



SUMMARY

OF THE MEETING OF THE

STANDING COMMITTEE (SC)

Friday 27 May 2022

Vilnius, Lithuania

117 SC 22 E | Original: English | July 2022

ATTENDANCE LIST**NATO PA BUREAU MEMBERS**

President	Gerald E. CONNOLLY (United States)
Vice-Presidents	Mimi KODHELI (Albania) Julie DZEROWICZ (Canada) Joëlle GARRIAUD-MAYLAM (France) Spilios LIVANOS (Greece)
Treasurer	Wolfgang HELLMICH (Germany)
Former Vice-Presidents	Philippe FOLLIOU (France) Osman Askin BAK (Türkiye) Lord CAMPBELL of PITTENWEEM (United Kingdom) Attila MESTERHAZY (Hungary)
Secretary General	Ruxandra POPA

MEMBER DELEGATIONS

Albania	Mimi KODHELI
Belgium	Theo FRANCKEN Rodrigue DEMEUSE
Bulgaria	Andrey MIHAYLOV
Canada	Jane CORDY Pierre PAUL-HUS
Croatia	<i>Not represented</i>
Czech Republic	Pavel ZACEK - Acting
Denmark	<i>Not represented</i>
Estonia	Marko SORIN
France	Patricia MIRALLES - Acting
Germany	Marja-Liisa VÖLLERS
Greece	Spilios LIVANOS Athanasios DAVAKIS
Hungary	Mihaly BALLA
Iceland	Njall Trausti FRIDBERTSSON Andrés Ingi JÓNSSON
Italy	Luca FRUSONE Alberto PAGANI
Latvia	Atis LEJINS Raimonds BERGMANIS
Lithuania	Audronius AZUBALIS
Luxembourg	Lydia MUTSCH
Montenegro	Danilo SARANOVIC
Netherlands	Salima BELHAJ
North Macedonia	Ilija NIKOLOVSKI - Acting
Norway	Trond HELLELAND Sverre MYRLI

Poland	Przemyslaw CZARNECKI Michal Roch SZCZERBA
Portugal	<i>Not represented</i>
Romania	<i>Not represented</i>
Slovakia	Ludovit GOGA
Slovenia	Branko GRIMS
Spain	Zaida CANTERA Fernando GUTIERREZ
Türkiye	Osman Askin BAK Ahmet Berat CONKAR
United Kingdom	Alec SHEL BROOKE Kevan JONES
United States	Linda SANCHEZ - Acting

COMMITTEE CHAIRPERSONS

Civil Dimension of Security	<i>Not represented</i>
Defence and Security	Alec SHEL BROOKE (United Kingdom)
Economics and Security	Philippe FOLL IOT (France)
Political	Brendan BOYLE (United States)
Science and Technology	Kevan JONES (United Kingdom)
Mediterranean and Middle East Special Group	<i>Not represented</i>

OBSERVER

Ukraine	Solomiia BOBROVSKA, Deputy Head
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SPEAKER

OIha STEFANISHYNA	Deputy Prime Minister for European and Euro-Atlantic Integration of Ukraine
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I. Opening of the proceedings

1. **The President, Gerald E. Connolly (US)**, opened the meeting at 16:45 and thanked the Lithuanian delegation for hosting the session at short notice. He reminded members that the session was originally planned to be held in Kyiv.
2. The Standing Committee held a moment of silence to honour the victims of Russia's war in Ukraine.

II. Adoption of the draft Agenda [092 SC 22 E rev 1]

3. The President introduced the draft agenda for the meeting. **The draft agenda [092 SC 22 E rev 1] was adopted.**

III. Address by Olha Stefanishyna, Deputy Prime Minister for European and Euro-Atlantic Integration of Ukraine, followed by Q&A

