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NATO EXPANSION: EXAMINING THE ACCESSION OF MONTENEGRO

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NATO EXPANSION: EXAMINING THE ACCESSION OF MONTENEGRO

WEDNESDAY, SEPTEMBER 14, 2016

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC.

The committee met, pursuant to notice, at 2:25 p.m. in Room SD–419, Dirksen Senate Office Building, Hon. Ron Johnson, presiding.

Present: Senators Johnson, Risch, Rubio, Gardner, Paul, Shaheen, and Murphy.

OPENING STATEMENT OF HON. RON JOHNSON, U.S. SENATOR FROM WISCONSIN

Senator JOHNSON. This hearing of the Senate Foreign Relations Committee will come to order.

I would like to welcome our witnesses. I appreciate your testimony. We look forward to your oral testimony and your answers to our questions.

I want to welcome everybody here. We do have the Ambassador from Montenegro here. We would like to welcome him and his delegation. We appreciate their good efforts toward this important moment in this important effort of theirs.

The committee comes together today to analyze a significant milestone for one of our Nation's most important defensive alliances, the accession of Montenegro to the North Atlantic Treaty Organization. NATO has expanded only six times since its founding, most recently in 2009 when Albania and Croatia joined the Alliance. Montenegro was formally invited to join NATO in May 2016 after a year's long process of fighting corruption and strengthening its defense capabilities to meet NATO standards.

While NATO was created to foster stability in Europe and counter Soviet expansionism during the Cold War, NATO remains especially relevant today in light of the serious threats posed by radical Islamic terrorism and Russian aggression.

Russia views NATO expansion as a threat to its interests and has warned Montenegro that Moscow will retaliate if Montenegro continues to pursue NATO membership.

Russia appears determined to do everything it can to prevent other countries that have expressed interest in joining NATO, including Georgia, Bosnia, and Macedonia, from moving forward with their membership ambitions.

Russia's concerns, however, are not legitimate. NATO remains a purely defensive Alliance and has been a tremendous force for stability in Europe.

As the Senate prepares to consider a resolution on Montenegro's accession to NATO, I hope that the witnesses today can help this committee assess Montenegro's readiness to be a full contributing member of the Alliance. I also hope that our witnesses can shed light on the challenges NATO faces today and its capacity to address those challenges moving forward.

Senator Shaheen told us to move on with the hearing, and so when she comes, we will give her an opportunity to offer an opening statement.

So why do we not move on to our witnesses? Our first witness is Mr. Hoyt Brian Yee. Mr. Yee is Deputy Assistant Secretary of State in the Bureau of European and Eurasian Affairs. Mr. Yee is a career member of the U.S. Senior Foreign Service and previously served at the U.S. embassy in Montenegro.

Again, I will point out your full written statement will be entered into the record. So if you can keep your remarks to around 5 minutes, we would appreciate it. Mr. Yee?

STATEMENT OF HOYT BRIAN YEE, DEPUTY ASSISTANT SECRETARY, BUREAU OF EUROPEAN AND EURASIAN AFFAIRS, U.S. DEPARTMENT OF STATE, WASHINGTON, D.C.

Mr. YEE. Thank you, Senator Johnson, members of the committee. Thank you for the opportunity to discuss the critical role NATO plays in our security and Montenegro's place in the Alliance. In the wake of a successful summit in Warsaw and exactly 8 years after the committee's last hearing on NATO enlargement, I am honored to be here with you today.

NATO has been and remains a principal security instrument of the transatlantic community. It is both a defensive alliance and an alliance of values.

NATO's primary purpose was and remains to defend its members from attack. Additionally, NATO brought together western nations under a political and security umbrella where old rivalries could be reconciled and general peace could prevail.

NATO is active on the eastern and southern flanks of the European continent and in other regions. NATO's impact, however, transcends boundaries. When the United States was attacked on September 11th, 2001, NATO invoked article 5 for the first time in its history. It was then that our European and Canadian allies supported us right when we needed them most.

NATO is also operating in support of cybersecurity, counterterrorism, and counter-human trafficking operations. Thus, NATO has developed new capabilities for the future and for working with partners all over the globe.

Against the backdrop of Russia's aggression in Ukraine and its occupation and attempted annexation of Crimea, NATO is moving forward with the most significant reinforcement of collective defense at any time since the Cold War. All of the actions we have taken to strengthen and sustain our deterrence and defense, require appropriate investment and capabilities, the development of

highly capable and deployable forces, and burden sharing among allies.

Already, the 27 other allies outside of the United States are providing for 78 percent of the NATO budget. Allies are making significant contributions to improve NATO's readiness, responsiveness, and interoperability and reverse the slide in defense budgets. Looking forward, all 28 allies have committed to move toward spending at least 2 percent of GDP on defense, with 70 percent already on track to meet that goal by 2024.

After the fall of the Iron Curtain, the countries that had liberated themselves from communism were on unsteady ground. Membership in NATO and the European Union became a way to cement themselves in the institutions and values of the transatlantic world.

Enlargement holds the potential to benefit many other parts of our community. NATO enlargement can bring the Balkans much closer to its deserved future as a site of peace and prosperity at the heart of Europe.

Since Montenegro borders on five other Balkan nations, its NATO membership will support greater integration, democratic reform, trade, security, and stability with all of its neighbors, bringing the entire Balkans a step closer to the U.S. goal of realizing a Europe whole, free, and at peace. Montenegro accession will also have a positive impact on the Alliance's effectiveness, given its commitment to defense reform, its contributions to existing operations, and its willingness to continue to contribute available capabilities to future operations. Furthermore, with Montenegro's accession, the Alliance will have a nearly contiguous border along the Adriatic coast.

As a NATO aspirant, Montenegro has made clear its Euro-Atlantic trajectory is unshakeable. In 2008, it formally applied to join the European Union and adopted a legal framework that encourages privatization, employment, and exports. Montenegro has also taken steps to address public corruption and organized crime, such as establishing a new, independent special state prosecutor.

On defense, Montenegro has been a reliable partner and force provider to NATO, the EU, and U.N. missions. It contributes to NATO's operations in Afghanistan. Its forces have participated in missions in Mali, Liberia, and Cyprus. Montenegro will further deploy troops to increase its level of participation in the EU Operation Atalanta counter-piracy mission off the coast of Somalia.

In recognition of its progress and potential, allied foreign ministers in December unanimously agreed to invite Montenegro to join the Alliance. In May of this year, allied foreign ministers signed the accession protocol for Montenegro.

In turn, Montenegro has gone above and beyond to show its willingness to be a productive member of the Alliance. It has been a partner on successive rounds of sanctions following Russia's aggression in Ukraine. In the face of Russian pressure, it has worked tirelessly to increase public support for NATO through debates, town hall meetings, and engagement with NGOs and a free media.

In June, Montenegro's hard work came to fruition when its parliament passed a resolution with a nearly two-thirds majority expressing full support for membership in the Alliance.

The promise of NATO membership and broad Euro-Atlantic integration has advanced our democratic values and respect for the rule of law. Montenegro's accession will help keep up this positive momentum.

I wish to express my thanks to the committee. Your bipartisan support for a Europe whole, free, and at peace has served as a beacon of hope for many countries.

Distinguished members of this committee, our work to bring prosperity and increased security to our partners is not yet over. We urge the Senate to continue its cross-government, historic cooperation on NATO enlargement and provide its advice and consent on U.S. ratification of the accession protocol for Montenegro.

[Mr. Yee's prepared statement follows:]

PREPARED STATEMENT OF ASSISTANT SECRETARY HOYT YEE

Senator Johnson, Ranking Member Cardin, Members of the Committee: Thank you for the opportunity to discuss NATO, the critical role it plays in our security and the advance of freedom, and Montenegro's integral part in this journey as NATO's latest invitee. In the wake of a successful NATO Summit in Warsaw and almost exactly eight years after this Committee's last hearing on NATO enlargement, I am honored to be here with you today.

I will begin today with a discussion of NATO's purpose; the role that NATO enlargement has played in advancing security and stability in Europe; Montenegro's candidacy; and the future of the NATO Alliance as put forth in the Communique of July's Warsaw Summit.

NATO'S PURPOSE

NATO has been and remains the principal security instrument of the transatlantic community. It is both a defensive Alliance and an Alliance of values. It is not an alliance directed against any nation. Article 5—NATO's collective defense commitment—mentions neither the Soviet Union nor any specific adversary.

NATO's primary purpose was and remains to defend its members from attack. Additionally, NATO brought together western nations under a political and security umbrella under which old rivalries could be reconciled and general peace in Europe could prevail. A third purpose was to institutionalize transatlantic bonds. In the Cold War, NATO succeeded: under its umbrella, much of Europe remained free and united.

Article 5 remains the core of the Alliance. When the United States was attacked on September 11, 2001, NATO invoked Article 5 for the first time in its history. Even with collective defense as its bedrock, new threats have arisen. Today, NATO is operating in support of cybersecurity, counterterrorism, and counter human-trafficking operations throughout the transatlantic space. It is active on the European continent, in Kosovo, on the eastern and southern flanks of the European continent, and in Afghanistan and other such regions. Thus, NATO has developed new capabilities and skills for the future and for working with strategic partners all over the globe.

Post-Warsaw and against the backdrop of Russia's aggression in Ukraine and its occupation and attempted annexation of Crimea, NATO is moving forward with the most significant reinforcement of collective defense at any time since the Cold War. Allies have agreed to institutionalize a more sustained approach to deterrence, including by enhancing NATO's forward presence in the East. To support this commitment, President Obama has requested $3.4 billion in 2017 to fund the European Reassurance Initiative. With your support, these funds will be used for the deployment of an additional rotational Armored Brigade Combat Team (ABCT) to Central and Eastern Europe, the prepositioning of combat equipment, and additional trainings and exercises in Europe.

All of the actions we have taken to strengthen our deterrence and defense require appropriate investment in capabilities, the development of highly-capable and deployable forces, and most importantly, a healthy dose of burden-sharing among Allies. Already, the 27 other Allies outside of the United States are providing for 78% of NATO's budget. The non-U.S. share of the budget is going up again. Increasingly, Allies will make significant contributions to improve NATO's readiness, responsiveness, and interoperability and reverse the slide in defense budgets. All 28

Allies are moving toward spending at least two percent of GDP on defense with seventy percent already on track to meet that goal by 2024, the target date we agreed to in Wales and reaffirmed in Warsaw this summer.

NATO ENLARGEMENT

After the fall of the Iron Curtain, NATO enlargement took on a profound strategic meaning: the countries that had liberated themselves from communism found themselves on unsteady ground. Membership in NATO and the E.U. became their main goals—a way to cement themselves in the institutions and values of the transatlantic world. For the United States and other NATO members, NATO enlargement, along with E.U. enlargement, became the means by which to further their own goals of "Europe whole, free and at peace."

With these incentives, Central and Eastern European countries set aside nationalist rivalries, and began much-needed reforms in governance, media freedom, and economic openness.

NATO made its first decisions about post-Cold War enlargement in 1999, and security, stability, and democracy deepened in Central Europe. The most recent round of enlargement in 2009 brought Croatia and Albania into our community of democracies. During the process and since, both countries undertook significant democratic and institutional reforms, affecting rule of law, media freedom, constitutional issues, and the defense and security sectors. They have stood beside us in Afghanistan and both have committed to increasing defense spending to 2 percent of their GDP by 2024.

