



Annual Report 2024

EFFICIENT. EFFECTIVE. RESPONSIVE.

CONTENTS

INTRODUCTION	4-11
Executive Summary	5-7
Foreword	8-9
Governance	10-11
BUSINESS CAPABILITY DELIVERY	12-21
Acquisition	13
Overhaul and Upgrade	14
In Service Support	15-17
Brokerage Services	18
Operational Support	19-21
FINANCE	22-23
STAKEHOLDER ENGAGEMENT AND CUSTOMER SATISFACTION	24-26
Stakeholder Engagement (Corporate Level)	25
Customer Satisfaction	26
CORPORATE MANAGEMENT	27-29
Strategic Goals and Annual L1 Objectives	28
Risk and Compliance	29
CONCLUSION AND WAY FORWARD	30-31
ANNEX 1 – USERS OF NSPA SERVICES	32-33
ANNEX 2 – NSPA CATALOGUE OF CAPABILITIES / PRODUCT LINES	34-35
ANNEX 3 – NSPA STATISTICS	36-39
Contracts overview	37
Workforce by NATO Nation	38-39

INTRODUCTION



EXECUTIVE SUMMARY

In 2024, the NATO Support and Procurement Agency (NSPA), as the Alliance's lead organisation for acquisition, sustainment and support, demonstrated remarkable resilience and adaptability in addressing increasingly complex and expanded requirements for a total of 7.4 BEUR¹ contract value, the second highest volume after 2023. We grew in the number of staff members, ending 2024 with just over 1,500 staff.

In 2024, NSPA initiated and managed a growing number of key acquisition and high-visibility programmes. The Agency established its new Acquisition Directorate, aimed at delivering on the North Atlantic Council (NAC) mandate reinvigorated during the NATO Summit in Washington, to provide efficient, effective and responsive acquisition to the Alliance and its partners. The Agency increased its activities especially in engineering, mobility and construction in the Balkans and across Eastern Europe. The Ammunition Support Partnership awarded 1.1 BEUR in firm multinational contracts and 5 BEUR in framework [contracts for ammunition](#). Meanwhile, the number of Support Partnerships increased, with the establishment of the [38th support partnership, for the MQ-9B uncrewed system](#).

In April, with Uncrewed and Autonomous Systems gaining traction in the defence domain, NSPA awarded a [Counter-small Uncrewed Air System \(C-sUAS\)](#) procurement framework contract, a first in NATO. In June, the Multinational Multi Role Tanker Transport (MRTT) Fleet (MMF) expanded with the delivery of the [8th aircraft](#).

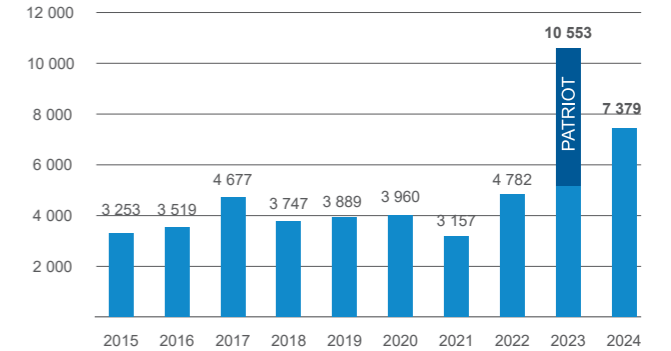


Figure 1 – NSPA Business Volume (MEUR)

In July, for the first time in its history, NSPA was invited to participate in the NATO Summit, where it was publicly recognised for its support to NATO and Partner Nations across all domains. There, the Agency announced a [multinational framework contract for Stinger missiles](#), addressing the needs of three Allies and achieving estimated savings of 40%, amounting to hundreds of MEUR. During the Summit, Allies endorsed the new [NATO Industrial Capacity Expansion Pledge](#), explicitly recognizing the Agency's role and frameworks. NSPA also supported the establishment of the NATO Security Assistance and Training for Ukraine (NSATU) command, to coordinate the provision of military equipment and training for Ukraine by Allies and partners.

¹The Business Volume amount excludes the support to OCCAR (TIGER and A400M) as well as GPSS and Fund 91 (Transportation under FMS) that amount to 447 MEUR for 2024.





The Agency also played a key role in supporting the development of the NATO-Ukraine Strategic Defence Procurement Review. NSPA's ongoing support to Ukraine also included support to the IT coalition, a programme led by Estonia and Luxembourg in delivering critical information and communication equipment to Ukraine.

Together with NATO and industry stakeholders, NSPA hosted a "CEO Day" in October to sustain the NATO E-3A AWACS fleet until its service end around 2035. In the Space domain, NSPA participated in NATO's first Space Industry Day and continued to advocate for multinational collaboration in this growing domain. The Agency also led collaborative initiatives with other NATO and European organisations such as NATO Defence Innovation Accelerator for the North Atlantic (DIANA), The European Defence Agency (EDA) and the Organisation for Joint Armament Cooperation (OCCAR).

NSPA, through its NATO Central Europe Pipeline System (CEPS) Programme, transported 12 Mm³ of aviation and ground fuel products, of which 7% were blended Sustainable Aviation Fuels (SAF). The Agency's NATO Airlift Management Programme (NAMP) helped deliver the highest average Mission Capability (MC) rates amongst all international C-17 operators.

In the Cyber domain, NSPA has begun expanding its cybersecurity scope beyond protecting its Information Technology (IT) assets, to cover also military assets with IT and components regarded as Operational Technology (OT). This work is critical from a mission-oriented perspective, and includes the dependency on various critical infrastructure elements in support to NSPA's mission.

In 2024, the Agency refreshed its Strategic Framework 2023-2027 (SF) for the 3-year period from 2025 to 2027

while continuing to implement its five Strategic Goals: Development, Acquisition, Resources, Processes and People. NSPA was awarded an unqualified audit opinion on the NATO Support and Procurement Organisation (NSPO) Financial Statements 2023, and successfully passed its ISO9001:2015 and ISO45001:2018 surveillance audits. The Agency also achieved satisfactory outcome from the NATO Office of Security (NOS) inspection of the Capellen site. We have been transforming our risk and compliance system to better align with industry best practices and Strategic Goals while continuing to manage risks at all levels, ensure compliance, and enhance our level of internal control maturity.

The Agency has taken a significant step toward modernising its management systems by establishing a contract for the migration of its current Enterprise Resource Planning (ERP) infrastructure to a new ERP system, marking a strategic move to enhance operational efficiency and digital capabilities.

We launched the fourth Customer Satisfaction survey at the end of 2024 to seek direct customer feedback on our Programmes' performance and achieved a consistent 86% overall satisfaction level. To ensure the Agency remains efficient, effective and responsive, the Agency successfully developed proposals of reform to the Agency Supervisory Board (ASB) to streamline NSPA operations, improve budget flexibility, enhance our resourcing model, align activities more strategically with NATO and customer needs, and make governance processes more efficient. The approved proposals will improve customer outcomes, strengthen the Agency's resilience and make it more sustainable in the long-term.



