Strategic Defence Review was adopted on 25 July 2013 by the Government of the Republic of Croatia.
FOREWORD

It is my great pleasure to introduce the new Strategic Defence Review (SDR). This document is the result of a comprehensive process of reviewing strategic concepts and defence capabilities with the needs arising from the existing strategic environment, and as such it represents the guidelines for defence development in the upcoming long term period.

We have witnessed numerous changes since the 2005 Strategic Defence Review: the Republic of Croatia became a member of the NATO Alliance and the European Union as well, and participates in collective defence, peace support operations, and assistance to civilian institutions, which inevitably requires further modernization and balanced development of the necessary capabilities.

For Croatia the membership in NATO is not perceived as new security dimension, it presents much more, because it brought Croatia a political recognition in terms of adoption of the high democratic standards and readiness to defend them; it is the act of acknowledgement of Croatia’s contribution to building international security, as well as of the efforts invested in the ongoing defence reforms. Membership in the EU further strengthened the position of the Republic of Croatia through the powerful process of integration into the common European structures, including security.

Through participation in the international peacekeeping operations and missions under the leadership of NATO, UN, and the EU, by contributing forces or other forms of co-operation and development of the Armed Forces and regional military cooperation, the Republic of Croatia established itself as a responsible and credible member of the international community, as an ally fulfilling its obligations and contributing to security at the regional and the global level.

However, development of defence capabilities is a continuous process that cannot rest on these achievements, but has to adjust to the circumstances in the strategic and regional environment by implementing appropriate changes and adjustments. Functioning in the framework of a reduced and restricted defence budget as well as requirements to develop capabilities that will enable Croatia to respond the current and future threats in a dynamic and complex security environment were the main driving force of the Review addressing the existing plans and functioning of defence through the Strategic defence review.

Strategic Defence Review is a representation of this approach, which considers the conditions that generate potential threats, risks and challenges to security of the Republic of Croatia and its citizens, and defines the need for further development and streamlining of the defence sector.

In the future the Republic of Croatia will develop the Armed Forces that will be effective, efficient and sustainable for the long-term challenges for the period that lays ahead, reputable forces able the perform its core constitutional role. At the same time they will be ready, prepared and equipped to share the burden in the joint operations with allies. Also, they will be prepared to deliver and assist civilian population during crisis or in the emergencies.

Continuing transformation of the Armed Forces into a modern and respectable force will be the top priority in the next period. In the future, we will optimize the control and command structure, create a simpler and more effective organization, improve personnel structure, and
balance the budget structure in favour of equipping, modernization, and training, as necessary prerequisites for building modern and effective Armed Forces.

Development of the Croatian defence outlined in the Strategic Defence Review, will be realized by establishing a timeline and sequence of changes and adjustments, through the Long Term Development Plan of the Armed Forces.

The Republic of Croatia is continuing to develop defence sector, which will be aligned with the future long-term security needs and security challenges, and will be based on a commitment to promote security, build peace and stability globally and especially in the region.

The vision of the Armed Forces incorporates our goals, core values and standards, that is - Forces capable of responding to future challenges, meeting their social role, and fulfilling its international obligations.

Minister

Ante Kotromanović
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INTRODUCTION

Purpose and Intent of the Strategic Defence Review

The Strategic Defence Review is a strategic document in the field of defence that provides a final report on the process conducted to review harmonization of strategic concepts, as well as achieved and planned defence capabilities, with defence needs which are derived from the realities of the strategic and security environment.

The Strategic Defence Review provides elements for the development of future capabilities and size of the Armed Forces of the Republic of Croatia (henceforth: the Armed Forces) as well as priorities for their further transformation in achieving set goals. This also ascertains the presumptions for the definition of future goals of the defence policy of the Republic of Croatia.

The methodology used in developing the Strategic Defence Review follows the allied model of defence planning oriented toward definition and building of required capabilities. Such a model starts with political guidance contained in national and allied documents of the highest level, analyzes circumstances effecting security and defence and, taking into account available resources, determines required capabilities for the conduct of the Armed Forces’ missions and tasks.

The Strategic Defence Review, in synergy with the new legislative and normative framework in the field of defence, presents a strategic advance to a new, modern consideration of defence as well as its conceptual and institutional positioning in the modern geopolitical and geostrategic reality.

Thus a framework is created for a new impetus in transformation of defence and development of professional and effective Armed Forces.

The first Strategic Defence Review, adopted in 2005, presented a continuation of development of fundamental documents in the field of defence from 2002.

The emphasis of the first Strategic Defence Review was on preparation of the Croatian defence sector for membership in the North Atlantic Treaty Organization (from here on NATO) through adjustment in the following fields: manning of the Armed Forces with professional personnel and a contract reserve; further development of the civilian and military components of defence; development of capabilities for participation in peace support operations; orienting the development of capabilities toward missions and tasks.

A series of goals was set within it:

- maintaining a services structure, while downsizing the Armed Forces from 25 154 active military personnel and civil servants at the end of 2005, to 16 000 active military personnel and 2 000 civil servants;
- gradually developing interoperability with NATO member forces, with an aim to achieve all needed capabilities by 2015;
- determining the targeted personnel structure and dynamics for reaching the targeted size as well as intensifying of personnel rejuvenation and continuation of downsizing;
- integrating the military specialty and military education systems into the national system of vocational classifications and the national educational system;
- expediting the process of vacating non-perspective infrastructure facilities;
- reorganizing the Ministry of Defence in order to downsize the administrative portion and separate activities that are not closely related to management of defence. The Armed Forces General Staff (henceforth: the General Staff) will continue to be organized within the Ministry of Defence;
- harmonizing the defence planning process with defence planning in NATO;
- adjusting regulations in order to enable effective participation in operations;
- intensifying inter-agency cooperation oriented toward organizing the overall system of national security: civil-military crisis planning, organization of the Croatian Coast Guard, host nation support to allied forces on the territory of the Republic of Croatia, etc.

A portion of set goals was not achieved in the desired scope, which was the result of a combination of a series of factors, the most important of which was the economic crisis, as well as insufficiently effective or well-defined management policy.

Under these conditions, when spending for defence was decreased, an increase in the quality of management, which could have softened this deficit, did not happen.

Therefore, priorities set within the Armed Forces Long Term Development Plan 2006-2015 were, in a great part, unfulfilled.

These reasons, as well as strategic changes in the position of the Republic of Croatia were the catalysts for work on a new Strategic Defence Review.

These strategic changes were marked by:

- Membership in NATO in 2009 and the European Union (henceforth: EU) in 2013
- Global political, social and economic fluctuations that opened quintessential issues on models of future development, uncovering new stakeholders and opening new crisis hotspots;
  - Intensification of non-traditional, transnational threats;

In these conditions, when capacities for budgetary allocations to defence have decreased, and changes in the strategic environment necessitate constant reconsiderations, adjustments and ever more complex responses, the defence of the Republic of Croatia must begin with determining clear goals and priorities, provide a vision for development and a foundation for defining its long term engagement and its institutions.
Expressions used in this Strategic Defence Review which carry a gender meaning, regardless of whether they are used in the masculine or feminine, encompass the male and female gender equally.
SUMMARY

The political, economic and security context has been marked by the membership of the Republic of Croatia in NATO and the EU; by the consolidation of the status of security in the region, but also by the ambivalence of global security challenges and the economic crisis. Increased and more demanding participation of the Armed Forces in peace support operations and in assistance to civilian institutions unavoidably necessitates further equipping and modernization of the Armed Forces, while restrictions in the defence budget demand strengthened efforts toward rational management.

The following determinants decisively affect the development of the defence of the Republic of Croatia: a low probability of aggression on the Republic of Croatia, assuming allied responsibilities within NATO and responsibilities resulting from EU membership, an increase in asymmetric and nonconventional threats to national security and the security of allies, and effects of the economic crisis.

The missions of the Armed Forces are the starting point for capability development plans: defence of the Republic of Croatia and its allies, contribution to international security and assistance to civilian institutions. This Strategic Defence Review defines the level of ambition in conducting these missions.

The status and development of defence capabilities are considered through the following fields: Engagement, Enabling and Command Support. Capabilities that are directly in the function of mission and task conduct, engagement of forces and weapons systems, have been classified within the engagement field, while those capabilities that enable this, or provide support, have been classified into the other two fields.

When considering our own Armed Forces, the necessary, capabilities have been identified for initial defence and support to crisis management, as well as capabilities that are developed in conjunction with collective efforts by NATO and the EU.

The Republic of Croatia declares its readiness to participate in mutual NATO and EU efforts through mechanisms of cooperation in building, maintaining and strengthening defence capabilities.

In this light, the Republic of Croatia will take part in programs for development of certain capabilities which it can not develop alone, due to a lack of means.

One of the priorities in the short term, aimed at increasing effectiveness of the overall organization and harmonization of portions of the Ministry of Defence and the General Staff as one of its component parts, will be a continuation of integration of business processes that will lead to rationalization of the existing organizational structure. This may include implementing an appropriate model of integration of the administrative portion of the Ministry of Defence and General Staff in order to increase effectiveness of work, develop quicker and more effective decision making and rationalization of required resources.
Since the structure and extent of Armed Forces missions and tasks are not adequately supported with an available sum and structure of budgetary means, adjustments are necessary that will encompass restructuring and downsizing of forces in all components. This will result in a gradual downsizing in the numerical size of Armed Forces members to 15,000 personnel by the end of 2017.

Restructuring will be conducted through reorganization aimed at rationalization, decreasing administrative and command structures in relation to operational forces, decreasing the number of commands and levels of command, functional unification of organizational units, concentration of capabilities and reduction of structures related to obsolete and surplus weapons systems.

Reorganization will result in a more effective command structure and a decentralized system of command while advancing management and synchronizing processes.

Fundamentally, the current service and branch structure of the Armed Forces will be maintained. All organizational units will be organized within the Croatian Army, Croatian Navy, Croatian Air Force and Air Defence, in the Support Command and in the Croatian Military Academy. A portion of organizational units will be directly subordinate to the General Staff.

Separation of business support and conduct such as property management and logistic support into a suitable defence logistics organization will enable a decrease in the structure and numerical size of the administrative portions of the Ministry of Defence and the Armed Forces.

The aim of separating these functions is not simply downsizing the number of personnel but rather a clearer placement of functional jurisdictions and rationalization of management processes and procedures.

In the coming period, one of the priorities will be a continuation of the optimization of logistic processes and resources, development of national capabilities for deployment and tactical manoeuvrability of logistic capacities, as well as equipping logistics units with mobile logistics modules for accommodation of personnel, medical support, field services, supply, maintaining and storing material property.

The personnel management system, accompanied by corresponding mechanisms for personnel support, will enable achievement of the optimal numerical, age and educational structure of personnel as well as a balanced rank structure.

The ratio of officers to NCOs and soldiers in the structure of active military personnel will be changed, depending upon specifics and the overall numerical status of individual services, branches, support services and specialties.

A mixed model of officer recruitment will be maintained with a combination of a modified and improved model of the "Cadet" programme, through scholarships, recruitment from the labour market and education abroad with special stimulation mechanisms for personnel with critical specialties.
A mechanism for growth of overall defence capabilities will be established with the development of the reserve. The reserve element of the Armed Forces will be developed toward a contribution to building relevant and sustainable military capabilities that can meaningfully contribute to the conduct of operations.

