

The Romanian Army in 2017. Objectives, Resources, Strands of Action

- a debate organized by New Strategy Center -

The great winner of the draft budget, presented on January 27th and later on adopted by Romania's Supreme Defense Council (CSAT) and by the Government on January 31st, is, without any doubt, the Ministry of National Defense. From 11,022 billion lei, representing 1.35% of the GDP, which was what the funding for the Ministry of National Defense looked like in the budget version dating January 23rd, the budget allocation grew in a few days to the amount of 16,322 billion lei. This amount represents the 2% commitment undertaken by Romania as a NATO member state.

The Army benefits from an increase in the allotted funds that would allow it to start the big endowment programs, as they are also defined in the introduction of annex 3/18 for the draft budget for 2017: 8x8 and 4x4 armoured personnel carriers; 4x4 light armoured and non-armoured off road vehicles; C4I systems with integrated ISTAR capabilities; multipurpose corvette; long-range ground-to-air missile system; minehunter; helicopters.

The big question is whether the Ministry of National Defense will manage to spend the amount it has at its disposal for this year. What legislative instruments will the Ministry of National Defense and the Government employ in order to overcome the situation created at the end of 2016 when the burdensome and time-consuming procedures hindered some endowment programs, such as C4ISR or multifunctional corvettes, from being rolled out? Will they consider adopting some special laws for the Army's major endowment programs? Another question is whether the current Government will maintain the Army's funding constant or not. The endowment programs are expensive and stretch, in terms of payment and delivery rate, over several years. For example, the 4 multifunctional corvettes will cost 1.6 billion euro and their delivery will be finalized in 7 years' time. It will take several years to manufacture 8x8 armored personnel carriers and their cost is estimated at 2 billion euro. The 1.75 billion euro allotted as capital expenditures for 2017 cannot cover all the endowment programs, but the amount will most probably give the Army the possibility to initiate 3-4 programs that will show their outcomes in 5-7 years' time.

One must emphasize that the need to "identify and implement some new legislative mechanisms" is mentioned in the introduction of annex 3/18 dedicated to the Ministry of National Defense in the Budget Law for 2017. Thus, "An important chapter is represented by the measures to make the endowment of the Romanian Army more effective and to enhance the involvement of the national defence industry in accomplishing the targets set for the endowment comprised in the Memorandum approved by Romania's Supreme Defense Council (CSAT) through Decision no. 174/November 24th, 2016. It is necessary to identify and implement some legislative mechanisms that would ensure increased cooperation and involvement of the business operators from the defense industry in manufacturing the military products that are the object of the essential endowment programs for the Romanian Army." In order to discuss all these topics, New Strategy Center is launching the series of debates entitled 'Romanian Army Endowment Programs. Cooperation Opportunities for the National Industry', having Mr. Gabriel Leș, Minister for Defense, and General Nicolae Ciucă, Chief of the General Staff, as guests for the first event.