



Additional Defence Data 2009

Date: 11.01.2011

European Defence Agency

Building Capabilities for a Secure Europe



* All EU Member States except Denmark participate in EDA.

EUROPEAN DEFENCE EXPENDITURE – Macro-Economic Data

Evolution	2006	2007	2008	2009	2008-2009 % change
Total Defence Expenditure	€ 201 Bln	€ 204 Bln	€ 201* Bln	€ 194 Bln	-3,48%
Defence Expenditure as % of GDP	1,78%	1,69%	1,64*%	1,67%	+1,83%
Defence Expenditure as % of Total Government Expenditure	3,8%	3,7%	3,5%	3,3%	-5,71%
Defence Expenditure per Capita	€ 412	€ 417	€ 409*	€ 392	-4,16%

Macroeconomic Data: GDP, General Government Expenditure and Population are based on data from Eurostat.

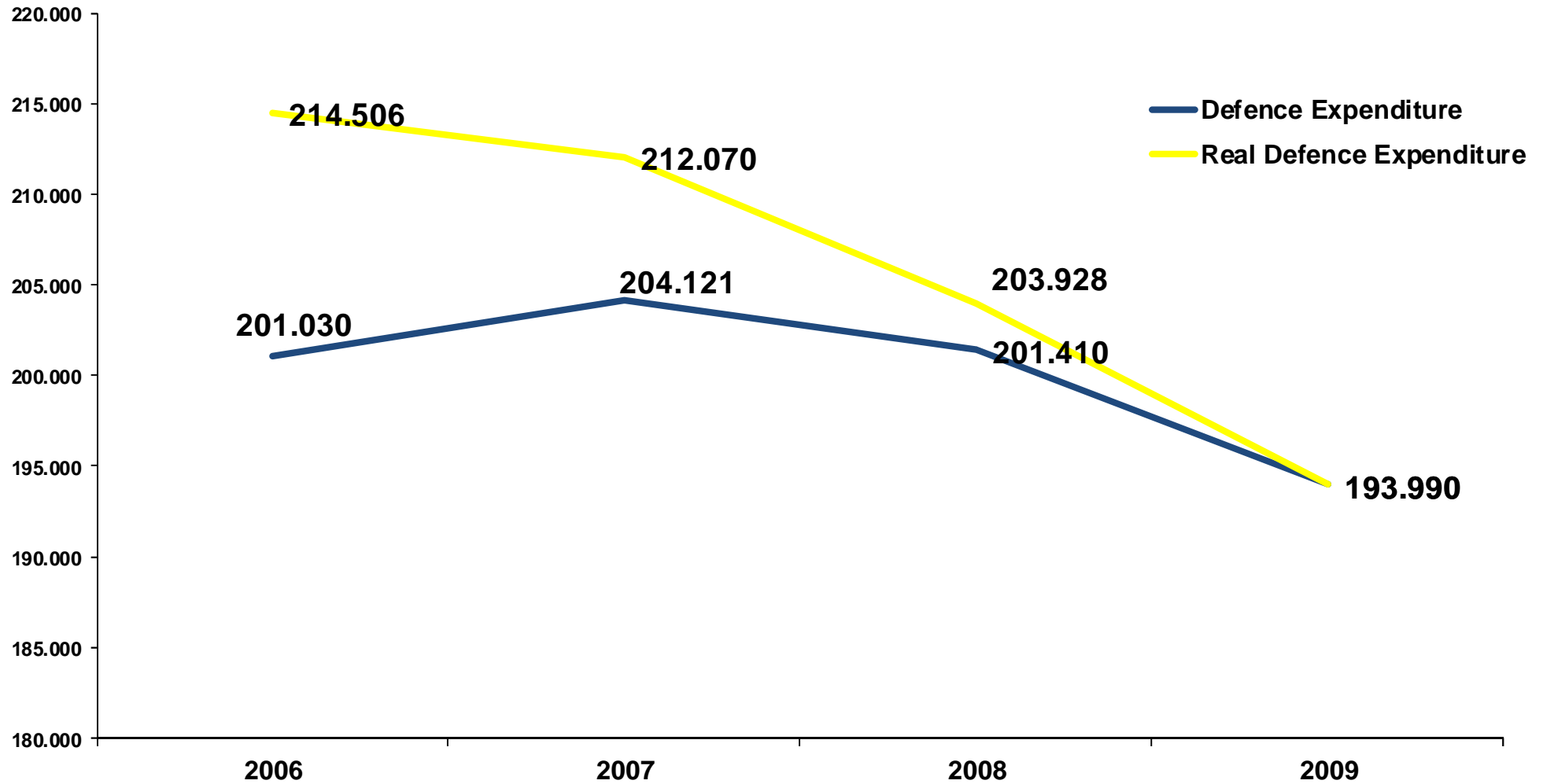
Total defence expenditure is defined as total Ministry of Defence expenditure and defence related expenditure from other sources (other Ministries special budgetary lines).