An effective organization of command support must support possibilities for deployment, continuity of command, integration of command and control and, with adequate size and protection, have the characteristics of modularity, mobility, interoperability and being fully staffed.

In order to support effective functioning and command of forces, and to support other business processes, a single information system will be built, i.e. information infrastructure with corresponding basic and functional services that enable automatic exchange of information.

In the field of the military intelligence and security service, the goal is to continue the development of capabilities for timely detection of early warning indicators of threats and new forms thereof, as well as to provide support to the highest levels of decision making and command, and to forces in operations through allocation of intelligence products.
FINDINGS AND CONCLUSIONS

I. The strategic environment and starting points for defence development

Circumstances that affect the security of the country are determined by a series of political, economic, social, defence and military conditions, the significant changes of which require an adjustment to state policy and its defence sector. Changes that significantly affect the defence of the Republic of Croatia are membership in NATO as a system of collective defence, membership in the EU, consolidation of the security status in the region, increased and more demanding participation of the Armed Forces in peace support operations, assistance to civilian institutions in the country, the economic crisis, and the development of technologies that causes the need for equipping and modernization.

Consolidation of the security status in the region is reflected in the development of regional cooperation, transparency, dialogue and good neighbourly relations, mutual ambitions toward European and Euro-Atlantic integrations, and finally, in the absence of direct military threats. In this context, defence policy will contribute to strengthening these trends in the region.

With membership in NATO the Republic of Croatia became a member of a system of collective defence and thus acquired a new framework for achieving its security. Membership in NATO provides the Republic of Croatia with long-term security and stability as a basis for further development and progress. While enjoying the guarantee of collective defence, the Republic of Croatia has assumed the responsibility of contributing to the defence of other members and strengthening the capabilities of the alliance. The capability targets that the Republic of Croatia has assumed within the framework of the NATO defence planning process are direct indicators of the devotion to development of the alliance, while their implementation will act as the backbone for Armed Forces development.

Membership in the EU implies also the integration into the mutual EU structures, rounding out the affiliation of the Republic of Croatia within the European security architecture. The increasingly stronger presence of the EU in international security and defence affairs and the strengthening of its defence and military components also affect the future requirements of the Republic of Croatia’s defence sector, which are already expressed, and in part implemented, through the Republic of Croatia's contribution to EU battle groups, participation in EU operations and support for pooling and sharing projects.

The Republic of Croatia strongly supports the strengthening of the strategic partnership between NATO and the EU. These two organizations have a majority of mutual members and, more significantly, share mutual values.

The Republic of Croatia recognizes the importance of strengthening European defence in the spirit of the NATO strategic concept.

The Lisbon agreement is an important framework for strengthening the capabilities of the EU in facing mutual security challenges.
The Republic of Croatia will strongly support advancement of all forms of cooperation between NATO and the EU, from political consultations to participating in operations; from coordinated planning to mutual cooperation on the terrain.

Cooperation in development of capabilities intended to decrease duplications and to increase affordability, as well as combining and integrating capabilities of both organizations, are necessary for finding responses to a series of security threats that also present security threats to the Republic of Croatia, such as international terrorism, transnational organized crime, proliferation of weapons of mass destruction, threats to access of energy sources, cyber crime, effects of failed states and natural and technological catastrophes.

Such activities by NATO and EU members require the development of capabilities, not only for conducting conventional high intensity combat activities beyond national territories, but also for conducting a wide spectre of missions – from providing humanitarian assistance and cooperation in eliminating effects of natural and technological accidents, to engagement in the long-term process of post-conflict stabilization and reconstruction. Such an approach requires integration of civilian and military capabilities in all types of mentioned missions, which is the point of an all-encompassing approach being developed by NATO and the EU on the basis of their own experiences in international operations.

The global and national economic crisis has caused, among other things, a significant decrease in the defence budget in relation to the planned size, thus requiring adjustments, a decrease and rationalization of expenditures, while preserving the needed level of Armed Forces readiness to conduct missions and tasks. Activities by the defence sector under these conditions require improved management, proper determination of priorities, more effective use of resources, thought-out planning and structuring.

The Republic of Croatia declares readiness for participation in mutual NATO and EU efforts through mechanisms of mutual cooperation in building, maintaining and strengthening defence capabilities. Initiatives such as Smart Defence and Pooling and Sharing are key elements in this approach. In the context of EU membership, possibilities will be analysed for use of structural funds to build Armed Forces capabilities that are planned for dual civilian-military use, such as those in the fields of search and rescue, medical transport, border control, eliminating effects of ecological incidents and similar. The Republic of Croatia will participate in programs for the development of certain capabilities, identifying the needs for those capabilities for the development of which there are not enough means nor long-term economic justification.

The Republic of Croatia is ready to continue developing certain capabilities in cooperation with countries from its surroundings, with which it shares values of the Euro Atlantic community, with the assistance and cooperation of allies in NATO. With regional cooperation programs intended for mutual development or maintenance of defence capabilities on the basis of mutual benefit, an additional goal is achieved – preparations by countries in the region for NATO membership are expedited and a contribution is made to achieving long-term stability and security in the region.

In a wider perspective, the Republic of Croatia sees these concepts of capability development, which begin with mutual cooperation, between the Alliance members as well as between the Alliance and its members and partners, as a step toward strengthening the spirit of cooperation, understanding and trust.
Considering the age, deterioration and operability of weapons and military means, as well as security and military-technical needs that are placed before defence, the targeted long-term equipping and modernization programmes and projects are necessary. These programs and projects, following priorities of defence policy, must stimulate economic development by opening possibilities for engagement of the domestic military industry.

The mentioned changes in the circumstances, which place new requirements before defence, related to the strategic and geostrategic position of the Republic of Croatia, define the main determinants that must be taken into account when considering the development of defence:

1) The Republic of Croatia is not facing, now nor in the foreseeable future, a direct threat of armed aggression on its territory

However, this state of affairs did not evolve independently nor can it subsist on its own. Along with other measures and instruments of state policy, the existence of adequate, dimensionally balanced and shaped Armed Forces as a credible defence and instrument of cooperation, guarantees maintaining and provides the basis for advancing regional stability and good neighbourly relations, making any options of direct aggression non-lucrative. Membership in NATO provides the security of collective defence. Engagement by leading stakeholders of Euro-Atlantic policy, economy and security in the region are so great that they crucially and positively affect processes of general consolidation, cooperation among states and efforts for integration in the EU and NATO. However, certain remaining open issues in the region, certain inheritances from the conflicts in the nineties and the possibility for conditions to evolve for significant political radicalizations, are elements of recognizable crisis potential and require careful monitoring.

2) The Republic of Croatia as a NATO member has assumed allied obligations and obligations arising from membership in the EU

When entering NATO, the Republic of Croatia, parallel to the guarantee of collective security, also assumed the obligation to participate in mutual allied responses according to Article 5 of the North Atlantic Treaty. The likelihood of an armed aggression against a member of the alliance is for now and in the foreseeable future, small. However, as a threat with the harshest possible consequences, this scenario requires attention and possession of needed capabilities for deterrence that contribute to the maintenance of the low likelihood of this type of threat. The Republic of Croatia, as a member of the alliance, participates in harmonising, determining and conducting NATO policy and plans, in implementing permanent tasks through forces placed under the operative command of SACEUR (NATINAMDS) and in NATO operations outside the framework of Article 5 of the North Atlantic treaty. Such operations, like those led under the auspices of the United Nations (henceforth: UN) and the EU, are specific in many ways, complex and demanding. In the context of membership in the EU, the Republic of Croatia also assumes those responsibilities that are derived from the Common Security and Defence Policy.

3) Asymmetric, non-conventional threats indirectly affect national security of the Republic of Croatia and the security of its allies

Threats such as terrorism, proliferation of weapons of mass destruction, the appearance of crisis hotspots in the world, organized crime, increased abuse of cyber space, climatic and demographic changes, greater ecological, technical and technological accidents that have an effect on the economy as well as the ever greater global energy needs, will not lose importance in the foreseeable future. On the contrary, it can be expected that they will grow stronger on the global level. No single country can respond to these threats alone. Therefore,
in developing capabilities to face these threats and challenges, as well as a concrete response to them, the Republic of Croatia will be a part of the wider, all-encompassing response by the international community, primarily within the UN, NATO and the EU.

4) The defence budget has been decreased in relation to its planned size outlined in the Croatian Armed Forces Long Term Development Plan

The current and foreseeable economic trends significantly limit the scale of spending for the building of defence capabilities

The defence budget could not develop according to the dynamics that were foreseen in previous strategic defence documents, which relied on predictions of economic trends available at the time of their drafting. Responding to the economic state of affairs and trends, as well as participating in state measures for economic recovery, the defence department must, in order to preserve and advance defence capabilities, adjust its internal structure, management and business, properly determine priorities and decrease – and in some places completely abandon – functions that are not essential for conducting tasks.
II. Mission of the Armed Forces

The Armed Forces are the key element of the defence of the Republic of Croatia. By defining the mission of the Armed Forces an answer is provided to the question of the goal and reason for their organization, development and use in safeguarding national interests.

According to the role of the Armed Forces defined by the Constitution of the Republic of Croatia (Article 7), three missions have been identified:

1. Defence of the Republic of Croatia and allies

The defence of territorial integrity, sovereignty and independence, as well as the defence of allies, is the main mission of the Croatian Armed Forces.

In defending territorial integrity, sovereignty and independence, the Republic of Croatia, relies on own capabilities and the capabilities of allies, in accordance with Article 5 of the North Atlantic Treaty. An armed aggression on the Republic of Croatia, considering the existing and foreseeable security circumstances, is not very likely; however, in relation to consequences it could have, it remains the most important threat and requires the existence of suitable national capabilities and capabilities to accept allied forces to act on the territory of the Republic of Croatia.

Within the framework of the mission to defend the Republic of Croatia and its allies, the Armed Forces must:

1) deter, halt and repel, alone and with the allies, an armed aggression against the Republic of Croatia;
2) contribute to the defence of allies in operations according to Article 5 of the North Atlantic treaty;
3) protect the sovereignty of the Republic of Croatia on the sea and in the air space.

The Armed Forces are conceptually conceived, shaped and organized in basic response to this mission. Regardless of the current low level of a likelihood of a direct armed threat to the Republic of Croatia, such a threat cannot and must not be excluded, but rather remains the basis for building and developing the balanced service and branch structure of the Armed Forces, in accordance with the constitutional role of protecting the sovereignty and independence of the Republic of Croatia and defence of its territorial integrity. The majority of current and future Armed Forces’ capabilities derive from this particular constitutional role. At the same time, these capabilities present the basis for the development of capabilities needed to conduct other missions.

When the Armed Forces control and protect the sovereignty and independence of the Republic of Croatia in peacetime, which is continuously contributed to by an entire spectre of state authority instruments opposing various types of threats, the emphasis is on those areas of security where their specific capabilities replace or supplement civilian capabilities. Thus, suitable, effective and economically sound action by the state is ensured. This primarily pertains to tasks of control and protection of sovereignty on the sea and in the air space, where by protecting and controlling its air space, the Republic of Croatia contributes to the allied system of air defence and anti-missile defence.
The fulfilment of this mission implies a constant monitoring of the security environment, with an aim to build capabilities needed to respond to threats that may appear.

