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The Bucharest 9: Delivering on the Promise to Become the Voice of the Eastern Flank

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The Bucharest 9 (B9), a group composed of NATO's easternmost members, has quickly earned clout as the voice of states whose security is the most undermined by the increasingly provocative Russian rhetoric and force posture and of the region that has become the focus of the Alliance's response to this threat. Indeed, the potential of the B9 to shape the NATO agenda is significant, not least because most of its countries present a rigid commitment to common defence by taking on an increased burden in NATO by increasing defence expenditures and investing in new capabilities. Yet, the B9 also faces limits to its effectiveness because of its participating states' differing threat perceptions, uneven commitments to beefing-up national defence capabilities, and the potential volatility of their respective military modernisation and transformation plans. More cooperation within the B9 framework, both political and military, could alleviate these problems and help make it the real voice of the Eastern Flank.

Over the last four years, nine countries—Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, and Slovakia—have managed to establish a recurrent format of political consultation, coordination, and cooperation within NATO. Dubbed the Bucharest Nine, or B9, is widely seen within the Alliance as the "voice of the Eastern Flank"[1] and has mostly pursued NATO adaptation to the growing Russian threat.

Indeed, since 2014, the security environment of the B9 countries has dramatically deteriorated. The aggression by Russia against Ukraine, its increasingly provocative narrative about relations with the West, and alarming developments in its force posture at or near its borders with NATO have suddenly made these countries the focal point of some of the most dangerous scenarios of a potential military standoff between Russia and NATO.

[1] "Voice of the Flank" was the title of a seminar co-organised in November 2015 by the GMF Bucharest Office to spur a debate among experts and practitioners on the prospects of the Bucharest 9 format.

In that same period, the B9, or at least the majority of the countries participating in the group, has gradually become the centre of gravity of reassurance and deterrence measures deployed by the Alliance in response to the Russian threat. Key initiatives in the B9 region include multinational battle groups deployed in Poland, Lithuania, Latvia, and Estonia within the Enhanced Forward Presence framework agreed in the milestone 2016 Warsaw summit and Tailored Forward Presence covering the Black Sea region, which mostly assumes Allied troop rotations to a Romania-led multinational brigade and a joint NATO effort to reinforce Romanian and Bulgarian air policing (both countries have still insufficient capacity in this regard). All of the B9 countries except one have benefited also from NATO Force Integration Units (NFIUs), decided at the 2014 Wales summit. These are command elements that enable the swift arrival of NATO reinforcements in case of a crisis. All these efforts have been augmented by rotations of U.S. forces, mainly an Armoured Brigade Combat Team (ABCT) and Combat Aviation Brigade (CAB), to most of the B9 countries.

Yet, without a doubt, the B9 states neither have a shared perception of the threat from Russia, nor are they on the same page regarding particular elements of the NATO adaptation process, such as the question of Allied military presence on their territory. While some B9 countries see Russia as an imminent military threat, others share only the diagnosis about the effects of Russian policies and force posture on European security but not necessarily on Alliance responses. Regardless, the B9 states universally acknowledge the Alliance as a pillar of European security and, consequently, seek common positions that can foster NATO adaptation that gives Central and Eastern Europe (CEE) its proper place and attention within the adaptation process.

More importantly, however, the B9 countries are determined to show that they are not merely security consumers but rather willing and able to contribute to common security by increasing their part in NATO burden sharing so that Allied defence and deterrence capacity is increasingly credible and cohesion maintained. Their efforts mostly take two dimensions in which the B9 is focusing its commitment: defence expenditures and technical modernisation/transformation of forces. This reflects the two most important elements of burden sharing, as were put by the 2014 and 2016 NATO summits. In Wales, the Allies agreed to endorse the now notorious defence spending pledge: halt cuts in defence budgets, increase real defence spending as the economy grows to 2% of GDP by 2024, and raise annual investment in capabilities to 20% of defence expenditures. In Warsaw, an important declaration was made on capabilities: The Allies should develop "heavier and more high-end forces and capabilities," which at the same time meet "agreed guidelines for deployability and sustainability." Of course, and again, there are differences between individual B9 countries in this regard, but even at this point some of the first results are worth noticing, and further plans—even if in many cases unspecified—are impressive.