* Data has been revised



EUROPEAN DEFENCE EXPENDITURE – Macro-Economic Data

Defence Expenditure: Nominal and Real



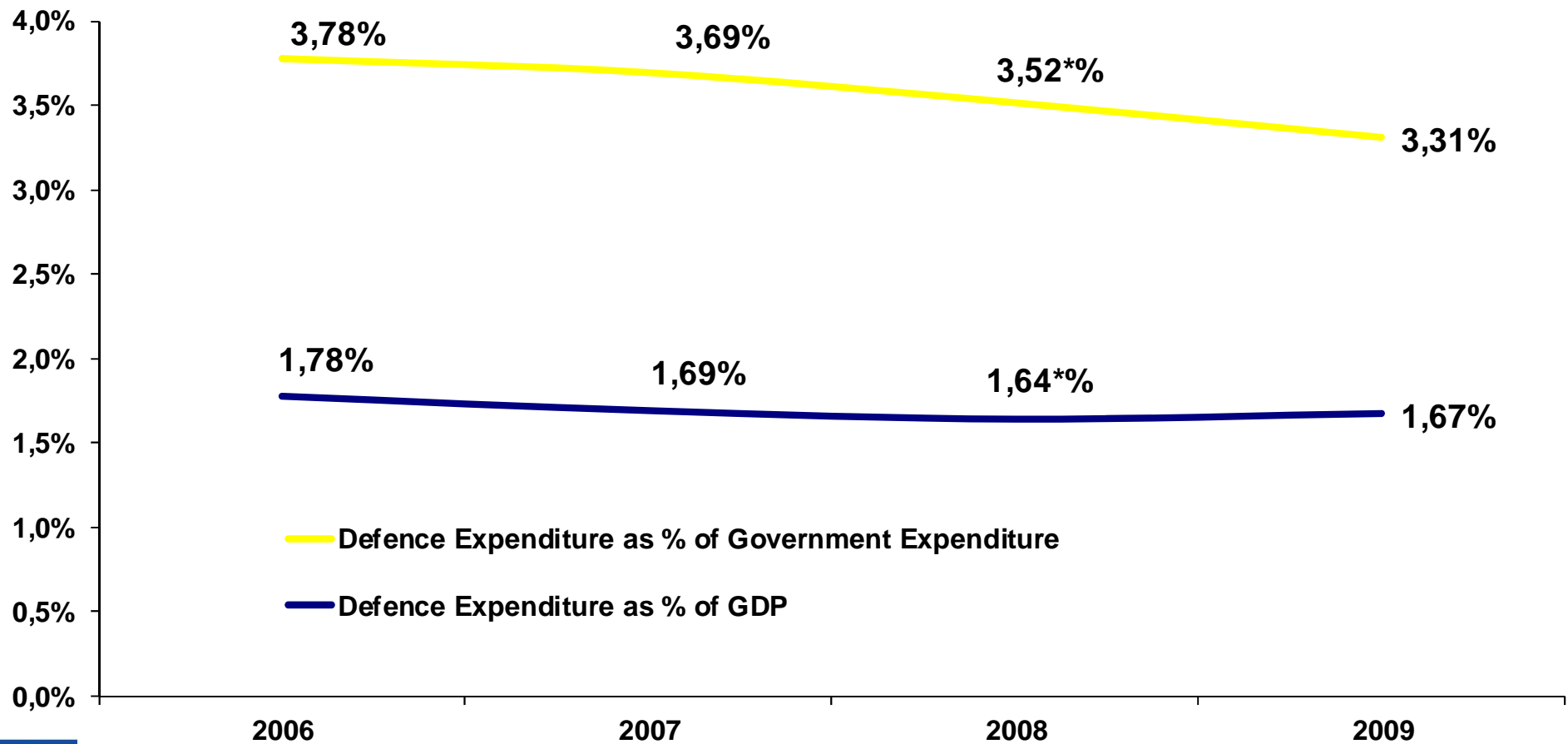
2006, 2007 and 2008 have been inflated to 2009 economic conditions