Tasks in conducting the mission of defence of the Republic of Croatia and allies are:

1.1. Preserving the integrity of the Republic of Croatia

To protect and defend the sovereignty and territorial integrity of the Republic of Croatia with all of its own forces and with assistance from allies.

1.2. Contributing to allied collective defence

To participate in the defence of allies in accordance with Article 5 of the North Atlantic Treaty with declared and other forces.

1.3. Protecting the sovereignty at sea and in the air space of the Republic of Croatia

To ensure the protection of sovereignty over Croatian sea and air space in cooperation with other responsible state bodies and allies.

LEVEL OF AMBITION: In defending the sovereignty and territorial integrity of the Republic of Croatia, all forces and resources will be used to ensure the possibility for own forces to grow and for accepting allied forces. In defending allies, both declared and other required and available forces will participate.

2. Contribution to international security

A peaceful and stable international environment, free trade of goods and services and movement of people and capital, are the basic preconditions for security, prosperity and progress in the world. Therefore under conditions of global inter-dependency, one of the recognized missions of the Armed Forces is a contribution to international security, and to creating and maintaining as favourable an international environment as possible.

This mission is achieved through participation in peace support operations that have a goal to halt human casualties, to stabilize crisis hotspots and to prevent conflict spillover and the spreading of destabilization. The Armed Forces participate in peace support operations under the leadership of international organizations, as part of a national or international all-encompassing approach, with those capabilities that most suitably contribute to their successful conduct.

The Republic of Croatia considers it important to contribute with those capabilities that, through training and education, contribute to the establishment of self-sustainable forces and government institutions in the area of operation.

The mission is also accomplished with defence diplomacy through international military, defence and security cooperation. Furthermore, it implies participation in the conduct of measures to strengthen security and trust, control of weapons, disarmament, and non-proliferation of weapons of mass destruction and means for their delivery, as well as prevention of terrorism.

The tasks in conducting missions contributing to international security are:
2.1. Participation in peace support operations

To provide forces in accordance with requirements and possibilities and, along with other countries, to participate in peace support operations, crisis response operations, as well as humanitarian operations and other activities abroad, in accordance with international law.

2.2. Defence diplomacy

To contribute to the cooperation among states and organizations by establishing/exchanging military representatives through meetings and discussions, sharing experience, joint exercises and projects as well as expert assistance and other forms of cooperation.

2.3. Control of weapons, disarmament and non-proliferation

To participate in the control of weapons and disarmament, in building confidence and security, and in preventing proliferation of weapons of mass destruction, in accordance with international treaties, contracts and initiatives.

LEVEL OF AMBITION: The Republic of Croatia will be able to deploy forces the size of a battle group, based on one mechanized battalion, on a rotation basis, to a peace support operation. The structure of Armed Forces will be shaped in accordance with this, primarily in the portion related to land forces.

3. Support to civilian institutions

The Armed Forces will provide support to civilian institutions and the population in facing various types of risks and threats that are not of a classic military nature. The engagement of the Armed Forces in conducting these missions will be ensured in those situations in which they are suitable for use and in situations where civilian capabilities are not sufficient for timely and successful protection and rescue of people and material assets. Such action by the Armed Forces is confirmed as a necessary, highly valued and socially desirable task and as a rational form of using state resources.

In this manner, an effective and rational use of available resources is ensured in cases of natural disasters such as fires, floods, earthquakes and extreme weather conditions; epidemics; deterioration of energy and information security; threats to the natural environment; technological catastrophes; terrorist attacks and the use of weapons of mass destruction.

Capabilities of the Armed Forces which provide support to the national civilian institutions and the population will also be used for the conduct of humanitarian operations.

The tasks in conducting support to civilian institutions are: support to the police and other state bodies, support in protection and rescuing, as well as support to the civilian society.

3.1. Support to the police and other state bodies

To provide support to the police and other state bodies in accordance with the Constitution and laws of the Republic of Croatia.
3.2. Support in protection and rescuing

To provide assistance to institutions, services and the population in cases of catastrophe, accidents, epidemics, and other situations in which resources of the civilian sector are inadequate.

3.3. Support to the civilian society

To provide assistance to the local community and institutions of civilian society in support of humanitarian projects and projects of general social interest, when such support is suitable and does not affect the conduct of basic Armed Forces tasks.

LEVEL OF AMBITION: The Republic of Croatia will continue to develop capabilities of institutions that through synergetic action strengthen the resilience of society against catastrophes and other crisis situations. The Armed Forces capabilities will be developed in this context.

The capabilities of the Armed Forces developed for support to civilian authorities and the population will also be at disposal in international humanitarian operations.
III. Status and development of defence capabilities

The analysis of political, economic, social, defence and military factors that affect defence conducted in the previous chapters, have determined Armed Forces missions and tasks, from which the needs for defence capabilities arise. A comparison of the existing and targeted state is the basis for further defence planning and will result in the drafting of the Armed Forces Long Term Development Plan which will be one of the main tools in managing the process of defence capability development.

The status and development of defence capabilities is considered through Engagement, Enabling and Command Support. Capabilities that directly carry out missions and tasks, by engaging forces or weapons systems, belong to the Engagement field, supported by Enabling and Command Support.

1. Engagement

In the field of engagement, the development of capabilities related to forces and weapons systems, as well as standards and interoperability, are considered.

Forces and weapons systems carrying out missions and tasks act, as a rule, in complex environments, and are a part of wider efforts of interaction and cooperation with various participants. The environment may be national or international, while the participants may be the population, civilian institutions and allied armed forces.

A balance of standards and interoperability at the national level is necessary in the work of national security institutions and is related to command/management systems, practices, procedures and doctrine principles, as well as weapons systems. In the international environment, interoperability of forces is the key to effective action by allies.

1.1. Forces

Status review

In the conduct of missions and tasks, the forces usually act jointly and prepare within the framework of army, navy and air force components. Orientation toward joint action by the Armed Forces components is achieved with a unified system of command and joint logistics, intelligence and other support to forces in the country and abroad.

*Army forces* are the backbone of forces for the conduct of the first Armed Forces mission, while the backbone for the other two missions may be navy or air forces, depending on the task.

Professional units within the composition of the army are two guard brigades, a military police regiment, a signals regiment, the military intelligence battalion and the battalion for chemical, biological, radiological and nuclear defence (CBRN). Manoeuvrable battalions
from the mechanized and armoured-mechanized guards brigades are the basic modules for task tailored forces.

The remainder of army forces are organized within the Training and Education Command and are tasked with training active and conscript components, organizing and training the reserve, development and drafting of doctrine publications, development and management of training, as well as collecting, analysing and evaluating lessons learned.

*Navy forces* protect the sovereignty, rights and interests of the Republic of Croatia at sea. They comprise a flotilla, coast guard, coastal monitoring battalion, naval logistics unit and training centre. The flotilla develops capabilities for naval warfare and participation in international naval operations.

The coast guard develops capabilities for control and protection of the Republic of Croatia's rights and interests at sea. Other naval forces support the activities of the flotilla and coast guard.

*Air forces* protect the sovereignty of the Republic of Croatia in air space. Tasks in control and protection of air space are conducted through the activities of the combat aircraft squadron with the support of the air monitoring and navigation battalion. Support to other parts of the Armed Forces in deployment and tactical transport as well as support to the coast guard is conducted by two transport helicopter squadrons and a squadron of transport planes. The task of the fire fighting squadron is fighting fires. The other air forces support the mentioned forces' activities.

*Special operations forces* develop capabilities for conduct of special operations on land, at sea and from the air.

*Support forces* develop capabilities to conduct level I and II of logistic support at the national level, by organizing a logistics base as well as the national element of support in the area of operation. They also develop capabilities to conduct logistic support for deployment and operation as well as in the establishment of a reliable system of management for the supply chain and sustaining forces in the area of operation.

In the past the concentration of efforts was on the development of capabilities for forces declared for participation in NATO and EU operations as well as on fulfilling Force Goals or capability goals according to the new model of NATO defence planning. A lack of financial means and dynamics in the transformation of the Armed Forces has resulted in a slower development of other forces, their capabilities and means.

Regardless of a lack of financial means over the period until 2012, the trend of increasing participation in peace support operations (Figure 1) was continued, along with a growth in demands for a differing spectre of military and non-military capabilities. During 2012, the achieved level of participation in international operations was maintained.

However, in the overall view, the number of Armed Forces members engaged in peace support operations is less than the number planned in the Armed Forces Long Term Development Plan 2006-2015.
Forces are task tailored for tasks in assistance to civilian institutions; they are additionally trained and equipped, and act under task tailored operative commands.

Armed Forces personnel actively provide assistance to civilian institutions in the country through participation in preparations and conduct of activities during the fire fighting season, in defence against floods, in support with engineer activities, in logistics support and support to the ministry in charge of the veterans in accordance with the Law on the rights of Homeland War veterans and their family members.

Naval forces, beside conduct of traditional naval tasks, international military exercises and operations, also participate in assistance to civilian institutions in conducting fire fighting tasks, search and rescue at sea, support to the population on islands, transport, as well as other tasks regulated by a separate law. The structure of the overall engagement of naval forces is shown in Figure 2.
Beside participation in fire fighting tasks, the air forces participate in search and rescue tasks and in emergency medical transport.

Of all flights, around 23% over the past five years were to support civilian institutions, the most of which were conducted for fire fighting (Figure 3). Air forces also support the activities of the coast guard.

Figure 3. The structure of flights in support to civilian institutions from 2005 to 2012.

Directions of needed adjustments

The structure and extent of Armed Forces missions and tasks are not adequately supported with available sums and structure of budgetary means and therefore, certain adjustments are required. Adjustments will encompass restructuring and downsizing in all components.

The restructuring of forces will result in a gradual downsizing of Armed Forces personnel to the targeted size of 15,000 personnel, over the period until 2017. Restructuring will be conducted through reorganization aimed at rationalization, downsizing administration and command structures in relation to operative forces, downsizing the number of commands and command levels, functional unification of organizational entities, a merging of capabilities and reduction in structures related to obsolete and surplus weapons systems. Reorganization will result in a more effective command structure, decentralized command system (in more autonomy, but also responsibility, in all levels of command for decision making in accordance with their jurisdictions and tasks), while advancing management and synchronization of processes, through improvements in development and use of capabilities and finally through balancing plans, obligations and resources.

The current service and branch structure of the Armed Forces will be basically maintained. All organizational units will be organized within the Croatian Army, Croatian Navy, Croatian Air Force and Air Defence, in the Support Command and in the Croatian
Defence Academy. A portion of organizational units will be directly subordinated to the General Staff.

Growth of forces in the event of a crisis will be ensured through the engagement of the contract and mobilisation reserve.

In a state of war or a state of direct threat to the independence, unity and existence of the Republic of Croatia, when a need for larger forces with a longer growth time exists, and when the number needed exceeds the overall number of available reserve personnel, the mechanism of conscripting draft eligible persons to military service will be activated. Personnel from the contract reserve component will, according to needs, be able to participate in peace support operations.