4. The President welcomed to the meeting **Ms Olha Stefanishyna**, Deputy Prime Minister for European and Euro-Atlantic Integration of Ukraine.
5. Ms Stefanishyna noted that the first 91 days of Russia's war had taken Ukraine back to the darkest times. She recounted that in March, Russia failed on its original goal to seize major cities and overthrow the Ukrainian government. Russian armed forces then decided to regroup to seize the Donbas and the south but failed again. They were now concentrating their effort on Severodonetsk, with control of the city as their new goal.
6. These developments had highlighted that "the big Russian bear" was not that strong after all, she remarked. Ukrainian resilience and support from Ukraine's partners had allowed it to stand up and to show Russia's real face. Russia continued shelling cities as well as military and civilian infrastructure. Ukraine had sustained more than 2,000 missile strikes since the beginning of the war, including some in the vicinity of Ukraine's border with the EU. Air attacks on Kharkiv the day before had once again killed children. Nearly all possible war crimes had been committed, except for the use of nuclear weapons. Ukraine continued to face, resist and deter, Ms Stefanishyna stated.
7. The speaker further pointed to Russian warships blocking Ukraine's coast. Ukraine managed to destroy some of them, but floating mines had been detected in several parts of the Black Sea, threatening shipping. Yet, Russia continued to claim that it did not pose a threat in the Black Sea.
8. Ms Stefanishyna urged Allied leaders, when they meet for the Madrid Summit and adopt NATO's next Strategic Concept to ensure that it addresses the reality of the threat.
9. The war had reached a point when the West, together with Ukraine, could either stop Russia or lose Eastern Europe for a long time, she warned. Some still think stopping Russia is impossible, she regretted, calling on members to imagine what would happen if Ukraine, which lived under constant nuclear threat and constant bombing and shelling, did not receive the support it needs to win. She reiterated her appeal – the Ukrainian people's appeal – for more assistance, so that Ukraine, together with its partners, can end Russia's aggression and prevent other wars.
10. Until Ukraine has the capacity to regain occupied territories, populations there will continue to suffer and be deprived of their freedoms, she warned. The people in Ukraine's occupied territories believed in Ukraine's independence, in freedom and democratic values. Their fate and commitment should be on decision-makers' minds when they discuss the provision of weapons or the implementation of sanctions, Ms Stefanishyna stated.

11. A tectonic shift was underway with the United States lend-lease programme and the decisions taken at meeting of the Ukraine Defence Consultative Group in Ramstein. She welcomed these historic steps and stressed that the focus should now be on prompt and effective implementation of these decisions, whether regarding the delivery of military equipment or sanctions. She called on parliamentarians to press their governments, warning that half-measures were not sufficient and that any delay was perceived by Russia as permission to proceed with its war.

12. Ukraine suggested 12 steps, which Ms Stefanishyna listed:

- a complete trade and transport embargo on Russia, including oil, which Ms Stefanishyna hoped could be part of the EU's 6th sanctions package, to be followed by the 7th package;
- the use of Russian frozen reserves to compensate for the losses caused by the war;
- close existing loopholes in third countries, e.g. Iran, Iraq or even Georgia, for evading sanctions;
- stop payments in Rubles;
- disconnect all Russian banks from SWIFT;
- ban Russia from using GPS;
- introduce war tax for any trade with Russia;
- expand sanctions on the Belarusian regime, which continues its military manoeuvres;
- prevent Russia from using crypto currencies to circumvent sanctions;
- expand individual sanctions against rich Russians who continue to fund the regime;
- ban Russian propaganda channels; and
- exclude Russia from all international financial institutions.

13. Ukraine had high expectations for the Madrid Summit, Ms Stefanishyna noted. Ukraine welcomed Sweden's and Finland's applications to join NATO as an important step. This reflected an effort to learn the lessons of NATO's failure to deliver on its promises to Ukraine, she argued. Ukraine had applied for membership in 2008 and this application was still valid. She hoped that Allied leaders would hear their own people's voice and also support Ukraine's application for EU membership, which, she argued, was an investment in the belief that Ukraine's future belonged in the European family.

14. **Solomiia Bobrovska** (UA) remarked that Ukraine was supposed to host the Assembly's spring session in Kyiv first in 2020 and then in 2022. She hoped Ukraine could host the Assembly in Mariupol in 2024. A new world order was emerging, and each country needed to decide which team it wanted to join and which values it supported. Ukraine defended the same values as its Western partners, except it does so on the battlefield.