Towards Sustainable Growth in Defence Expenditures

Following the outbreak of the fiscal and economic crisis 10 years ago, some B9 countries found themselves among those NATO members that had cut defence expenditures the most.[2] In comparing defence expenditures in 2009 and 2014, the cuts reached 20–30% in Hungary, Czech Republic, Slovakia, and Bulgaria (Lithuania and Latvia cut only a little less). Clearly, the shrinking defence expenditures have had a deep and adverse impact on the overall defence capacity of these countries, forging a debate about sustaining even some key capabilities like air policing. In that period, only Poland, Romania, and Estonia managed to sustain increases.

What matters most, however, is that after 2014, a common, upward trend began in the B9. The Wales defence spending pledge—notwithstanding the requirements of the rapidly deteriorating security environment on the Eastern Flank, NATO's response and the repeated U.S. calls for the European Allies to take a bigger share of the burden spurred a change in the approach of the B9 countries to defence budgets, which began to rise. As a result, in 2017, all B9 countries spent significantly more on defence than in 2014:

[2] All data in this section are based on own calculations using NATO data: "Defence Expenditure of NATO Countries," 13 March 2017 and 29 June 2017, http://www.nato.int.

Lithuania and Latvia doubled their defence expenditures; Romania spent over 50% more; Bulgaria, Slovakia and Hungary's defence budgets were 30% higher; and Poland, Czech Republic, and Estonia increased theirs by about 15–25%. This is equal to a few billion dollars more, not only for new capabilities (five of the B9 countries exceeded the NATO target of 20% of defence expenditures on investments in 2017, one country was very close to the target, and the two remaining states stood at 11% and 15%, respectively) but also for operational engagement, including exercises.

In this regard, the B9 stands out in the context of NATO-wide trends in defence expenditures. In 2017, the Allies combined spent 3.85% more than in 2014, while the bottom-line increase by the B9 countries was 15%. Out of all NATO member states, only Turkey and Canada increased their defence expenditures at a similar level (2017 compared to 2014). The remaining Allies either increased their budgets by a far more modest percentage or continued cutting. Further, in 2017, 12 NATO Allies spent 20% or more of their defence expenditures on investments, with five of the B9 countries in this group.

In absolute numbers, the B9 spent in 2017 around $24 billion (about $18 billion in 2009).[3] This roughly equals the 2017 defence expenditures of Italy. Poland easily outweighed all its B9 partners with a budget of $11.5 billion. Second and third, respectively, were Romania, with $3.7 billion, and the Czech Republic, with $2.5 billion. The remaining six countries spent between $500 million and $1.6 billion, amounting to $5.6 billion in total.

Also when it comes to relative figures—the defence spending-to-GDP indicator—the B9 seems on track to deliver on the Wales pledge. National financial plans assume that in 2018, Poland, Romania, Lithuania, Latvia, and Estonia will all spend 2% of GDP or more on defence. They are all committed to increase this proportion even further, up to 2.5%, and as early as 2020 in the case of Lithuania.

The remaining four countries—Bulgaria, Czech Republic, Hungary, and Slovakia—claim they will reach 2% by 2024 and, according to the decision of the special NATO meeting in Brussels on 25 May 2017, presented national plans on how to reach this target[4]. Why it is not a given is illustrated by the required scale of growth. Bulgaria is still reasonably close to the 2% of GDP goal at 1.5%, while the Czech, Slovak, and Hungarian budgets stood in 2017 at roughly 1% of GDP. This means it requires their governments to double expenditures over the next six years and the public to accept such steep increases.

Regardless of where they stand now on defence expenditures, sustaining the commitment to regularly increase defence spending with a perspective of 2024 and beyond may turn out to be challenge for the B9. It will require not only stable economic growth—obviously not guaranteed—but also strong internal political consensus. In some of the B9 countries there are serious political forces that question the very need to invest more in defence; it cannot be excluded that these forces will at some point build up enough leverage on the government or even join it. A further challenge is to streamline numerous regulations governing how money is spent on defence, particularly on capabilities. Without reform in this domain, it is almost certain that the additional money will not be fully spent, for instance, because of procedural delays.