In the organization and structure of the forces, this means the following:

**Command and control**

- The General Staff, being a joint Armed Forces body organized within the Ministry of Defence, will advance the function of Armed Forces command, preparation and use.
- By integrating business processes that can include the application of a particular model of integration of the General Staff and the administrative portion of the Ministry of Defence, the existing organizational department jurisdictions will be reviewed.
- The overall command and leadership structure from the General Staff level to the commands at the battalion level, will be numerically reduced by up to 25%, with a corresponding reduction in the number of high ranking officer and NCO positions in those commands.
- The numerical size of the General Staff will be reduced by up to 20% in relation to the current organization, to a maximum of 320 members.
- The personnel department will transfer executive functions to the Personnel Management Centre that will be subordinated to the General Staff.
- The communication-information system department will conduct planning tasks, while the Centre for Communication Information Systems, being a new organizational unit, among other things, will maintain the stationary communication-information infrastructure of the Armed Forces and support functioning of the General Staff Operative Command Centre. The remaining signals units within the organizational units of the Armed Forces will be organized and developed according to principles of modularity and mobility, in order to provide adequate communication and information support to manoeuvrable units.
- The military police will be organized within the Ministry of Defence and Armed Forces and conduct military police tasks. Adequate organizational capacities for doctrinal organization of the functional area of the military police as a combat support branch will be developed within the framework of the General Staff.
- The First Instance Military Court will be organized within the Armed Forces while the High Military Court will be organized within the Ministry of Defence.
- Each department is responsible for doctrinal organization of its functional area throughout the entire depth of the military system and for orientation and control of functioning in their area.
The General Staff Operative Command Centre will develop adequate human and material capabilities for command and control of operations in the country and for operative control of operations abroad.

Service commands will be reshaped into service staffs and have the basic task of developing capabilities to prepare and train forces within their jurisdiction.

When organizing commands and staffs, it will be clearly defined which are operative commands (with a combat organization according to the S, G, N, A and J structure), and which are functional commands (functional organizations in accordance with their basic purpose and tasks) and they will be differently structured in accordance with this.

**Land forces**

The Croatian Army will be composed of two guard brigades (armoured-mechanized and mechanized), engineer units, CBRN units, signals units, logistics units, as well as the training and doctrine command and a command company.

By 2018 land forces will be capable to deploy forces the size of a battle group based on a mechanized battalion to peace support operations on a rotation basis. In order to achieve this level of ambition, land forces will be developed so that 50% of the entire land forces are structured, trained and equipped for participation in peace support operations, while 10% will be sustainable in operations.

Guard brigades are developed as multi-branch tactical units and the main combat module will be the battalion with the corresponding combat and other support.

Considering the fact that fire support and anti-air defence capabilities are included in the accepted NATO capability targets, and at the same time are significant to the control and defence of the territory and air space of the Republic of Croatia, the artillery-rocket regiment and the air defence regiment will be organized.

The infantry regiment will be reorganized into the infantry and armour training centre for the needs of conscripts, reserves and other students within the military education system.

The logistics regiment from the training and doctrine command will be reorganized and directly subordinated to the Croatian Army for logistics support to the services.

Engineer forces, beside those functioning as combat support in brigades, will be organized into an independent unit that will ensure the development of engineer capabilities, as well as engineer activities at the level of the entire system. The infrastructure engineers will also be developed within the framework of logistics enabling deployability, sustainability and support to forces in operations.

CBRN forces, beside those in the function of combat support to land, sea and air forces, will be organized into an independent CBRN unit.

The training and doctrine command will be developed as a functional command and will consist of elements that deal with the development of land forces doctrine and training of the active, reserve and conscript components. During the reorganization of existing branch regiments, mixed staffing will be discontinued. In accordance with this, organizational units that remain after the reorganization will be staffed exclusively with the active component.
- Surplus weapons systems that will emerge in the reorganization of branch units of the training and doctrine command, as well as of other units, and will not be in the function of support to brigades, will be used for equipping the reserve and for training. All other means that will not be used for this purpose will be withdrawn from operative use and written off.

- Land forces will participate in assistance to civilian institutions and citizens in defending against and eliminating the effects of natural and technical-technological accidents, and will be trained and equipped for these tasks.

**Naval forces**

- Naval forces will develop balanced capabilities for protection of sovereignty, for control and for the protection of the Republic of Croatia's rights and interests at sea. They will consist of a flotilla of combat ships to conduct traditional tasks, a coast guard, coastal monitoring units, a naval logistics base and a training centre.

- The flotilla will develop and maintain capabilities for naval warfare and support a portion of the coast guard's tasks. In accordance with priorities and possibilities, the achieved capabilities for mine activities will be maintained and capabilities for anti-surface, anti-mine and limited anti-submarine activities will be developed.

- The coast guard will develop capabilities to control and protect the rights and interests of the Republic of Croatia at sea. In this context, new coastal patrol ships and means will be introduced, which will improve capabilities and level of readiness for conducting tasks derived from the Law on the Coast Guard of the Republic of Croatia.

- Coastal monitoring unit will develop and maintain capabilities for control of the sea surface, independently and in cooperation with other state bodies, as well as provide communication and information support for naval forces.

- The naval logistics unit will develop capabilities for providing logistic support to own forces in the area of responsibility, as well as for accepting and supporting allied forces.

- The training centre will be in support of naval forces through institutional training with an aim to achieve capabilities for conducting missions and tasks and will be in charge of drafting doctrine documents.

- The coast guard will have priority in acquisition of new ships over the flotilla of combat ships.

- Rocket gunboats will conduct traditional naval tasks for national needs, but will also, in accordance with demands and possibilities, participate in NATO and EU-led peace support operations, primarily in the Adriatic Sea.

- Coast guard ships will be equipped with necessary ship equipment. Additional communication and navigation equipment will improve coordination with other bodies and institutions responsible for control and protection of the Adriatic. The „Spasilac“ class ships will be equipped for ecological tasks at sea.

- Forces for mine activities will maintain achieved capabilities. Forces for anti-mine activities will achieve and maintain the required level of capabilities for boats, divers and underwater vehicles, and will be developed towards increasing interoperability for participating in peace support operations. Capabilities for anti-mine divers will be developed as a field of specialization.
- The Croatian navy will be responsible for capabilities for creating an integrated picture of the naval situation on the Adriatic in cooperation with other state bodies and in accordance with existing practice based on assumed international obligations. The integrated national network for monitoring the maritime picture will be capable of sharing information with the NATO command structure and allies. In order to achieve this goal, existing radar systems will be modernized and integrated, and brought into full operational capability.

- Existing RBS-15 anti-ship missiles will be written off due to long-term neglect and unreliability, while possibilities for acquiring a replacement missile system will be considered.

- Naval forces will participate in assistance to civilian institutions and citizens in defence and in removing the effects of natural and technical-technological accidents. They will be trained and equipped for these tasks.

**Air forces**

- The Croatian air force and air defence will develop capabilities for control and protection of the Republic of Croatia's air space within the NATO integrated system of air defence NATINADS, for providing support to the conduct of coast guard tasks, helicopter air transport, support for the training of parachutists and light air transport, fire fighting from the air, logistic support to own forces and allied forces, all types of training and education for individuals and units for service tasks in the Republic of Croatia and in peace support operations, as well as support to civilian institutions in the Republic of Croatia.

- The capability to control and protect the Republic of Croatia's air space within the framework of the NATINADS system will be conducted by MiG-21 combat aircraft. An extension of the resources that expire at the end of 2013 will enable maintaining the MiG-21 combat aircraft in operative use until 2019. MiG-21 combat aircraft will primarily conduct tasks in control and protection of the Republic of Croatia's air space. An extension of the MiG-21 lifespan is a temporary solution until a final decision on the protection of the Republic of Croatia's air space. During the decision making process on the long-term form of air space protection, an initiative that would ensure the protection of Croatian air space on the principle of cooperation, sharing resources and capabilities with countries in the region will be considered.

- By 2018 the air force will be capable of deploying helicopter forces the size of eight Mi-171 Sh/Mi-8 MTV1 helicopters to peace support operations for a period of up to six months (without rotation). They will be capable of deploying and maintaining forces the size of four helicopters Mi-171 Sh/Mi-8 MTV1 into long-term stabilization operations on a rotation basis. In order to achieve this level of ambition, air forces will be developed so that 40% of the total air force is structured, trained and equipped for participation in peace support operations, while 8% of the forces may be deployed in the area of operation or be available for deployment to operations at any time.

- The helicopter air transport capability will be ensured by existing forces that will be equipped with the required navigation, communication, protection and other equipment, which will enable increased deployability and participation in operations. The option to unify existing transport helicopter types and to increase their number will be considered.
The system for air space control and monitoring based on 3D FPS-117 radars will develop its capabilities to full integration into the NATO integrated system of air defence, with the necessary command-information and communication interconnection with air space control centres in neighbouring NATO countries, NATO operative centres and interconnection with the system of Air Surface Detection Equipment (ASDE) of neighbouring countries that are members of the NATO Partnership for Peace program.

The capability for strategic air transport will be ensured through reliance on allies, and through multinational efforts in the context of NATO initiatives and solutions in that field.

An-32 transport aircraft will be withdrawn from operational use. Acquisition of new transport aircraft will not be considered until 2020.

The capability for training parachutists and for light air transport will be built through the acquisition of the corresponding types of aircraft.

National capabilities for fire fighting from the air will be developed primarily relying on the existing Canadair CL-415 and Air Tractor AT-802 planes. One two-seat AT-802 plane will be acquired in the coming period with an aim to advance capabilities and the quality of training.

The air forces will participate in assistance to civilian institutions and citizens in protection and eliminating effects of natural and technical-technological accidents. They will be trained and equipped for these tasks.

Capabilities for training military pilots of planes and helicopters will be harmonized with air force needs, while the number of PC-9 training planes will be reduced.

Special forces

With an aim to increase the capabilities of special forces, (as well as to fulfil alliance obligations for improving capabilities to plan and conduct special operations) a special forces command will be formed subordinated to the General Staff, which will have the role of providing adequate special forces and will be responsible for their equipping, training and education. The special forces command will participate in the development of special operations doctrine and develop capabilities to coordinate and cooperate with other commands, units and organizational formations of the Armed Forces that possess capabilities pertinent to the conduct of special operations.

Support forces

The support command will go through a process of optimising and improving the overall functioning of the logistics system and its corresponding processes.

The structure of the support command will also depend on changes to the organization of other organizational units. Prior to entering the composition of the support command, every organizational unit logistic in type, will be analyzed in detail and reorganized.

A Ministry of Defence and Armed Forces military health centre will be organized within the Ministry of Defence and Armed Forces for the healthcare needs of Ministry of Defence employees and members of the Armed Forces as a military health
institution, while Armed Forces services will develop healthcare support for the needs of their own manoeuvrable units (ROLE-1 level).

- In accordance with the strategy of healthcare development in the Republic of Croatia and NATO capability targets, preconditions will be created for development of a complete and sustainable healthcare support system for forces in an area where operations are being conducted.

**Sub-staff units**

- A single military intelligence unit will be organized from the Centre for electronic reconnaissance and the Military Intelligence battalion, which will unify existing and build new capabilities, while adequately reducing numerical size. Within the framework of the unit, capabilities for strategic electronic reconnaissance, multi-disciplinary information gathering, analytical processing of gathered information and participation in defence against cyber threats will be developed. The newly formed military intelligence unit will be responsible for the development of the military intelligence branch in the armed forces.