FOREWORD

NSPA is a key enabler in the delivery of NATO's core tasks of deterrence and defence, crisis prevention and management, and cooperative security. The high contract value awarded by the Agency in 2024 is a clear testament to the trust placed by NATO and Allies alike, both individually and collectively, to meet requirements ranging from simple supply to complex, multinational acquisition projects and programmes.



A vital role of the ASB is to ensure that the Agency is capable to fulfil its mission enshrined in the Charter of the NSPO in an efficient and effective manner and in satisfaction of its large customer base. In that context, the ASB took decisive steps over the course of 2024 to expand the Agency's authority to manage its resources with the aim of increasing responsiveness and meeting customer demand. A number of innovative proposals developed by NSPA were considered by the ASB in an extraordinary meeting in October and were subsequently approved in

December, bringing about reforms to the organisation that were necessary to increase the speed of delivery while maintaining appropriate "checks and balances" according to good governance principles and assuring that the NSPO member nations have the necessary supervision over the Agency.

Another key responsibility of the ASB is to ensure that the Agency is able to face future challenges with resiliency and adaptability in an otherwise unpredictable environment. Following efforts to streamline the Agency's resource model in 2024, the ASB will turn its focus on further strengthening the Agency's capacity to respond to crisis and wartime requirements.

I wish to thank NSPO member Nations for their continued commitment in steering the Agency to be a strong and committed capability and service provider for the Alliance, as well as the staff of NSPA for their commitment and dedication.

Mr Per A. Christensen

Chairperson of the NATO Support and Procurement Organisation (NSPO) Agency Supervisory Board (ASB)

In 2024, NSPA demonstrated exceptional resilience and adaptability in addressing increasingly complex and expanded requirements. We had a business volume of 7.4 BEUR, the second highest level following the peak in 2023 (10.6 BEUR), which included the GEM-T Patriot Missiles contract. This reflects NSPA's pivotal role in NATO's evolving deterrence and defence posture.



We launched a new Acquisition business unit in 2024 responding to NATO's call to rebuild defence capabilities and industrial capacity in Europe. We met increasing demand in various areas, especially in ammunition awarding 1.1 BEUR in firm contracts and 5 BEUR in framework contracts

2024 saw the Agency's first ever participation in the NATO Summit, and leading efforts to strengthen Ukraine's defence, including support to the NATO-

Ukraine Strategic Defence Procurement Review and delivery of critical equipment. We also enhanced partnerships in the Space domain and collaborated with NATO and European defence organisations.

We refreshed our Strategic Framework for the 3-year period from 2025 to 2027 considering the shift in the geopolitical environment, visibility, purpose and delivery pace of the Agency. We launched our bi-annual Customer Satisfaction Survey and will present the results to our Governance in the Spring cycle. Internally, we successfully pursued reforms to streamline operations, improve governance, improve our resourcing model, and align our activities with NATO priorities.

These successes are a testament to the dedication of NSPA's staff, as we ensure to remain efficient, effective, and responsive to handle the challenges ahead.

Ms Stacy A. Cummings

General Manager of the NATO Support and Procurement Agency (NSPA)

GOVERNANCE

The NATO Support and Procurement Organisation was established by the Council in 2012 as a subsidiary body created within the framework of NATO with a view to provide responsive, effective and cost-efficient acquisition, including armaments procurement, logistics, operational and systems support and

services to the Allies, NATO Military Authorities and partner nations, individually and collectively. Through its Charter, the Council has granted NSPO a clearly defined organisational, administrative and financial independence.

Governance oversight and control is exercised by the NSPO ASB, the sole entity reporting to the Council on NSPO/A activities, composed of a representative of each NATO Nation. Its functions are outlined in the NSPO Charter and include, inter alia:

With the exception of a certain number of organic capabilities or special projects, programmatic governance and oversight is typically delegated to NSPO subordinate governance bodies:

- providing strategic and operational guidance through agreements, regulations and directives that enable NSPA to carry out its mission;
 - monitoring NSPA's performance against annually established objectives;
 - approving NSPA's annual administrative budgets and personnel establishment; and
 - ensuring compliance with NATO-wide policies.
- NSPO Programme Boards, established by the Council to oversee and govern the execution of their respective Multinational Programmes (CEPS and NAM); or,
 - NSPO Support or Procurement Partnership Committees, established by the ASB, on the initiative of two or more NSPO member Nations wishing to organise in common the support and services of specific activities, to oversee and govern the execution of their respective Partnership.

ASB decisions are reached by consensus. In order to facilitate the decision-making process, the Board is assisted by two subordinate advisory bodies: the Policy and Strategy (PS) Committee, and the Finance, Administration and Audit Committee (FAA).

Multinational Programmes and Partnerships constitute an integral part of NSPO, sharing in the juridical personality of NATO. At the end of 2024, NSPO comprised two (2) Multinational Programmes and thirty-eight (38) Support Partnerships, supporting over 450 representatives from NATO and Partner Nations as well as other NATO bodies and amounting to 84% of the Agency's operational turnover.

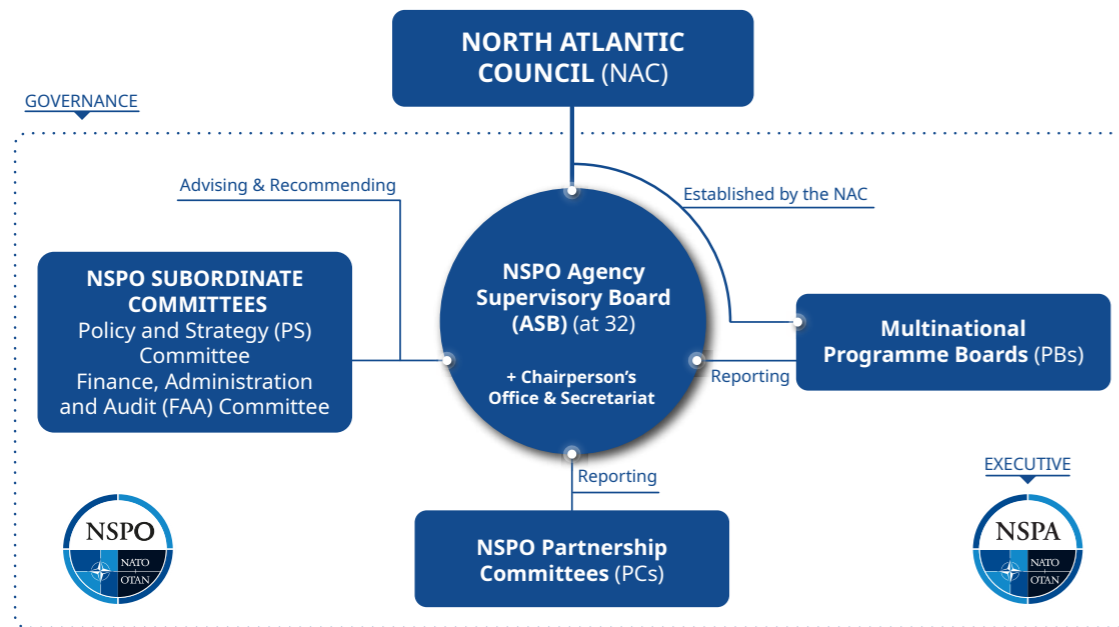


Figure 2 – NSPO Governance Structure



BUSINESS CAPABILITY DELIVERY

ACQUISITION

- Acquisition Directorate established
- Initial Alliance Future Surveillance and Control Programme (iAFSC) established
- Expansion of Next Generation Rotorcraft (NGRC) and AFSC programmes approved

Operating Environment:

- Speed of delivery and operational effectiveness becoming increasingly more important than absolute cost efficiency, which drives NATO and nations to seek off-the-shelf products requiring minimal development.
- Focus on innovation to maintain the Alliance's technological edge, especially in space and autonomy fields, and associated engagement with organisations such as Defence Innovation Accelerator for the North Atlantic (DIANA).