15. Ms Bobrovska stated that Ukraine suffered sustained casualties. Worse than that, however, were the crimes committed in Bucha and elsewhere, which she called genocide. Rape was used as a tool to stop Ukrainian women from having children. Russian forces were destroying cultural sites and heritage. Russia had used similar methods during its occupation of the Baltic states.

16. Ms Bobrovska also reported on the situation in the Luhansk and Donetsk regions which was difficult. Ukrainian forces lacked sufficient long-range artillery, drones, air defence systems, electronic warfare means, command vehicles and planes. She urged Allied nations to provide the weapons Ukraine needs to defend itself, warning that Russia would otherwise destroy other nations one by one.

17. Russia knows how to divide and use the West's weaknesses, Ms Bobrovska noted, urging NATO nations to unite and build a new anti-Russia coalition. She concluded by reiterating that nobody could have imagined a conventional war but that each nation now needed to face its moment of truth and pick its side.

18. The President saluted Ms Stefanishyna and Ms Bobrovska for their courage.

19. **Michał Szczerba** (PL) reported on the recent visit by 13 members of the Assembly from 10 countries to Rzeszow, Poland and Lviv, Ukraine. The visit sent an important signal of the Assembly's solidarity with Ukraine, admiration for its bravery and commitment to support Ukraine. The delegation had brought back the messages Ukrainian parliamentarians had shared about Ukraine's needs for equipment, training and sanctions including on energy and disinformation. Ukrainian parliamentarians had also warned about Russia's next possible moves, including the possible annexation of more territory, beefing up its military presence in Transnistria or laying the blame on Ukraine for triggering a global food crisis. Ukrainian interlocutors also reaffirmed their aspiration to join NATO.

20. The delegation had also visited a temporary housing centre for internationally displaced people (IDPs). Their situation was dire and they needed support for the long term.

21. Mr Szczerba reiterated the Assembly's solidarity with Ukraine.

22. The President thanked Ms Stefanyshina and Ms Bobrovska. He noted that Ukrainian officials would address all Committees.

IV. Adoption of the Summary of the Standing Committee meeting held in Athens, Greece, on Sunday 10 April 2022 [093 SC 22 E]

23. The President turned to the Summary of the early spring meeting of the Standing Committee held in Athens, Greece on 10 April 2022. **The summary [093 SC 22 E] was adopted.**

24. The President welcomed new Heads of Delegation.

25. The delegations of Croatia, Denmark, Portugal and Romania had sent regrets.

V. Consideration of the draft declaration *Standing with Ukraine* [065 SC 22 E rev.1] as amended at the Standing Committee in Athens, presented by Michał Szczerba (Poland), Co-Chairperson of the Ukraine-NATO Interparliamentary Council

26. The President noted the draft declaration presented by Mr Szczerba had been discussed and amended at the Standing Committee's meeting in Athens.

27. Mr Szczerba confirmed that the text had been improved in Athens thanks to delegations' input. The draft declaration reflected the support which Ukraine needs. This included, first, further military equipment and intelligence sharing to support Ukraine's right to self-defence.

28. Second, further sanctions and measures aimed at isolating Russia were needed in order to increase the pressure on Moscow to stop its offensive and withdraw all troops from Ukraine. The Rapporteur stressed that these measures should include the phasing out of Allies' dependence on Russian energy. They should also target the Belarusian regime.

29. Third, the declaration called for further emergency humanitarian assistance and support for refugees as well for war crimes investigations.

30. Fourth, Allies needed to make clear they would never recognise Russia's occupation of Ukrainian territory nor any attempt to organise illegal elections or referendums.