MONTENEGRO

The post-Cold War era has brought unprecedented peace and stability to much—but notably not all—of Europe. The Balkan wars of the 1990s were a stark reminder of this fact. NATO's engagement in the region was difficult, but necessary. And as declared by Alliance Heads of State and Government in Warsaw, NATO remains committed to the region. Our work there is not complete.

We believe that NATO enlargement—along with E.U. enlargement—can bring the Balkans much closer to its deserved future as a site of peace and prosperity at the heart of Europe. Since Montenegro borders on five other Balkans nations, including NATO Allies Croatia and Albania, its NATO membership will support greater integration, democratic reform, trade, security, and stability with all of its neighbors, bringing the entire Balkans region a step closer to the U.S. strategic goal of realizing a Europe whole, free, and at peace. Montenegro joining NATO will also have a positive impact on the Alliance's effectiveness, given its commitment to defense reform, demonstrated contributions to existing operations, and willingness to continue to contribute available capabilities to future operations. Furthermore, with Montenegro's accession, the Alliance will create a contiguous border along the Adriatic coast.

As a NATO aspirant, Montenegro has made clear its Euro-Atlantic trajectory is unshakeable. In this regard, it has been an example to the other aspirants in the region—Bosnia and Herzegovina, and Macedonia. In 2002, Montenegro adopted the Euro, and in 2008 it formally applied to join the E.U. Montenegro has adopted a legal framework that encourages privatization, employment, and exports. Montenegro has also taken substantial steps to address public corruption and organized crime, such as establishing a new, independent Special State Prosecutor. Montenegro's progress in strengthening rule of law and addressing corruption concerns will help bolster Montenegro's economic stability and improve its attractiveness as a destination for foreign direct investment.

Montenegro has made great strides to meet NATO standards by implementing reforms in the defense, intelligence, and security sectors, and by taking to heart the mentorship given by Allies in successive rounds of NATO's Membership Action Plan, or MAP. Montenegro has been a reliable partner and force provider to NATO, E.U., and U.N. missions. The country contributed to NATO's operations in Afghanistan, most recently by providing over $1.2 million towards the sustainability of the Afghan National Defense and Security Forces. Montenegro currently has 14 troops in Afghanistan, and its forces have also participated in the E.U. Training Mission in Mali, the U.N. Mission in Liberia, and civilian police officers have been deployed to the U.N. Peacekeeping Force in Cyprus. Montenegro will further deploy troops to increase its level of participation in the E.U. Operation Atalanta counter-piracy mission off the coast of Somalia. Montenegro has also requested to participate in NATO's Kosovo Force mission (KFOR).

Montenegro currently spends 1.68 percent of GDP on defense and, in accordance with Allied commitments, plans to spend 1.72 percent in 2017, 1.75 percent by 2019,

and reach the benchmark of two percent of GDP defense spending by 2024. It is clear that the Government takes seriously the financial commitment it will undertake with NATO membership.

Finally, Article 10 of the North Atlantic Treaty spells out three mandates for new members: one, the Ally must be a European state; two, it must be in a position to further the principles of the Alliance; and three, the Ally must contribute to the security of the North Atlantic area. Montenegro clearly and demonstrably meets each of these criteria.

In recognition of its progress and potential, Allied Foreign Ministers in December 2015 unanimously agreed to invite Montenegro to join the Alliance. Following the invitation, per NATO protocol, Montenegro has deepened its engagement with the Alliance. The country is already participating in virtually all sessions of the North Atlantic Council (NAC), and has attended all Summit and Foreign and Defense Ministerial sessions as an observer. Montenegro fully participates in Allied deliberations but cannot yet be involved in decision-making.

Allies' invitation for Montenegro to join NATO affirmed the validity and enduring nature of the Open Door policy. In May of this year, Allied Foreign Ministers signed the Accession Protocol for Montenegro; now it is in the process of national approval procedures, which differ country to country. To date, six nations have deposited their instruments of ratification of the Accession Protocol. They are: Iceland, Slovenia, Hungary, Slovakia, Bulgaria, and Albania. Poland, and, just a few days ago, Turkey, have also completed their national approval procedures, meaning that more than a quarter of the Alliance has moved forward on NATO's invitation.

Once the national approval processes are complete and all NATO Allies have deposited their respective instruments of ratification with the United States (the depositary nation of the Treaty), the United States will notify the NATO Secretary General that the Accession Protocol has entered into force. The Secretary General will in turn issue an invitation to Montenegro to accede to the Treaty. Then, upon Montenegro's deposit with the United States of its instrument of accession to the Treaty, Montenegro will legally become party to the Treaty and a NATO Ally.

Since its invitation, Montenegro has gone above and beyond to show its willingness to be a productive member of the Alliance. It has been a partner on successive rounds of sanctions following Russia's occupation and attempted annexation of Crimea. In the face of Russian pressure, it has worked tirelessly over the past year and a half to increase public support for NATO through public debates, town hall meetings, and engagement with NGOs and a free media-all hallmarks of a democratic society. In June, Montenegro's hard work came to fruition when its Parliament passed a resolution with a two-thirds majority, expressing full support for membership in the Alliance.

Of course, Montenegro also has its challenges. We have made clear that we expect reforms to continue, and to hold. But given its progress so far, this Administration sees a historic window of opportunity to have Montenegro become an official member of our transatlantic community with the hope that it will expand its participation as a member even further.

Montenegro will be an example, not only to other countries in the Balkans, but also to other NATO partners. Over decades, the promise of NATO membership and broader Euro-Atlantic integration has advanced our democratic values, and respect for the rule of law. It has served as an incentive for nations to pursue often difficult reforms. This policy has yielded clear results. The Open Door policy remains viable and NATO stands by its foundational doctrine. The rules have not changed. Montenegro's accession will be an important stepping stone toward our vision of a Europe whole, free, and at peace.

LOOKING FORWARD

I wish to express my thanks to the Committee for your bipartisan support over the years, not only on NATO enlargement, but for helping NATO evolve into an institution prepared for 21st century challenges. Your support for a "Europe whole, free, and at peace" has served as a beacon of hope for many countries that faced an uncertain future. Today, millions in Europe have found security, stability, and greater prosperity, in significant part as a result of being welcomed into the NATO Alliance. The advance of freedom and security in the world has sent a powerful message to many others that there is a reward for putting cooperation over conflict.

Mr. Chairman, Ranking Member Cardin, and distinguished Members of this Committee, our work to bring hope, prosperity, and increased security to our Partners is not yet over. We urge the Senate to continue our cross-government, historic cooperation on NATO enlargement, and at the earliest opportunity to provide its advice and consent to U.S. ratification of the Accession Protocol for Montenegro.

Thank you. I look forward to your questions.

Senator JOHNSON. Thank you, Secretary Yee.

Our second witness is Dr. Michael Carpenter. Dr. Carpenter is Deputy Assistant Secretary of Defense. In his current role, Dr. Carpenter is responsible for covering Russia, Ukraine, Eurasia, and the western Balkans. Dr. Carpenter?

STATEMENT OF DR. MICHAEL CARPENTER, DEPUTY ASSISTANT SECRETARY OF DEFENSE FOR RUSSIA, UKRAINE, AND EURASIA, U.S. DEPARTMENT OF DEFENSE, WASHINGTON, D.C.

Dr. CARPENTER. Senator Johnson, Senator Shaheen, and members of the committee, I welcome this opportunity to explain why the administration strongly and unequivocally supports Montenegro's membership in NATO.

We firmly believe that Montenegro's membership in the Alliance will advance the democratic principles upon which NATO was founded and that Montenegro will contribute both to the collective defense of NATO and the broader security of the Euro-Atlantic region as a whole.

During its 10 years of independence, Montenegro has emerged as a stable, multi-ethnic democracy committed to making tough but necessary reforms to its defense and intelligence sectors, as well as its rule of law institutions. Montenegro has right-sized its armed forces and developed sustainable military capabilities for national needs and international missions. Montenegro's defense reforms have transformed its military into a more agile, capable, deployable, and NATO-interoperable force. In addition to its land forces, Montenegro has a capable rotary wing squadron, along with a well-trained and proficient coastal patrol and surveillance force with specialized boarding, diving, and underwater demining teams.

Montenegro spends about 1.7 percent of GDP on defense, which ranks in the top quarter of the Alliance, and it has a credible plan to reach the Wales Summit pledge of 2 percent of GDP spent on defense by 2024.

While Montenegro may be a small country, it has not hesitated to deploy its military capabilities in support of U.S. and NATO security priorities. Montenegro has been with us in Afghanistan since shortly after its independence in 2006. Over the course of 10 deployments, it has seen 20 percent of its armed forces rotate through the International Security Assistance Force and the Resolute Support mission. Montenegro has made multiple military personnel contributions to U.N. missions in Mali and Liberia and has offered to contribute troops to the NATO KFOR mission in Kosovo. It is also a member of the coalition to defeat ISIL and has made significant contributions to that effort last year and again this year.

But the strategic significance of Montenegro's NATO membership to the United States cannot be measured solely by the additional military capabilities or troops that Montenegro has sent to participate in Alliance missions. Rather, the benefits of accession must be seen more broadly in terms of the security and stability that Montenegro's membership will project to the western Balkans. Montenegro has established constructive and friendly relations with all five of its neighbors, thereby demonstrating a clear com-

mitment to promoting peaceful and friendly international relations, as set forth in article 2 of the Washington Treaty. Montenegro enjoys constructive relations with both Serbia and Kosovo and has actively pursued diplomatic and military cooperation with Albania, Croatia, Macedonia, and Bosnia-Herzegovina. And it is for these reasons that some of the most enthusiastic and dedicated supporters of Montenegro's NATO membership are its neighbors in Southeastern Europe.

Finally, it is no secret that Russia has publicly opposed Montenegro's bid for NATO membership and taken active measures to foment opposition to its accession. Through its backing of nongovernmental organizations and politicians who oppose NATO membership, Russia has proven yet again that it is willing to interfere with a sovereign country's right to choose its own alliances, despite the fact that Montenegro lies some 800 miles from the nearest Russian border and poses no geopolitical threat to Russia.

In spite of this mounting pressure, Montenegro has stood by its principles, rejecting a Russian bid in 2013 to use a Montenegrin port for its naval vessels and aligning itself with EU sanctions against Russia following Russia's aggression against Ukraine.

Montenegro's NATO membership will be a powerful rebuke to Russia's malign influence in the western Balkans and demonstrate that no third country has a veto over NATO's decisions to admit new members. It will also confirm the countries whose values are aligned with ours and that pursue a responsible foreign and security policy are free to choose their own destiny without regard to outside coercion and intimidation.

Senator Johnson, Senator Shaheen, and members of the committee, Montenegro is ready for NATO membership. Its accession to NATO will demonstrate to other countries in the Euro-Atlantic space that NATO's door remains open to those nations that share our values, implement difficult reforms, and meet the requirements for membership. Its accession will advance the Euro-Atlantic integration of the western Balkans and promote regional reconciliation and stability and peace in this historically volatile region. Its accession will result in a net positive contribution to the overall security of Europe.

The administration stands ready to work with this committee and the Senate to advance the longstanding bipartisan goal of realizing a Europe whole, free, and at peace by supporting Montenegro's as-soon-as-possible accession to NATO.

Thank you and I look forward to your questions.