Our Successes in 2024:

- Launched a new **Acquisition Directorate** as of 1 January 2024 to address the NAC mandate to provide "responsive, effective and cost-efficient acquisition, including armaments procurement" for NATO, nations and partners. During 2024, the Directorate has been further developing relevant processes and tools.
- Continued to execute the **AFSC** Project that aims at defining NATO's future surveillance and control capabilities, making progress towards successful delivery of the Concept Stage by end of 2025. In parallel, establishment of AFSC Complex Armament Programme to cohere and coordinate the AFSC Development Stage initiatives, and consolidation of the AFSC Technical Concept agreed by the NAC into a coherent set of concept stage results continued.
- Signed a Memorandum of Understanding (MoU) with **DIANA**.
- Established the **iAFSC** Programme Office at the start of 2024 to acquire the E-7 airborne early warning aircraft through Foreign Military Sales. Denmark joined

the Support Partnership during 2024, increasing the number of participating nations to eight.

- Established a multinational **Logistics Bridging initiative** that looks at innovative ways of enabling ground forces' lines of communication mobility.
- Achieved substantial technical milestones in the **NGRC** Project, with completion of Study 1 Novel Power Plant, award of Study 3 Open System Architecture, and organisation of Study 5 Integrated Platform Concept Reviews.
- Expanded procurement of **Patriot** GEM-T Missile Rounds bringing the total procurement to more than 1,100 missiles.
- Signed Letter of Agreement to procure 940 FIM-92K **Stinger** Block I Missiles for Germany, Italy, and the Netherlands, enabling significant cost savings through consolidated procurement, directly supporting NATO's Defence Production Action Plan (DPAP) by strategically aggregating national requirements.

Future Focus:

- To further develop, streamline, and enable **policies, governance, and strategies** that support acquisition capability in support of NATO and nations.
- To promote NSPA **Procurement Partnership approach** as a mechanism for multiple participants to cooperate effectively, which consolidates management burdens, delivers operational effectiveness, and reduces costs while ensuring effective industry competition.
- To deliver **innovative, sustainable, interoperable and multinational capabilities** to customers to support the changing security environment and multi-domain operations.

OVERHAUL AND UPGRADE

- Alliance Ground Surveillance (AGS) upgrades contract awarded
- Contracts to support Depot Level Maintenance (DLM) on C-130J platform and its engines signed
- Customisation and live-firing tests for PzH2000 completed

Operating Environment:

- Technological advancements requiring continuous updates to legacy systems.
- Increasing focus on long-term system lifecycle management and midlife upgrades.
- Growing demand for tailored solutions to meet specific operational requirements.

Our Successes in 2024:

- Awarded a contract for **AGS** upgrades. AGS Core Relocation Phase 1 is completed and Phase 2A is on schedule.
- On behalf of OCCAR, contracted and managed the antenna positioner upgrades for **COBRA** systems of France and Germany.
- Signed contracts supporting the **Depot Level Maintenance (DLM) on C-130J** platform and its engines, completing unscheduled maintenance for 3 aircraft and scheduled maintenance for 3 additional aircraft, serving Austria, Greece, Poland and United States.

- Finalised -on schedule- design and development modifications, procuring kits for new British **Multiple Launch Rocket System (MLRS) M270A2** vehicles.
- Successfully completed customisation and live-firing tests for **PzH2000** systems at Pabradė, Lithuania.
- Acquired 45 refurbished and updated **T-72 Main Battle Tanks** on behalf of the United States under the Ukraine Security Assistance Initiative.
- Awarded a contract for 17 **H145M helicopters** for Belgium, with the first helicopter delivery scheduled for April 2026.

- Obtained approval for the **MQ-9B Acquisition** Business Case from Denmark (for 2 Uncrewed Aerial Vehicles (UAVs)) and progressed Business Case for Germany (for 8 UAVs).

Future Focus:

- To award contracts for **MQ-9B System** upgrades (Sense and Avoid, Electronic Support Measure (ESM) / Electronic Intelligence (ELINT), Link-16, and GPS Hardening).

IN SERVICE SUPPORT

- AGS In Service Support (ISS) Outline Agreement extended
- Fixed Wing Aircraft engine maintenance capabilities expanded
- First Global Commercially Contracted (GCC) SATCOM contract awarded

Operating Environment:

- Increasing demand for rapid and efficient support of deployed military systems.
- Supply chain and logistical challenges impacting service delivery timelines.
- Expansion of requirements for cross-national collaboration in military support services.

Our Successes in 2024:

- Extended **AGS In Service Support (ISS)** Outline Agreement until 2028.
- Expanded Fixed Wing **Aircraft engine maintenance** capabilities to include PT6A, PW100 family, AE2100D3 for C-130J, and CF6 engines for A320/A330, B747/767, and C-5M aircraft.
- Implemented A400M **automated integrated engine repair ordering** through the A400M Logistics Portal System (ALPS) web-based platform, streamlining repair processes across participating nations, agencies, and industry.
- Secured a long-term testing location at Millbrook facilitating comprehensive vehicle acceptance testing for the British **BOXER** fleet.
- Achieved certification for the LM Workshop to service **Directed Infrared Countermeasures (DIRCM) systems for the MRTT Fleet**, ensuring operational readiness and mitigating supply chain risks.
- Awarded a 10-year framework contract for the **MRTT Fleet Full Mission Simulator**, including

comprehensive maintenance, operational support, and training services.

- Awarded the first **Global Commercially Contracted (GCC) SATCOM** contract for Medium Earth Orbit Global Services.
- Supported the Portuguese Navy by delivering the Mk.95A Portuguese Configuration Simulator Update to the **NATO Lynx Full Mission Flight Trainer**.
- Started production phase of **RAPID-e** project, a NATO-wide digital repository to exchange Advanced Manufacturing files in a secure environment.
- Established **test firing capability for air missile systems** to support operational readiness, and successfully executed the Stinger Reliability Test Firing in Sinop, Türkiye.