- Existing military police forces within services will be reorganized into a unified military police unit subordinated to the General Staff.

- The Centre for Communication-Information Systems will maintain the stationary communication-information infrastructure of the Armed Forces and support the functioning of the General Staff Operative Command Centre. Remaining signals units within Armed Forces organizational units will develop capabilities for deployable/mobile communication-information systems. The Centre for Communication-Information Systems will be responsible for building capabilities to defend the information space within the Armed Forces.

- Special attention will be given to the information security system on all national and NATO connected network communication and information systems, as well as to capabilities for the defence against cyber threats.
1.2. Weapons systems

Weapons systems are one of the main factors of success on the battlefield and as such are of crucial importance in building military capabilities.

Extended use of a large portion of weapons systems requires a systematic planned approach to equipping and a level of investment that this type of equipping requires.

Status review

In the CAF Long Term Development Plan 2006-2015, the first systematic cycle of Armed Forces equipping and modernization was planned. Although planned projects were not completely started and realized, the overall technological level and equipment of the Armed Forces was partly improved.

The following findings and conclusions were derived from the conducted analyses:

✓ Over the past period, the status of weapons systems in use has been improved in some fields. This is related to the acquisition of new armoured combat vehicles, helicopters, training planes, fire fighting planes, „Helsinki“ class boats, CBRN equipment, engineers equipment, etc. Acquiring new systems and equipment, as well as withdrawing from operative use those that are obsolete and non-perspective, has also unburdened the Armed Forces logistics system.

✓ Due to a decrease in financial means for the needs of defence, equipping projects have been delayed, such as acquiring non-combat vehicles or boats. Projects for the modernization of tanks, older models of armoured combat vehicles and air defence systems have been delayed or completely abandoned.

✓ Following an initial growth in means for acquisition in the defence budget (16% in 2008), only 9% was allocated in 2010, the same as at the beginning of the cycle in 2006, despite the declared policy within the NATO alliance on allocation of 20% of the budget for equipping and modernization. Necessary adjustments were made in 2011. Decreasing operative expenditures and costs for personnel enabled the channelling of more means into acquisitions and 16.06% was allocated, which was continued in 2012. On the other hand, the defence department succeeded in keeping up with the growing needs for building military capabilities to participate in peace support operations, as well as for fire fighting activities from the air.

✓ The development of a portion of critical capabilities for participation in peace support operations was successfully realized with partner countries' support in equipping our forces.

Directions of necessary adjustment

✓ Acquisition of weapons systems must be harmonized with the overall planned dynamics of capability development. Plans must be sustainable and balanced with available resources, whereby it is especially important to take into account the overall life-cycle of weapons systems.
Considering age and working condition, a planned, long term acquisition of engineer and non-combat motor vehicle, with emphasis on transport capacities, will be launched.

Clear mechanisms for making key decisions at the strategic level, the development of expert and organizational capacities, as well as the evaluation of complex projects, are the basis for successful project management. Precise definition of the processes, jurisdictions and responsibilities for managing projects, as well as the establishment of a system for managing risks, will significantly increase the effectiveness of the acquisition process. With an aim to reduce risks, the acquisition process must, when choosing means, focus on the acquisition of tested solutions and the unification of equipment, as well as on strengthening mechanisms for ensuring quality control.

The new cycle of equipping the armed forces also presents a new chance for the development of a portion of the Croatian economy oriented toward production for military needs, provided that adjustment to standards in the defence sector and to conditions of market competition are made. The defence department will continue to support the export orientation of Croatian companies with an aim to indirectly reduce investment expenditures for national needs and for improving bilateral relations with allies and partners.

### 1.3. Standards and interoperability

Interoperability, within the framework of NATO, presents the capability for mutual coherent and effective activities by allies in order to achieve goals. Interoperability enables forces, units and weapons systems to act mutually, implementing compatible doctrines and procedures, using infrastructure, and communicating between themselves. Interoperability reduces the duplication of capacities, enables joining resources and finally produces a synergetic effect.

Accordingly, interoperability is the basic presumption for use of units in multinational operations and their effectiveness in mutual conduct of assigned missions and tasks.

Interoperability is understood to include a technical component (that is related to equipment, weapons systems and similar), a procedural component (that includes doctrine and procedures) as well as a human component (that is related to terminology and training). Initiatives such as Smart Defence and Connected Forces are derived from the idea of interoperability.

Interoperability is achieved through the following mechanisms: effective conduct of standardization, training, exercises, a system of lessons learned, testing and trials etc. In this context, standardization has a special importance, which is related to the development of capabilities through the development of mutual concepts, doctrines, procedures and means. Not only defence sector expertise can be used to develop and adopt military norms, but also expertise from other sectors.

Only a smaller number of norms have been adopted and implemented through the implementation of Force Goals, which suggests the need to intensify this process.
2. Enabling activities

The fields of logistics and resources: human, material and financial, are key when considering enabling forces' activities, that is the use thereof.

2.1. Logistics

Logistics encompasses all those activities, procedures and measures that can use available material and financial means in a timely manner. This includes provision of all classes of material, maintenance, movement and transport, medical support, services in the field of construction, and similar. Beside material assets and services, significant factors of the logistics system are information and expert personnel. Considering the conditions in which it functions, it is divided into stationary and terrain logistics.

Activities by the armed forces in modern conditions, which are marked by processes of internationalization, interconnection and interdependence of various actors, introduce an international dimension to the system of planning and conduct of logistic support in which NATO membership has the strongest effect. In accordance with this, the logistics system of the Armed Forces is more and more intensively faced with the need to use a combination of its own, civilian and multinational capabilities.

Status review

The current state of logistic capacities and support is as follows:

- Logistic support in terrain conditions in the country is conducted with reliance on stationary capacities, because manoeuvrability of logistics capacities has not been ensured.
- Everyday supply and services (including food and fuel) are centralized and for the most part rely on contracted civilian capacities. Development of capabilities to manipulate and supply fuel in terrain conditions has begun.
- The logistics system is qualified for storing, maintaining and supply of tested and functionally working ordnance. Capacities for temporary storage of ordnance in terrain conditions are not developed enough.
- A significant portion of logistics capacities are used in storing and guarding a large amount of written off, non-perspective and non-working ordnance, because an adequate capability for their industrial disposal has not been developed in the Republic of Croatia. A portion of these means are stored in poor conditions in storage facilities that do not ensure the required level of security to personnel and property.
- Supply with new ordnance is oriented toward acquisition from abroad because the Republic of Croatia does not have the relevant industry developed.
- Maintenance of weapons systems, material means and equipment is conducted in a combined manner – in our own stationary and contracted civilian capacities. The need to staff and retain personnel with critical specialties is especially reflected in this field of logistics.
- Logistic support in peace support operations outside the Republic of Croatia is conducted in a combined manner – from national sources, through bilateral and
multilateral agreements as well as different forms of multinational support in the area of operation. Task tailored national logistics elements provide only limited logistics support in the area of operation, primarily in maintaining vehicles and equipment.

✓ The overall medical support for the Armed Forces is being developed in conjunction with the single health care system in the Republic of Croatia, while elements of medical support that exist in the Armed Forces are directed for the most part at primary and preventive health care and dental protection. In peace support operations, health care for deployed forces is conducted with reliance on allied or, where applicable, civilian capacities in the area of operation.

**Directions of development**

The logistics system satisfies needs to fulfil tasks on the territory of the Republic of Croatia, while for activities outside the country it will be necessary to build additional capabilities, primarily deployable terrain logistics. In the coming period, a priority will be the continuation of optimization of logistics processes and resources. In the implementation of this goal, the following directions of logistic development have been identified:

- **Improvement of the logistics system**
  
  The end goal of development is a reliable and adjustable logistics system, in which the following principles will be followed: optimization of stock, decreasing consumption of resources and increasing the speed of information exchange in the logistic chain of support, qualifying users for systematic and timely formulation of requests and ensuring quality during the life-cycle of material assets.

- **Strengthening logistics support to forces in operations**
  
  Development of national capabilities for deployable and tactically manoeuvrable logistics capacities, as well as equipping logistics units with mobile logistics modules for accommodation of personnel, medical support, terrain services, supply, maintenance and storage of material assets, will continue. For those logistics capabilities that the Republic of Croatia cannot possess independently, multinational solutions will continue to be developed and sought.

- **Care for ordnance**
  
  All functioning and promising ordnance will be palleted, placed in containers and stored in tailored facilities with the proper conditions. Ordnance that has been written off, has been found unpromising or defective will be stored until disposal in an affordable and ecologically acceptable manner. Ordnance that presents the greatest potential danger to human safety and property will be disposed of first as a matter of priority.

- **Improving medical support**
  
  A greater harmonization of medical support within a single health care system in the Republic of Croatia will be ensured. Primary, secondary, preventive and dental health care will be based on the same principles according to which the health care system in the Republic of Croatia functions.
Health care for forces deployed on peace support operations will be improved through the development of deployable field hospitals (ROLE-2) according to NATO standards, in cooperation with the health care system of the Republic of Croatia.

2.2. Resources

Resources – human, material and financial are of key importance to enabling Armed Forces activities.

2.2.1. Human resources

Human resources include the overall available military and civilian personnel as well as their entire potential. Human resources management, with an aim for optimal functioning of the defence sector, is conducted through four areas: recruitment, professional development, personnel support, as well as transition and separation of personnel.

Status review

Analyses conducted suggest the following conclusions:

✓ A single system of personnel management has not been established that would enable effective fulfilment of organization tasks and provide a chance for further development.

✓ Regardless of significant downsizing over the past decade, the personnel structure has too great a number of officers, civil servants and employees, as well as an inadequate ratio within NCO ranks, while a lack of soldiers is evident.

✓ Significant rejuvenation of active military personnel has not been achieved.

✓ Recruitment of soldiers on contract has been established.

✓ The conscript service obligation has been suspended and a new model of qualifying soldiers has been established (voluntary conscript service), however their numbers are less than foreseen (of 2000 foreseen, 800 voluntary conscripts pass through training each year).

✓ Categories of reservists have been determined by the Law on Defence and the Law on Service in the Armed Forces; however, they have not been established.

✓ Personnel support is not at a satisfactory level and does not provide a suitable level of quality of life, nor does it ensure a stimulating organizational environment needed to recruit, select and maintain the best quality personnel.

✓ A model of housing for personnel has not been chosen and implemented.

✓ Deployment to international operations and duties outside the Republic of Croatia is based on a voluntary principle, which created a potential obstacle in creating a national force contingent that is of the proper quality.

✓ The portion of women in the active military component has been continuously increasing, especially in the categories of lower ranking officers and higher ranking NCOs.
Directions of development

In the field of human resources management emphasis will be placed on the following goals:

- Improving human resource management

Management of civilian and military personnel will be improved by introducing long-term personnel planning based on realistically available financial resources.

Mechanisms and models for career management will be based on equal opportunity principles and on clearly defined and stimulating standards of professional development.

Consistent, measurable and transparent criteria for advancement and retention of personnel in active military service will be established as well as effective mechanisms for protection against violation of individual rights. Advancement of active military personnel will be adjusted to realistic needs of the future Armed Forces size and structure and will follow the logic of optimal distribution of ranks.