31. Fifth, the declaration urged further assistance to address Ukraine's reconstruction needs.

32. Lastly, it reaffirmed the right of all nations to choose their path and supported Ukraine's European and Euro-Atlantic integration.
33. Most amendments strengthened the declaration. The Rapporteur therefore suggested pooling them into a bloc vote.
34. The President noted that these were **amendments 2, 3, 4 and 5**.
35. The Standing Committee agreed to consider these *en bloc*. **Amendments 2, 3, 4 and 5 were adopted.**
36. Mr Szczerba noted that other amendments could dilute some of the important points agreed to in Athens.
37. **Amendment 1**: the Rapporteur did not support the amendment, as the evidence of war crimes was clear. The President concurred.
38. **The amendment was withdrawn.**
39. **Amendment 6**: the Rapporteur did not support the amendment and suggested keeping the original language on the need for "forward defence".
40. **Joëlle Garriaud-Maylam** (FR) explained that the leaders of the French delegation who had submitted the amendment thought that the Assembly should not use language that was not yet agreed among the Allies. It was preferable in their view to use existing concepts. She believed the German delegation was of a similar view.
41. **Theo Francken** (BE) remarked that during the meeting in Athens, the Standing Committee had found a good balance by rejecting language regarding a no-fly zone while agreeing to language on "forward defence". He argued in favour of keeping the existing language. The President concurred.
42. **Marja-Liisa Völlers** (DE) spoke in favour of the amendment.
43. **Alec Shelbrooke** (UK) noted that the British delegation did not support the amendment. It was important to send a strong signal and put in place a strong defence posture. Softening the language would send the wrong message, he argued.
44. **Atis Lejins** (LV) also strongly opposed the amendment. "Forward defence" was in Latvia's vital national interest, and those who opposed it should experience what it was like to live near Russia.
45. **Julie Dzerowicz** (CA) enquired about the motives for changing the agreed language.
46. **Patricia Mirallès** (FR) informed the Standing Committee that given the authors of the amendment were absent and based on the comments made by others, **the amendment was withdrawn.**
47. **Amendment 7**: the Rapporteur also opposed the amendment, which would again alter language agreed in Athens.
48. Ms Mirallès informed the Standing Committee that **amendment 7 as well amendments 8 and 9 were withdrawn.**
49. **The draft declaration, as amended, was adopted.**

VI. Consideration of the draft declaration *Confronting Russia's Threat* [095 SC 22 E], presented by Gerald E. Connolly (United States), President of the NATO PA

50. **Former President Attila Mesterhazy (HU) took the chair.**

51. He explained that the Standing Committee had agreed, at its meeting in Athens, to complement the Assembly's contribution to the Strategic Concept and the draft declaration on Ukraine with recommendations for how NATO should respond to Russia's threat.

52. The draft declaration put forward by Mr Connolly will be presented to the full Assembly for adoption on the last day of the Vilnius session. 21 amendments had been received. The Chairperson suggested that those which the Rapporteur supported – namely amendments 1, 2, 7 and 8 - should be discussed *en bloc*.

53. The Rapporteur reiterated that the declaration was presented at the Standing Committee's request to address specifically the threat posed by Russia in light of its war in Ukraine. He noted that the declaration rests on four key assertions. First, Russia's full-scale invasion of Ukraine has created a new strategic reality for the long term. Second, Russia's ultimate goal is to undermine democracies, to upend the European security order and to destabilise the international rules-based order. Third, Russia's aggressive actions constitute the most immediate and principal threat to Euro-Atlantic security. Fourth, while Allies must keep open channels for diplomacy, de-confliction and de-escalation open, there can be no meaningful dialogue with Russia under current circumstances.

54. The declaration therefore urged NATO:

- to place shared democratic values at the heart of NATO's response to Russia's threats, including through the establishment of a Democratic Resilience Centre at NATO Headquarters;
- to reaffirm the centrality of Article 5 and collective defence;
- to continue to significantly strengthen NATO's deterrence and defence posture, including by moving to a "forward defence" posture;
- to monitor and address the implications of Russia-China cooperation for Euro-Atlantic security;
- to enhance NATO's ability to deter and defend below the threshold of Article 5;
- to meet the 2014 Wales Defence Investment Pledge in its entirety and enshrine the 2% and 20% guidelines as minimum commitments for the long term;
- to continue to support Ukraine, step up support for other aspirants and partners whom Russia seeks to intimidate, reaffirm the right of all nations to choose their own path and make clear Allies will never recognize Russia's illegal and forcible annexation or occupation of other sovereign states' territory.

