

Annex 10. Strategic plan for spending on national defense for 2008 – 2010

Key Issues / Policy	Priority Policy Actions	Implications for budget allocation	Monitoring Indicators	Share of each program in overall spending within the sector (per cent)		
				2008	2009	2010
<p>PROGRAM I "GROUND TROOPS" (GT) – is the component of the National Army designated to carry out a whole series of military actions on the ground, in any region and any direction, jointly or independently perform operations and offensive/defensive combat to withstand potential aggression, maintain (defend) the occupied strips and alignments, repel the aggressor’s troops from the national territory and conduct other missions pertinent to it (including, in crisis situations). The Program includes the following subprograms: rapid response forces, geospatial support for the national army, training of troops, peace-keeping operations in the security Zone in the eastern districts of the Republic of Moldova.</p>						
<p>A. <u>Key Issues</u></p> <ul style="list-style-type: none"> Undersupply of GT with modern gear and equipment. <p>B. <u>Medium-Term Specific Objectives</u></p> <ul style="list-style-type: none"> Structural reorganization of the GT; and Supply the GT with military gear. 	<p>A. <u>Actions leading to more efficient use of resources:</u></p> <ul style="list-style-type: none"> Set up the GT Commandment and making it operational; and Restructure large units and military units (LU and MU) in line with Western European / up-to-date standards. <p>B. <u>Actions newly identified as priorities for the development of this sector:</u></p> <ul style="list-style-type: none"> Transition to modern standards for active troops and reserve training, as well as for conducting assigned missions and honor the assumed international commitments. 	<ul style="list-style-type: none"> Only actions fitting in the limits of approved budgets and donor funding will be conducted; and Additional options for the allocation of needed funds will be considered during 2008-2010. 	<ul style="list-style-type: none"> Number of reorganized units; and Number of trained military / subunits. 	28.4%	28.4%	28.0%
<p>PROGRAM II “AIR FORCE”</p> <p>The goal of this program is to: Build capacity necessary to withstand a first air attack in crisis situations, wars, nonconventional and asymmetric military threats; Take both active and passive measures targeting the upholding and getting the needed level of control over the air space to protect its own forces; Train and upgrade the Air Force; and Make sure that the air force staff and equipment participate in international maneuvers for peace-keeping to reach the national target – contribution towards the regional and international security.</p>						
<p>A. <u>Key Issues</u></p> <ul style="list-style-type: none"> Inadequate supply of AF with modern gear and equipment; Inadequate infrastructure; and Lack of skilled staff. <p>B. <u>Medium-Term Specific</u></p>	<p><u>Actions newly identified as priorities for the development of this sector:</u></p> <p>§ Set up the “Combat Service – Air Police”, executed by the military aviation;</p> <p>§ Upgrade the radiolocation stations, anti-air rocket complexes, and buy or get at least two digital radars;</p>	<ul style="list-style-type: none"> Only actions fitting in the limits of approved budgets and donor funding will be conducted; and 	<ul style="list-style-type: none"> Number of aircrafts capable of conducting missions; and Surface for radar control and 	7.7%	7.7%	7.6%

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<u>Objectives:</u> <ul style="list-style-type: none"> Supply the Air Force with combat equipment and gear, thus enabling the completion of set combat missions; Fix and upgrade the existing combat equipment; Ensure the staffing by contract-based enrollment in to the military; Train and retrain units and staff in line with western European procedures; and Train the military staff of the Air Force from the country. 	<p>§ Create a rescue/search service with specialized helicopters with low consumption of fuel;</p> <p>§ Renovate and supply with equipment the airdrome infrastructure of the Aviation Basis and provide it with flight guidance and air navigation systems;</p> <p>§ Participate in UN operations;</p> <p>§ Configure and equip the Air Operation Center in line with western European standards; and</p> <ul style="list-style-type: none"> Buy 2 simulation air jets and 2 simulation helicopters. 	<ul style="list-style-type: none"> Additional options for the allocation of needed funds will be considered during 2008-2010. 	surveillance of the air space of the RM.			
<p>PROGRAM III “OPERATIONS OUTSIDE THE COUNTRY” – this program is aiming at fulfilling the objectives assumed by the Republic of Moldova with respect to the participation of the military personnel and units of the National Army in international peace-keeping operations, in line with the existing legal framework, and promote the image of the Republic of Moldova regionally and internationally as a progressive state, capable of contributing to upholding international peace and international stability, promote a positive image of the National Army within the civil society.</p>						
<p>A. <u>Key Issues:</u></p> <ul style="list-style-type: none"> Poor supply with up-to-date gear and equipment that would meet the cross-platform operability requirements of international organizations; The equipment available requires repair works and upgrading; and Shortage of military staff hired on a contract basis. <p>B. <u>Medium-Term Specific Objectives:</u></p> <ul style="list-style-type: none"> Fix and upgrade the individual military equipment and gear; Recruit the staff to enroll the 	<p>A. <u>Actions leading to more efficient use of resources:</u></p> <ul style="list-style-type: none"> The National Army participates in peace-keeping operations (PKO) and humanitarian operations with small contingents which are recruiting the technical and material support from the partners, while also having reimbursed certain participation cost categories. <p>B. <u>Actions newly identified as priorities for the development of this sector:</u></p> <ul style="list-style-type: none"> Supply contingents with modern military gear and equipment; and Promote through mass - media the advantages of military service on a contract basis in peace-keeping subunits - Train in line with (modern) western European 	<ul style="list-style-type: none"> Only actions fitting in the limits of approved budgets and donor funding will be conducted; and Additional options for the allocation of needed funds will be considered during 2008-2010. 	<ul style="list-style-type: none"> Military contingents will meet the internal and external evaluation and certification demands and are ready to disperse by the end of 2008; Increase the number of candidates to staff the contingent by Quarter I of 2008. Ensure the recruitment of staff in the military on a contract basis for 	0.2%	0.2%	0.2%