Future Focus:

- To develop comprehensive support frameworks for diverse **armoured vehicle** fleets, including M113, Centauro, CV90, RMMV, and VAMTAC systems, and to extend full support services on behalf of donating Nations to armoured equipment donated to the Armed Forces of Ukraine.
- To leverage emerging technologies like **Artificial Intelligence (AI), Advanced Manufacturing and automated systems** to enhance our capabilities.
- To continue to expand the provision of **commercial SATCOM services**.



FOCUS ON NATO AIRLIFT MANAGEMENT (NAM) PROGRAMME

- Highest average MC rates amongst all international C-17 operators in 2024
- Construction and delivery of Combined Aerial Port facility at Pápa Air Base completed
- Construction of Aircrew Training and Simulator facility on schedule for completion in 2025
- Consistently high customer satisfaction feedback from our military customer

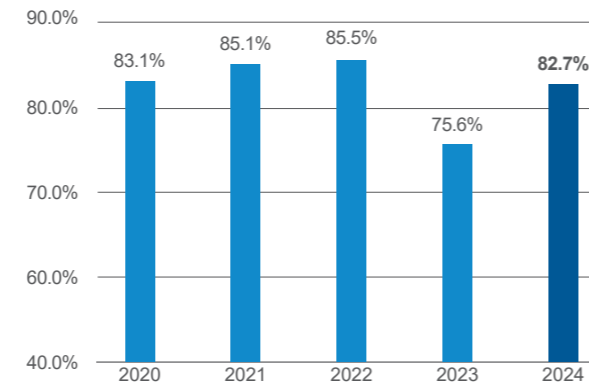


Figure 3 – SAC MC Rate % (2020-2024)
(Percentage of Fully plus Partially Mission Capable aircraft)

NAM Programme Governance

The Strategic Airlift Capability (SAC) is comprised of twelve nations operating three C-17 Globemaster III aircraft, for which the NAM Programme provides acquisition, management and sustainment services.

In 2024, the governing bodies of the SAC and the NAM Programme (SAC Steering Board & NAM Programme Board) approved the creation of a SAC Investment Reserve. Furthermore, the NAM Programme Board

recommended, for further ASB approval, a) a Technical Arrangement with Luxembourg concerning the provision of MRTT flight hours to the Heavy Airlift Wing for air to air refuelling (AAR) training and b) a second revision to the Arrangement between the NSPO and the Ministry of Defence of Hungary on services related to the basing of the NSPA/ NAM Programme and the Heavy Airlift Wing in Hungary.

NAM Programme

Operating Environment:

- Conflict in Ukraine largely shaping the operational situation.
- Heavy maintenance inductions and capability upgrades affecting aircraft availability in the short term (18-24 months).

Our Successes in 2024:

- Helped deliver the highest average MC rates amongst all international C-17 operators, facilitating



SAC's continued responsive operational flexibility to international crisis;

- Requested early induction of aircraft into heavy maintenance and capability upgrade to avoid spare shortage risks.
- Completed - on time and under budget - the construction and hand-over of a Combined Aerial Port Facility at Pápa Air Base, Hungary, which will provide a Combined Aerial Delivery and Permanent Cargo Facility, as well as a dedicated workspace for the Aerial Delivery (AD) function.
- Began the construction of a C-17 Aircrew Training System (ATS), which includes a state-of-the-art facility to support C-17 Aircrew Training Operations and will accommodate a full-motion C-17 simulator. Full operational capability is expected by early 2026.

Future Focus:

- To deliver the best mission capability rates across the entire virtual fleet, while noting that SAC will be limited to two aircraft available for operations in the next 18-24 months due to the ongoing heavy maintenance and capability upgrade of one aircraft.
- To continue to support the construction phase of Aircrew Training System Facility with goal of delivering a fully functional facility early 2026.

BROKERAGE SERVICES

- Increasing demand for ammunition; awarded 1.1 BEUR in firm contracts and 5 BEUR in framework contracts
- Supported IT Coalition within the Ukraine Defence Contact Group (UDCG)

Operating Environment:

- Economic and geopolitical uncertainties impacting defence procurement cycles.
- Changing defence priorities across NATO member states due to evolving security threats.

Our Successes in 2024:

- Met increasing demand for **ammunition**, awarding 1.1 BEUR in firm contracts and 5 BEUR in framework contracts, and with 209 million pieces of ammunition delivered.
- Procured **counter-UAS**, a key asset in neutralising UAS attacks against military and civilian targets, in support of the NATO Comprehensive Assistance Package for Ukraine (UCAP).
- Procured and made shipments consisting 190 pallets, totalling 42.5 tons of equipment such as

laptops, monitors, and other crucial communication and computing servers, as the first year of NSPA support to the **IT Coalition**, a grouping of seventeen NATO and non-NATO Nations within the UDCG.

- In the **Night Vision and Optronics** field, procured over 15,000 laser devices and more than 400 Thermal Cameras to enhance operational effectiveness.

Future Focus:

- To execute rapid procurement of **Ground-Based Air Defense (GBAD)** systems to enhance collective defence capabilities.
- To consolidate **multi-national missile procurement** requirements to maintain and expand NATO production capacity.
- To exploit strategic opportunities within NATO Capability Packages aligned with 2030 strategic objectives.

OPERATIONAL SUPPORT

- Provided critical support to Ukraine
- Construction projects reached 600 MEUR
- Transportation and warehouse capability growing

Operating Environment:

- Accelerating growth due to the increasing expenditure by Allies in support of deterrence and defence combined with the support to Ukraine.
- Operational limitations preventing NSPA personnel from deploying to national or multinational missions outside NATO borders for non-NATO-approved operations.

Our Successes in 2024:

- Joined the Multinational **Ammunition Warehousing Initiative** (MAWI), together with 10 Allies.
- Reached 600 MEUR worth of NATO Security Investment Programme (NSIP) and individual Allies construction projects, completed **construction** projects of particular importance such as the major upgrade work to the Kuçova Airbase in Albania, and significant aviation infrastructure upgrade to the Kosovo Force (KFOR) at Camp Film City, Kosovo.
- Established wet lease contract for **firefighting** assets covering 2024-2028, deploying a record 49 aerial assets across various operational bases in Greece, utilising a diverse range of fixed and rotary wing aircraft platforms.
- Continued to support the **major disaster relief** effort following the earthquake in Türkiye in 2023, and ensured that the mission ended successfully.
- Increased AAR Clearances for **MMF**, which successfully refuelled Czech Air Force JAS-39 Gripen and Indian Air Force Sukhoi SU-30 for the first time in 2024, and deployed team to Alaska and Australia in support of Pacific Skies, demonstrating the MMF's global operational capabilities by supporting multinational and allied fighter fleet deployments.

