

**PREPARED STATEMENT
OF
THE HONORABLE ROBERT O. WORK
DEPUTY SECRETARY OF DEFENSE
AND
ADMIRAL JAMES A. WINNEFELD, JR, USN
VICE CHAIRMAN OF THE JOINT CHIEFS OF STAFF
BEFORE THE
HOUSE APPROPRIATIONS COMMITTEE – DEFENSE
SUBCOMMITTEE ON THE FY 2015 OVERSEAS CONTINGENCY
OPERATIONS BUDGET REQUEST FOR THE DEPARTMENT OF
DEFENSE**

TUESDAY, JULY 15, 2014

Chairman Frelinghuysen, Ranking Member Visclosky, we very much appreciate the opportunity to be here this morning. On behalf of Secretary Chuck Hagel, Chairman of the Joint Chiefs of Staff General Martin Dempsey, and the men and women in uniform we serve, we want to thank this committee for your continued support of our troops who every day are conducting operations on behalf of our nation's security in very volatile, complex, and dangerous parts of the world.

It is with those ongoing operations in mind, that we want to address the Fiscal Year 2015 Overseas Contingency Operations (OCO) request, which the President recently submitted to Congress. As you know, we did not include a detailed OCO budget with the Department's base budget request in March since decisions had not yet been made concerning the number and activities of U.S. forces in Afghanistan after December, 2014. Pending these decisions, we included a placeholder of \$79.4 billion, which was simply last year's request. In the weeks since the rollout of our base budget, after conducting an extensive policy review that drew upon the best military advice of our commanders on the ground, including General Austin and General Dunford, President Obama announced post-2014 troop levels in Afghanistan. The President based his decision on the continued progress of the Afghan National Security Forces (ANSF), which have demonstrated much-improved competence and capability in the field.

As the President said in his May 28 speech at West Point, our objectives in Afghanistan are clear: disrupting threats posed by al Qaeda; supporting Afghan military and police forces; and giving the Afghan people the opportunity to succeed as they stand on their own. The Department of Defense will continue to pursue these objectives as we conclude our combat mission in Afghanistan after 13 years of war. As you know, 2014 has been a year of transition. Afghans turned out in record numbers this spring to elect a new president, though the results of that election remain in doubt. Afghan National Security Forces are now fully in the lead for combat operations as American troops shift to an advisory role. And the United States is preparing to support two new missions: a NATO-led train, advise, and assist mission; and a U.S. counter-terrorism mission against the remnants of al Qaeda.

AS PREPARED – EMBARGOED UNTIL DELIVERY

To support this transition, we will draw down to around 9,800 troops in Afghanistan by the end of 2014, and remain at that level well into 2015. This residual force will focus on training, advising, and assisting Afghan forces and conducting counter-terrorism operations. By 2016, we will reduce that number by roughly half, consolidating our troops in two locations – Kabul and Bagram Airfield. And by 2017, we will draw down to a substantial security cooperation mission in Kabul, with the potential for continued counter-terrorism operations. Our planning for the post-2014 mission remains contingent on the conclusion of a Bilateral Security Agreement and a NATO Status of Forces Agreement. Both Afghan presidential candidates have confirmed that they will sign both agreements shortly after taking office.

DoD's proposed OCO budget for FY 2015 of \$58.6 billion reflects these developments, as well as U.S. commitments made at the 2012 NATO Summit in Chicago. This request is \$26.7 billion or about one third less than the \$85.3 billion enacted by Congress for OCO in the current fiscal year. It is \$100 billion less than the \$159 billion OCO request from just four years ago. While the number of U.S. troops in Afghanistan will continue to decline over the course of FY 2015, there are significant costs to provide fully for the needs of our troops in the field and for continued war-related costs that will not decline as quickly as the forces themselves. Our funding request also supports maintaining a sizeable ground, air, and naval force presence in the Middle East region, which is critical to the successful execution of military operations in Afghanistan and other important missions in the region.

The FY 2015 OCO request also supports two new Presidential initiatives: \$5 billion for the Counterterrorism Partnerships Fund, of which DoD would receive \$4 billion; and \$1 billion for the European Reassurance Initiative, of which DoD would receive \$925 million. Each of these new initiatives is discussed in more detail below.