Data for 2008 has been revised

EUROPEAN DEFENCE EXPENDITURE – Macro-Economic Data

Defence Expenditure as a % of GDP and as a % of Government Expenditure



* Data has been revised

EUROPEAN DEFENCE EXPENDITURE – Reform

Evolution	2006	2007	2008	2009	2008-2009 % change
Military Personnel	1.940.112	1.836.882	1.800.707	1.668.537	-7,34%
Civilian Personnel	484.827	457.392	433.780	426.335	-1,7%
Defence Spend per Soldier	€ 103.602	€ 111.117	€ 111.845*	€ 116.264	+4,0%
Investment per Soldier (Equipment Procurement and R&D)	€ 20.002	€ 22.795	€ 23.274	€ 24.522	+5,36%

Military Personnel: Authorised strengths of all active military personnel on 31 December of each year; includes all personnel in uniform who can operate under military command and can be deployed outside national territory.

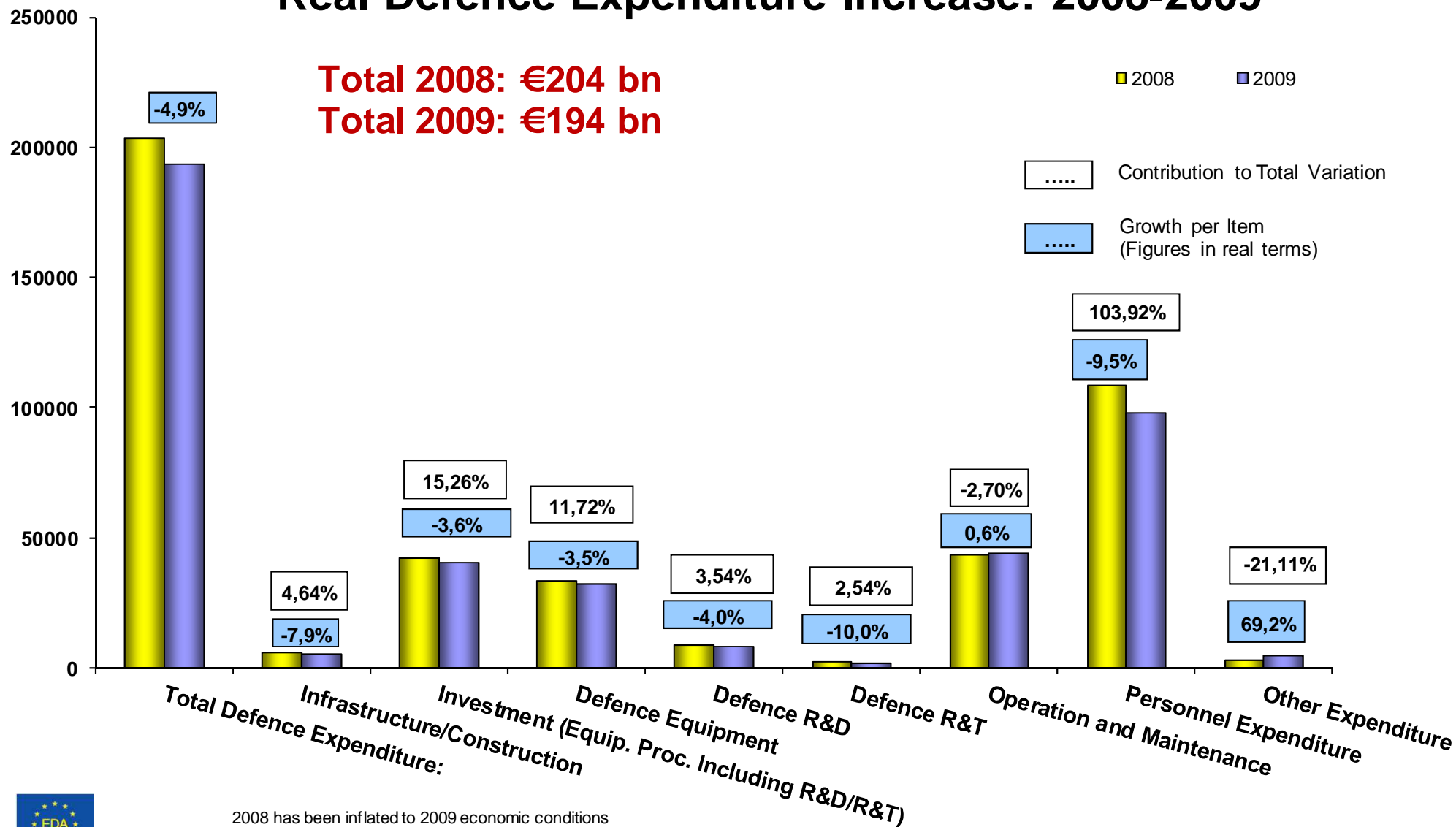
Civilian Personnel: The authorised strength of all civilian personnel on 31 December of each year employed by all military establishments and the armed forces.