Breaking with Legacy Equipment and Improving Burden Sharing

It is in the technical modernisation of armed forces, or, in other words, investment into new platforms and weapon systems, where the B9 is aiming to get the most bang for its buck. Indeed, the defence capabilities of the B9 countries leave a lot to wish for. Even in the case of states whose military presents a pretty coherent force package distributed across all typical branches (Romania, Poland), the majority of the

[3] This figure and all further ones reflect 2010 constant prices.

[4] For Hungary's plans, see: Honvedelem, "Zrínyi 2026 Honvédelmi és Haderőfejlesztési Program" [Zrínyi 2026 Defence and Military Development Programme], 16 February 2017, https://honvedelem.hu. For Czech Republic, see: "Policy Statement of the Government of the Czech Republic," Official Website of the Czech Government, 8 January 2018, https://www.vlada.cz; For Slovakia, see: "Joint press point," NATO, 12 April 2018, https://www.nato.int; For Bulgaria, see: The Republic of Bulgaria Council of Ministers, "National Plan for Increasing the Defense Spending to 2% of the Gross Domestic Product until 2024," Sofia, 2016, https://www.mod.bg.

equipment dates to Soviet times and badly needs replacement. Of course, the smallest of the B9 countries, such as the three Baltic states, need to actually build some defence capabilities from scratch.

This is the double challenge for the B9 countries. Like most of the Allies, they strive to answer the changed requirements of NATO, which now aims to develop capabilities needed for credible deterrence and defence in Art. 5 scenarios (whereas up to 2014 it was focused on crisis-management requirements in its defence planning). This requires heavier, more advanced, and fully interoperable systems across the Alliance. But to a greater extent than all the other NATO members, the B9 countries also have to face the complexity of withdrawing entire types of platforms and weapon systems and replacing them with assets sometimes more advanced by a generation or two. This alone poses questions about doctrine, programme management, life-cycle support, etc.

Yet, the B9 is clearly trying to deliver, though again there are big differences between the level of ambition of individual countries. At the same time, there is an interesting correlation between the relative level of the defence expenditures and investment plans: the five B9 countries likely to reach 2% of GDP this year have pursued the most ambitious plans to speed up replacement of their legacy equipment or acquire new capabilities from scratch. The four other states are somewhat shy about detailing their long-term modernisation priorities.

The two biggest spenders among the B9, Poland and Romania, are investing in the most expensive systems. First is state-of-the art, medium range air- and missile-defence (AMD). Both countries chose the U.S. Patriot, though in different configurations. While both programmes are in the early phases, by the mid-2020s, these two biggest defence spenders in the B9 will join the exclusive club of Allies with their own AMD assets. This will represent a significant beefing-up of the NATO "umbrella" AMD system, NATINADS.

While the three Baltic states are likely to continue to rely on the Allied Air Policing mission to protect their airspace, the remaining B9 countries that have not yet decided to rebuild their national capability in this area are getting very close to it. Romania is likely to augment its recently delivered (2016) and therefore not yet fully operational fleet of F-16s with an additional 30 or so airplanes to a total of over 40.[5] Slovakia is close to choosing to buy 14 planes, either F-16s (in April, the U.S. State Department cleared the sale of the fighters) or Gripens. Bulgaria, long relying on Russian support for its ageing fleet of MiG-29s, declared recently that it will likely not buy new jets from Russia but seek a NATO option.

The B9 is also making progress in armoured and heavy land platforms. Following the purchase of a second batch of Leopard 2 tanks from Germany, with deliveries completed in 2015, Poland is already third in the number of tanks among European NATO members (after Turkey and Greece) and is openly discussing options for developing a new generation of a Main Battle Tank, perhaps to be developed with European partners.[6] Further, Poland and Romania both aim to improve the firepower of their land forces with rocket artillery programmes based on the U.S. HIMARS platform, though Poland is seeking a significant level of its own technologies to be involved. Long-range precision strikes now can be provided only by Poland's airborne capability: recently acquired AGM-158 JASSM cruise missiles, also in an extended range variant, which will significantly augment its F-16 fleet's capacities.

The other B9 countries focus on lighter armoured platforms for troop transport, fire support, reconnaissance, and medevac. The leaders here are the three Baltic states, which recently purchased about 300 vehicles: 88 German Boxers (Lithuania), 123 British CVR(T)s (Latvia), and about 80 CV90s (Estonia, in a mix of British and Norwegian pre-owned units). Romania recently signed a contract for 227 U.S. Piranha infantry fighting vehicles and is starting a development programme for a heavier platform with the national defence industry and German Rheinmetall. The Czech Republic is preparing to acquire more than 200

[5] "România vrea să cumpere încă 36 de avioane multirol. Ce alte dotări se află pe lista de achiziții a Armatei," Digi24, 26 July 2017, https://www.digi24.ro.

