation Assistance Centre (RACVIAC), to develop regional support networks, concentrate know-how on defense conversion, promote an integrated donors approach and requested the establishment by RACVIAC of three Working Groups (WGs) as follow:

- The first one (WG1) on retraining and resettlement of military personnel
- The second one (WG2) on the conversion of former military bases and facilities
- The third one (WG3) on restructuring redundant military industries by downsizing or restructuring into civilian use.

The Bucharest SEECF Ministers of Defence Declaration is requesting RACVIAC to establish the above-mentioned Working Groups with the following aims:

- To share experience on national defence conversion processes with regional and international partners in order to facilitate the identification of areas for cooperation amongst ourselves and with international partners.
- To avoid duplication of efforts and contribute to achieving a more integrated approach between international partners.
- To strengthen networks among regional and international partners interested in practical cooperation on specific conversion aspects and to stimulate further interest from bilateral and multilateral donors.

In order to create more transparency, regarding progress, and to establish more clearly needs for technical and financial support, exchanging information on defence conversion programs amongst the countries concerned, the Ministers of Defence of SEECF countries requested RACVIAC to initiate a collection of such information by circulating a questionnaire and requested RACVIAC to produce a report on the answers received.

The Multinational Advisory Group (MAG) of RACVIAC decided to respond positively to the Declaration of the Ministers of Defence of the SEECF countries and agreed to build on and use existing capacities of the RACVIAC in the field of defence conversion.

This Concept Paper has been written in accordance with the conclusions of the 11<sup>th</sup> and 12<sup>th</sup> MAG Meetings to include all relevant aspects, concerning the future possible involvement of RACVIAC in the field of defence conversion.

## **2. State of Affairs**

- Each WG will be co-chaired by a country of the region and by RACVIAC and will be assisted by support organizations. If any permanent support of any international organization is deemed necessary, a MOU/ Exchange of Letters should be signed by RACVIAC and relevant organisation after approval of the MAG. The chairmanship of the countries will be on rotational basis for one year among the countries of the region. The modality of the chairmanship of the countries will be reassessed by MAG at the end of 2006. The research, administrative and logistical support related with defence conversion WGs activities will be provided by RACVIAC.

- Because strong links exist between the subjects covered by the WGs, coordination and synergy is needed between all the working groups.

- The RACVIAC Director reports to the MAG Meeting on the work of defence conversion and reports to the MAG countries after each session of the WGs in accordance with regular RACVIAC procedures.

- In order to avoid duplication and more administrative work, a common approach between the 3 new WGs of defence conversion and the 2 existing Divisions of RACVIAC shall be established, with a calendar of activities, meetings, modalities and reporting mechanisms.

- RACVIAC to fulfil its role has to establish/organize a separated Cell in its structure dealing with the defence conversion issues

## **3. Defence Conversion Purposes**

The main aims in RACVIAC for the defence conversion will be:

- To add tangible value through transborder cooperation among the local stake holders

- To help transfer external expertise and know-how to local implementers and directors of different Ministries of the countries concerned as a way to increase national ownership and expertise.

- To attract external financial institutions and donors to contribute to national and regional efforts in the field of defence conversion.

- To serve as a clearinghouse by asking other actors in the field of defence conversion, who maintain bilateral or multilateral projects in the SEE, to inform RACVIAC about their activities.

## **4. Defence Conversion Goals**

The main goals for RACVIAC's defence conversion efforts are

- Stability in the SEE Region
- Social cohesion within SEE societies

## **5. Benchmarks**

RACVIAC's conversion related activities should meet certain clearly defined benchmarks for a specified period of time:

- In principle the activities should be demand-driven and determined, among others, by the replies of the countries given to the "Questionnaire"
- Activities should be geared at tangible outcomes for the countries concerned.
- For a specific set of activities in the Working Groups-for example a seminar, a conference, an assessment- a national or international organization could cooperate and support RACVIAC staff in the organizational aspects such as drafting the programme, inviting participants and communicating the results to the countries involved.
- RACVIAC is responsible for the preparation of the working group meetings, of specific events and for the preparation of budget for the activity in cooperation with MAG countries and relevant organizations.
- RACVIAC shall develop annual program, regarding its defence conversion activities and submit these to the MAG for approval during its annual meetings. Chairman of MAG will inform the regular meetings of SP WT III accordingly. Such plans should include a budgetary chapter and an estimate of costs accruing to RACVIAC as well as to external donors.
- Each seminar (or activity) on defence conversion should have a clearly defined output or "deliverable" to be produced. Typical "outputs" would include an assessment of specific conversion projects, a strategy to attract donors or International Financial Institutions (IFI's).
- RACVIAC's conversion activities should be accountable and transparent. An up-to-date website (in English) and a newsletter should be published by RACVIAC to that effect.
- RACVIAC will collect defence conversion data provided by the regional countries, possibly also by means of further questionnaires
- RACVIAC will support the establishment of defence conversion organizations in the countries of the region and promote focal points for defence conversion in these countries.

## **6. Implementation**

The planning of defence conversion related activities should be made initially for a period covering 2005 and 2006. After this period MAG will decide for an extension, taking into account the annual reports of the WGs, the real needs of the countries concerned and the financial situation in RACVIAC.

Activities should include the collection and dissemination of conversion related information, the organization and operation of a website, the publication of a newsletter on conversion, the organization of a number of working group meetings and possible expert assistance to individual countries.

## **7. Tasks for the RACVIAC Defence Conversion Cell**

The RACVIAC Defence Conversion Cell will be tasked with:

- Collection and dissemination of conversion related data
- Communicate and co-operate with other organizations active in the field of defence conversion to avoid possible duplication
- Liaise with all stakeholders to secure synergy between projects and that coordination is enhanced, rather than competition
- Organize Working Group Meetings/Seminars
- Conduct studies, (in cooperation with other institutes) on various aspects of defence conversion including lessons learned.
- Assist governments, upon request, in the preparation of project proposals, which require external funding.
- Develop standards for evaluating defence conversion projects
- Update RACVIAC's web page and Newsletter with defence conversion data

## **8. Personnel requirements**

In light of the above-mentioned tasks, the Defence Conversion Cell needs experts in the field of defence conversion as new staff members. They would be supported by members of RACVIAC's current staff. New staff members could be seconded by the participating states or recruited externally. The cost of such a secondment could be borne by the seconding nation or covered by the RACVIAC's budget.

Ad-hoc consultants to assist with the organization of specific WG meetings or activities and/or for (technical) assistance missions to governments could be hired on a case-by-case basis – on short term contracts.