Data has been revised

EUROPEAN DEFENCE EXPENDITURE – Reform

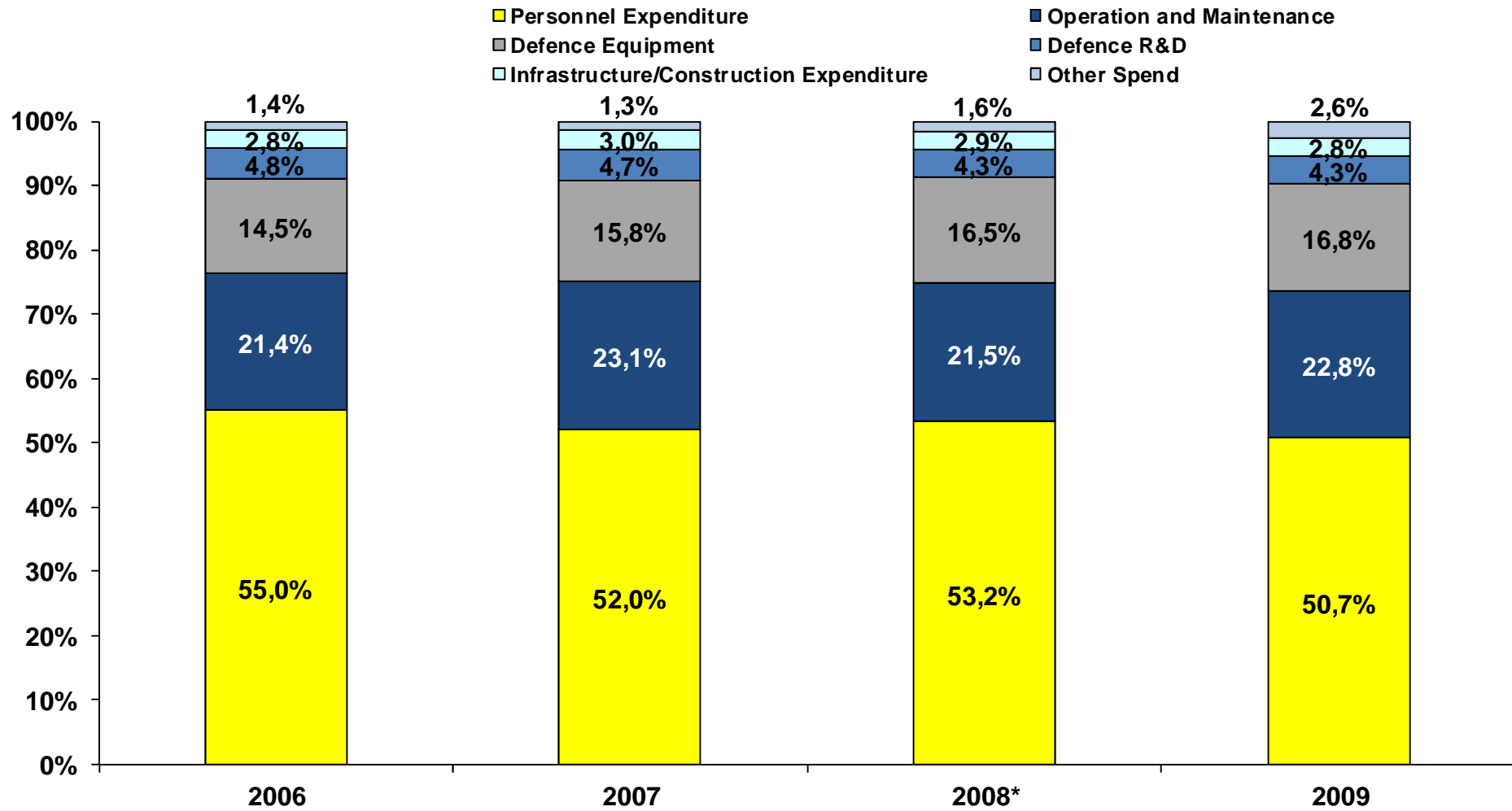
Real Defence Expenditure Increase: 2008-2009