55. The Rapporteur confirmed he supported amendments 1, 2, 7 and 8 and moved their adoption *en bloc*.

56. Referring to amendment 7, Mr Shelbrooke agreed that the EU is NATO's primary partner, but he stressed the importance of ensuring that EU initiatives such as PESCO did not dilute European Allies' commitment to reach their 2% GDP commitment for defence spending.

57. **Zaida Cantera (ES)** supported amendment 7 and did not see how PESCO might conflict with the 2% GDP spending benchmark. The EU and NATO shared 21 members and complementary visions. PESCO simply aimed to make spending more efficient and effective and facilitate investments where they are needed.

58. Commenting on amendment 1, **Lord Campbell of Pittenweem (UK)** noted that this duplicated language that was already included in the draft declaration and was therefore superfluous.

59. The Rapporteur thanked members for their comments. He maintained his support for amendments **1, 2, 7 and 8**.

60. **These amendments were agreed to.**

61. The Rapporteur noted that **amendments 13, 14, 16, 17, and 20 had been withdrawn.**

62. **Amendment 3:** the Rapporteur did not support the amendment and felt that deleting the reference to Russia's violations of the NATO-Russia Founding Act would send the wrong message.

63. **Amendment 3 was withdrawn, along with amendment 10.**

64. **Amendments 4 to 6:** Ms Cantera explained that amendment 4 aimed to treat differently the threats against Sweden and Finland on the one hand, and the occupation by Russia of parts of Ukrainian, Georgian and Moldovan territory on the other, as these were of a different nature. **She offered to withdraw amendment 6** and support amendment 5 put forward by the Belgian delegation.

65. The Rapporteur supported a combination of amendments 4 and 5. He suggested adding language from paragraph 11 to the new paragraph, so it would read:

“Welcoming the submission by Finland and Sweden of their application to join the Alliance and denouncing Russia’s threats directed against those NATO partners;”

66. Mr Francken supported the amended language.

67. **Amendments 4 and 5, as amended by the Rapporteur, were adopted.**

68. **Amendment 9:** Luca Frusone (IT) firmly believed Russia was the most immediate and principal threat today but noted that the Strategic Concept set policy for the long term. He therefore thought it should include a list, rather than a ranking, of threats.

69. The Rapporteur argued that Russia posed a state-level threat that is different from hybrid or other threats. Russia posed an existential threat to Ukraine and was the key threat along the eastern flank. He therefore recommended keeping the existing language.

70. Lord Campbell of Pittenweem agreed with the Rapporteur. If the situation were to change, the Assembly could consider a new resolution.

71. Mr Lejins also supported the Rapporteur. Russia was unlikely to abandon its aggressive policies any time soon, he argued. It will therefore remain the principal threat for NATO.

72. Ms Cantera concurred that this will be a long-term situation.

73. Mr Frusone reiterated that his intention was to point out the forward-looking nature of the Strategic Concept. In view of the opinion expressed by several members, **he withdrew amendment 9.**

74. The Rapporteur thanked Mr Frusone and took note of the stated intention to pay close attention to the language used in the Strategic Concept.

75. **Amendment 11:** Mr Frusone noted that the accepted NATO and NATO PA language was *adaptation* not *transformation*. The Rapporteur agreed, as did Mr Shelbrooke.

76. **Amendment 11 was agreed to.**

77. **Amendment 12:** Mr Francken argued that, even in times of war, NATO must continue to pursue an active arms control and non-proliferation policy as a complement to a strong and clear nuclear deterrence policy.

78. **Salima Belhaj (NL)** and **Julie Dzerowicz (CA)** both supported the amendment. Ms Dzerowicz also expressed her support for the language in sub-paragraph 14i which called on Allies to keep channels of communication with Russia open.

79. The Rapporteur supported the inclusion of a reference to arms control but suggested incorporating language in sub-paragraph 14i. Mr Francken agreed.

80. Mr Azubalis was not opposed but noted that China and Russia had no interest in negotiating arms control agreements.

81. The Rapporteur replied that this was the reason why he was suggesting incorporating language on arms control into sub-paragraph 14i. While the declaration acknowledged the reality of the situation, the new language would indicate an aspiration to keep the door open to such initiatives.