[Dr. Carpenter's prepared statement follows:]

PREPARED STATEMENT OF DEPUTY ASSISTANT SECRETARY OF DEFENSE MICHAEL R. CARPENTER

Senator Johnson, Ranking Member Cardin, and members of the committee, I welcome this opportunity to explain why the administration strongly and unequivocally supports Montenegro's membership in the North Atlantic Treaty Organization (NATO). Article 10 of the Washington Treaty states that Allies may by unanimous agreement "invite any other European State in a position to further the principles of this Treaty and to contribute to the security of the North Atlantic area to accede to this Treaty." The administration strongly believes that Montenegro's membership in the Alliance will advance the democratic principles upon which NATO was founded, and that Montenegro will contribute both to the collective defense of NATO and

the broader security of the Euro-Atlantic region as a whole, particularly in the Western Balkans.

The Senate's advice and consent to admit a new member to the Alliance is a solemn undertaking that follows a thorough review of the candidate's qualifications and commitments. A careful review of Montenegro's candidacy shows that it has transformed its military to make it interoperable with NATO, enacted necessary reforms to meet the Alliance's benchmarks for membership, and demonstrated solidarity with Allies by participating in overseas missions and aligning its foreign and security policies with those of the Alliance. Montenegro has demonstrated that it shares and will further advance the values of democracy, individual liberty, and the rule of law, and that it will be a net contributor to the security of the Euro-Atlantic area. Finally, and perhaps most importantly, Montenegro's membership will also bring the Alliance one step closer to realizing the strategic vision of a Europe, whole, free and at peace.

Montenegro emerged as an independent nation ten years ago, in the aftermath of the tumultuous Balkan wars of the 1990s. Within a month of independence, it joined NATO's Partnership for Peace (PFP) program. In 2009, it received a Membership Action Plan, allowing it to chart its own course towards membership in the Alliance. In 2008, it also began a parallel process of accession to the European Union (EU), and to date it has opened 24 of 35 chapters of the E.U.'s acquis communautaire. During its ten years of independence, Montenegro has emerged as a stable, multi-ethnic democracy committed to making tough but necessary reforms to its rule of law institutions, as well as its defense and intelligence sectors. It has established constructive and friendly relations with all five of its neighbors, thereby demonstrating a clear commitment to "contribute toward the further development of peaceful and friendly international relations.by promoting conditions of stability and well-being" as set forth in Article 2 of the Washington Treaty.

DEFENSE AND INTELLIGENCE REFORMS

As a NATO aspirant, Montenegro has adopted comprehensive reforms of its defense and intelligence institutions. In the defense sphere, Montenegro has rightsized its armed forces and developed sustainable military capabilities for national needs and international missions. These reforms have been guided by NATO's Membership Action Plan and by Montenegro's own Strategic Defense Review, which was completed in 2013 with the assistance of experts from the Department of Defense.

Montenegro's defense reforms have transformed its military into a more agile, capable, deployable, and NATO-interoperable force. They include transitioning Montenegro's land forces from a brigade-level to a battalion-level structure; modernizing its strategic human resource management policies and processes; developing logistics skill sets consistent with NATO best practices; amending Montenegro's Law on Defense to allow for the adoption of NATO standards; and reorganizing the General Staff into a structure consonant with NATO practices.

Concurrently with these structural reforms, Montenegro has strengthened the operational capabilities of its Armed Forces though training and acquisition of modern NATO-interoperable equipment. An infantry company was certified in 2014 by the Alliance as fully interoperable, trained, and equipped in compliance with NATO standards, and Montenegro has officially declared it for use in NATO-led operations. Montenegro has also declared a second infantry company for NATO use that is currently undergoing the certification process. Likewise, Montenegro has undertaken deep, structural reform of its intelligence enterprise, making necessary changes to institutions and personnel with NATO's guidance and supervision. Montenegro has also enacted important reforms to its rule of law institutions.

MONTENEGRO'S MILITARY CAPABILITIES AND OVERSEAS DEPLOYMENTS

With a population of just over 600,000 people and a military force of just under 2,000 members, Montenegro's accession to NATO will not significantly expand the Alliance's military capabilities. However, what it lacks in size is more than compensated by location, niche capabilities, and willingness to deploy its military forces overseas in support of Alliance missions. Furthermore, Montenegro's compact territory located on the Adriatic coast, bordering two NATO Allies as well as PFP partners and E.U. aspirants, poses few military vulnerabilities or challenges for the defensibility of the Alliance. The inclusion of Montenegro's 182 miles of Adriatic coastline will make almost the entire north shore of the Mediterranean Sea (save for just a few miles of Bosnian coastline) part of NATO's operational space. As for its military capabilities, in addition to its land forces Montenegro has a capable rotary-wing squadron that is undergoing modernization, along with a well-trained and proficient coastal patrol and surveillance force with specialized boarding, diving, and under-

water demining teams. Montenegro also spends about 1.7 percent of its GDP on defense, which ranks in the top quartile of the Alliance, and has a credible plan to reach the Wales Summit pledge of 2.0 percent of GDP spent on defense by 2024.

While Montenegro may be a small country with modest military capabilities, it has not hesitated to deploy those capabilities in support of U.S. and NATO security priorities. Montenegro has been with us in Afghanistan since shortly after its independence in 2006, and over the course of ten rotations has seen 20% of its armed forces deployed to the International Security Assistance Force (ISAF) and the Resolute Support Mission. Montenegro has made multiple military personnel contributions to U.N. missions in Mali and Liberia, and is exploring a further role in U.N. peacekeeping missions. It has offered to contribute troops to NATO's Kosovo Force (KFOR), which NATO is currently considering. In July of this year, Montenegro's parliament approved its participation in the E.U.'s counter-piracy mission off the coast of Somalia, in which a boarding team will protect a U.N. vessel with the World Food Program.

Montenegro also contributes to global security in other ways. It contributed $1.2 million for the sustainability of the Afghan National Defense and Security Forces during the period from 2015–2017. In 2015, Montenegro made a sizable donation of ammunition in support of counter-ISIL efforts in Iraq, and it made an additional donation of mortar rounds to the counter-ISIL Coalition this year.

SECURITY AND STABILITY IN THE WESTERN BALKANS

It is the administration's firm belief that the benefits of Montenegro's NATO membership to the United States cannot be measured solely by the additional military capabilities or operational space that Montenegro affords the Alliance. Rather, the benefits of accession must be seen more broadly in terms of the security and stability that Montenegro's membership will project to the Western Balkans, a vulnerable region that was wracked by war less than a generation ago.

The history of NATO enlargement shows that the benefits of this process accrue not just from the pooling of military resources, but from the security, stability, and cooperative relations that NATO membership brings to those countries that commit to NATO's founding principles. From the accession of post-Francoist Spain in 1982 to that of the post-Communist states of Central Europe after the end of the Cold War, the benefits of collective defense and the habits of multilateral military cooperation have had a transformative effect across the entire region, cementing historical reconciliation among erstwhile adversaries and allowing commerce and prosperity to flourish across Europe. NATO's latest round of enlargement in 2009 to Croatia and Albania finally brought the transformative benefits of this enlargement process to the Western Balkans. Montenegro's accession as the 29th member of the Alliance will further project security and stability into the Western Balkans and demonstrate to the region's remaining NATO and E.U. aspirants that the implementation of tough but necessary reforms has a real payoff.

We are less than a generation removed from a decade of war in the Western Balkans. While the region has come a long way since then, we have an obligation not to forget our commitment to realizing a Europe whole, free, and at peace. In many ways, the Western Balkans remains a piece of unfinished business and, as recent headlines from the region demonstrate, reconciliation is incomplete. However, despite the recent resurgence of demagogic populism and nationalism across Europe, it is telling that every single country in the Western Balkans has chosen to pursue Euro-Atlantic integration as the best guarantee of its long-term peace, security, and prosperity.

In pursuit of these Euro-Atlantic aspirations, Montenegro used its ten years of independence to build constructive and peaceful relations with all its neighbors. As a former constituent part of the Federal Republic of Yugoslavia, Montenegro retains peaceful and constructive relations with both Serbia and Kosovo, having been one of the first nations in the world to recognize Kosovo's independence. It has actively pursued close diplomatic and military cooperation with Albania, Croatia, Macedonia, and Bosnia and Herzegovina through the Adriatic Charter organization. It has also built partnerships widely across Europe through its active participation in NATO's Partnership for Peace, contributing for example to one of NATO's Trust Funds for Ukraine. It is for these reasons that some of the most dedicated and articulate supporters of Montenegro's NATO membership are its neighbors in Southeastern Europe—Croatia, Albania, Slovenia, Hungary, Bulgaria, Romania, and Turkey.

Finally, for the non-NATO countries in the region, whether they be NATO or E.U. aspirants or both, Montenegro's accession to NATO will clearly demonstrate the Alliance's commitment to maintaining an "Open Door" and prove that sometimes difficult reforms and tough decisions will eventually have positive consequences.

NATO's remaining aspirants have therefore all embraced and applauded Montenegro's membership in the Alliance.

COUNTERING RUSSIA'S MALIGN INFLUENCE AND STANDING ON PRINCIPLE

As a final consideration, although we no longer live with the stark dualities of the Cold War, it is no secret that Russia has publicly opposed Montenegro's bid for NATO membership and taken active measures to shape public opinion in the Western Balkans to oppose its accession. Through its backing for non-governmental organizations and politicians who oppose NATO membership, Russia has proven yet again that it is willing to interfere with a sovereign country's right to choose its own alliances—despite the fact that Montenegro lies some 800 miles from the nearest Russian border and poses no geopolitical threat to Russia.

Particularly in the last 12 months, a sophisticated foreign-financed propaganda campaign has sought to undermine popular support for NATO accession, despite parliamentary votes in September 2015 and June 2016 that overwhelmingly confirmed the consensus within the Montenegrin parliament in support of NATO membership. In spite of this mounting pressure from abroad, Montenegro has stood by its principles, rejecting a Russian bid in 2013 to use a Montenegrin port for its naval vessels and aligning itself with E.U. sanctions against Russia following Russia's aggression against Ukraine.

Montenegro's NATO membership will be a powerful rebuke to Russia's malign influence in the Western Balkans and demonstrate that no third country has a veto over NATO's decision to admit new members. It will also confirm that countries whose values are aligned with ours and who pursue a responsible foreign and security policy are free to choose their own destiny without regard to outside coercion and intimidation.

CONCLUSION

Senator Johnson, Ranking Member Cardin, and members of the committee, Montenegro is ready for NATO membership. Its accession to NATO will demonstrate to other countries in the Euro-Atlantic space that NATO's door remains open to those nations that share our values, implement difficult reforms, and meet the requirements for membership. Its accession will advance the Euro- Atlantic integration of the Western Balkans and promote regional reconciliation, stability, and peace in that historically volatile region. Its accession will result in a net positive contribution to the overall security of Europe.

It is my great honor to appear before this Committee and to advance the longstanding bipartisan goal of realizing a Europe whole, free, and at peace by supporting Montenegro's accession to the North Atlantic Treaty Organization.

Senator JOHNSON. Thank you, Dr. Carpenter.

Now I would like to welcome Senator Shaheen for her opening comments.

STATEMENT OF HON. JEANNE SHAHEEN, U.S. SENATOR FROM NEW HAMPSHIRE

Senator SHAHEEN. Thank you, Senator Johnson. I have a full statement that I will submit for the record. But I did want to reaffirm several points.

First of all, as we have heard from both of our witnesses, Montenegro's accession to NATO has only come after meaningful reforms in its security sector. And I know those are reforms that we have supported. Its accession will also serve to further anchor the Balkan region and the security framework of NATO. And in fact, the last time this committee held hearings to consider the accession of a new NATO member, Croatia was on the agenda. Bosnia and Herzegovina, which began its talks with NATO in 2008, aspire to join the Alliance, as does Macedonia. So it is my hope that this will serve as another example of meaningful reforms that lead to positive membership in NATO.