- Achieved Full Operational Capability (FOC) for **NATO Flight Training Europe (NFTE)**, which provides a harmonised network of flying training campuses across the Alliance.
- Provided Danish forces at Camp Valdemar, Latvia with **real life support** for 1,200 personnel and contributed to the integration of **multinational logistic support** at MK Airbase in Romania, for nations rotating through the air policing mission.
- Continued to experience growth in our **transportation and warehouse** capability with the 8,465 shipments and 35,234 deliveries completed in 2024.
- Continued critical support to **Ukraine** through the UCAP, support to new accommodation and infrastructure for the NSATU, as well as taskings from Allies. The support to Ukraine through UCAP, which includes fuel, oils and lubricants, uniforms and personal equipment, medical supplies, vehicles, counter-UAS, totals 406 MEUR to date.
- Progressed the **NATO-Ukraine Strategic Defence Procurement Review** moving it to implementation phase, with the recommendations determined during the first phase.

Future Focus:

- Capability Program Plans (Nuclear Consultation, Command and Control (NC3) programme, Fuel Supply Chain, Energy Audit and Environmental Impact).
- Ukraine Reconstruction, NATO Security Assistance and Training for Ukraine (NSATU).
- Defence Production Action Plan (DPAP) – Aggregation & Revolving Fund for innovative ammunition procurement.



FOCUS ON CENTRAL EUROPE PIPELINE SYSTEM (CEPS)

- 12 M m³ of fuel transported including up to 7% of blended Sustainable Aviation Fuels (SAF)
- 875 K m³ jet fuel stored (97% of capacity)
- 97 % average operational readiness
- 28 infrastructure projects-works completed
- 623 infrastructure projects in progress

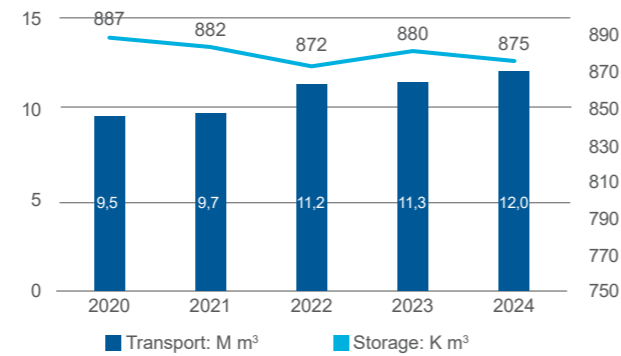


Figure 4: CEPS Transport and Storage Volumes 2020-2024

CEPS Programme Governance

The CEPS is NATO's largest pipeline system spanning 5,273 kilometers. Its six member nations (Belgium, France, Germany, Luxembourg, the Netherlands and the United States) exercise governance and provide strategic direction and oversight primarily through the three annual

meetings of the Programme Board. In 2024, the Board approved the revised CEPS Infrastructure Management Regulation, the CEPS Green Policy, the CEPS Cybersecurity Strategy, and the 2025 CEPS Annual Operating Plan along with the CEPS Annual Budgets.

CEPS Programme

Operating Environment:

- Increased fuel demand respectively for military and civil air traffic due to the military operations and the commercial customers rising demand across Western Europe.

Our Successes in 2024:

- Successfully transported volumes to military and non-military customers with an average operational readiness rate of 97%, meeting 100% of military transport and storage requirements.



- Continued to improve CEPS physical and cyber resilience through the development of a Mobile Repair and Recovery Capability and the development of a cybersecurity strategy.

- Contributed to the growth of the blended SAF supply chains in Europe and participated in the elaboration of the European Union's (EU) SAF regulation developments. Blended SAF transport volumes doubled from 2023 and represented 7 % of the overall transport activity.

- Continued the implementation of the Enterprise Resource Planning (ERP) integration across the five CEPS entities (SAP5) and completed a major step with the activation of the S/4HANA Project Systems Module across the four National Organisations and the CEPS Programme Office (CEPS PO).

Future Focus:

- To continue to implement the relevant International Electrotechnical Commission (IEC) 62443 standards in support of CEPS Operational Technology (OT) networks, and ISO/IEC 27001 standards or equivalent in support of its IT networks across all CEPS National Organisations.
- To progress the SAP5 integration with software upgrades and new hardware.



The Agency's total operational business turnover committed in 2024 is 7.4 BEUR.

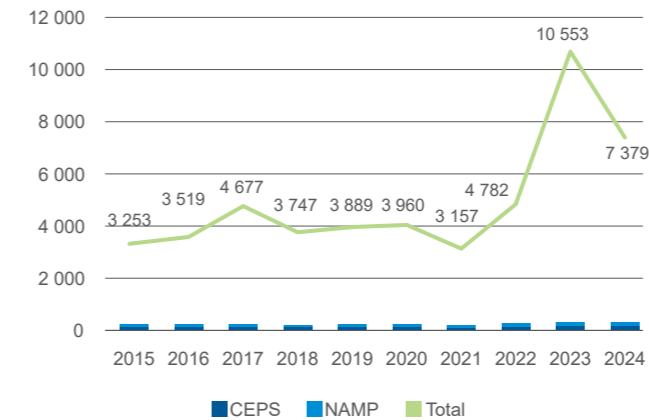


Figure 5 – NSPA Business Turnover 2015 – 2024 (MEUR)

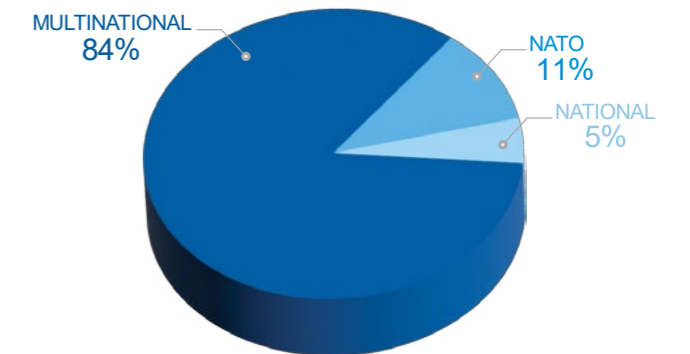


Figure 6 – NSPA Business Funding Source

The Agency's "administrative" costs, which include personnel and other administrative costs including infrastructure and Information and Communication (ICT) investments, were higher in 2024 compared to 2023, coming in at 253 MEUR in 2024 (2023: 242 MEUR), as a result of an increased workforce required to deliver on the business requirements among others.

Audit Opinions on the NSPO Financial Statements 2023

The International Board of Auditors of NATO (IBAN) issued an "unqualified" audit opinion on the NSPO Financial Statements 2023, and a "qualified" opinion on compliance for financial year 2023. The "qualified" audit opinion on compliance was caused by non-compliance with the NFRs because Agency staff are not always involved in financially committing CEPS and NSIP funds of the CEPS National Organisations, which are not part of NSPA. The NSPO Financial Statements 2022 were "qualified" for the same reason. The Agency expects to implement remediation actions to address this issue in 2025. The operational impact of these non-compliances is immaterial.

