FOURTH

AMENDMENT

TO THE ARRANGEMENT

AMONG

THE MINISTRY OF DEFENCE OF THE REPUBLIC OF LATVIA,

THE MINISTRY OF DEFENCE OF THE REPUBLIC OF ESTONIA

AND

THE MINISTRY OF NATIONAL DEFENCE OF THE REPUBLIC OF

LITHUANIA

CONCERNING

THE FINANCING AND COST SHARING OF THE

EXPENDITURE FOR THE NATO AIR POLICING

The Ministry of Defence of the Republic of Latvia, the Ministry of Defence of the Republic of Estonia and the Ministry of National Defence of the Republic of Lithuania,

Recognizing the changed security environment in the North-Atlantic Treaty area and especially in the Baltic region,

Welcoming the decision of the Alliance to enhance NATO Air Policing in the Baltic States,

Reiterating Baltic defence minister’s 14 December 2015 agreement that first enhanced Air Policing detachment should be deployed in Ämari, Estonia, the second enhanced Air Policing detachment should be deployed in Šiauliai, in addition to the Air Policing mission operating from Šiauliai.

Assuring that all Allied Air Policing detachments deployed in the Baltic States will receive host nation support package on an equal basis, regardless of the deployment location within the Baltic States,

The financing and cost sharing principles of the Fourth Amendment are based on the cost sharing principles agreed by the ministers of (national) defence of Estonia, Latvia and Lithuania in the“NATO Air Policing mission in the Baltic states: enhanced Host Nation Support”, signed on 8 June 2012,

Have decided to introduce the amendments to the Arrangement among the Ministry of Defence of the Republic of Latvia, the Ministry of National Defence of the Republic of Lithuania and the Ministry of Defence of the Republic of Estonia Concerning the Financing and Cost Sharing of the Expenditures for the NATO Air Policing, done in Tallinn on 5 February 2007 and amended on 2 December 2011 and on 4 December 2013 (hereinafter – the Arrangement), in accordance with its Section 4 paragraph 2 as follows:

1. To replace Section 1 of the Arrangement as follows:

**„Section 1**

**Definitions**

„**1.1 Host Nation** – the State of the Participant on whose territory the activities connected with the Operation are performed (included but not limited to location, operation, and transition of NATO forces and materials)

**1.2 Host Participant** – Participant on whose State’s territory the activities connected with the Operation are performed (included but not limited to location, operation and transition of NATO forces and materials)

**1.3 NATO force –** all components of NATO forces, including civilian personnel and material as defined in the Agreement between the Parties to the North Atlantic Treaty regarding the Status of their Forces, done in London on 19 June 1951, except that Host Nation, in which territory NATO forces and material in connection with Operation are located.

**1.4 Rotation** – the period when one or more states, whose Ministry of (National) Defence is not a Participant to the Arrangement is conducting the operation from one or more Host Nations territory at the same time.

**1.5. Detachment** - component of NATO force which is conducting operation from one of the Host Nations’ territory during the Rotation and which is provided by the State whose Ministry of (National) Defence is not a Participant to the Arrangement.”

2. To amend Section 3 paragraph 2 with a last sentence as follows:

„The Estonian Participant will provide the Lithuanian Participant and the Latvian Participant necessary information for foreseeable expenditure in due time.”

3. To amend Section 3 paragraph 5 with a second sentence:

“The Estonian Participant will provide information to the actual cost of the Rotation to the Lithuanian Participant and to the Latvian Participant in due time.”

4. To replace the Annex of the Arrangement to read as follows:

ANNEX

**LIST OF EXPENDITURE FOR NATO FORCES**

1. Rental expenditure of vehicles (buses, minibuses, cars, etc.) exclusively assigned for the use of NATO force. Rental contracts of these vehicles must be in accordance with the public procurement regulations of the Host Nation and with the Table of Equipment (TOE) preliminary approved by the Participants.

2. Expenditure on petroleum, oil and lubricants for vehicles mentioned in the paragraph 1 of the Annex.

3. Expenditure on goods and services provided to NATO force in designated areas related to:

a. provisioning with drinking-water;

b. collection and utilization of waste;

c. sewage;

d. bio toilets services;

e. laundry services;

f. electricity supply;

g. communication services;

h. household goods.

4. Expenditures on the runways de-icing, which will be shared among the Participants as follows: Host Participant covers 50 (fifty) per cent and other participants equally cover 25 (twenty five) per cent each.

5. The living expenditures for the members of NATO forces constitute of fixed amount of 500 000 Euros per rotation per one detachment (125 000 Euros per month).

6. Expenditure for the airlifts will be covered either in fixed amount of 56 666 Euros per nation during one rotation (14 166 Euros per month) or up to 8 (eight) airlifts, performed by the Lithuanian Participant per one detachment during the rotation. The expenditure for the airlift will include:

1. Fuel cost for the flight;
2. Air navigation costs, including EUROCONTROL fee and landing fees outside the territories of the Republic of Lithuania, of the Republic of Estonia and of the Republic of Latvia.

7. Expenditure on the aviation fuel for the Operation will be covered as follows:

a. Cost for aviation fuel for the (re)deployment, A-scrambles and T-scrambles flights or QRA fighter aircraft of NATO force in fixed amount of 673 333 Euros per detachment during one rotation (168 333 Euros per nation per one month).

b. Cost for land, sea and/or air transportation of NATO force in fixed amount of 100 000 Euros per detachment during one rotation.

 5. This Amendment terminates the “Third Amendment to the Arrangement among the Ministry of Defence of the Republic of Latvia, the Ministry of Defence of the Republic of Estonia and the Ministry of National Defence of the Republic of Lithuania Concerning the Financing and Cost Sharing of the Expenditures for the NATO Air Policing”, signed on 4 December 2013.

6. This amendment will come into effect on the date of the last signature thereto. This amendment is applied to the rotations starting from 1st of January 2016.

Done in 3 (Three) original copies in the English language.

|  |  |  |
| --- | --- | --- |
| For the Ministry of Defenceof theRepublic of Latvia  | For the Ministry of Defence of theRepublic of Estonia | For the Ministry of National Defence of the Republic of Lithuania |

Date: Date: Date:

Place: Place: Place:

Aizsardzības ministrs R.Bergmanis

Vīza: valsts sekretārs J.Garisons

15.11.2016 10:46

1088

I.Grūbe

ilze.grube@mod.gov.lv

tel:. 67335182; fakss: 67212307