I think more broadly Montenegro's achievement reaffirms NATO's open-door policy for aspirant nations who share the values

of all NATO members. NATO must stand firm on the principle that the decision to seek membership in the Alliance cannot be blocked by a third party, and this is particularly important when we see Russia's attempt to undermine democratically elected governments that have sought to integrate with Euro-Atlantic institutions.

For all these reasons, I am pleased that NATO has offered Montenegro a place in the Alliance, and my hope is that consideration of Montenegro's accession protocol can move expeditiously through the Senate.

So as I said, Mr. Chairman, I have a full statement that I will submit for the record.

[Senator Shaheen's prepared statement follows:]

PREPARED STATEMENT OF SENATOR JEANNE SHAHEEN

Thank you, Senator Johnson. Thank you Chairman Corker and Ranking Member Cardin for scheduling this important hearing today. And thank you Deputy Assistant Secretaries Yee and Carpenter for agreeing to testify before the committee today on Montenegro's Accession to NATO.

Since achieving its independence just 10 years ago, Montenegro has consistently pursued inclusion in Euro-Atlantic institutions. Just months after gaining independence, Montenegro elected to join NATO's Partnership for Peace Program, which led to the formulation of its Membership Action Plan just three years later. Finally, as you all know, in December, 2015 Montenegro was formally invited to join the Alliance and later signed its accession protocol in May of this year.

Montenegro's accession to NATO has only come after meaningful reforms in its security sector, as well as to the laws that govern its judiciary. Montenegro has also been a reliable contributor to the NATO mission in Afghanistan since 2010, and has joined NATO allies in imposing sanctions on Russia in response to its violation of Ukraine's sovereignty. Montenegro's accession to NATO is an important opportunity to recognize the contributions that it has already made to the Alliance, and its accomplishments in taking the political steps necessary to reach this point.

Montenegro's accession will serve to further anchor the Balkan region in the security framework of NATO. The last time this committee held hearings to consider the accession of new NATO members, Croatia was on the agenda. Bosnia and Herzegovina, which began its talks with NATO in 2008, aspires to join the Alliance, as does Macedonia. It is my hope that the Alliance will continue to invest in this region where the U.S. and NATO have historically played such a crucial role in resolving serious conflicts.

More broadly, Montenegro's achievement reaffirms NATO's open door policy for aspirant nations who share the values of all NATO members and stand ready to contribute to NATO operations.

NATO must stand firm on the principle that the decision to seek membership in the Alliance cannot be blocked by a third party. This is particularly important when we see Russia attempt to undermine democratically elected governments that have sought to integrate with Euro-Atlantic institutions.

For all these reasons, I am pleased that NATO has offered Montenegro a place in the alliance and my sincere hope is that consideration of Montenegro's accession protocols can move expeditiously through the Senate.

I'd also ask that this open letter to Congress urging quick action on Montenegro's accession to NATO from a bipartisan group of diplomats, national security experts and former administration officials, be included for thehearing's official record.

Senator JOHNSON. Thank you, Senator Shaheen.

We are going to have votes called at 2:45. So we are going to have to figure out how we work that among members. I would like to keep the hearing going.

I will start with questions. I want to go right to the instability of the meddling of Russia in this process. Secretary Yee, we have heard this repeatedly in hearings with our subcommittee of Russia just destabilizing its neighbors that are trying to—let us face it—throw off the yokes of the legacy of corruption and trying to estab-

lish themselves as a democracy and greater freedom and greater economic prosperity.

Can you just offer some rationale in terms of why Russia continues to do this? As you point out, Montenegro is 800 miles from Russia. It poses no threat whatsoever.

Mr. YEE. Thank you, Senator Johnson, for the question.

It is our understanding that Russia would like to preserve as much influence as it can throughout Europe, including in the Balkans where it has historic ties and has a number of commercial and political ties with governments in the Balkans. So its aim is to preserve and to extend as much as possible this influence. And part of that extension and preservation involves preventing countries like Montenegro from aligning themselves even more closely with the European-Atlantic institutions such as NATO and the European Union.

So we have seen attempts, some mentioned by my colleague, Dr. Carpenter, of Russia to interfere, to dissuade, to present obstacles to these countries joining those organizations, but we have seen, fortunately, that countries like Montenegro, Croatia, other countries aspiring to NATO membership have been successful, along with our help, the strong support from the United States and other allies in pushing back both in terms of the economies of these countries being more closely aligned with Europe and the United States, with their security systems becoming more closely aligned, with energy, energy security becoming more of an instrument for cooperation among the countries in the Balkans and more widely through Europe. We have been successful in preventing some of that malign influence.

Do we expect Russia to continue? Most likely, yes. But what is important is that we use all available tools to push back to help those countries that you mentioned, Senator Johnson, that are trying to throw off the past repressive influences or to move forward towards Euro-Atlantic integration.

Senator JOHNSON. Can you cite specific examples of how Russia meddles, you know, how they interfere? Or Dr. Carpenter. Either.

Mr. YEE. I will give one example perhaps, Senator Johnson, in the example of Montenegro. And I am confident Dr. Carpenter will have other examples as well.

What we have seen in Montenegro is the political leaders from Russia expressing very publicly their views that Montenegro should not join NATO in somewhat menacing terms. For example, Deputy Prime Minister Rogozin recently early this year made a statement that Montenegro would live to regret its decision regarding the NATO. The Russian Duma made a statement that Montenegro should consider the serious consequences it will incur if it proceeds towards——

Senator JOHNSON. What would those consequences be? What kind of sway, what type of influence would Russia have that would actually make that threat credible?

Mr. YEE. Well, I think it is difficult to know exactly what they would do, but I think what we have seen in other places is an attempt to influence individual politicians, occasionally institutions through direct political contact or bribery or other extralegal means of influencing politicians and institutions. We have not seen any-

thing more malign than what Dr. Carpenter mentioned earlier about the Russians, for example, seeking a port in Montenegro to base their naval forces. But these are all attempts at the same thing, which is to maintain the traditional place of influence that Russia has had and to prevent Montenegro and other countries from moving closer towards NATO.

Senator JOHNSON. I know Montenegro's parliament has been very supportive of this. What about the general population? Is there some risk down the road that Russia's influence could undermine this in terms of popular vote?

Mr. YEE. The popular support for NATO enlargement has steadily increased over the last year. As Montenegro has come closer to being invited, more and more Montenegrin citizens have supported Montenegro's path. The current figure is about 46.6 percent of popular support in favor according to the latest poll; 38.8 percent opposed. So there is a strong part of the population that is at least skeptical about NATO enlargement, but the trend is positive. As Montenegrins learn about the benefits of the enlargement process of being part of the Euro-Atlantic community, more and more will support it.

We do believe that Russia through its messaging, including very public, direct messaging from its political leaders, but also through media that it can influence is spreading messages, misinformation about NATO, which we need to be alert to and to help our Montenegrin friends push back against.

Senator JOHNSON. Thank you, Secretary Yee.

Senator Shaheen?

Senator SHAHEEN. Thank you, Mr. Chairman.

Just to follow up a little bit on Senator Johnson's line of questioning, if there are attempts by Russia to punish Montenegro for its joining NATO, are there ways in which NATO can help Montenegro respond to Russian action? Either one of you.

Mr. YEE. Well, I will start. Yes, Senator Shaheen.

Senator SHAHEEN. And can you delineate some of those?

Mr. YEE. The first line of defense is NATO solidarity with its members. All members know and its partners know that it can count on NATO to respond appropriately, whatever is necessary to defend a NATO ally, NATO, the United States in particular, has committed to do. So in the first instance I think is reaffirming all of our determination to protect Montenegro's territorial integrity, its sovereignty. All of the tools which NATO has to help other partners and allies would be put at the disposal of Montenegro. For example, our experience in public diplomacy, our training and exercises with allied and partner militaries to demonstrate NATO's commitment and to enhance their resilience to malign influences, all the tools that NATO has which are considerable can be put for the assistance of Montenegro and other partners who are facing the same challenges.

Senator SHAHEEN. Great. Thank you.

Just to be clear, they just called the vote. Senator Johnson has gone to vote, but for others who may want to do that, we will continue the hearing through the vote.

My understanding is the Russians have a significant amount of investment in Montenegro. Is there any effort to further diversify

the Montenegrin economy? And is this something that we should be concerned about as we are looking at the future, the amount of investment that Russia has?

Mr. YEE. Absolutely, Senator Shaheen. This is one of the main purposes of helping Montenegro strengthen its economy as a market economy, an open and transparent economy that is competitive with other European countries so that it can attract the type of businesses and investments from Europe, from America, from within the Balkans that would be at least competition to businesses from Russia, other places that are used to operating in an environments in which there is not a strong rule of law, where there is not transparency, where certain business techniques are more acceptable than, let us say, in Europe or the United States.

So our assistance is directly targeted at helping Montenegro strengthen its competitiveness, strengthen economic growth, decrease unemployment, and to help Montenegro in particular fight corruption and organized crime, which is a traditional avenue through which Russia and other actors can promote its business interests at the expense of others in a less transparent way.

So we are very much aware of the challenge. Montenegro is doing much better at fighting corruption. It strengthened its economy. Just last year, it moved up 15 places in the rankings on Transparency International's perceptions of corruption index, which shows the trend is positive, and we will do everything possible to keep that trend going.

Senator SHAHEEN. That is great.

I am a big believer that stability in the Balkans is very important to the security of Europe and see this, as I have said in my remarks, as a very positive move for Montenegro to join NATO.

What lessons are there in this for other countries in the Balkans, for Macedonia, for Bosnia-Herzegovina, as they hopefully look towards better Euro-Atlantic integration and opportunities for them? I have worked with folks in Bosnia for several years now regarding their interest in joining NATO, and I know it continues. So are there things, lessons from this effort that they can look to and hopefully adopt and that we can support them as they think about what they can do to accede to NATO?

Mr. YEE. Senator, I would say that the most important lesson that the other aspirant countries can draw from the Montenegrin experience—and you alluded to it in your opening remarks—is that if they are willing to make the tough decisions, the sacrifices, make the reforms necessary in order to become able to join NATO and the European Union, that it is possible. In other words, the door is open if they are willing to make the sacrifices necessary. Montenegro has done this. It still has work to do, but it is making progress towards the European Union and, with Senate support, we hope will join NATO.

Senator SHAHEEN. Thank you. My time is over. But I would ask unanimous consent to submit for the record testimony from Senator Cardin, who was not able to be here.

[The prepared statement of Senator Cardin follows:]

PREPARED STATEMENT OF SENATOR BENJAMIN L. CARDIN

We meet today to discuss the admission of Montenegro to the North Atlantic Treaty Organization. This is one of the most important responsibilities that this committee has, and I appreciate the Chairman's willingness to hold this hearing amid a very busy agenda for the committee. I want to acknowledge the presence of Montenegro's Ambassador to the United States Srdjan Darmanovic (Sir-jaan Darmaano-vich) who has been a good friend to this committee and able representative of his country here in Washington for several years. Welcome Mr. Ambassador.

Does Montenegro fit this standard? I believe that it does, but I would like our witnesses to address a series of concerns which have been raised. Perhaps more importantly, I would like them to address how we can encourage a reform process to continue even after NATO membership is achieved.