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military on a contract basis; <ul style="list-style-type: none"> • Train and coordinate the military contingents; and • Dislocate and support the contingents in peace-keeping operations. 	standards; and <ul style="list-style-type: none"> - Have the contingents dislocate and participate in PKO. 		Battalion 22 for peace-keeping operations by 2009; <ul style="list-style-type: none"> • Number of military contingents, 150 heads each, trained in line with western European standards; and • Increase the degree of supplying the Contingents with the logistic stocks necessary to conduct missions in the operation zone. 			

PROGRAM IV “COMMUNICATIONS AND INFORMATION TECHNOLOGIES” is aiming at ensuring the information sharing network of combat management, designed for the operative management of troops, with classified data sharing and joint information networks, designated to create a single informational space in the National Army, with share of unclassified data.

A. <u>Key Issues:</u> <ul style="list-style-type: none"> • The communications and IT equipment, as well as the special equipment for data protection, available today are outdated, with expired life spans, with considerable wear and tear and are not meeting the current standards for classified data protection. B. <u>Medium-Term Specific Objectives:</u> <ul style="list-style-type: none"> • Scale up the stationary and mobile components of the communications and IT system (CITS) based on territorial 	A. <u>Actions leading to more efficient use of resources:</u> <ul style="list-style-type: none"> • Provide all military units with zonal telephone stations and with channel setting equipment (mobile and stationary digital radio relay stations), thus enabling to increase the feasibility of CITS and exclude its reliance on domestic telecommunication operators, and as such implying savings of funds required for fixed and mobile telephony services; and • Provide with communications and IT equipment necessary to operate mobile transmission centers, thus enabling cuts in staffing and less equipment involved in upholding the operations of force groups in the 	<ul style="list-style-type: none"> • Only actions fitting in the limits of approved budgets and donor funding will be conducted; and • Additional options for the allocation of needed funds will be considered during 2008-2010. 	<ul style="list-style-type: none"> • Increase the number of military units connected to the stationary communications and IT system; • Improve the supply of peace-keeping military contingents with a mobile and compact communications and IT system; and • Number of modern mobile 	1.6%	1.5%	1.5%
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<p>telecommunications system, and set up a distinct CITS for the National Army, by making all military units part of the system. Integrate in the system the equipment for centralized alerting of military units and staff;</p> <ul style="list-style-type: none"> Supply the peace-keeping contingents with transmission means compatible with the standards of NATO countries; and Supply with modern equipment and solutions for data protection. 	<p>field.</p> <p><u>B. Actions newly identified as priorities for the development of this sector:</u></p> <ul style="list-style-type: none"> Provide with PC and network equipment required to scale up the information systems, thus enabling the creation of a single information network for the National Army and streamline the process of active management of troops. 		transmission centers of force groups.			
<p>PROGRAM V “CENTRAL ADMINISTRATION” – it aims at developing and managing national defense policy, central administration and management, mobilization of the national army and military education.</p>						
<p>A. <u>Key Issues:</u></p> <ul style="list-style-type: none"> Limited capacity for review and strategic planning of the Ministry of Defense; and Poor supply with teaching materials. <p>B. <u>Medium-Term Specific Objectives:</u></p> <ul style="list-style-type: none"> Implement IPAP provisions; Share experiences; and Provide with teaching materials, develop and print textbooks. 	<p>A. <u>Actions leading to more efficient use of resources:</u></p> <ul style="list-style-type: none"> Build the human resources for the accomplishing of IPAP objectives. <p><u>B. Actions newly identified as priorities for the development of this sector:</u></p> <ul style="list-style-type: none"> Take measures to accomplish the assumed objectives and ensure the continuity in fulfilling these objectives; Ongoing compliance of the structure of the Senior Commandment and the Ministry of Defense with European standards and define the responsibilities between the Senior Commandment and the Ministry of Defense; Implement and improve an automated system for records-keeping, command and control within the National Army management and facilities, which will improve the decision-making in the Ministry of Defense and the Senior 	<ul style="list-style-type: none"> The costs associated with measures for the training of staff for the implementation of IPAP will be covered with the approved funds and with the financial support of foreign partners; Costs associated with implementation of IPAP objectives in phase one, related to improving the legal and norm-setting framework, could be covered from 	<ul style="list-style-type: none"> The share of accomplished objectives assumed through IPAP; Number of people attending special courses in the areas they are operating in; Automated services in the management and facilities of the National Army; and Number of trained military students. 	22.0%	22.0%	21.8%