[6] See, for instance: "Polish Army to Acquire New Main Battle Tanks. Instead of Gepard?," Defence 24, 3 June 2017, www.defence24.pl

vehicles, Slovakia has an armoured programme as a priority in its mid-term plans;[7] Bulgaria has declared it a priority as well.

On the sea, Romania and Poland—quite naturally—have the most advanced naval plans. The Romanian ambitions involve an existing programme of multi-role corvettes and the potential acquisition of submarines. Poland presented ambitious plans regarding its naval forces, which include submarines with cruise-missile capability, though now postponed. Currently, the Polish navy's biggest programmes are mine countermeasures ships (Kormoran II-class, three ships to be delivered) and a single, big patrol vessel (*ORP Ślązak*).

Interesting developments are also taking place in the structures of the armed forces across the B9. Here again, Poland stands out with its 2016 decision to establish a new branch of the military—the Territorial Defence Force. Planned to reach about 50,000 troops (after 2019), it will be composed of 90% volunteers, who would split their civilian careers with "territorial" military service. The primary goal of the TDF is to provide a military presence bound to regions and local communities. It is seen mostly as a countermeasure to potential hybrid/irregular activities (in cooperation with operational forces) and a relief force in case of natural or technical disasters.

Most of the remaining B9 countries have followed this logic to try to augment their territorial defence forces. The three Baltic states boast the most developed structures to date. The largest units in operation are the Estonian Defence League (Kaitseliit), numbering 16,000, the Latvian National Guard (Zemessardze), with about 8,000, and the Lithuanian Voluntary Forces for National Defence (KASP), with about 4,700. Romania and Hungary look more towards a reserve force: Romania plans to increase its force to about 3,500 while Hungary aimed for 5,000 in 2017 (from almost none in 2010).

Apart from investing in territorial defence, which has to be seen as a cost-effective way of saturating a potential battlefield with basic military capabilities, there are also changes in operational forces taking place across the B9. Poland is considering establishing an additional—fourth—land division. The Czech Republic has started to slowly increase its armed forces from 24,000 to 30,000 by 2025.[8] Estonia plans to increase conscription levels (a dual system functions there, a mix of professional and conscripted troops). By 2026, Estonia's primary readiness and supplemental reserve will grow to 90,000. Lithuania brought back conscription in 2015.

The technical modernisation plans of the most ambitious of the B9 countries involve many kinds of capabilities not really sought by the Alliance, or at least its European part. For instance, apart from Poland and Romania, no other European Ally is as advanced in new AMD system procurement (though Germany is planning a substantial upgrade in this area). Also, the level of investment in armoured and heavy land platforms of a few of the B9 countries stands out in NATO. And, no other Ally plans to increase the capacity of its defences in terms of the number of soldiers, even if Poland or the Baltic states are developing territorial defence units rather than operational forces.

No doubt, the B9 is not lacking ambition as regards technical modernisation and military transformation, even if some countries still show a lacklustre approach to specifying their mid- to long-term investment or transformation plans. Yet, the more ambitious the plans the less certain they will be implemented seamlessly. To put it plainly: to what extent the ususal programme delays and cost overruns were taken into account by decision-makers when they planned the new acquisitions, armament development programmes, or building new, large force formations is unknown. While ambition is high, it is certain that governments will encounter problems on the way to implementing the plans.

[7] "Slovak firms to be involved in armoured vehicles' development," *Slovak Spectator*, 16 November 2017, https://spectator.sme.sk.
[8] "Policy Statement of the Government of the Czech Republic," *op. cit.*

Towards Becoming the True Voice of the Eastern Flank

Looking solely at defence expenditure trends and the ambitious technical modernisation and transformation plans, it might seem that the B9 has everything it takes to strengthen its position and the role of the Eastern Flank in the ongoing NATO adaptation process and make sure the Alliance does not lose its focus on the needs of this particular region. Yet, even if more money is being poured by all B9 countries into defence and more than half of them plan serious investments in capabilities, the question of sustainability and credibility looms on the horizon for all the reasons described above.