Montenegro has also taken important steps to reorganize and reform its defense ministry and intelligence services. I would like to know what regional impact these reforms could have in the Balkans, including in the effort to counter ISIS. As we know, ISIS recruitment is a growing problem in several Balkan countries, including Kosovo, that must be addressed.

Admission of Montenegro would mark another important step towards fully integrating the Balkans into international institutions which have helped to contribute to peace and stability over the years in Europe. Croatia and Albania joined the Alliance in 2009 and have been valuable contributors to accomplishing NATO objectives since then. And I hope that Montenegro's admission will help to motivate the reforms necessary in other Balkans countries to join.

We cannot have a discussion about NATO without highlighting the increasingly negative role Russia is playing in the Balkans and across much of Eurasia. The last time this committee met to deliberate on NATO membership for Albania and Croatia in 2008, Russia had just invaded Georgia. Since then, the case for NATO solidarity and expansion has only grown as Russia invaded Ukraine and illegally occupies Crimea.

Now Russia has worked to influence Montenegro's membership in NATO. It has funded campaigns against NATO in Montenegro to influence public opinion on the alliance. But it hasn't worked. Montenegro's parliament and people remain committed to the Alliance. In fact, Montenegro is a supporter of EU sanctions on Russia and has proven to be a reliable partner in the EU's periphery on standing up to Moscow.

Finally, we hope that Montenegro's accession will send a positive signal to other Balkan countries at a particularly critical time.Macedonia continues to seek a way out of its political crisis, Kosovo faces its own political turbulence and, perhaps of most immediate concern, Bosnian Serb leaders are later this month challenging international resolve and questioning Bosnia's future by staging their own referendum. I would like to see the United States play a leadership role responding to these challenges, supporting our EU partners of course, but not at the expense of doing what's right for these countries which also aspire to eventual NATO membership. There is unfinished work in the Balkans and U.S. leadership is key to resolving these long standing issues.

Senator SHAHEEN. Thank you.

Senator Rubio?

Senator RUBIO. Thank you, Senator Shaheen. Thank you both for being here.

I wanted to briefly state on the record that I am a big believer that NATO has a purpose today that is perhaps as important as any in the last 20 years. I believe deeply the world is a safer and a better place and Americans are more prosperous when our country is able to lead, and our alliances are a critical component in that leadership.

I would remind everyone that our NATO allies have fought beside us in Afghanistan. They have provided more than 1,100 soldiers in the part of that coalition, 1,100 soldiers who paid the ultimate price. And as in these critical times, the U.S. needs to con-

tinue to support our allies as we work to ensure our interests, our collective interests abroad.

I have always argued that when our alliances, especially NATO, are under pressure from our foes, we need to continue to expand and allow countries who meet the standards set by the Alliance to join. This has never been more important than it is now, given the uncertain security situation we face in Europe.

That is why I am so glad we are moving to ratify Montenegro's access to NATO, and that is why it is so important for our allies around the world to know that. No matter the outcome of our election, you will have in me and I believe in many of my colleagues here in the United States Senate very strong support for this alliance that I think in time will be proven, if challenged.

With that, in the interest of time, because I know we are in the middle of votes, I just want to ask a very straightforward question that I hope both or one of you can answer for the record, and that is, is it the policy of the United States that Russia shall not have a veto over a potential country's membership in NATO?

Mr. YEE. The short answer, sir, is yes.

Senator RUBIO. That is a good answer.

Dr. CARPENTER. Senator, yes. It has been our longstanding policy that no third country, including Russia, has a veto over any Alliance decisions.

Senator RUBIO. Thank you.

Senator SHAHEEN. Thank you, Senator Rubio.

Senator Murphy?

Senator MURPHY. Thank you very much, Senator Shaheen.

Welcome to both of you.

I join Senator Rubio in strong support for the NATO Alliance, and I think as he points out rightly, there is only one time that article 5 has been exercised and it was not in defense of our allies in Europe. It was in our defense, and they all rallied to it.

My question is a follow-up on Senator Shaheen's. I have been a longstanding supporter of Montenegro's accession to NATO since I visited Vujanovic and others there 2 years ago, and so I am glad to see that we are taking these final steps.

But I do worry about the message that is being sent to Balkan nations when it comes to their ability to join transatlantic and European institutions, given what is happening in the EU today. And so I think that this decision to move forward with enlargement is even more important in the context of an EU institution, which appears at the very best frozen and at worst in retraction.

So I guess let me pose the question a little bit differently. As we are trying to help countries like Serbia, an incredibly important ally, a country that is legitimately caught between an historic alliance with Russia and a desire to join European-Atlantic institutions, is this step forward not to show that the open-door policy remains in NATO even more important given some legitimate questions that are being asked right now in the Balkans as to whether their path forward to EU membership is maybe looking a little bit more perilous or a little bit more treacherous?

I know we cannot solve that problem for the Europeans. That has to be their decision. But ultimately it is in our best interest if we are growing membership more broadly in transatlantic institu-

tions, and to my mind, NATO is more important now than ever. Just to get your thoughts on that, Mr. Yee.

Mr. YEE. Thank you, Senator Murphy, for the question, for your longstanding support for the region.

My answer is yes. NATO enlargement, the open door, NATO's role, the U.S. role in south central Europe is more important than ever in large part because of the tumult that is occurring in Europe.

Of course, as we all know, there is no substitute for European Union enlargement and the European Project. And we certainly do hope that it will continue even though it is in this current phase of great difficulty. As Vice President Biden has said, the European Project and the enlargement process is possibly the most successful force for prosperity and stability and security in history, and we very much need to see that continue.

NATO has been part of that, and while it cannot substitute for European Union membership, it can provide a lot of the same incentives to Balkan countries in making the tough reforms that they might not otherwise make. It provides certainly security and stability for those that are able to meet the criteria for membership. And it sends a strong signal to those actors outside of the region who may not have the best interests of the region, by our standards, in mind. That the United States and European allies remain committed to the Balkans that we are not going to leave it to its own devices, that we remain committed that we believe that it is essential for Europe and for the United States, indeed our security, that the Balkans are brought into the same security structures, the same institutions that other NATO allies have benefited from so long. So our view is that we must continue to keep the door open to those members that are willing to meet and able to meet the standards.

Senator MURPHY. Dr. Carpenter, a quick follow-up to you. How do we make sure that after we are hopefully successful in brining Montenegro into the Alliance, that the pressure remains for their progress on reform to continue? We have members of the Alliance today who have not made the progress that we would have hoped in the same region, frankly, since they joined. So what are the ways in which we can continue to pressure these reforms even after they are successful in joining the NATO Alliance?

Dr. CARPENTER. So, Senator, thanks for the question.

I think on the military side, having allies at the table at 28 and if Montenegro is admitted to the Alliance, at 29 will encourage peers to pressure others to live up to their obligation to the Alliance whether it be the Wales pledge of 2 percent of GDP spent on defense or the other part of the Wales Summit pledge for 20 percent of investments to be spent on capital modernization. So that is one avenue to keep the pressure on.

But outside of the narrow military lane, there is also the mutually reinforcing process of Montenegro's EU integration which requires the opening of a lot of chapters of the EU aquis, which again deal with some of the issues that were brought on the table as part of the NATO integration process concerning rule of law and so on and so forth. Those are also elements of the EU integration process.

So I think for Montenegro there will be a continuing stream of points along the road in the coming months and years whereby they will be on record as being studied on the basis of their reform track. And if they do not live up to that, there will be consequences. So it is both the EU process and it is also internally to NATO. It is sitting at the table with 28 other peers and explaining how you are spending your defense dollars and how you are contributing to international missions to support NATO.

Senator MURPHY. I thank you both, and I look forward to working in a bipartisan way to support Montenegro's inclusion in the NATO Alliance.

Thank you, Senator Shaheen.

Senator SHAHEEN. Thank you, Senator Murphy.

We are going to recess the hearing for a few minutes. Senator Johnson has not returned and our time is up to go vote. I assume someone will be back in a few minutes. [Recess.]

Senator JOHNSON. This hearing will come back to order.

Again, I apologize for the votes. It is one of the things we do here.

Dr. Carpenter, I would like to just have you describe a little bit in more greater detail what Montenegro has done in terms of bringing its military up to NATO standards and really what is required of it.

Dr. CARPENTER. Senator, Montenegro has thoroughly reformed, root and branch, its military. So it has taken what was a hollowed-out brigade-level structure and transformed it into a much more agile and capable battalion-level structure.

Its military is small, about 2,000 members in total. But they have some significant niche capabilities that they have put money into and they have developed over the years. One is mountain warfare. One is coastal surveillance and patrolling. Another one is underwater demining. So they have focused on some of these niche capabilities and continue to do so. They have a small helicopter rotary wing squadron that they are developing and modernizing, and they are seeking additional platforms for that.

But they have really taken a hard look at their military from top to bottom. They have changed the way they do human resources management to align it with NATO standards. They have changed and continue—are actually in the process of changing the way they do logistics both to make it more transparent but also again to adapt to NATO standards.

So they have really done a tremendous job over the course of the last several years in bringing what was a post-Yugoslav, largely hollowed-out military with very little readiness to defend territory and taken it to a level where now they are both much more capable to do territorial defense but also to contribute in a meaningful way to international missions and to have their troops integrate well, as they do in Afghanistan where they not only participate honorably in Mazar-e-Sharif in the north under fairly tough conditions, but where Montenegro is also—and this is interesting—where it has decided to deploy together with other members of the Adriatic Charter organization, so together with Croatia and some other countries, Macedonia as a symbol of sort of bringing the western

Balkans region together. And they have deployed, as I said, collectively to Afghanistan.

So they have done a tremendous job, both on the military side and also in terms of the intelligence enterprise where they have again taken a root-and-branch approach both to institutions and personnel.

Senator JOHNSON. Talk a little bit about their paramilitary force. Does that also factor into one of the reasons you are so supportive of their accession?

Dr. CARPENTER. If I understood you correctly, Senator, they do not have a paramilitary force. They have a capable military police company. They have capable support companies. The major component of their military, about 1,500 of the 2,000, are land forces, primarily structured around an infantry battalion. And then they have approximately 200 forces in their air force and approximately 300 for their navy.

Senator JOHNSON. I do appreciate the fact that they are on the path of actually reaching that 2 percent of GDP threshold for military spending, but they are not there yet.

I guess I will ask Secretary Yee. Does that send a very good signal as we are approving somebody coming into NATO and not meeting that threshold? Can you just kind of speak to that? It is just something that kind of struck me reading through the briefing materials.

Mr. YEE. Yes. Thank you, Senator.

One of the major emphases in the last NATO summit at Warsaw was on insuring that allies reaffirm their commitment to pledges they had made at the Wales Summit in 2014 to move towards the 2 percent target by 2024. And some allies, as you know, Senator, are doing better than others. There are about five allies now that are at the 2 percent level. The good news is that most of the allies, about 70 percent of the allies, are on track to meet the target by 2024. Montenegro is at about 1.68. It has made a plan so that next year it will go up another few tenths of points. So they will be over 1.7 percent and by 2024 to meet the 2.0 percent.

We certainly will keep on all of our allies to encourage them to move as quickly as possible to that goal. We will also help them, as much as we can, strengthen their economies so that they are better able to meet these kinds of obligations. And that is another bright spot in Montenegro's picture is the growth of the economy at about 3.5 percent.

So there is a prospect, there is a hope they will be able to contribute more. We are certainly not satisfied, but we believe that by having Montenegro in NATO for all the reasons that my colleague, Dr. Carpenter, mentioned and were mentioned otherwise about the stabilization effect, it will also help Montenegro become more prosperous, more stable, and better able to contribute to security of the Alliance.