2008 has been inflated to 2009 economic conditions

EUROPEAN DEFENCE EXPENDITURE – Reform

Breakdown of Defence Expenditure



* Data has been revised

EUROPEAN DEFENCE EXPENDITURE – Reform

Evolution	2006	2007	2008	2009	2008-2009 % change
Personnel	€110 Bln	€106 Bln	€107 Bln *	€ 98 Bln	-8,41%
Investment (Equipment Procurement and R&D)	€38,8 Bln	€41,8 Bln	€41,9 Bln	€40,9 Bln	-2,39%
Operation and Maintenance	€43,3Bln	€47,0 Bln	€43,3 Bln	€44,2 Bln	+2,10%
Other (Includes Infrastructure)	€8,9 Bln	€9,2 Bln	€8,9 Bln *	€10,5 Bln	+17,98%

Personnel Expenditure: all personnel-related expenditure for military and civilian personnel, including from non-MoD sources.

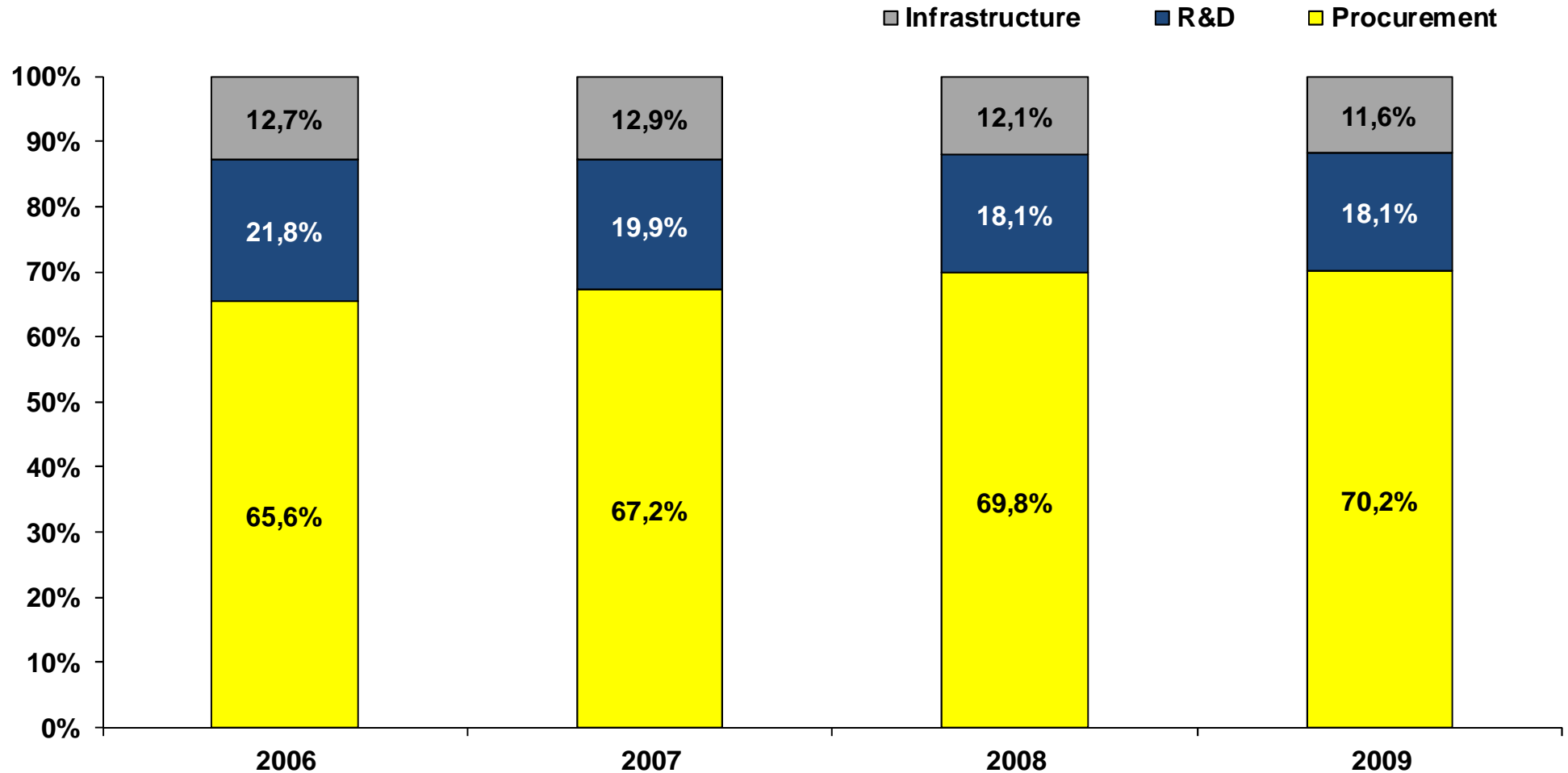
Operation and Maintenance (O&M) expenditure: covers O&M (spare parts and supplies) of major equipment; other equipment and supplies; and costs related to maintaining utilities and infrastructure.



* Data has been revised

EUROPEAN DEFENCE EXPENDITURE – Reform

Overall Capital Investment Breakdown



Equipment Procurement expenditure includes expenditure for all major equipment categories, that are not included in O&M spending.
Research and Development (R&D) expenditure: any R&D programmes up to the point where expenditure for production of equipment starts to be incurred.
Infrastructure: construction of fixed military installations, including country's share in multinationally funded military construction/infrastructure.