First, the B9 countries' differing threat perceptions of Russia raises the risk of further adverse effects on their commitment to NATO adaptation. Regretably, we have already seen some cases of that. Second, they face volatility in their long-term financial plans for defence expenditures, especially for countries still far from the 2% of GDP threshold. Third, the B9's plans regarding investments or transformation are a mixed bag: while some seem too modest (or actually only declarative in the mid- to long-term), others may turn out to be overly ambitious. In both cases, the credibility of the B9 may be badly affected if projects are severely delayed, fail, or never materialise.

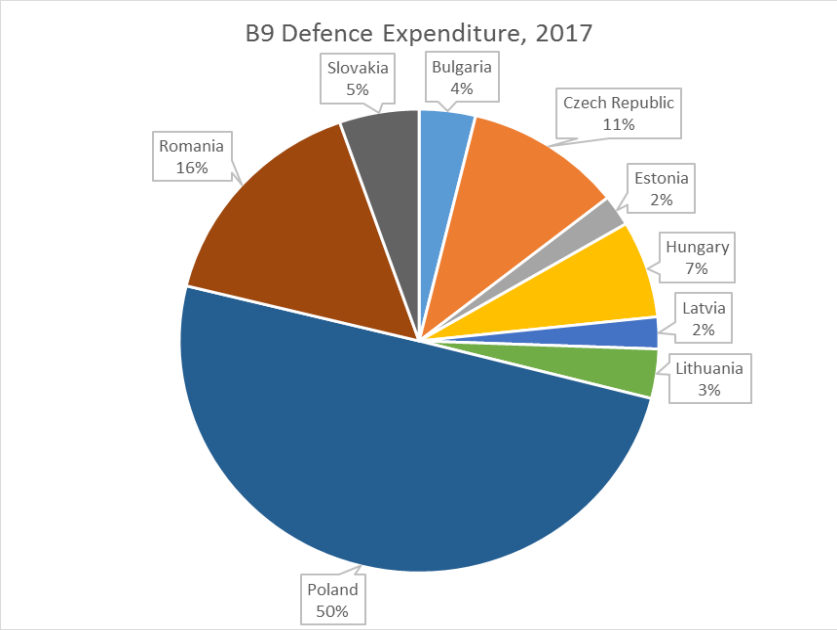
Making promises you can't keep is, after all, the best way to lose political capital. That is why the B9, which is—let's stress it again—becoming more visible in NATO, needs to envisage options for alleviating all three problems. One solution can be closer practical cooperation, both at the political and military level.

At a minimum, the B9 consultations need to become a rule rather than a fortunate development before any strategically important NATO meeting, ministerial or summit. This should help find and expand areas for joint positions and maybe also concepts with regards to key elements on the current NATO agenda. Talking to each other in a regular and structured manner has a profound importance in the context of the core differences between the individual B9 countries. The threat perception of Russia is likely to remain a basic difference, yet the B9 should learn how to work it out or around it so that issues of common interest—generally, making the Eastern Flank a vital part of the NATO 360 degree approach to the adaptation process—can be effectively pursued. Including discussions about national plans for defence spending, investments, and transformation also can serve as a supplementary tool of mutual mobilisation to actually deliver on the commitments made or to specify in more detail their declarations about future plans.

What could also follow is that the B9 countries take a closer look at the actual capability-related programmes they envisage to run. There is now little—if any—talk about coordination of various endeavours taken or announced by individual B9 countries. At the same time, many capability needs overlap and investment schedules seem to be closely aligned. If the joint acquisition of platforms or weapon systems is too far-fetched for the B9 (for all the same reasons as many other Allies), there may be many other forms of cooperation that can bring added value and, to some extent, also in the form of savings. Exchanging lessons learnt with regards to managing successful acquisition programmes—and there are at least a few such cases across the B9—can be a good starting point. What could follow are discussions about practical military cooperation: consultations about changes in doctrine, necessary due to technical advancement of new weapon systems compared to the legacy, post-Soviet equipment deployed currently and widely across the B9, or even establishing common elements for training involving newly acquired capabilities.