Senator JOHNSON. Thank you, Secretary Yee.

Senator Shaheen?

Senator SHAHEEN. I actually do not have a lot of additional questions, but I do want to ask about the process here because one of the things that I think people are watching NATO right now in particular because of our presidential race. And so I wonder if you

could talk about what kind of a signal we would send by expeditiously approving Montenegro's accession to NATO.

Mr. YEE. Thank you, Senator.

I think the first and the strongest signal will be that NATO remains committed to the open door, to inviting countries that meet the standards that are able to further the principles of the Alliance and to contribute to our collective security, our collective defense. That is an important signal for the countries themselves who are struggling to make difficult reforms, which are not always politically popular, but it is also a signal to countries outside of the region who may wish less than well towards the countries of the western Balkans. It sends a signal that we remain committed to the security of this region, that we are not simply leaving them alone. And it is also a signal I think of support for the integration process, the larger integration process of bringing these countries into the European family of democratic and stable and secure countries.

Senator SHAHEEN. Dr. Carpenter?

Dr. CARPENTER. If I could just piggyback a little bit on what my colleague, Deputy Assistant Secretary Yee, has said, I think an additional consideration in terms of the speedy ratification of NATO membership for Montenegro has to do with some of the malign influence that Russia is exercising both in Montenegro and in the region. As I mentioned in my opening statement, they are backing both NGOs but also politicians in Montenegro who are opposed to NATO and running a disinformation campaign really about what NATO is all about and the benefits that it will bring to Montenegro. And so I think the sooner that Montenegro is brought into the Alliance, now that it has met all the benchmarks and it has made the difficult reforms and it has proven that it is capable of modernizing its military and aligning its foreign policies with those of NATO, I think the sooner we put this aside and show that Montenegro is moving on with its membership in the Alliance.

Senator SHAHEEN. Thank you, I could not agree more. I think it is an important message not just to our allies but also to Russia as we look at the future of NATO.

Senator Paul?

Senator PAUL. Thank you, and thank you to the panel for your testimony.

It is sad and was sad in the opening that NATO is not about a specific opposition to a specific country or threat, but there certainly seems to be a lot of discussion of Russia in this admitting a new country into NATO. Do you see no negative aspects to admitting Montenegro into NATO, Mr. Yee?

Mr. YEE. Thank you, Senator, for the question.

I do not see any negatives in terms of U.S. interests for admitting Montenegro into NATO, only positives.

Senator PAUL. And you mentioned that we are sending a message that nobody gets to veto. You know, we are sending this tough guy message. You want to send them a louder message? Why do you not admit Georgia?

Mr. YEE. So, Senator, thank you for the question.

We do support the aspirations of Georgia to join NATO.

Senator PAUL. And you think there is no negative to admitting Georgia into NATO as well?

Mr. YEE. We support their aspirations to join NATO, Senator.

Senator PAUL. Part of Georgia is occupied, right, by Russia?

Mr. YEE. Yes, and we support——

Senator PAUL. So if we admitted Georgia into NATO and they said, well, what about article 5, we would be at war with Russia. It sounds like there are profound implications to admitting Georgia into NATO.

Mr. YEE. There would be implications. There are implications for admitting any country into NATO.

What I would say, Senator, is that what NATO allies agreed at the last summit in Warsaw is that the door remains open to Georgia, that Georgia continues to need to do its homework. It needs to prepare for membership. The consensus on which NATO operates in all of its decisions for admitting Georgia has not been met yet.

Senator PAUL. Who do you think it is more important to have diplomatic ties with? Russia or Montenegro?

Mr. YEE. Senator, frankly I do not think it is a choice between diplomatic ties between one country or the other. We can have both.

Senator PAUL. Well, I would say that there is a down side and that if you want to have improved relations with Russia thumbing their nose or putting Georgia into NATO or trying to put Ukraine into NATO, there are ramifications to this. And these are not just benign things. Oh, hey, we all want to be democrats and let us all join NATO. There are ramifications. And for us to think that this is an exercise in, hey, we are going to thumb our nose at Russia, you know, we are in the middle of a conflict in Syria where, by most analysis, including the administration, Russia is part of the solution. Russia may be also part of the problem, but ultimately they are probably part of the solution.

And I just do not think it is very realistic, and I think it is sort of an arrogant, one-sided view of the world to think, oh, hey, let us just have everybody in NATO. Why do we not get all the "stan" countries north of Afghanistan and ask them to be part of NATO? You know, I mean, are there ramifications to getting all the Soviet satellite countries into NATO? Sure, there are.

And so I think we need to think this through, and we need to have a little bit more of a debate rather than a rah, rah, rah, let us put everybody in NATO. I think admitting Georgia into NATO would be a huge disaster and would be a huge step back if you want to have any kind of Russian help in resolving what happens in Syria.

So I do not know. I think that we could have heard another side in this hearing as far as a more balanced approach to whether or not there are ramifications. I think to say there no ramifications of admitting Montenegro—it is a small country. So it is not nearly as great a ramification as Georgia, but to say that there are none, and that our avowed purpose is really to tell Russia you cannot tell us what to do, sounds a little schoolyard-ish to me and maybe not all completely thought through or a balanced opinion.

So you are both free to respond.

Mr. YEE. Senator, if I could say, I would agree there are certainly ramifications to admitting any country into NATO, and I certainly did not mean to imply there were not. My answer was that I do not believe there are any negative down sides for the United States' interests in admitting Montenegro. And I would also say that all countries that wish to join NATO need to be evaluated for their candidacy for admission into NATO individually on their merits and in due course, not all at once, and not together as a group. We do weigh very carefully, Senator, the ramifications, the consequences. We consider it the most solemn commitment one nation can make to another in admitting a country into NATO. But we believe that it is a decision for NATO and the aspirant countries themselves to make, that no country should have a veto over the decision.

Senator PAUL. I think it is a little bit Pollyannaish also to believe that this is a mutual treaty. This is the U.S. protecting other countries. We are NATO. And so I think really we are looking at a tiny little country that we take all of the risk to protect Montenegro or we take all of the risk to defend Georgia or Ukraine.

I do not think these are really a two-way street. I think this is kind of a one-way street. We are the ones that spend all the money on our military. We spend more on our military than the next eight countries combined. There is a lot of talk on spending 2 percent, but these people spend a minuscule amount, not just Montenegro but all of NATO. And so I think there does need to be a discussion. Is it important for Europe to stick together? Is it more important for Europe to maybe have an alliance with Montenegro? Probably. But, you know, we borrow $1 million a minute. We have a $20 trillion debt. And I think we ought to think through whether it is a two-way street or whether it is a one-way street where we are going to be picking up the tab for the rest of the world.

Dr. Carpenter, you had a comment?

Dr. CARPENTER. Senator, I was just going to say that the percentage of NATO's common funding that the United States contributes is about 22 percent. So it is larger than any other ally for sure.

However, going back to your comment about Montenegro, its small economy, small military, small country, what I would say is that the accession of Montenegro to NATO is not primarily about thumbing a nose at Russia. Certainly Russia is not pleased that Montenegro is joining, but Montenegro is fundamentally joining on its own merits. So it has made the difficult reforms both to the defense and the intelligence sectors and to its rule of law institutions, but it has also been with us in Afghanistan for these past 10 years and it has been an independent country. So it has demonstrated its solidarity in that way. It has adopted sanctions against Russia for its actions in Ukraine, which it did not have to do, but again to show solidarity with NATO and EU countries. So they have shown that they have been with us, and although they are small and their military capabilities are what they are, they have been with us for this time. And so I think the important point is they are judged on their own merits here and not as a rebuke or as a thumbing of nose at Russia.

Senator SHAHEEN. Again, I am going to recess for a few minutes until Senator Johnson gets back to officially close the hearing, but

I want to thank both of you for your testimony today and hopefully we can move this forward as expeditiously as possible in the Senate. Thank you.

If Senator Johnson does not come back in about 10 minutes, you are dismissed. You are on your own. [Recess.]

Senator SHAHEEN. Senator Risch, do you have questions?

Senator JOHNSON. Again, I apologize for delaying the hearing here.

One of the things I do like to do is give witnesses a chance, before we close out the hearing. If there is any additional information you want to provide committee, any further statements, I am happy to do that. Either of you? Okay.

I have got to get the magic words.

Again, I would like to thank the witnesses then for your thoughtful testimony. I do want to express my appreciation for the Ambassador of Montenegro for attending the hearing and certainly everything your country has done to reach this milestone. I certainly want to wish you all the best. We want to be as supportive as possible.

For the information of the members, the record will remain open until the close of business on Friday, including for members to submit questions for the record.

With that, this hearing is closed, is adjourned.

[Whereupon, at 3:30 p.m., the hearing was adjourned.]

ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

OPEN LETTER TO PRESIDENT OBAMA AND THE U.S. CONGRESS URGING QUICK ACTION ON MONTENEGRO'S ENTRY INTO NATO

Submitted by: War On The Rocks (WOTR)

June 20, 2016

On May 19, 2016, Montenegro signed the Accession Protocol to join the North Atlantic Treaty Alliance (NATO) as its 29th member. We believe that Montenegro is prepared to undertake the commitments and obligations of membership, and to contribute to security in the Euro-Atlantic area. We therefore urge the Obama administration and Congress to move forward with the ratification of this Protocol as soon as possible, ideally by the end of the year.

Since joining the Partnership for Peace program in 2006 and the Membership Action Plan in 2009, Montenegro has demonstrated a strong commitment to Euro-Atlantic integration. Montenegro has built a small but capable military and reformed its security services to meet NATO standards. The nation has made significant progress in addressing domestic issues related to the rule of law, corruption, organized crime, and security sector reform. Montenegro has been a reliable partner, supporting NATO-led missions in Afghanistan, and it continues to support the Resolute Support Mission by training, advising, and assisting Afghan forces. Additionally, Montenegro has joined NATO allies in all major policy decisions, including sanctions imposed in the wake of Russia's intervention in Ukraine. Montenegro's entry into NATO will help ensure its long-term stability, sovereignty, and security—and will help advance the agenda of stability and security in southeastern Europe.

This effort has broad bipartisan support. Vice President Biden agreed, "Montenegro's NATO membership will be a significant milestone in integrating the Balkans into Euro-Atlantic institutions and contribute to stability, security, and prosperity in the Balkans." And as Senator John McCain has said, "Montenegro's membership to NATO could be a driving force of stability in the region."

Montenegro's NATO membership would also demonstrate the credibility of NATO's "open door" policy based on Article 10 of the Washington Treaty, which for two decades has underscored the importance of sovereign nations freely choosing

their own path. Moreover, it would clearly reject the notion that any third party would possess a de facto veto on NATO enlargement—a decision left solely to the North Atlantic Council and the aspirant country in question. As NATO Secretary General Jens Stoltenberg has put it, "Montenegro's membership will demonstrate to all those who aspire to membership that if a country delivers, so does NATO. Our door remains open."

The progress made by Montenegro and its significance for the Western Balkans, a region that has been long held back by instability and conflict, demonstrates the clear transformative power of democratic alliances and Euro-Atlantic integration. In times of regional and international volatility, supporting and strengthening alliance structures that promote common, rules-based approaches and understanding is critical. Montenegro's accession to NATO would be another important step in this effort, and is why we urge President Obama and Congress to move forward with ratification of Montenegro's NATO Accession Protocol as quickly as possible, so it can be done by the end of 2016.