An organizational framework and jurisdictions in personnel management are under consideration. The analysis of functional overlapping of jurisdictions in the field of human resources management encompasses all levels of management from the highest to the lowest. The aim of the analysis is to define business processes in human resources management, simplify procedures, as well as to eliminate complexity, overlapping and long duration of activities.
Participation in allied and other international operations will be integrated as an inseparable part of professional obligations and requirements in which service needs, instead of voluntarism, will be decisive.

- **Improvement of the personnel structure**

  The system of personnel management, accompanied by suitable mechanisms for personnel support, must enable achievement of an optimal numerical, age and educational structure of personnel as well as a balanced structure of ranks.

  The ratio of officers to NCOs and soldiers within the structure of active military personnel will be changed by the end of 2020 to between 1:3 and 1:5, depending on specifics of individual services, branches, support services and specialties.

  Existing inadequacies in staffing with contract soldiers will be resolved through an increased recruitment of soldiers, while separating officers, NCOs, civil servants and employees. A normative framework will also be established for signing a third soldier contract.

- **Personnel support**

  Special attention will be given to the quality of life issues and conduct of specific measures, including regulation of the housing problem, which will contribute to attracting and retaining quality personnel as well as to building and maintaining a suitable organizational culture.

  In contrast to the previous planning period, in which not a single project or task was foreseen in the field of personnel support, during the coming period it will be necessary to foresee projects in the field of personnel support with corresponding expenditures because only investments in this field can guarantee maintaining and attracting quality, qualified and motivated personnel.

  The existing system of selection, monitoring the status of personnel and support will be improved and upgraded, respecting scientific, professional, medical, psychological and kinesiological requirements.

  Due to the specificity of military service, existing legislation will be retained that enables favourable and honorable retirement for active military personnel and quality preparation for leaving the service through the transition process.

  In processes of downsizing and changes to the structure of personnel, principles of equality and fairness should be taken into account, so that personnel are not separated from the defence sector under poorer conditions than those in the previous period.

  The role of spiritual guidance in the Armed forces is to ensure free religious expression and realization of spiritual needs for members. According to current agreements, through direct cooperation with the religious communities in the Republic of Croatia, the Ministry of Defence will continue to conduct a policy of openness in the field of spiritual care for members of all religions.

- **Personnel categories**

  A mixed model of staffing with officers will be maintained through a combination of a modified and improved model of the „Cadet“ program, scholarships, recruitment from the labour market and education abroad, with special stimulative mechanisms for personnel with critical specialties.
Standards for professional/contract soldiers will be defined, keeping in mind heterogeneity of requirements and obligations that are derived from tasks of each individual Armed Forces services, participation in the international environment and roles of the Armed Forces in society.

Models for stimulation will be developed in order to successfully recruit and retain active military personnel with specialities identified as critical shortage areas.

A mechanism for growth of overall defence capabilities will be established through developing the reserve. The reserve element of the Armed Forces will be developed in a direction that contributes to building professional, relevant and sustainable military capacities that can in content contribute to the conduct of operations. The contract reserve will strengthen the potential of the Armed Forces to conduct operations in the country and abroad, while focus will be on areas of capability, that, although critical, are too costly to maintain through active forces. The reserve will be regulated through contract and mobilization, while the mobilization reserve will be divided in the assigned and non-assigned reserves.

The assigned reserve will consist of those under military obligation that have completed conscript service, attended voluntary military qualification or active military service and had a military specialty assigned to them. The assigned reservists, according to staffing needs of the Armed Forces, will have their wartime roles allocated and announced. The assigned reserves will be used to form infantry and artillery-rocket regiments, a logistics regiment, an air defence regiment as well as a signals battalion and an engineer’s battalion. The total number of assigned reserve members with allocated wartime roles will be up to 20 000 personnel, for which weapons and equipment will be separately kept and preserved.

Non-assigned reservists will be registered within the military registry and, in the event of a need for an increase in defence capabilities, will be called upon for medical examinations and evaluation of capability to serve in the military, as well as for service itself.

The non-assigned reserve will consist of those under military obligation listed in the military registry that have not completed conscript service and have not been through voluntary military qualifications. In the event of a need for a growth of the Armed Forces, the non-assigned reserve will be at disposal for service in the Armed Forces.

The Ministry of Defence will, when necessary, sign contracts with a portion of the assigned reserve and in special cases the non assigned reserve, that will determine their rights and obligations regarding service in the Armed Forces contract reserve, including participation in peace support operations and other activities abroad.

The contract reserve will consist of reservists from the assigned reserve, and in special cases under appropriate legally defined conditions, from the non-assigned reserve, with whom contracts have been signed, on the basis of which they have other rights and obligations regarding service in the reserve component of the Armed Forces.

The contract reserve will encompass military specialties the shortage of which has been identified as the most critical in operations, but are not favourable for organizing within the active component. The total number of contract reservists will be up to 1000 personnel.

The military specialist category, as a sub-type of officer up to the rank of captain and a sub-type of NCO up to the rank of staff sergeant, with primarily specific technical specialities, will be put into function as a mechanism that will lessen the need for rotation of duties and for military education.
2.2.2. Education and Training

Demands that have been placed before defence require constant and targeted qualifications of personnel. Therefore, education and training fall under the most important peacetime activities of the defence department.

Status review

An analysis of the state of affairs in this area has shown the following:

- Foundations have been created for a systematic approach to recruiting and education of cadets and those with scholarships, classification of education for military needs, development of military-vocation education, intensification of foreign language education, introduction of new ways of adopting and maintaining knowledge, defining the Croatian Military Education Standard and lifelong education.

- The system of education is not sufficiently harmonized with the personnel management system, which leads to situations where a portion of higher ranking officers and NCOs do not have the adequate military education.

- A systematic approach to training for peace support operations has been established. In preparations for activities in a multinational environment, forces and units are trained in the country, abroad and in the area of operation, while harmonizing the national training standards with the standards of organizations under whose leadership the operation is being conducted. Pre-deployment training has been standardized for all components and members of the Armed Forces that are deployed to peace support operations.

- Training not related to participation in peace support operations is not conducted with the necessary intensity.

Directions of development

In the coming period emphasis will be on advancing the system of training and education.

The quality of military education will be improved through integration of scientific research and education activities while generally strengthening academic standards, connecting military education with the national education system, developing task tailored programs, establishing a system of the appointment and career advancement of teachers and lecturers, as well as stimulating personnel to achieve higher academic standards, especially for teachers and lecturers.

The „Petar Zrinski“ Croatian Defence Academy will be transformed into a higher-education institution organized in accordance with regulations governing higher education and scientific activity in the Republic of Croatia, as well as in accordance with processes from the Bologna declaration and NATO efforts to apply the highest academic standards in the field of military education.

In cooperation with the academic community the Croatian Defence Academy will organize and conduct university study programs.

The focus of education will be on continuous learning and strengthening military-expert modules for the development of the officer profession through integration of the military education system with the civilian education system.
The possibilities for interagency integration of education of all structures of personnel in the defence and security sector of the Republic Croatia will be developed. In case of economically unaffordable domestic education focus will be placed on regional and wider international cooperation in the field of education, primarily within the framework of NATO and the EU.

Training and education programs will be developed with other relevant state bodies, focused on achieving capabilities for mutual responses to challenges and threats, mutual participation in operations and assistance to civilian institutions.

Additional efforts will be directed toward improving the quality of education for all categories of personnel in functional areas and on increasing the level of knowledge of the English language and other foreign languages.

Interoperability and the development of operative capabilities remain the main goals of training in the integration process. In the future the training system will be developed and improved in accordance with our own requirements and changes to doctrinal documents in the system of education, training, exercises and evaluation within the alliance.

Training must be challenging, realistic and task-oriented. With this as a goal, it is necessary to clearly define what level of unit is within a certain phase of the training cycle. Training and evaluation of training will be standardized and measureable.

Training for participation in peace support operations will be adjusted to the type of operation, circumstances in which they are carried out, as well as to duties and tasks. The pre-deployment training capability for participation in peace support operations will be an important part of international defence cooperation, especially in the regional context. The current system of pre-deployment training will be rationalized in regard to duration and resources spent.

The current system of modular training for participation in peace support operations will be changed into preparation of organic, organizational units in accordance with adopted capability targets.

Besides training for peace support operations, training of units for national defence needs and assistance to the population will be continuously conducted.

Voluntary military qualification will be conducted through training, in parallel on military training grounds under the organization of the new infantry and artillery training centres, while including instructors and other trainers from other operative units.

The portion of training through simulations and on simulators will be increased, which will decrease expenditures while maintaining the required level of realism and challenge in training.
2.2.3. Material resources

Material resources encompass means, equipment and infrastructure used for the conduct of Armed Forces missions and tasks.

2.2.3.1. Material means and equipment

Despite improvements in certain areas, related to implemented equipping and modernization projects, material means and equipment currently at the disposal of the Armed Forces are obsolete and worn out to a significant degree, which decreases effectiveness and makes it more difficult to achieve full interoperability with allies. The overall amount of material means and equipment, in the majority cases satisfies needs, however the technological level and quality are not at the targeted levels.

In the area of material means and equipment the following goals have been set:

- Equipping for the purpose of achieving capabilities defined within capability targets
- Write-off and withdrawal from operative use material means and equipment that is not directly used for maintaining current and development of targeted capabilities
- Rationalization of existing capacities and resources: space, equipment and materials
- Exploitation of the possibility to develop and maintain material resources through multinational solutions.

2.2.3.2. Infrastructure

Infrastructure represents land and real estate with corresponding installations. The Ministry of Defence has at its disposal a wide spectrum of infrastructure such as barracks, bases, storage facilities, training grounds and other real estate, the number of which in certain categories still exceeds needs.

All military real estate has been classified as real estate with high or no potential. Development plans have been prepared for real estate with high potential, while dynamic plans for abandonment have been prepared for real estate with no potential. There are a certain number of facilities/locations that are not in use, but due to their possible military use have been included into urban-planning documentation.

Over the past period the number of military properties in use has been reduced, while modernization of facilities and infrastructure aimed at creating better quality life standard and work conditions has begun at military properties that have a potential in the long term. Construction of special storage facilities for ordnance has begun. Due to a lack of financial means, modernization of needed infrastructure and facilities is being conducted at a slow pace.

Due to unclearly defined solutions regarding procedures for transfer of military properties over to new Users/owners, the problem of allocating significant financial means for military properties with no potential (overhead expenses, utility fees and guarding facilities) has been identified.
In the coming period development of infrastructure will primarily be directed toward:

- **Optimizing the number and capacities of military properties**

  Accommodation, training and logistics capacities will be grouped with an aim to increase effectiveness at locations with high potential, primarily training grounds and barracks.. The overall number will be rationalized while abandonment and transfer of properties with no potential will be expedited with an aim to lower expenditures for their security and maintenance. In this regard, by 2020 a significant rationalization of existing defence infrastructure will be conducted that includes the possibility to decrease the number of properties by an additional 50%.

  A principle will be followed by which, mainly barracks that do not have a development capacity for over 2000 personnel are considered to have no potential. As a result investments into them will be halted and the process of their abandonment will be expedited.