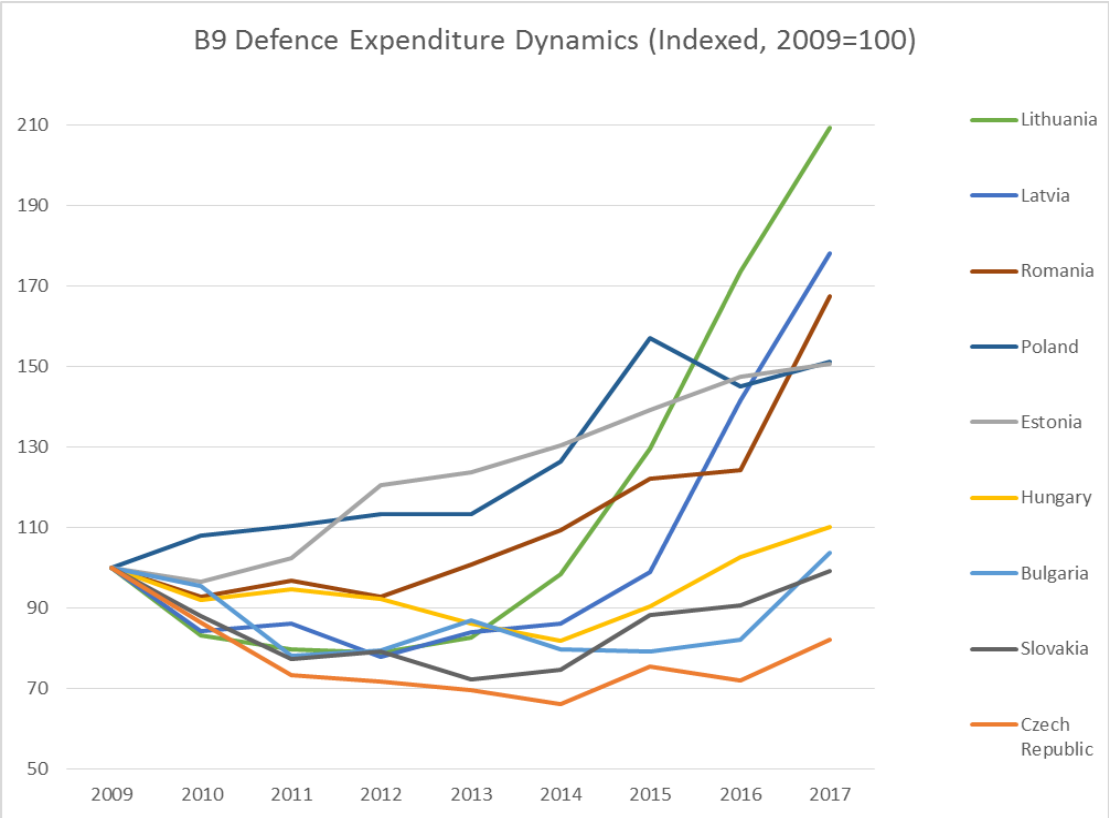
If the B9 delivers on the promise to become the voice of the Eastern Flank, not only can it evolve into a heavyweight in debates on the Alliance's future strategy, policies, and posture—burden sharing and transatlantic relations included—but also it can help develop more cooperation between its member countries, both at the political and military levels.

Figure 1. Defence Expenditure of the B9 by country. Source: Own calculations based on "Defence Expenditures of NATO Countries," *op. cit.*



Source: Own calculations based on "Defence Expenditures of NATO Countries," *op. cit.*

Figure 2. Defence Expenditure Dynamics of the B9 Countries (Indexed, 2009=100, in U.S. Dollars, constant prices–2010).



Source: *ibidem*.

Table 1. Defence Expenditure of the B9 Countries (in absolute figures, relation to GDP and the level of investment).

	Defence expenditure 2017 (mln USD, 2010 constant prices and exchange rates)	2017 defence expenditure as a percentage of GDP	Investments as a percentage of defence expenditure
Bulgaria	904	1.53%	29.54%
Czech Republic	2,530	1.05%	11.12%
Estonia	518	2.08%	19.24%
Hungary	1,615	1.06%	15.34%
Latvia	530	1.75%	17.22%
Lithuania	821	1.73%	31.09%
Poland	11,892	1.99%	22.14%
Romania	3,770	1.80%	33.20%
Slovakia	1,283	1.19%	20.42%

Source: *ibidem*.