82. Lord Campbell of Pittenweem agreed that Allies should maintain the aspiration of ongoing arms control dialogue. At the same time, President Putin had threatened to use nuclear weapons.

83. **Philippe Folliot (FR)** expressed his reservations. Nuclear weapons and non-proliferation were covered by other agreements and organisations, notably the Non-Proliferation Treaty. He was concerned that bringing these issues into the resolution would weaken it. While Russia's nuclear sabre-rattling was indeed shocking, it would be better to keep arms control issues out of the declaration, he argued.

84. Ms Dzerowicz asked for clarification about how the amendment would be incorporated into sub-paragraph 14i as the text of this sub-paragraph related specifically to Russia, while the Belgian amendment had a broader scope. She also appreciated Lord Campbell's concern about Russia's nuclear sabre-rattling and how NATO should respond.

85. The Rapporteur replied that, given the topic of the resolution, the language would necessarily relate to Russia. He thought his proposal addressed the Belgian delegation's intention, without broadening the scope of the declaration.

86. **Rodrigue Demeuse (BE)** confirmed the Belgian delegation agreed with the Rapporteur's proposed approach. Precisely because there was a direct threat of use of nuclear weapons today, it was important to reassert the spirit of nuclear non-proliferation without in any way undermining the goal of nuclear deterrence. The proposed amendment aimed to strengthen, rather than weaken the declaration by making clear that NATO's broader objective is a world that is peaceful.

87. **Kevan Jones (UK)** supported both a strong nuclear deterrent and arms control. However, he did not support adding a reference to arms control in this declaration about Russia. He pointed out that Allies' nuclear deterrent aimed to counter Russia's threats and achieved just that. Allied governments needed to maintain a strong position in response to President Putin's attempts to scare Western public and his violation or selective implementation of arms control agreements.

88. **Pierre Paul-Hus (CA)** concurred with Mr Jones. Including the amendment would be counterproductive and muddle the message the declaration aimed to send.

89. Mr Francken pointed out that sub-paragraph 14c currently put a clear emphasis on the importance of the nuclear deterrent. The Belgian delegation in no way intended to challenge this. Their point was that the declaration should also reference the complementary priority of continuing to promote non-proliferation and arms control. Western countries' principled position that they strive towards non-proliferation and arms control sends an important message to Russia as well as to the rest of the world, a message in line with the West's values, Mr Francken argued.

90. Mr Shelbrooke argued that Allies' obligations under the NPT were clear. He did not support including the amendment, however, and noted that his delegation would oppose it.

91. Mr Lejins opposed the amendment as it would send the wrong message in his view. He intended to abstain.

92. The Rapporteur stressed that he had initially rejected the amendment for these very reasons – so there would be no misinterpretation of the strong message that the declaration intended to send regarding Russia. However, he suggested accommodating the Belgian position by incorporating a limited reference to arms control in paragraph 14i. in a way which did not dilute the overall message, but which made clear that NATO was not slamming the door shut to a possible avenue for de-escalation, should it arise.

93. **Amendment 12 was agreed to.**

94. **Amendment 15** – Ms Cantera explained that the amendment was of a technical nature, using standard military terminology. It sought to clarify that NATO’s “forward defence” posture needed to be adaptable, flexible, and sustainable.

95. **The Secretary General, Ruxandra Popa**, pointed out that the Standing Committee had already agreed language on “forward defence” in the other declaration and that it would be important to adopt consistent language across both declarations.

96. **Amendment 15 was withdrawn.**

97. **Amendment 18:** Mr Frusone sympathised with the point made in the sub-paragraph but argued that the use of the term “coercion” was too broad and generic.

98. The Rapporteur agreed that it could be misinterpreted and cause confusion as to what falls below the Article 5 threshold and what NATO’s collective responsibilities are at that level. Alternative language could be proposed, e.g. “coercion against one triggers a call for solidarity from all”. Mr Frusone’s point was a fair one, however.

99. Lord Campbell of Pittenweem agreed that the current language could be seen as broadening the scope of Article 5, which the Assembly should not engage in. It was also unclear what constitutes coercion; the concept was not defined.