Multi-year Projects in the Administrative Budget

- **ERP Migration:** The project successfully achieved the design phase in 2024 while undergoing a deep re-baselining for the implementation phase to align resources and timelines with the wide scope of the migration. The implementation phase has been subject of an open international competition and has been awarded by end of the year.
- **Strategic Infrastructure Programme (SIP):** The Programme, which aims to address office space shortage, Occupational Health and Safety (OH&S) deficiencies as well as operational and security gaps by redeveloping the Capellen site infrastructure, has progressed as planned with the construction start of 2 new administrative buildings (NEWADMIN1 & 2) as well as the Outside Cabling Plant 2 (OCP2). Structural work in both buildings was completed by the end of the year. Construction for OCP2 is complete. The focus has shifted to the design of Phase 3, which will include 2 additional administrative buildings, additional demolition of old structures as well as a new secure perimeter for the site.

STAKEHOLDER ENGAGEMENT AND CUSTOMER SATISFACTION

STAKEHOLDER ENGAGEMENT (CORPORATE LEVEL)

In 2024, NSPA's communications significantly increased compared to 2023, maintaining a steady and remarkable growth since 2020. Especially, our social media reach is growing with the overall number of followers across social media channels now over 85K.

DIGITAL CHANNELS

- Unprecedented outreach via structured approach
- KPI monitoring and Monthly reporting
- Enhanced alignment with NATO HQ and entities (Civ/Mil)

- NSPA Website
160 press releases (+40 vs 2023)
- 500,000+ visits

- 77,042 followers (+ 20,770 vs 2023)
- 400+ posts (+300 vs 2023)
- 2.5M impressions, 45,000 posts reactions
- Recruitment: 4,000 interested members

- 7,251 followers (+ 2,131 vs 2023)
- 300+ posts (+200 vs 2023)
- Total impressions: 49M
- Total Reach: 60M+ (+56% vs 2023)

- 1,018 followers (+500 vs 2023)
- 192 posts (+145 vs 2023)

- 24 videos projects

MEDIA RELATIONS

- 16,000+ media mentions (+ 4,000 vs 2023)
- +15M Total Reach (+84% vs 2023)

STAKEHOLDER ENGAGEMENT

53 GM's official engagements

- Keynote Speeches
- Conference panels
- Interviews and OdEds
- Books contributions
- 31 international conferences
- Enhanced Partnership with institutions

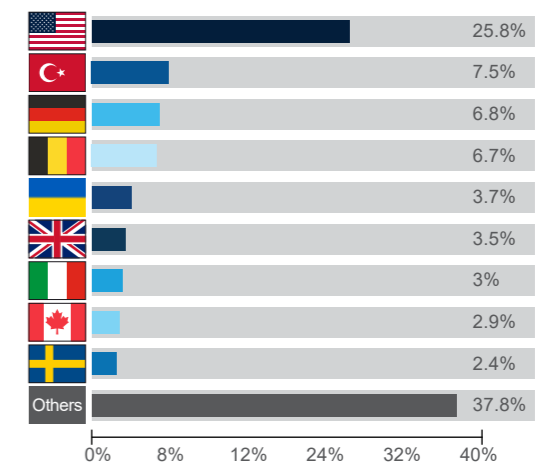


CONFERENCE CENTRE

- 165 events in the Conference Centre, including: 30 protocol visits, including head of states, 17 NSPA industry events

TOP ENGAGED COUNTRIES

Countries where most people interacted with NSPA content



SENTIMENT

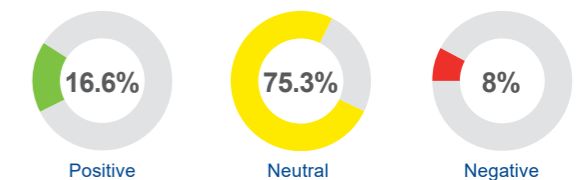


Figure 7 – Stakeholder Engagement in 2024 (excluding NSPO meetings)

CUSTOMER SATISFACTION

The Agency launched the fourth survey across all Programme level customers in the last Quarter of 2024. The survey reached 825 customers and the overall satisfaction level is 86%, which is higher than the target level of 70%, and the response rate was 43%. Another survey was submitted to the ASB principal representatives, achieving an overall satisfaction level of 73% and a response rate of 45%. The results and assessment will be presented to the Spring 2025 Governance cycle of meetings.

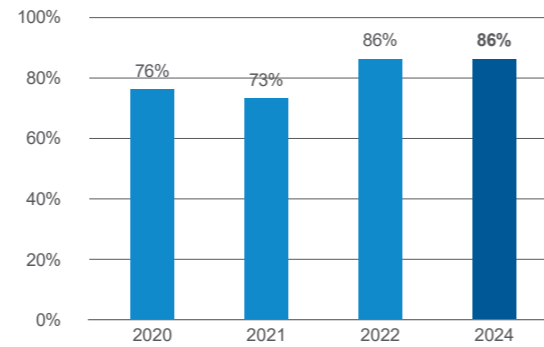


Figure 08 – NSPA Customer Satisfaction Rates (No survey in 2023 as a result of the new model)

CORPORATE MANAGEMENT



STRATEGIC GOALS AND ANNUAL L1 OBJECTIVES

In 2024, the Agency continued to implement its Strategic Framework 2023-2027 (SF) and its five Strategic Goals via its annual L1 Objectives and:

- Under 'Development' Goal, started measuring efficiency against the defined baselines, while baselining effectiveness and rapidly adapting to the evolving strategic environment.
- Launched a new Acquisition Directorate and started developing relevant processes and tools to meet the 'Acquisition' Goal.
- Improved our resourcing model, workload forecasting and financial reporting under the 'Resources' Goal.

- Continued to standardise and streamline the Agency processes as part of 'Processes' Goal,
- Launched initiatives to improve our ways to attract, develop, and retain a high performing workforce to meet our 'People' Goal.

At the end of 2024, NSPA refreshed its SF for the 3-year period from 2025 to 2027, updating all five Strategic Goals to take into consideration rapidly changing geopolitical environment and technological developments. We accordingly identified 2025 L1 Objectives, which were approved by the ASB.

RISK AND COMPLIANCE

The Agency continues to progress its overall Risk and Compliance maturity through ongoing efforts to integrate disciplines and activities into a coherent integrated management system.

- **Cyber Security:** This continued to be a high risk, however ICT services remained fully available despite several cyber incidents. In line with the NSPA ICT Vision, NSPA further developed its cyber security programme, including a new risk assessment process to enrich the cyber risk picture. Another achievement was the successful Interim Approval to Operate (iATO) for NSPA's main networks security reaccreditation.
- **Internal Control (IC):** IC remains a key priority. Focus for 2024 sought to enhance the levels of assurance over high risk financial processes, and ensure that consistent and compliant outcomes are at the heart of our processes. There has been continued expansion in the breadth and depth of the Agency IC system with an increased focus on counter fraud and corruption controls.
- **Occupational Health and Safety (OH&S):** NSPA continued to have a low frequency of work-related lost time injuries, while managing its OH&S risks effectively to keep them at an acceptable level.

This was achieved through maintaining compliance of the NSPA sites with host nations' regulations and by continually improving and streamlining its ISO45001 certified OH&S management system.