Operation Enduring Freedom and Related Missions

The requested funds for FY 2015 will provide \$53.7 billion for OPERATION ENDURING FREEDOM (OEF) and related missions. The budget will support the responsible drawdown of forces as announced by the President. It will provide for the continued support of the Afghan National Security Forces and coalition partners. It will pay for needed repairs and replacement of equipment to reset U.S. forces. It will enable the vast range of support activities, including logistics and intelligence. And it will support a portion of the temporary Army and Marine Corps end strength that supports OEF.

The budget request includes:

- \$11 billion for operations and force protection in Afghanistan, including special pays and subsistence, operating tempo, transportation, and supplies;
- \$18.1 billion to carry out the entire array of support activities by units and forces operating in the Central Command area outside of Afghanistan, including air, logistics and intelligence support in the Arabian Gulf region;
- \$9.2 billion for the repair or replacement of equipment, including small sums for equipment still returning after service in Iraq;
- \$4.1 billion for continued support of the ANSF; and
- \$2.4 billion to support the temporary Army and Marine Corps end strength above our base budget levels that is required for support of OEF operations.

Today, we would like to discuss three important parts of this OCO request.

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First, our costs in Afghanistan and the greater Middle East region remain substantial. Even with the end of our combat role in Afghanistan, we will continue to provide critical support for our troops and carry out our ongoing counterterrorism mission there, requiring high-end Intelligence, Surveillance, and Reconnaissance (ISR) assets, close air support, force protection, and logistics. We also must return thousands of pieces of equipment from Afghanistan to home stations and close down hundreds of combat facilities there. In addition, the FY 2015 OCO request supports other important missions conducted outside Afghanistan, including in the Middle East and Horn of Africa, such as assuring our regional partners, deterring aggression, and working with our partners to counter terrorism. Such support to partners reduces the burden on our forces and is critical to our long-term success.

Second, this OCO request will continue to help our military recover from more than a decade of fighting by covering war-related expenses such as repair and replacement of equipment that has been destroyed or damaged in combat or worn out due to prolonged use. When units return from combat, we restore them to a condition that allows them to conduct training exercises, achieve required readiness levels, and prepare them for future deployments in any potential contingency, from high to low-end conflict. As personnel and equipment return from Afghanistan to their home stations, the need for equipment reset will continue beyond 2015. Accordingly, the OCO request includes \$9.2 billion to fund the repair of major equipment such as tactical vehicles, Mine Resistant Ambush Protected vehicles (MRAP), radios, force protection equipment, and replacement of a number of both manned and unmanned aerial vehicles that were lost during operations. It also funds the replenishment of expended munitions, including more than 1,000 tactical missiles such as the Laser Maverick, Hellfire, and other precision stand-off weapons.

Finally, this OCO request provides continued support to the Afghan security forces. We are requesting \$4.1 billion for sustainment, operations, and the continued professionalization of the 352,000 strong ANSF, including 195,000 members of the Afghan National Army (ANA) and 157,000 Afghan National Police (ANP). The request also supports further developing the capacity of the Afghan Ministries of Defense and Interior to both sustain and command and control their forces.

We should expect the Taliban to continue testing the ANSF. But Afghan forces denied Taliban advances last year, and maintained security over this spring's two rounds of elections. Despite the Taliban's intent to disrupt the election process, the Afghan forces' security operations prevented attacks across the country, and voter turnout was high. During the Taliban's recent offensive in Helmand province, the ANSF organized and executed its operations with little coalition support. In summary, over the last year, the Afghan forces have demonstrated tactical superiority over the Taliban and have prevented the Taliban from gaining momentum. It is critically important that we maintain sufficient financial support to the ANSF so they can sustain those gains and continue to assume full security responsibility across Afghanistan.

Counterterrorism Partnerships Fund

This year's OCO request includes two new initiatives. President Obama announced his plan for the first of these – the Counterterrorism Partnerships Fund (CTPF) – in his commencement address at West Point on May 28. The \$5 billion request for the CTPF includes \$4 billion for the Department of Defense. That funding would support increased partner capacity building, facilitate partner counterterrorism operations, enhance DoD's counterterrorism

operations, and increase the Department’s flexibility in responding to emerging crises. The funding would also support critical national efforts to contain spillover effects from the ongoing conflict in Syria.