100. The Rapporteur agreed and supported the amendment.

101. **Amendment 18 was agreed to.**

102. **Amendment 19:** Mr Francken explained that the intention was to broaden the scope of the sub-paragraph by including a reference to cyberthreats.

103. The Rapporteur supported the amendment.

104. **Amendment 19 was agreed to.**

105. **Amendment 21:** Mr Francken argued it was important to highlight the chemical weapon threat from Russia by including a reference to the Organisation for the Prohibition of Chemical Weapons (OPCW).

106. The Rapporteur did not support singling out the OPCW.

107. **Amendment 21 was withdrawn.**

108. **The draft declaration, as amended, was adopted.**

109. **The President resumed the chair.**

VII. Consideration and approval of the appointment of the Vice-President by the Bureau (under Article 19 of the Rules of Procedure)

110. The President informed the Standing Committee that Mr Mesterhazy did not seek re-election in Hungary. His term as a Vice-President had now come to an end.

111. He thanked Mr Mesterhazy for his service. Mr Mesterhazy had joined the Assembly in 2006 and served in a range of leadership roles in the Economics and Security Committee and the Defence and Security Committee. He was elected Vice-President of the Assembly in 2019, then President a few months later leading the Assembly during the challenging two years of the pandemic. The President paid tribute to Mr Mesterhazy's staunch commitment to the transatlantic bond, to NATO and his invaluable contribution to the Assembly. He saluted his commitment to the shared democratic values which undergird NATO.

112. The Bureau proposed the nomination of Sverre Myrli (NO) to serve for the remainder of the mandate, i.e. until the Annual Session in Madrid.

113. **The Standing Committee confirmed Mr Myrli's nomination by acclamation.** The President congratulated him on his confirmation.

VIII. Arrangements for the Plenary Sitting on Monday 30 May

114. The Secretary General stressed that the Assembly had a lot of business to go through during the plenary sitting. Lithuania's highest-level officials and the Speakers of the Swedish and Finnish Parliaments would all attend and address the Assembly. The Speaker of the Ukrainian Parliament would join online. NATO's Deputy Secretary General would address the Assembly on behalf of NATO and take questions. The Assembly would also consider the two draft declarations as well as financial documents.

IX. *Update on the activities and subjects in 2022* [099 SC 22 E]

- Update on Presidential Priorities

115. The President looked forward to representing the Assembly at NATO's Summit in Madrid and presenting the NATO PA's contribution to the Strategic Concept.

116. He informed delegations that the United States had now submitted to other Allies a whitepaper on establishing a Democratic Resilience Centre at NATO Headquarters. Eighteen Ambassadors had signed the proposal. He encouraged members to follow up with their respective governments and thanked all members for their support for this proposal, which, if adopted, would constitute a significant legacy from the Assembly to NATO.

117. **The revised work programme for 2022 was adopted.**

X. Finland and Sweden's applications to NATO membership

- *Accession to NATO and NATO PA: procedures and ratification process* [108 SC 22 E]

118. The President noted that, in a reversal of their long-standing policies, Sweden and Finland had recently submitted applications to join NATO. Their membership would make the Alliance stronger, the President stressed, nothing that together with Mr Turner, he had sponsored a letter signed by 190 members of the United States House of Representatives in favour of Sweden and Finland's membership.

119. The Secretary General noted that a document had been circulated to members showing the timeline of past ratifications and accessions to NATO. She also reminded Standing Committee members that, in line with past practice, whenever NATO invites Sweden and Finland to start accession talks – provided political blockages are lifted, the NATO PA would start inviting parliamentarians from those two delegations to participate as observers in all meetings normally reserved to full members.

XI. Financial documents

- ***Treasurer's Report – Strategic Plan for the Use of Assembly Provisions [038 FIN 22 E rev.1]***
- ***Draft budget for Financial year 2023 [094 FIN 22 E]***

120. The Treasurer explained there was one remaining item from the Standing Committee's meeting in Athens – the strategic plan for the use of the Assembly's provisions – and one new item – the first draft of the 2023 budget.