JEREMY BASH, *former CIA Chief of Staff (2009–11), former Chief of Staff to the Secretary of Defense (2011–13)*

HANS BINNENDIJK, *former NSC Senior Director for Defense Policy and Arms Control (1999–2001)*

STEPHEN BIEGUN, *former Executive Secretary, National Security Council 2001–03; Former Staff Director, Senate Foreign Relations Committee 1999–2001*

GENERAL PHILIP BREEDLOVE (USAF, RET.), *former Supreme Allied Commander, NATO (2013–16)*

AMBASSADOR SUE BROWN, *former U.S. Ambassador to Montenegro (2011–2015)*

IAN BRZEZINSKI, *former Deputy Assistant Secretary of Defense for Europe and NATO Policy (2001–05)*

AMBASSADOR WILLIAM BURNS, *former Deputy Secretary of State (2011–14)*

AMBASSADOR RICHARD BURT, *former Assistant Secretary of State for European and Canadian Affairs (1983–85)*

DEREK CHOLLET, *former Assistant Secretary of Defense for International Security Affairs (2012–15)*

AMBASSADOR PAULA DOBRIANSKY, *former Under Secretary of State for Global Affairs (2001–09)*

KAREN DONFRIED, *former NSC Senior Director for European Affairs (2013–14)*

ERIC EDELMAN, *former Under Secretary of Defense for Policy (2005–2009)*

AMBASSADOR JULIE FINLEY, *former U.S. Ambassador to the OSCE (2005–09)*

EVELYN FARKAS, *former Deputy Assistant Secretary of Defense for Russia/Ukraine/Eurasia (2012–15)*

MICHELE FLOURNOY, *former Under Secretary of Defense for Policy (2009–11)*

RICHARD FONTAINE, *former Foreign Policy Advisor to Senator John McCain (2004–09)*

JEFF GEDMIN, *former President and CEO, Radio Free Europe/Radio Liberty (2007–11)*

AMBASSADOR ROBERT GELBARD, *former Presidential Special Representative for the Balkans (1997–99)*

PHILIP GORDON, *former Assistant Secretary of State for European Affairs (2009–13)*

STEPHEN HADLEY, *former National Security Advisor (2005–09)*

CHUCK HAGEL, *former Secretary of Defense (2013–15)*

MICHAEL HALTZEL, *former Democratic Staff Director, Subcommittee on European Affairs, Senate Foreign Relations Committee*

KATHLEEN HICKS, *former Principal Deputy Under Secretary of Defense for Policy (2012–13)*

GENERAL JAMES L. JONES (USMC, RET.), *former Supreme Allied Commander, NATO (2003–6)*

DAVID J. KRAMER, *former Assistant Secretary of State for Democracy, Human Rights and Labor (2008–09)*

AMBASSADOR MICHAEL MCFAUL, *former U.S. Ambassador to Russia (2011–14)*

JAMES N. MILLER, *former Under Secretary of Defense for Policy (2012–14)*

SALLY PAINTER, *former Senior Advisor to The Secretary of Commerce and Secretary of State*

KORI SCHAKE, *former NSC Director for Defense Strategy and Requirements (2001–05)*

JULIANNE SMITH, *former Deputy National Security Advisor to the Vice President (2012–13)*

ADMIRAL JAMES STAVRIDIS (RET.), *former Supreme Allied Commander, NATO (2009–13)*

AMBASSADOR KURT VOLKER, *former U.S. Ambassador to NATO (2008–09)*

GENERAL CHUCK WALD (USAF, RET.), *Deputy Commander, U.S. European Command (2003–2006)*

DAMON WILSON, *former NSC Senior Director for European Affairs (2007–09)*

RESPONSES TO ADDITIONAL QUESTIONS SUBMITTED TO
DEPUTY ASSISTANT SECRETARY OF STATE HOYT BRIAN YEE BY SENATOR CORKER

Question 1. Has tobacco smuggling in or through Montenegro been a serious problem in the past? If so, can you estimate the value and volume of illicit tobacco and tobacco products smuggled in or through Montenegro in each of the past fifteen years?

Answer. Following the dissolution of Yugoslavia and imposition of sanctions on the Milosevic regime in the late 1990's, Montenegro experienced prevalent tobacco smuggling throughout the country. The Department of State does not have reliable data on smuggled volumes.

Question 2. Were officials of the Montenegrin government complicit in tobacco smuggling over the past fifteen years? If so, please describe the levels to which this complicity rose in the Montenegrin government?

Answer. Despite historical allegations that government officials were complicit in cigarette smuggling, the Department of State is aware of only one official case in the last 15 years, and this case did not result in a conviction. Specifically, according to an indictment filed by an Italian prosecutor in Bari many years ago, Prime Minister Djukanovic was allegedly involved in a tobacco-smuggling operation that spanned the period from 1994 to 2002. However, the Department has no knowledge of any senior Montenegrin official, including Prime Minister Djukanovic, ever being convicted of any tobacco-smuggling related offenses.

Question 3. To what extent is tobacco smuggling in or through Montenegro a problem today? Please include in this answer an estimate of the value and volume of illicit tobacco and tobacco products that will be smuggled in or through Montenegro this year.

Answer. Montenegro continues to struggle with a black market for smuggled goods, including cigarettes, although the Department of State does not have reliable data on smuggled volumes. According to the Police Directorate of Montenegro's November 2013 "Serious and Organized Crime Threat Assessment (SOCTA)," and the 2015 supplemental mid-term SOCTA review, tobacco smuggling still occurs throughout Montenegro. The Police Directorate identified the Port of Bar as the main transit point for illicit cigarettes. Cigarettes are typically smuggled into Montenegro for transit to a final destination in an E.U. country using false excise stamps coupled with falsified documents. The Police Directorate states that cigarette smuggling through Montenegrin territory has actually increased recently due to an increase in excise taxes in bordering countries.

In addition to transit routes, a portion of smuggled cigarettes are intended for the Montenegrin market, with the authorities noting that these cigarettes were distributed across points of sale in the majority of Montenegrin towns. These cigarettes are usually sold without any excise stamp, or have excise stamps from neighboring countries such as Serbia, Croatia, and Albania.

An American tobacco producing company funded its own independent survey through AC Nielsen in 2014, which estimated that 30.9 percent of cigarettes consumed in Montenegro are smuggled into the country from non-domestic sources, with the highest consumption of non-domestic cigarettes in Podgorica (36.6 percent.) In addition, the survey registered a small number of counterfeit packs (0.4 percent.)

The Police Directorate's Assessment also noted the smuggling of cigarettes legally produced in Montenegro to other destinations, with the Port of Bar taking a prominent role.

Question 4. Are any officials of the Montenegrin government complicit in tobacco smuggling today? If so, please describe the levels to which this complicity rises in the Montenegrin government?

Answer. The Department of State has no information that would indicate that government officials are complicit in tobacco smuggling today.

Question 5. Are you satisfied that the Montenegrin government today is fully committed to combatting illicit tobacco trafficking?

Answer. The efforts of Montenegro's Customs Administration and Police Directorate, coupled with establishment of the new Office of the Special State Prosecutor, which has shown itself to be committed to tackling all forms of organized crime, demonstrate the government's firm commitment to combatting illicit tobacco trafficking.

Question. What specific steps has the Montenegrin government taken to combat illicit tobacco trafficking?

Answer. The Police Directorate of Montenegro published a November 2013 "Serious and Organized Crime Threat Assessment (SOCTA)," and a 2015 supplemental mid-term SOCTA review. The Police Directorate states that as cigarette smuggling through Montenegrin territory has increased due to an increase in excise taxes in bordering countries, law enforcement attention has also increased, producing seizures of larger quantities of smuggled cigarettes. Montenegrin Customs reported that in 2015, 6.85 million cigarettes were seized, a major increase from 1.49 million in 2014.

Large quantities of cigarettes legally produced in Montenegro were also seized on their path toward Greece and Italy. Through more intensive controls in 2014 and 2015, law enforcement agencies of Montenegro (notably the Customs Administration and Police Directorate) seized over six million such cigarettes.

Question 7. What specific steps has the United States government taken to combat illicit tobacco trafficking in or through Montenegro?

Answer. U.S. Embassy Podgorica has facilitated law enforcement and customs training and equipment donations to assist the Government of Montenegro's enhanced efforts to target cigarette smuggling. In addition, the U.S. Embassy, as an active member of the American Chamber of Commerce in Montenegro (AmCham), provides support to the AmCham Grey Economy Committee, which specifically addresses ways to prevent cigarette smuggling.

U.S. Embassy Podgorica's Export Control and Border Security (EXBS) Program—with a main focus on stopping, identifying, and interdicting Weapons of Mass Destruction (WMD), WMD components, and arms and munitions—donates video scopes and density meters to Montenegrin customs officials to discover contraband and hidden compartments. EXBS also conducts specialized training in interdicting contraband and the current trends in smuggling techniques and modus operandi in both the United States and Europe. The EXBS program has donated over $4 million in equipment and interdiction training that can also be used to interdict cigarette smuggling. According to interdiction reports the EXBS program receives from Customs and Border Police, the majority of seizures consist of narcotics and cigarettes.

Similarly to EXBS, U.S. Embassy Podgorica's International Criminal Investigative Training Assistance Program (ICITAP) office has not engaged in any training or donations specifically directed at cigarette smuggling. However, ICITAP assists Montenegro to combat organized crime groups in Montenegro that engage in narcotics, cigarette, weapons, and human trafficking. As part of the overall strategy to assist Montenegrin police in the investigation of organized crime groups, ICITAP has provided many training courses. These include: Organized Crime Investigations, Public Corruption Investigations, Financial Investigations, Informant Management, Major Case Management, Undercover Operations, and many others. ICITAP has also provided training, support and expert advice to the newly formed Special Organized Crime and Corruption Unit, and will continue to do so over the next two years.

The Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL) office in Podgorica conducted a series of four cross-border trainings during the past three years for prosecutors, judges, and police, which focused, respectively, on the borders of Albania, Bosnia and Herzegovina, Kosovo, and Serbia. Each included training on fighting cigarette smuggling. More generally, INL has provided extensive training for hundreds of police, prosecutors, and judges, as well as administrative officials, including customs, tax, anti-corruption agency, and inspection authorities, on fighting organized crime.

RESPONSES TO ADDITIONAL QUESTIONS SUBMITTED TO
DEPUTY ASSISTANT SECRETARY OF STATE HOYT BRIAN YEE BY SENATOR CARDIN

Question 1. I understand that Montenegro made strides in addressing corruption as part of its reform effort to join NATO. In 2015, the Transparency International corruption index ranked Montenegro 61st out of 168 countries. In your assessment, what does Montenegro still need to do in order to address corruption? How will you maintain pressure on Montenegro to continue with this important reform process?

Answer. We work closely with Montenegro to support its efforts to combat organized crime and corruption. Several key developments in recent years have moved into the implementation phase, and we will closely monitor their progress.

One important step in the last year has been the establishment of a new independent Special State Prosecutor's Office to handle major cases including organized crime and corruption. The new Special Prosecutor and supporting special police unit are based in part on the FBI model, and are supported by a U.S. Embassy team of rule of law and police advisors funded through U.S. development assistance. The Special Prosecutor has made numerous high profile arrests, including those with links to senior officials in the ruling party. The Special Prosecutor has already negotiated a number of plea agreements, which secure quick convictions and prison sentences, yet do not preclude further prosecutions for other crimes, or further financial investigations and asset seizures under a new asset recovery law. In all, the Special Prosecutor opened 991 cases in its first year, more than half of which are already resolved. The United States will continue to encourage all parties to support the work of the Special Prosecutor.