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	Commandment; <ul style="list-style-type: none"> • Improve the syllabus; and • Improve the technical and material assets of education facilities. 	existing resources, whereas the objectives related to organizing certain large-scale actions (assessments, dislocations, structure reforms and equipment upgrading) are ought to be completed with the funds additionally allocated from the government budget; <ul style="list-style-type: none"> • Buy the technical and electronic support to implement an automated system for the management of human and technical and material resources; • Funding will be secured with allocations from the government budget and funds of external donors; and • Consideration will be given to identifying additional funds for the MTEF period. 				

PROGRAM VI "SUPPORT FOR THE NATIONAL ARMY" It represents a set of actions which include a comprehensive supply of the National Army with material

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assets (major equipment, spare parts, inventory, supplies), services provided to the staff, infrastructure and maintenance of equipment. The Program "Support for the National Army" consists of the following subprograms: "infrastructure Maintenance", "Provision of Housing", "Health Care Services", "Upgrading the field equipment of the military from the National Army", "Nutrition of Troops"; "Fuels and Lubricators", "Supply (resupply) with armament and equipment", "National Army Construction and Development Plan", "Program for reconditioning of the artillery systems available in the National Army for 2006-2014".						
<p>A. <u>Key Issues</u></p> <ul style="list-style-type: none"> • Undersupply of NA with gear, equipment and materials; and • Undersupply of the military from the NA. <p>B. <u>Medium-Term Specific Objectives:</u></p> <ul style="list-style-type: none"> • Supply will be secured by logistic support categories; and • Supply in line with policy objectives and provisions of the concept of the restructuring and upgrading of the National Army by 2014, and in compliance with the National Army construction and development Plan by 2008. 	<p>A. <u>Actions leading to more efficient use of resources:</u></p> <ul style="list-style-type: none"> • Review and prioritize the use of fixed funds, renovate the engineering networks, and streamline the dislocation of military units; • Review the efficiency of constructing or purchasing housing; and • Change the profile of service premises not used as housing. <p>B. <u>Actions newly identified as priorities for the development of this sector:</u></p> <ul style="list-style-type: none"> • Do repair and construction works; • Buy new furniture and fix the broken furniture; • Retrain the health care personnel of the National Army; • Streamline the organizational structure of military health care facilities; • Supply with equipment and household goods; • Provide for daily activities and the combat preparedness of the National Army and create reserves; • Supply the NA with fuel and make stocks; • Recondition the artillery systems; • Repair and maintenance of vehicles, armored tank-vehicles, and motor gear; • Buy military equipment and new ammunition; and • Fix and keep the railroad communications operational. 	<ul style="list-style-type: none"> • Only actions fitting in the limits of approved budgets and donor funding will be conducted; and • Additional options for the allocation of needed funds will be considered during 2008-2010. 	<ul style="list-style-type: none"> • Number of people provided with housing; • Number of treated patients; • Number of retrained health workers; • Degree of supply with material goods; • Degree of artillery systems re-conditioning; and • State of technical preparedness. 	40.3%	40.3%	41.0%

Distribution of resources by programs for National Defense

Program Name	Total public spending (MDL thousand)		Forecasts (MDL, thousand)			Share of each program in the total amount (per cent)		
	2006 executed	2007 approved	2008	2009	2010	2008	2009	2010
Program I "Ground Troops"	49063.3	70036.9	81202.1	95195.4	100966.8	28.4%	28.4%	28.0%
Program II "Air Force"	15616.2	18596.8	21965.0	25734.6	27361.6	7.7%	7.7%	7.6%
Program III "Operations outside the Country"	3323.3	407.0	446.8	539.3	581.0	0.2%	0.2%	0.2%
Program IV "Communications and IT "	5543.6	4098.3	4444.5	5164.5	5461.8	1.6%	1.5%	1.5%
Program V "Central Administration"	52695.2	70514.2	62798.0	73632.5	78578.8	22.0%	22.0%	21.8%
Program VI "Support for the National Army"	89304.5	64619.6	115124.7	135096.4	147375.9	40.3%	40.3%	40.9%
Total for the industry (sector)	215546.1	228272.8	285981.1	335362.7	360325.9	100.0%	100.0%	100.0%
<i>Funded from:</i>								
Total state budget	210337.4	222930.6	280381.1	329262.7	353725.9	98.0%	98.2%	98.2%
including:								
<i>Basic costs</i>	176309.2	197130.6	246381.1	293562.7	316325.9	86.2%	87.5%	87.8%
Special means and funds	34028.2	25800.0	34000.0	35700.0	37400.0	11.9%	10.6%	10.4%
<i>Investment projects funded with foreign money</i>						0.0%	0.0%	0.0%
Budgets of administrative – territorial units	5208.7	5342.2	5600.0	6100.0	6600.0	2.0%	1.8%	1.8%