- **Quality:** NSPA successfully passed its ISO9001:2015 surveillance audit in 2024, and continued to strengthen the control of its supply chain and management of suppliers' performance taking into account the growing risk of counterfeit products in the supply chain. The Agency also reviewed its processes for acceptance of products and services with a view for opportunities for improvements.
- **Risk Management (RM):** NSPA continued to effectively manage identified risks at all levels while transforming its RM system under a new Principal Risks approach. This focuses on enterprise risks, explicitly linking them to our Strategic Goals and ensuring enhanced ownership, accountability and management. Supporting documents and processes are undergoing revision to progress maturity.
- **Security:** NSPA continues to ensure compliance with NATO Security Policy, which was reflected in the satisfactory outcome of the NATO Office of Security (NOS) inspection of the Capellen site on the arrangements made by NSPA for the protection of NATO classified Information.



CONCLUSION AND WAY FORWARD

The Agency met the demands of the new security environment, provided effective support and procurement capabilities to fulfil nations' requirements and improved its internal dynamics to provide best value to its customers, whilst fulfilling the mandate and assurance requirements as a NATO body. As a result, the Agency business volume reached 7.4 BEUR in 2024.

In 2024, the Agency established a new Acquisition Directorate and started to develop relevant processes and tools. High visibility programmes and multinational acquisition projects made progress as new projects were initiated. Business in ammunition, construction, engineering, and mobility experienced significant growth. The number of Support Partnerships, which constitute an integral part of our governance, increased to 38.

CEPS promptly responded to the increased demand for military and civil air traffic transporting 12 Mm3 of fuel with a 97% Operational Readiness rate on average. NAM continued to maintain a high level of SAC C-17 fleet readiness and availability throughout 2024, while significantly progressed the infrastructure projects at Pápa Air Base, completing one of them.

The Agency revised its resourcing model, which was approved by nations in December 2024. This model is critical to the long term sustainability and success of the Agency, and its ability to continually deliver to customers. The expected benefits will be realised from 2026 onwards.

The Agency's workforce grew reaching just over 1,500 staff at the end of 2024 and we anticipate further growth as we expand to meeting our customers' growing requirements. To ensure we have the right talent in the right jobs at the right time, we continue to make significant effort to improve our recruitment and retention processes, develop our workforce to ensure they have the skills, knowledge and flexibility to adapt to changing organisational and customer needs. Providing career development and learning opportunities to our staff will continue to be a priority for us in 2025 as we further drive a diverse and inclusive performance culture through effective performance management and talent development initiatives.

Our fourth survey across our Programme level customers was launched in the last Quarter of 2024 receiving 43% response rate and 86% satisfaction level on average, surpassing our targets. We very much appreciate all our customers' feedback, which we will thoroughly analyse to identify improvement opportunities.

In 2025, the Agency will continue to focus on implementing its five key Strategic Goals - Development, Acquisition and Sustainment, Resources, Processes, and People – as updated in the recently refreshed NSPA Strategic Framework 2025-2027, with the clear aim to continue to improve customer satisfaction and ensure the Agency remains **efficient, effective, and responsive**.