In January 2016, Montenegro's new Agency for the Prevention of Corruption began operations, and in June, Montenegro's parliament appointed five individuals, including a vocal anti-corruption civil society activist, as members of the Anti-Corruption Agency Council. Both entities have important mandates, and we will follow their progress closely.

Similarly, the government is implementing two new laws to help combat corruption. The Law on the Confiscation of Proceeds from Criminal Activities provides for expanded procedures for the freezing, seizure, and confiscation of illicit proceeds. It also authorizes the creation of multi-disciplinary Financial Investigation Teams. The Law on the Center for Training of the Judiciary and State Prosecutor's Office created a new independent judicial training institute, with greatly expanded powers and autonomy. We continue to work closely with the Montenegrin government as it implements these laws, and also provide technical assistance.

We have supported Montenegro's participation in NATO's Building Integrity conference, an important part of NATO's framework to address and combat corruption. We have also encouraged transparency and accountability as part of the Strategic Defense Review process. In addition to our bilateral engagement, NATO will continue its engagement with Montenegro to support its ongoing defense reforms. Montenegro has been moving steadily toward European Union (EU) membership since its candidacy was officially opened in 2012, and the E.U. accession process also entails significant institutional reforms.

Question 2. Montenegro has also taken steps to improve the rule of law throughout the accession process. How would you characterize their most significant achievements on these issues? What work remains to be done?

Answer. Countering corruption is one essential part of improving the rule of law. The establishment of an independent Special State Prosecutor's Office to handle organized crime and corruption cases was a major step forward. The Special Prosecutor has successfully prosecuted a number of public officials, including those with links to senior officials in the ruling party, sending a clear signal that no one is above the law. Free and fair elections are critical as well. U.S. Embassy Podgorica facilitated an "agreement on electoral confidence" in 2016 between the government and the opposition which will ensure the appropriate political landscape for Montenegro to hold free and fair elections. According to the Organization for Security and Cooperation in Europe (OSCE), Montenegro has developed the administrative framework to ensure a transparent and legitimate process, and all agencies responsible for the elections appear to be fully engaged and are completing their requisite tasks.

We support ongoing efforts to continue to improve the rule of law in Montenegro, recognizing the many sectors in which ongoing reform will be necessary. In fiscal years 2015 and 2016, we are providing $3.25 million in technical assistance to support Montenegrin efforts to strengthen the rule of law and combat corruption. We are programming $876,000 in additional fiscal year 2015 assistance to support investigative reporting and civil society advocacy related to rule of law and counter

corruption efforts, help ensure media independence, counter Russian pressure, and diversify Montenegro's trade and energy.

Question 3. Prime Minister Milo Djukanovic has been in power, either as Prime Minister or President since 1998. Do you have concerns with the democratic process in Montenegro? Have democratically-oriented political parties been afforded adequate space to compete in Montenegro?

Answer. Montenegro is a mixed parliamentary and presidential republic with a multiparty political system. Voters choose both the president and the unicameral parliament through popular elections. The country's 2013 presidential elections were described by the Organization for Security and Cooperation in Europe (OSCE) as professionally and efficiently administered but also characterized by a blurring of the lines between the state and the ruling Party of Democratic Socialists (DPS). The country's upcoming 2016 parliamentary elections, which will be the first exercise for implementing Montenegro's new electoral legislation, designed to counter electoral fraud and build voter confidence, are expected to improve Montenegro's democratic process and address some of the irregularities raised by the OSCE.

Montenegro has a plethora of political parties with strong ideological divisions. In May, for the first time in its history, the ruling party invited opposition parties to join the government and placed opposition members at the top of several key ministries. This "agreement on electoral confidence" was an effort to inject transparency into the electoral process and build public confidence ahead of the October 16 parliamentary elections. Although in early August, opposition party United Reform Action (URA) decided to exit the agreement, its ministers did not resign from the government, nor did URA's opposition partners Demos and Social Democratic Party (SDP) withdraw. The opposition parties have said they will participate in Montenegro's October 16 parliamentary elections. With their representatives in the government of electoral confidence and international observers in place to monitor the elections, opposition parties should be able to participate freely and fairly.

Question 4. I understand that Russia sought to exert considerable pressure on Montenegro throughout this invitation and accession process. Could you describe the actions of Russia or Russian backed groups to influence Montenegrin public opinion? What form did it take? How much did Moscow spend on these efforts? Did Russia exert any form of military or diplomatic pressure on Montenegro?

Answer. Following NATO's decision to admit Montenegro to the Alliance, Moscow threatened economic sanctions against Montenegro. To its credit, the Montenegrin government has stood strong and repeatedly asserted its sovereign right to choose its own alliances.

Backed by Russia, the radical Democratic Front (DF) opposition group has worked hard to undermine the pro-NATO, pro-EU Djukanovic administration. In the fall of 2015, the DF organized a series of protests demanding the removal of Prime Minister Djukanovic, which turned violent when protesters attacked police. The protests lasted months but failed to attract more than 4,000–5,000 protesters at their height.

Over the past year, Russian officials have increased their anti-NATO rhetoric toward Montenegro. Russian Deputy Prime Minister Rogozin stated that Montenegrin leadership would "regret their decision" not to hold a public referendum on NATO membership. Recently, the Russian Duma has written NATO member country parliaments to discourage Montenegro's accession.

Russia has likely also attempted to influence public opinion by securing editorial input into Montenegrin news media in the form of lucrative advertising contracts for the DF. While other political parties are also increasing their ad spending, these contracts have been in the hundreds of thousands of euros, well exceeding market rates. It appears that despite the strong economic incentive, offers that would include editorial input have been rejected.

The U.S. government actively counters Russian messaging and, more generally, supports progress on rule of law in Montenegro. In Fiscal Years 2015 and 2016, we are providing $3.25 million in technical assistance to strengthen the rule of law and combat corruption, including those activities that trace back to Russia.

Question 5. Montenegro's accession will also send a positive signal to other Balkan countries at a particularly critical time. Of greatest and most immediate concern right now is Bosnia. The Bosnian entity of Republika Srpska is planning to hold a referendum on September 25 which, on the surface, seems to be little more than an opinion poll regarding an official holiday. More deeply, however, this is a challenge both to the authority of the country's constitutional court, which ruled against the holiday, and to the international community's resolve and ability to enforce Dayton implementation if necessary. The referendum could set the stage for a more substantial challenge and confrontation in the future.

What are we doing about this referendum, and why is the international community seemingly hesitant to use the powers it retains in the face of such dangerous recalcitrance? More broadly, where is Bosnia at present regarding NATO?

Answer. The United States and the international community have invested heavily in bringing peace, stability and prosperity to Bosnia and Herzegovina (BiH), and we remain committed to the Dayton Peace Agreement. We are working closely with all our partners to devise a coordinated and effective response to the illegal referendum organized by leadership of the Republika Srpska in direct contravention of the Constitutional Court of BiH. We urged Republika Srpska authorities to respect the Constitutional Court's decision to suspend the referendum. We are also encouraging all sides to deescalate their rhetoric. Ambassadors of the Peace Implementation Council have reaffirmed their support for the Dayton Peace Agreement and their unequivocal commitment to the territorial integrity and fundamental structure of BiH as a single, sovereign state.

The 2010 Tallinn conditions state that BiH must register 63 immovable defense properties to the state-level government to activate its Membership Action Plan (MAP). BiH has registered 24 of these defense properties in the Federation, but none in the Republika Srpska. The United States does not support a loosening of the Tallinn conditions at this time. Despite the stalled progress on MAP, we are encouraged by the Bosnian government's decision to finalize its long-delayed Defense Review, which will allow for deeper engagement with NATO in the absence of MAP activation.

Question 6. Where do each of the other countries currently aspiring for NATO membership stand, given NATO's open door policy? What reforms is the Alliance suggesting need to be made before an invitation is given? Are these countries undertaking the requested reforms?

Answer. NATO actively promotes the Open Door policy, and counsels each of the aspirants on ways they can advance their candidacies. Specifically, at the NATO Summit in July, Allied Heads of State and Government tasked the North Atlantic Council to prepare a report on the Alliance's activities in the Western Balkans for submission to Foreign Ministers in December. This proves that the Open Door policy is not a checklist, but an active mentorship project. These nations are not just aspirants; they are partners of the Alliance.

In 2010 Allies established the Tallinn Condition for Bosnia and Herzegovina (BiH). Allies agreed to activate BiH's Membership Action Plan (MAP) when it registers all its defense properties to the state. This requirement has a purpose: to demonstrate that BiH has a fully functioning, inclusive government, capable of the decision-making required of an Ally. Twenty-four are currently registered. However, none of these are located in Republika Srpska. Allies are pressing BiH to tackle this admittedly more challenging task, while also continuing with needed defense reforms. NATO actively supports BiH's path to membership via its Headquarters in Sarajevo, which facilitates reform efforts.Macedonia's primary impediment to accession remains the lack of a resolution to the name issue with Greece. In 2008, Allies agreed that Macedonia could only join NATO following a successful resolution of this dispute. U.N. Special Envoy Matthew Nimetz continues to work with both sides to come to an agreement. However, over the past 18 months, Allies have also expressed concern about democratic backsliding in Macedonia. Restrictions on free media, delays to elections, and the political crisis associated with the wiretapping scandal have driven Macedonia further away from NATO's democratic values. At the Warsaw Summit this year, NATO called upon all parties to honor the 2015 Przino agreement; elections are now scheduled for December of this year. Before November, the NATO International Staff will visit Macedonia for its in-country assessment of its Armed Forces. Macedonia has long participated in NATO operations, and it is in the United States and NATO's best interest to maintain a high level of interoperability.

Allies also play a very active role in supporting Georgia's NATO membership aspirations. In 2008, Allies agreed that "Georgia will become a member of NATO" and this year in Warsaw, Allies noted "Georgia's relationship with the Alliance contains all the practical tools to prepare for eventual membership." While Georgia does not currently have a Membership Action Plan, it does have three unique and tailored avenues through which it engages with NATO. First, Georgia is one of only six Enhanced Opportunity Partners (EOPs). This status allows Georgia to participate in high-level, strategic discussions with Allies in the North Atlantic Council and at the Ministerial level. Georgia hosted the North Atlantic Council in a visit to Tbilisi earlier this month. Secondly, at the Wales Summit in 2014, Allies agreed on a set of deliverables for Georgia known as the Substantial NATO-Georgia Package (SNGP). The Package contains elements such as increased training opportunities, a NATO

Joint Training and Education Center in Georgia, and a Defense Institution Building School. This year, Allies augmented the SNGP with additional initiatives, underscoring NATO Allies' commitment to moving Georgia toward membership. Nearly all Allies (26), plus Sweden and Finland, contribute to the SNGP. No aspirant past or present has received such a comprehensive package. Finally, since 2008 NATO has met with Georgia bilaterally—on a regular basis at all levels-in the NATO-Georgia Commission (NGC). The NGC met at this year's Summit in Warsaw and issued a statement in which Georgia pledged to do its part to advance its candidacy. Georgia reiterated its commitment to comprehensive reforms, including the execution of elections this fall in accordance with international democratic standards. Allies noted that Georgia's commitment to NATO and E.U. operations demonstrate its commitment and capabilities when it comes to Euro-Atlantic security.

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