  During the process of optimization of military properties, the purpose for and cost-effectiveness of the use of each military facility will be unequivocally determined.

  In accordance with the Law on Management and Use of Property Under Ownership of the Republic of Croatia, certain military properties, after acquiring the status of property with no potential, will be handed over to the State Office for Management of State Property, after which the Ministry of Defence will no longer be obligated to pay property taxes, gains taxes or other taxes, utility fees and other public expenditures for that property.

- **Ensuring work and accommodation standards**

  Conditions for life and work at perspective locations will be advanced, primarily through investment into infrastructure and installation development in order to enable the proper standards of work and accommodation.

  In inhabited areas where military properties with high potential in the long term are located, a housing program will be developed for military personnel and their families.

  By 2020, work and accommodation conditions, will be standardized so that land forces will have five or six barracks at their disposal; naval forces will maintain two naval bases and develop a concept for stationing in the South Adriatic, air forces will have two air bases at their disposal, while support forces will continue to develop logistics bases at two locations.

  The Slunj and Gašinci military training grounds will be the main training infrastructure facilities that have priority in investments and development. They will be used to train members of the Armed Forces, members of allied and partner forces and train members of other state bodies who are gaining qualifications for tasks harmonized with the activities of the Armed Forces.

- **Advancing the environmental protection system**

  The system of environmental protection at all military properties will be advanced through planning measures, implementation of domestic and NATO standards, education of personnel, control and testing.
2.2.4. Financial resources

Financial resources are secured through the defence budget as a part of the state budget of the Republic of Croatia.

Expenditures within the CAF Long Term Development Plan 2006-2015 were foreseen on the basis of projections in changes to the gross domestic product (hence forth: GDP) and targeted portion for the defence budget. Defence expenditures are structured into three main categories: personnel expenses, operative expenses and expenses for equipping and modernization.

Due to the global economic crisis and its effect on the Republic of Croatia, after 2008 the planned level of financing defence could not be achieved. The amount and portion of the defence budget within the GDP were decreased (figures 5, 6 and 7).

Figure 5. Changes to the defence budget in millions of Kuna

Figure 6. Changes to the overall portion of defence expenditures within the GDP, in percentages
In the period from 2006 to 2008 the growth of the defence budget followed the projections set in the CAF Long Term development Plan 2006-2015, while in 2008, due to a greater growth in the GDP than expected, it exceeded the planned absolute amount.

The defence budget in 2009 and 2010 was significantly decreased and was sufficient to finance only the most necessary expenditures for the functioning of the defence sector and for conduct of tasks, with the extent and dynamics of realization being redefined.

Despite an increase in the defence budget and partial structural adjustments in 2011, the unfavourable trend (in relation to planned amounts) continued into 2012.

Fiscal pressure created a condition in which it was not possible to ensure an increase in the defence budget.

Under such conditions, mainly characterized by budgetary restrictions, raising the level of management quality, or adequate reaction to the crisis should have at least alleviated unfavourable consequences. However, a timely and proper response was lacking.

As a result of the mentioned trends, ratios of the individual expenditure categories, which previously had not even come close to an optimal ratio (50:30:20), remained unfavourable, which can be seen in figures 8 and 9.

*Figure 7. Funds spent for equipping and projection of expenditures for equipping according to the CAF Forces Long-Term Development Plan from 2007 to 2012*
In the past period a reform of the business processes in the field of strategic management of the budget cycle began so that the emphasis is on connecting goals with budgetary means. In improving management of finances and better definition of business processes the establishment of internal auditing had a significant role.
In accordance with the agreed NATO policy of financing defence, efforts should be made in the mid-term and long-term to achieve the desired 2% of the GDP for defence expenditures. In the coming years, the defence budget should not be reduced taking into account macroeconomic trends and economic growth.

Goals of financial resource management in the coming period are:

- **Balancing the budget structure**
  
  Ensuring, in the long term, an increase in the portion of expenditures for equipping and modernization as well as operative expenses is a precondition for achieving the planned military capabilities and a balanced development of the defence sector.
  
  Mechanisms for balancing the budget include a rationalization and change to the structure of personnel and other expenditures, achieving the regulated numerical size, through which effectiveness will be increased, but training activities and the extent of participation in operations will not be reduced.
  
  Furthermore, a proper following and adjustment of existing programs, activities and projects is necessary to increase the effectiveness of the implementation of set goals.

- **Advancing management of financial resources**
  
  It is necessary to continue to develop the system of financial management and control, which includes defining jurisdictions and responsibilities in the process of strategic planning, determining authorities and responsibilities for management of budget means and clearly connecting budget implementation with achievement of targeted defence capabilities.

### 2.2.5. Research and development

The importance of research and development is especially evident in projects for technical modernization of the Armed Forces and in adopting new technologies and solutions in the field of defence.

**Status review**

A conducted analysis of research and development suggests the following findings and conclusions:

- A certain number of research projects, in the field of social and technical sciences, were conducted mainly in cooperation with other relevant scientific-research institutions in the country.
- Research projects were often not used for developing defence capabilities.
- A trend has been noticed in which means for research and development have been constantly reduced.

**Directions of development**

It is necessary to focus research and development on defence and capability development needs. Within the framework of the defence sector, functions for articulating directions and needs for research and development will be maintained or developed, while implementation will be ensured in cooperation with research potentials of the civilian sector.
Further activities in the field of research and development will primarily be oriented toward:

- **Contribution to modernization of the Armed Forces**
  
  During conduct of equipping and modernization processes a series of activities and measures will be conducted that will raise the quality and working order of material and technical means in a rational and affordable manner.

- **Redefinition of the research and development structure**
  
  The structure and manner of work in the field of research and development needs to be adjusted to real defence needs and the role and place it has in providing support to efforts for further development of required defence capabilities must be redefined. Research and development for defence needs must be purposeful in support to development of chosen key capabilities.

- **Cooperation with scientific and development institutions**
  
  When conducting research and development projects required for the defence sector, cooperation will take place with scientific institutions that can contribute to the development of studies and expertise within their fields of work. Projects that do not have a direct link to the development of key defence capabilities will not be conducted nor will they be financed from the defence budget.
3. Command support

Command support enables successful conduct of command. An effective command support organization must support deployability, uninterrupted command, integration of command and control, and have an adequate size, protection, modularity, staffing, mobility and interoperability.

In this field, according to its importance, communication-information support stands out as well as military-intelligence and security activities and civil-military crisis planning.

3.1. Communication-information support

The communication and information system (mobile and stationary) provides support for uninterrupted, unified and effective management, leadership and command, ensuring conduct of all tasks and everyday functioning as well as integrity and protection of communications.

The mobile sub-system provides support for the system of command and control during conduct of operations and other activities in field conditions. Forces engaged in peace support operations are equipped with modern and interoperable means, while equipping of all declared forces is in the beginning phase.

The stationary sub-system enables everyday functioning, ensures access points for the mobile sub-system and communications with NATO and bodies outside the defence sector. Local networks have been constructed in the majority of military facilities (military locations or buildings) and installations, while the data transfer service has not been fully realized.

Functional systems are not integrated into a unified information system, while the command information system is not developed enough. The communication information system should be organized on the principles of integrity, modularity and deployability, which has not yet been achieved.

Communication-information support will be oriented toward the following goals:

- **Ensuring modularity and deployability**
  Deployable forces must have robust, secure and interoperable communication and information support in the full spectrum of operations. In achieving this goal experiences from allies and partners already working with such systems should be used.

  When advancing intelligence support and increasing security of forces in operations, specific needs of the military intelligence and security system will be ensured in regard to communications and information.

- **Building of a unified communication and information system**
  In order to support effective functioning and command of forces, and in order to support other business processes, a unified information system will be built with an information infrastructure in which basic and required functional services are implemented that are capable of automatic exchange of information. Special attention will be given to education of personnel in the field of management and protection of information systems.
3.2. Military security and intelligence service

Military security and intelligence support is one of the essential elements that enables harmonized use and development of defence capabilities in order to preserve national interests. It has an irreplaceable role in early detection of risks and threats and provides key support for political and military authorities in planning and conducting operations during peace, crises, conflicts and war.

The military security and intelligence service is organized within the Ministry of Defence and is a part of the security-intelligence system of the Republic of Croatia. Upon accession to NATO the military security and intelligence service gained an allied dimension, which strengthened its overall capabilities.

The Ministry of Defence will continue to conduct activities related to planning, management, control and conduct of intelligence, counter-intelligence and security activities, while the General Staff will conduct activities related to planning, organizing and conducting of intelligence, counter-intelligence and security activities within the Armed Forces.

The service is based on the capability of the military security intelligence system to timely identify risks and threats at the strategic, operative and tactical level as well as to ensure distribution and exchange of products at the national and international level.

At the strategic level it is especially important to direct the development of the military security and intelligence system which is capable of defence policy formulation, decision making and development of required defence capabilities by timely identifying unforeseen risks and threats.

At the operative level it increases effectiveness in operations in the country and abroad by ensuring timely and quality information of interest to the security of Croatian and allied forces. Reliable and timely information are of key importance to decision making in the planning process and to the protection of communication and command systems integrity.

At the tactical level the military security and intelligence system is oriented toward securing real time information important for successful completion of tasks and for protecting forces.

The security and speed of the communication-information systems is one of the key factors for successful operation of the military security and intelligence system in providing timely information for decision making. Following technological developments in activities involving the gathering, processing and distribution of information requires constant investment in means and equipment, especially in electronic reconnaissance and electronic activity.

Special attention will be given to development of the military-intelligence branch and to qualifying personnel, while this field will be advanced in accordance with adopted allied and domestic doctrine documents and standards. The focus will be on development of operative and operative-technical capabilities for gathering information, as well as on development of analytical knowledge and skills required for their processing and distribution to users.

The military security and intelligence system will be oriented toward the following:

- **Protection of decision making, command and control systems integrity**

Within the unified intelligence and security system of the Republic of Croatia, the military security and intelligence system will continue to develop capabilities for protection of
the entire defence sector’s integrity and security, especially the decision making, command and control systems.

The aim is to continue development of capabilities for timely detection of early warning indicators of threats and new forms of threat, as well as provision of support to the highest levels of decision making and command through distribution of intelligence products.

- **Intelligence support and security of forces in operations**

Support to forces in operations is the focus of military security-intelligence activity in the field of defence. The processes of development, adjusting the structure and overall activity of the military security-intelligence system will continue in support of forces in operations. Capabilities of the military security-intelligence system will be developed in accordance with the overall capabilities of the security and intelligence system of the Republic of Croatia and the Alliance as well as with the dynamics of defence capabilities development.

### 3.3. Lessons learned

Learning in the military organization means continuous testing of experiences and their transformation into knowledge available to the whole organization. The purpose of the lessons learned process is effective learning from experiences with an aim to advance the conduct of tasks in current and future missions and operations.

The current organization of the system for gathering, processing and distributing lessons learned has not achieved its goals, so it is necessary to redefine it within organisation through clearly defined tasks, jurisdictions and responsibilities.

Special attention will be given to lessons learned in peace support operations since they are directly related to the protection of forces and effective action in the international environment. Implementation of lessons learned will directly improve operative and defence planning, will develop capabilities to learn from our own experiences, as well as to collect and store gained knowledge in a database.