We are requesting a transfer fund that will provide flexibility for our efforts. It will enable DoD – after appropriate congressional notification – to transfer funds to other accounts for execution, in accordance with national-level priorities and in collaboration with an interagency group that includes the Department of State. We plan to allocate about \$2.5 billion for counterterrorism support and \$1 billion for the Syria Regional Stabilization Initiative, helping Syria’s neighbors – including Iraq, Jordan, Lebanon, and Turkey. An additional \$500 million would be allocated for crisis response.

As part of the Syria Regional Stabilization Initiative, we are seeking \$500 million to train and equip appropriately vetted elements of the moderate Syrian armed opposition. This effort represents a critical long-term investment to build Syrian capacity to help secure and stabilize Syria, facilitate the provision of essential services, counter terrorist threats, and promote conditions for a negotiated settlement. It marks another step by this Administration toward helping the Syrian people defend themselves against regime attacks, push back against the growing number of extremists who find safe-haven in the chaos, and take their future into their own hands by enhancing security and stability at local levels.

The overall goal of the CTPF is to increase the ability of partner countries to conduct CT operations within their own borders, prevent the proliferation of terrorist threats from neighboring states, and participate in multinational CT operations to degrade terrorist threats. This support will focus on direct partner support in order to establish and maintain a network of partners to counter the spread of extremist groups. It will also fund transportation and logistical capabilities to address potential “global lift and sustain” gaps of our partners, which could include European and other allies conducting CT operations in these regions, thereby relieving pressure on U.S. forces by enabling partners to assume a greater operational burden.

The Department would use the CTPF to enhance critical capabilities that are in highest demand and that can provide essential support to partner force operations, potentially including:

- Significant increases in ISR funding, including the purchase of secure intelligence dissemination systems for partner-nations; and
- Support for naval CT enablers, such as communications and logistics support at austere locations within the U.S. Central Command’s area of responsibility and the Horn of Africa where there are no established base support functions.

The Department would also provide additional funds to cover increased SOF mission costs and the deployment of greater numbers of conventional forces to engage with partner nation forces to combat terrorism. And we would use CTPF funding to increase resources for proven capacity-building programs, such as Section 1206, and partnered CT operations programs, such as Section 1208.

European Reassurance Initiative

The second new initiative – the European Reassurance Initiative (ERI) – proposes increases in U.S. military deployments to Europe in the wake of recent developments in Eastern Europe and in Ukraine in particular. We believe that a temporary increase in rotational U.S. air, land, and sea presence in Europe, especially in Central and Eastern Europe, is a necessary and appropriate show of support to our NATO allies and partners who have contributed robustly and

bravely to Alliance operations in Afghanistan and elsewhere and who are deeply concerned by Russia's occupation and attempted annexation of Crimea and other provocative actions in Ukraine. The ERI would be established as a fund that would permit DoD – after appropriate notice to Congress – to transfer funds to those initiatives that are deemed to be of the highest priority. The requested amount of \$1 billion includes \$925 million for DoD. It would be available for two years.

Approximately \$440 million will go to increase the U.S. military presence in Europe by:

- Enabling rotation of elements of an Army armored brigade combat team into Europe;
- Providing additional funds for expanded naval deployments in the Black and Baltic Seas;
- Augmenting NATO's Air Policing mission; and
- Either temporarily delaying withdrawal of Air Force F-15C aircraft from Europe or increasing aircraft rotations to Europe.

In addition, ERI will provide about \$75 million for more extensive bilateral and multilateral exercises and training with allies and partners, \$250 million for improvements to infrastructure that will boost responsiveness, especially in Central and Eastern Europe, and \$125 million for enhanced repositioning of U.S. equipment in Europe. DoD would also use roughly \$35 million to help build partner capacity in some of the newer NATO allies and with non-NATO partners such as Georgia, Moldova, and Ukraine. Providing these countries with the capability and capacity to defend themselves and to enable their participation as full operational partners with NATO is an important complement to other U.S. lines of effort. Boosting the defense capabilities of our partners will also strengthen deterrence against aggressive actions by Russia or from other sources.

Conclusion

To summarize our OCO budget request for FY 2015, we would emphasize that the funds we are requesting will support our troops who are already serving in harm's way in Afghanistan and elsewhere in the CENTCOM area of operations. They will support the President's decision regarding an enduring U.S. presence in Afghanistan. And they will fund two new initiatives that are needed to further our national security objectives in counterterrorism and European reassurance. We ask for your support for this request.

Mr. Chairman, this concludes our statement. We welcome your questions.

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