121. Turning to document 038, he explained that the International Board of Auditors for NATO (IBAN) had recommended that the NATO PA should "develop and regularly update a formal strategic plan for the use of the Provisions for the event of surpluses not being returned to the contributors but being added to Provisions. Such a plan should be presented to the Standing Committee for approval." This recommendation was in line with Article 17 of the Financial Regulations.

122. Document 038 was the first such strategic plan. The Secretary General had briefly introduced a first version in Athens. This was an updated version incorporating the discussions held and decisions taken in Athens, he noted.

123. The Assembly currently had four provisions, one for each Chapter of its budget: Personnel Costs, Operating Costs, Sessions and Missions, Seminars and External Relations. In Athens, the Standing Committee had unanimously recommended to create a fifth provision to fund future initiatives in support of Ukraine. He hoped the plenary would adopt this important and timely recommendation during Monday's sitting.

124. The Treasurer noted that, due to prudent management and wise decisions, provisions had been built up over the years to ensure the Assembly had the means to deal with one-off contingencies or fund one-off investments. In the current wholly exceptional times, the provisions could help the Assembly deal with one challenge – the exceptionally high inflation – and two mid-term priorities – modernise the Assembly's processes and IT tools and respond to Russia's war in Ukraine.

125. The Treasurer made clear that the proposals included in his report did not require additional resources. They were about making the best use of the funds available to deal with an unprecedented set of challenges and invest in the future.

126. The goal of the strategic plan was also to ensure that any use of the provisions is transparent, serves an agreed goal and is consistent with long-term budgetary planning. He therefore intended to keep the plan and the uses of provisions under active review and provide annual updates to the

Standing Committee to support future decisions on the allocation of surpluses and on the levels and uses of each provision. He hoped this first plan would meet the Standing Committee's approval.

127. Turning to the draft 2023 budget, the Treasurer noted that the unprecedented and uncertain security and economic environment seriously complicated budgetary planning. One thing was clear however: the budget needed to take into account the fact that inflation stood at levels not seen in decades.

128. The flat budgets in 2021 and 2022 actually represented a budget cut in real terms as the Assembly had to absorb inflation. With year-end inflation in 2021 at 5,71%, this was a significant cut.

129. The Treasurer noted that the current inflation in Belgium stood at 8.31%, the highest level since 1983. Inflation in the EU, USA and Canada also stood at record high levels, at 7.8%, 8.5% and 6.7% respectively.

130. The Treasurer therefore proposed an increase for 2023 in line with the latest inflation rate in the EU, 7,8%, which he felt offered a representative benchmark. He would continue to monitor the evolution of inflation closely and adjust his proposal accordingly.

131. The Treasurer also proposed a number of other adjustments in several articles of the budget to reflect the actual expenditure forecast.

132. The Treasurer explained that the draft budget would be sent to delegations before the summer for comment. Before the annual session in Madrid, a new version would be circulated, taking into account the inflation rate at that moment. The budget would then be put to the Standing Committee and then to the plenary for approval in Madrid.

133. The Treasurer concluded by noting that almost 73% of all the 2022 contributions had already been received, which was extremely helpful and reassuring. He reminded those delegations who have not yet paid their contribution of Articles 23 and 24 of the Financial Regulations which state that countries should pay at least half of the total annual contribution during the first half of the Financial Year.

134. The strategic plan for the use of Assembly provisions [038 FIN 22 E rev.1] was approved.

XII. Future sessions and meetings

- ***Distribution of Assembly Sessions and Standing Committee Meetings [055 SC 22 E]***
- ***Future Sessions and Meetings [029 GEN 22 E rev.1]***
- ***68th Annual Session, Madrid, Spain, 18-21 November 2022 [058 SESA 22 E]***

135. The Secretary General noted that hosts were needed for the annual session 2024, Standing Committees from 2025 and spring sessions from 2026.

136. Ms Cantera looked forward to welcoming the Assembly in Madrid. Spain celebrated this year the 40th anniversary of its membership in NATO. The day of San Fernando – the patron saint of the armed forces in Spain – was also a day of solidarity with the people of Ukraine, she noted.

137. A video previewing the Annual Session in Madrid was shown.

XIII. Miscellaneous

138. No further issues were raised.

139. The President closed the meeting at 18:50.