### 3.4. Civil-military crisis planning

Understandings of military threats, possible consequences of natural and technical-technological accidents in the country and region, dangers related to the spread of infectious diseases, possibilities for threatening the energy, information and communication systems and other forms of modern threats, require harmonized activities of various civilian institutions tasked with security, protection and rescuing of the population and property, and the Armed Forces. For the purpose of planning coordinated and properly timed activity during crisis situations, that can happen as a result of the previously mentioned threats, a unified civil-military planning system will be established under the authority of the Government of the Republic of Croatia.

In this regard development must be oriented toward the following areas:

- **Modernization of defence preparations**

A defence plan needs to be conceptually developed as a basic document for the functioning of the Republic of Croatia in a state of war and state of direct threat to its independence, unity and existence. Conceptual solutions and the contents of the document
will be harmonized with the NATO crisis response system. Certain solutions within the framework of the NATO „Host Nation Support“ and „Critical Infrastructure Protection“ concepts will be developed as a component part of planning actions under a state of war or a state of direct threat to the independence, unity and existence of the Republic of Croatia.

- **Development of civilian capabilities for participation in peace support missions and operations**

  The complexity of modern peace support operations under the leadership of NATO, the EU and the UN, increasingly requires participation of civilian experts of various specialties and engagement of civilian capabilities, which is evident in the need for development of an all-encompassing approach to achieving their goals. For this purpose, it is necessary to conceptually and legally elaborate the contribution of civilian experts in peace support operations in various fields of expertise and to keep a catalogue of civilian capabilities with which the Republic of Croatia can participate in such operations. In doing so, an inter-agency character of development for civilian expertise will be necessary. It will also be necessary to keep a database of civilian experts of various specialties that may participate in international stabilization and reconstruction efforts in areas affected by crises. In areas where the Armed Forces require civilian expertise, it will be necessary to include civilian experts in the work of military staffs.
IV. Management processes

Management involves directing the defence sector as a whole with an aim to effectively conduct missions and tasks.

Beside activities directed toward the implementation of defence reforms, the focus is on articulating and conducting veracious, constructive and proactive participation in processes and activities by the defence structures of NATO and the EU, as well as on advancing and promoting international and regional stability and security.

1. Defence management and planning

1.1. General framework for defence management

In a modern, democratic environment, that implies transparency and openness in the work of public institutions and a high level of public responsibility for achieved results, the need emerges for introduction of modern strategic planning methods in management processes, as well as management based on measuring results.

An analysis of the state of affairs in this field shows the following:

✓ Management procedures, methods and actions in some cases are not regulated precisely enough or carried out consistently. Too often practice proved is a result of reinterpretation and free interpretation.

✓ Instead of improving control mechanisms and consistent sanctioning of unacceptable practices and actions, there is a tendency to centralize authority which significantly decreases efficiency at the highest management levels.

Development of process management in the coming period must be directed toward the following goals:

- Advancing organizational and functional structures

Functionality review and reform of the Ministry of Defence organizational structure will be conducted for the purpose of adjusting the organization to the new profile of professional Armed Forces, new international activities and arrangements, requirements of inter-agency cooperation regarding defence and security issues, as well as for the need to increase efficiency in decision making and functioning.

All management functions and business processes will be analysed in detail in order to determine connections to corresponding fields of civilian/military expertise, to establish clear divisions of jurisdiction and avoid parallelisms. By applying the proper integration model of the management portion of the Ministry of Defence and General Staff, the existing organizational structure and needed resources will be rationalized while more expeditious and more efficient decision making and running of business processes will be introduced.

Establishment of an integrated model will be carried out as one of the priorities in the short term by consistent application of principles of democratic control over the Armed Forces, military expertise being taken into consideration.
• **Application of advanced management methods and procedures**

It is necessary to stimulate and develop horizontal coordination and exchange of information in all phases of management, using the advantages of modern communication and information technology. Horizontal coordination and communication does not replace the management-command hierarchy nor does it lessen responsibility of managers in leading processes and making decisions.

Processes that have already begun through the introduction of strategic planning mechanisms need to be advanced by a creative application of modern strategic management methods, primarily through the development of specific mechanisms for operationalization of goals and measurement of achievements. Through targeted and functional education, seminars and debates it will be necessary to gradually advance management capabilities at all management levels. It will be necessary to continue a certain rationalization of office procedures in the Ministry of Defence and Armed Forces with an aim to simplify keeping evidence of and storing official acts, that is using of archive material. Construction of a modern information system must be directly oriented toward needs for support of strategic management processes and simplifying database use for everyday work needs in organizational units.

• **Building of integrity and the fight against corruption**

The reform of management practices will encompass a spectrum of organizational solutions and measures oriented toward advancing achievements in building integrity and the fight against corruption. In order to provide a full contribution to achieving goals within the national Strategy for Prevention of Corruption and its action plan, as well as to fulfilling anti-corruption obligations assumed within NATO, the UN, the EU and other international frameworks, special emphasis will be placed on advancing training of civilian and military personnel in this subject, reviewing and explaining jurisdictions and procedures, improving coordination of working bodies responsible for control and on strengthening transparency in public acquisitions procedures and implementation of the budget.

1.2. Defence planning

The role of defence planning is defining of defence capabilities in accordance with concepts and goals set in strategic documents. The defence planning system in the Ministry of Defence must continuously be harmonized with allied defence planning, including primary orientation toward building military capabilities.

Over the past period defence planning, starting from national interests was focused on adjusting to NATO standards, or adjusting national defence planning to that of the alliance.

In the coming period, the national system of defence planning will continue to be adjusted to NATO and EU defence planning processes. Accepted capability targets will be one of the main mechanisms for harmonizing national and allied goals, taking into account their suitability, feasibility and affordability.

1.3. International defence cooperation

An important aspect of defence policy is defence cooperation with other countries, which includes defence diplomacy and participation in arms control activities as well as confidence and security building measures.
International defence cooperation is in support of the fundamental goals of state policy, while through participation in numerous security initiatives, the Republic of Croatia contributes to international security with a special emphasis on regional security.

Over the past period bilateral defence cooperation, that takes place in over 40 countries, primarily partner countries and countries in the region, has been significantly broadened and strengthened. Multilateral defence cooperation is oriented toward fulfilling obligations and participation of representatives from the defence department in bodies of international organizations and regional initiatives.

Goals in the area of international defence cooperation will be:

- **Strengthening cooperation with strategic partners and regional cooperation**

  The focus of international defence cooperation will be, multilateral, within the framework of NATO and the EU, bilateral, with member countries of those organizations and with countries and organizations in the region.

  Within the framework of activity by the Republic of Croatia as a NATO member, the focus will be on advancing integration processes within the framework of the alliance and on participation in allied missions and operations.

  Regional cooperation will be directed toward strengthening stability and good neighbour relations within the environment. Cooperation with countries from the region will be especially oriented toward support for defence reforms in countries that have expressed an interest to join NATO and the EU, primarily countries from the closer environment and member countries from the US-Adriatic charter, by passing on experiences from our own Euro-Atlantic integration processes.

  With an aim to adjust to changed security circumstances and to increase efficiency, the network of Croatian military-diplomatic representatives and the extent of participation in international defence initiatives will be rationalized. The military-diplomatic network and participation in defence initiatives with be harmonized with the foreign policy of the Republic of Croatia.

- **Priority projects in international defence cooperation**

  The Republic of Croatia will develop and promote the offer of those capabilities and projects in which it can provide a visible contribution to mutual development of capabilities and specializations. The Republic of Croatia will actively participate in corresponding NATO, EU and regional initiatives that create mutual capabilities that reduce financial expenditures for development of exclusively national capabilities. Within this framework, the regional initiative for mutual participation in peace support operations will be continued, such as the Military Police School project in Afghanistan.
2. Interagency coordination

Strong interagency cooperation, coordination and harmonized activity by all required state instruments is crucial for the needs of defence and national security of the country, for development of capabilities to conduct missions and tasks as well as to ensure responses to risks and threats.

The defence sector is an important factor of this cooperation, due to the series of unique capabilities possessed by the Armed Forces. These capabilities are on one hand, strengthened and supplemented by capabilities of other state bodies, especially, but not exclusively, those that are responsible for individual aspects of national security and foreign policy. On the other hand, when certain capabilities of other state bodies are used, they are supported by capabilities of the defence sector.

When responding to complex and multilayered security threats, demands are made for all-encompassing activation of suitable potentials. The needed synergetic effect be created only through coordinated interagency activity in response to the spectrum of threats, such as war/direct threat of war, terrorism, proliferation and use of weapons of mass destruction, crisis hotspots, accidents/catastrophes and others, can

The most important form of activity at the interagency level is integrated civil-military planning, which ensures support by civilian institutions for Armed Forces activities in the country and abroad, as well as rational and effective use of the Armed Forces' capabilities in support of society.
CONCLUSION

The defence sector, and the Armed Forces within its framework, as its vital part, have developed as a reliable instrument of the Republic of Croatia in safeguarding national security and integration into the allied system of collective defence.

Membership and activity in NATO are key elements for further transformation of defence and development of the Armed Forces' capabilities to face the entire spectrum of challenges and threats.

The inheritance from the Homeland War and principles by which it was led to victory, have been built into modern defence solutions. By preserving and developing professionalism and the highest standards in conducting tasks, as well as nurturing the Croatian military tradition, members of the Armed Forces will continue to be prepared to complete all set tasks.

Participating in peace support operations as well as crisis response operations, the Armed Forces have contributed to mutual efforts of the international community in strengthening world, regional and national security.

The Republic of Croatia will continue to contribute to collective defence in accordance with Article 5 of the North Atlantic Treaty, as well as to support and strengthen the Common Security and Defence policy of the EU and the strategic partnership and complementarity between NATO and the EU.

The trend of participating in peace support operations will continue, including in long-term stabilization operations, primarily within the framework of NATO and the EU. The biggest force that the Republic of Croatia will have at its disposal for deployment into a high intensity peace support operation – which will at the same time be the core of forces for national defence – will be the size of a battle group based on a mechanized battalion, on a rotational basis. The structure of the Armed Forces will be formed in accordance with this, primarily in the portion related to land forces.

In regard to the building of defence capabilities, the long term goal remains building Armed Forces that are deployable, effective, professional and staffed with qualified and motivated personnel.

The numerical size of 15 000 members will enable achievement of the level of ambition, along with the need for a change to the internal structure in order to increase effectiveness and usability. Therefore the transformation of the Armed Forces will be a continuous and all-encompassing process.

The Republic of Croatia will strive for development of balanced defence capabilities, combining independent development of a portion of capabilities at the national level with development of certain capabilities in cooperation with allies and partners, in accordance with possibilities and requirements. With an aim to avoid multiplication of capabilities in the wider national-security context, at the national level, special attention will be given to interagency cooperation.

Business processes within the entire defence sector will be integrated for more effective management and functioning, rationalization of resources and in order to avoid overlapping and multiplication of jobs and authority.

Mechanisms to ensure equality and proper representation of women within the defence sector will be additionally strengthened and developed.
Equipping and modernization will be conducted, not only with an aim to increase overall defence capabilities, but also in manners that will enable stimulation of the economy of the Republic of Croatia, primarily its export potentials.

The defence department will set an example in fulfilling its social role through a professional relationship toward allocated means and their effective use.