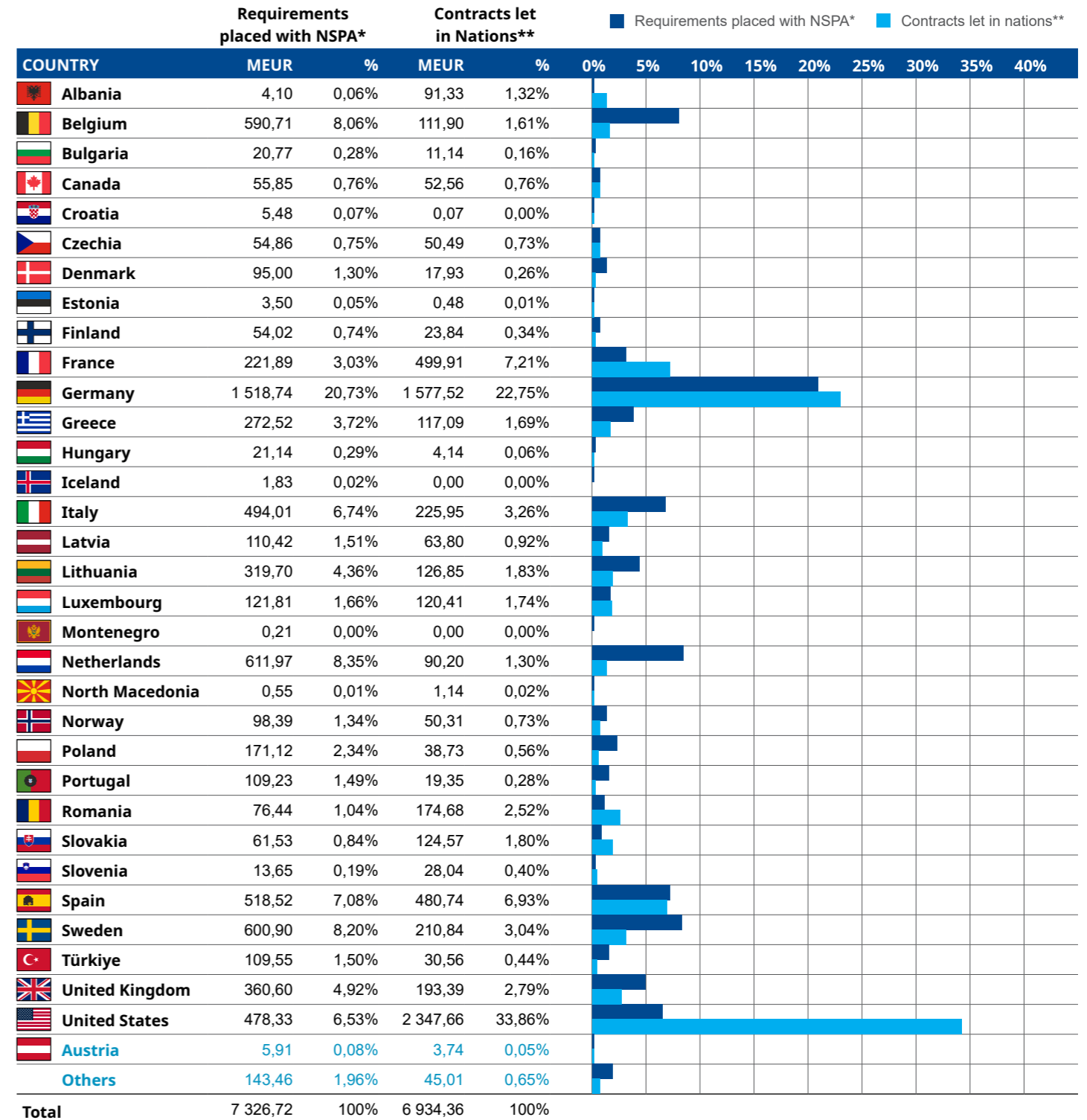
ANNEX 2 NSPA CATALOGUE OF CAPABILITIES /PRODUCT LINES



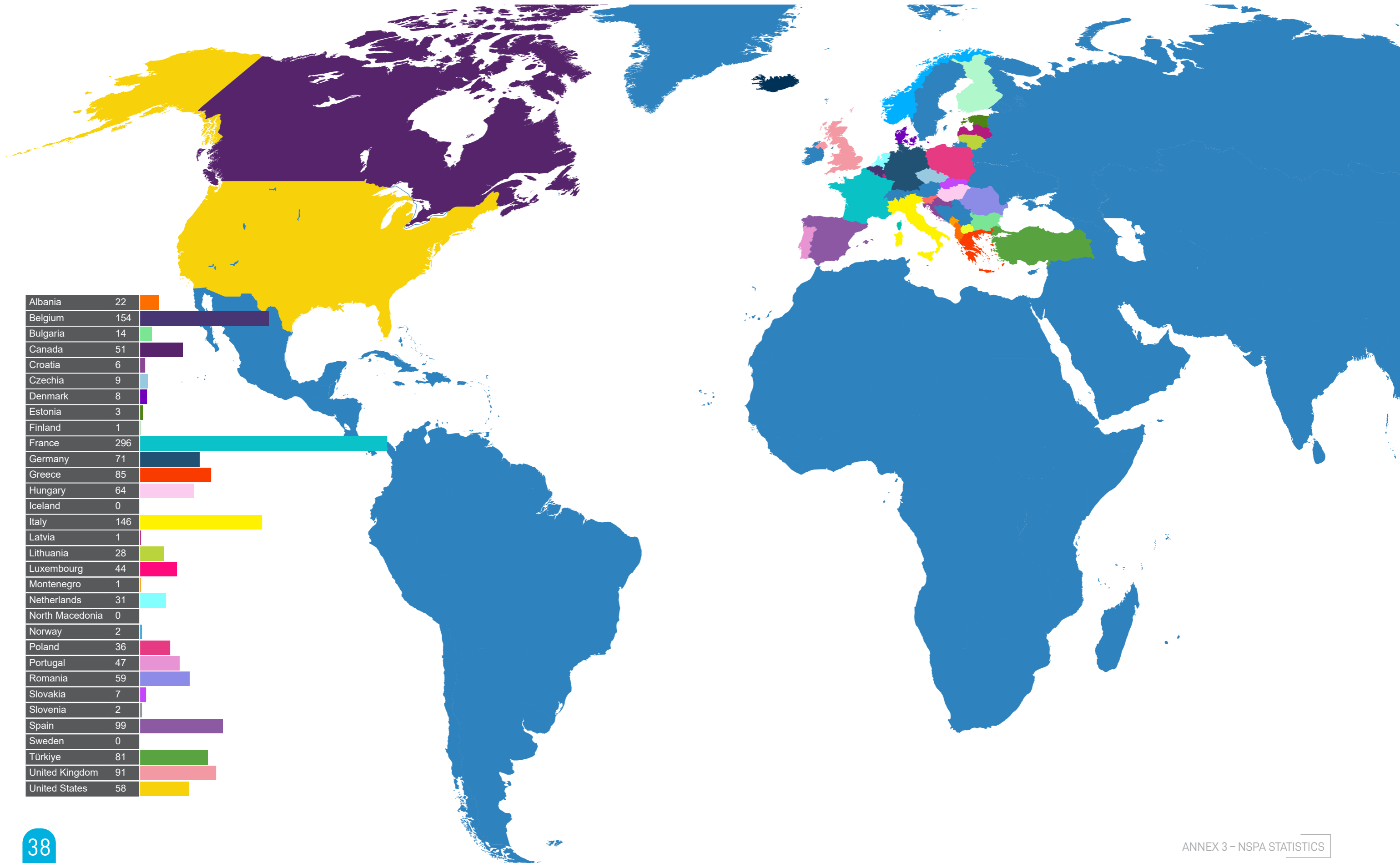
BUSINESS LINE	PRODUCT LINE	DESCRIPTION
ACQUISITION	Concept and Development	<ul style="list-style-type: none"> We manage the Pre-Concept, Concept and Development Stages of the Acquisition cycle of new Major Armament Programmes, including all aspects of multinational cooperation, requirements development on behalf and to the standard of the customer, and international industry competition.
	Production	<ul style="list-style-type: none"> We manage and deliver Oversight of the Production Phase of Acquisition Programme. We also deliver acquisition services for Military Off-The Shelf major armament systems
OVERHAUL AND UPGRADE	Modernisation and Overhaul Projects	<ul style="list-style-type: none"> We manage the modernisation, overhaul or mid-life upgrade projects of major equipment or systems in service in our customers' armed forces, from requirement definition to in-service acceptance, including industry selection and mobilisation.
IN SERVICE SUPPORT	Technical Services	<ul style="list-style-type: none"> We perform technical services, using our in-house capacities such as technical workshops or Calibration Laboratory, to maintain and repair highly technological equipment and components from our customers. We also deliver technical advisory services such as configuration management, documentation, project management assistance, Codification services, continued airworthiness, etc.
	Maintenance Support (owned and non-owned Assets)	<ul style="list-style-type: none"> We ensure equipment or systems in service in our customer nations are maintained at required operational level. This includes preventive and corrective maintenances, repair management, direct exchange, on-site maintenance, etc. We deliver various level of maintenance, which, depending on the customers' requirement, can span from complete maintenance planning and execution, through to reactive/corrective activities only. We also deliver real asset management, in a number of situations where the assets are owned by NATO.
	Supply Support	<ul style="list-style-type: none"> We provide through life cycle supply support and procurement of goods, parts and components on behalf of our customers. This includes supply from stock, stock replenishment, mutual emergency support, stock management, etc. It also includes Smart Supplies services.
BROKERAGE SERVICES	M/COTS Brokerage	<ul style="list-style-type: none"> We procure off-the-shelf material, equipment or services, and ammunitions, through a large range of strategically negotiated price agreements with selected suppliers, delivering economies of scale and rapid delivery for our customers.
OPERATIONAL SUPPORT	Field Services	<ul style="list-style-type: none"> We deliver real-life services, airport services, operational energy services, and fuel to deployed field locations, through commercial sourcing. We maintain in condition and deploy Deployable Camp Infrastructures.
	Infrastructure Projects	<ul style="list-style-type: none"> We manage Infrastructure Projects for military or civilian fixed infrastructure, in Europe or in deployed theatres, for NSIP or National projects, arranging the full range of activities required for specifications development, contracting, overseeing and accepting required facilities for customers.
	Transport	<ul style="list-style-type: none"> We arrange operational or strategic multimodal transportation services of goods and personnel.

ANNEX 3 NSPA STATISTICS

CONTRACTS OVERVIEW



WORKFORCE BY NATO NATION





NATO Support and Procurement Agency
Agence OTAN de soutien et d'acquisition

11 rue de la Gare, L-8325 Capellen - Luxembourg
Tel. + 352 3063-1 | www.nspa.nato.int | 