



**It is all about money, as one may say. Keeping this though in mind, Danish, German and Polish members of the Budget & Finance Group met on 15th April to discuss financial aspects of the Headquarters Multinational Corps Northeast.**

### **The group holding the money?**

Headquarters Multinational Corps Northeast is a formation fully financed by the Framework Nations (Denmark, Germany and Poland) as well as Participating States (remaining nations of the Corps). For that reason the role of the Budget & Finance Group helping handle complex financial matters of the Corps is crucial. The Budget & Finance Group is in fact one of the subordinate groups of the Corps Committee, which is a higher advisory and supervisory body for the Corps.

Representatives of the three Framework Nations – Denmark, Germany and Poland – constitute the Budget & Finance Group. They can be military personnel, as the German representative, or civilians as in case of Denmark and Poland. This year it is Germany to chair the meetings with LtCol K. Prueter from the Federal Ministry of Defence as a chairman, however, this privilege changes every year among these three nations.

On behalf of the Corps Committee the Budget & Finance Group gives advice and recommendations concerning annual budget, mid-year reviews and four-year Medium Term Financial Plans (MTFP). Cyclical meetings of the Group are usually held in the spring and autumn. Polish representative to the Budget & Finance Group Mr. K. Jakubowski from the Inspectorate for Armed Forces Support summarized that during the spring meeting budget execution is checked whereas in the autumn the MNC NE a new proposed budget for the next

year and the Medium Term Financial Plan are to be accepted by the Budget & Finance Group and then forwarded to the Corps Committee.

In fact, accepting the budget involves a longer process, explained Mr. H. B. Petersen, a Special Adviser Defence Command Denmark. First of all, the MNC NE staff draws up a proposal, which is presented to the Framework Nations in advance of the meeting of the Budget & Finance Group. It gives the possibility to get familiarized with the document. Only then the budget proposal is discussed with the MNC NE representatives. On that basis the Budget & Finance Group normally comes to a conclusion on how the budget for the next year will look. Such procedure will take place in the autumn.

In the meantime, during this spring meeting participants "talked about the 2007 budget execution and the current status of the budget for this year – if there is enough money or whether we need more. We talked about the medium term finance plan and we also talked about any other business – for example about a Command and Control Information System SZAFRAN, the new building in this area or the 10th anniversary of the MNC NE", the chairman LtCol K. Prueter said.

### **More than one**

Since several countries are contributing to the Corps, this fact is also visible in the financial dimension. Apart from paying for their military staff, Denmark, Germany and Poland also contribute to the joint budget on equal basis. Mr. H. B. Petersen, explained that the main idea of the so-called Framework Nations' Budget is to finance the actual operation of the Headquarters and things like salaries for civilian staff members or everything needed for utilizing buildings, such as electricity, computer equipment and many other things.

However, the Framework Nations Budget is not the only source of money for the Headquarters. The Participating States, which joined the Corps in the course of time, contribute altogether in 95% to a Shared Multinational Budget. They give approval to this budget during the meeting of the Senior Resource Committee. National contributions are based on the number of officers from a given nation serving at the Headquarters. The remaining part is financed by the Framework Nations. Training and exercise activities of the Corps are financed from this pool of money.