EUROPEAN DEFENCE EXPENDITURE – Reform

Overall Capital Investment Breakdown

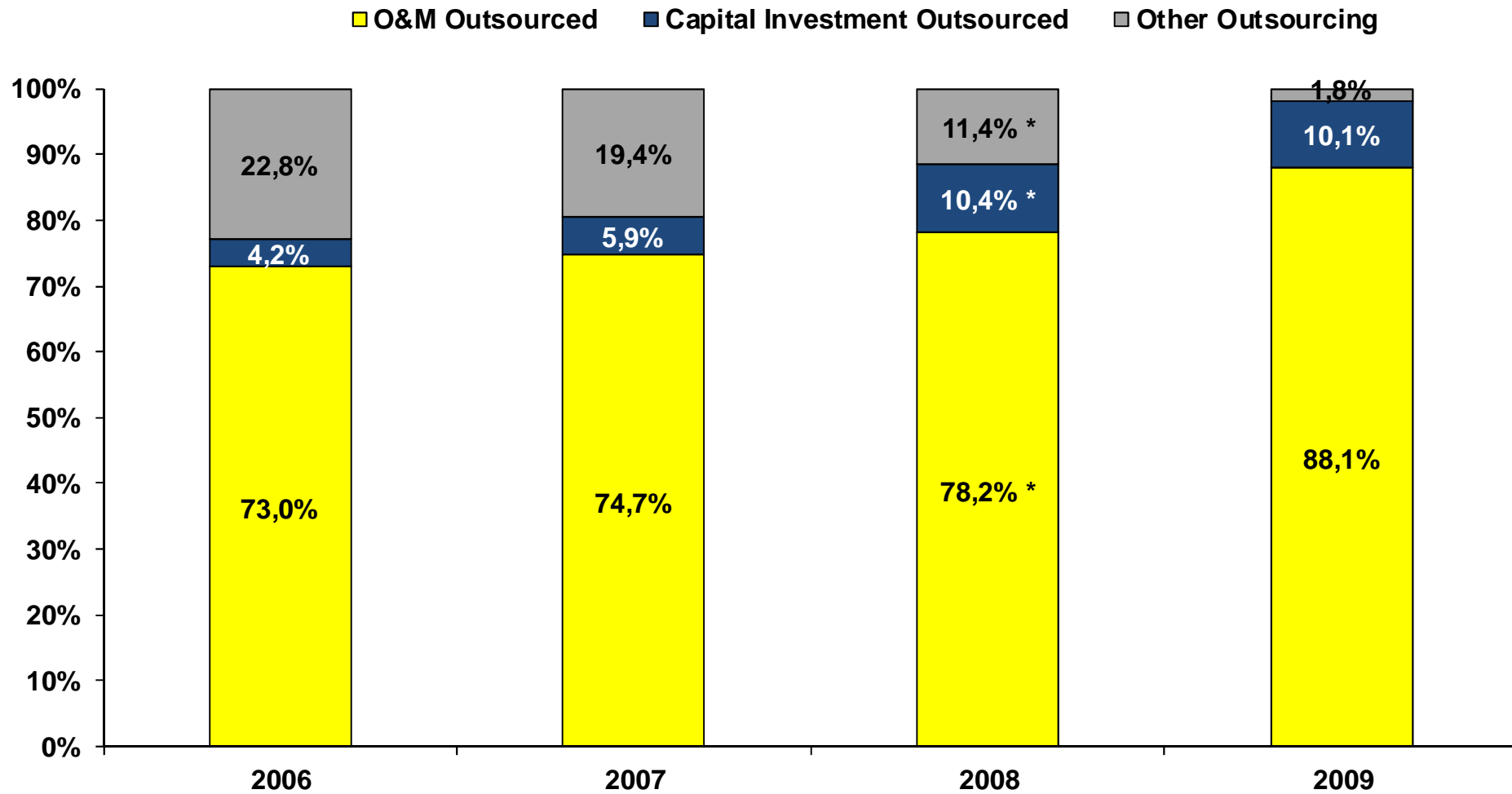
Evolution	2006	2007	2008	2009	2008-2009 % change
Infrastructure	€5,6 Bln	€6,2 Bln	€5,8 Bln	€5,4 Bln	-6,90%
Equipment Procurement	€29,1 Bln	€32,3 Bln	€33,3 Bln	€32,5Bln	-2,40%
R&D	€9,7 Bln	€9,6 Bln	€8,6 Bln	€8,4 Bln	-2,3%
R&T (Subset of R&D)	€2,7 Bln	€2,5 Bln	€2,5 Bln	€2,3 Bln	-80%



Research and Technology (R&T) expenditure: Subset of R&D – expenditure for basic research, applied research and technology demonstration for defence purposes.

EUROPEAN DEFENCE EXPENDITURE – Reform

Outsourcing Breakdown



* Data has been revised

EUROPEAN DEFENCE EXPENDITURE – Reform

Evolution	2006	2007	2008	2009	2008-2009 % change
Outsourcing	€14,1 Bln	€14,4 Bln	€12,0 Bln	€14,1 Bln	+17,5%
O&M Outsourced	€10,2 Bln	€10,8 Bln	€ 9,4 Bln	€12,4 Bln	+31,91%
Capital Investment Outsourced	€1,3 Bln	€1,7 Bln	€ 1,3 Bln	€1,4 Bln	+7,7%
Operation Costs	€6,6 Bln	€8,6 Bln	€9,7 Bln	€9,8 Bln	+1,03%



Outsourcing: is defence expenditure for which services have been contracted at the central level with service suppliers from outside the MoD and/or Armed Forces.

EUROPEAN DEFENCE EXPENDITURE – Collaboration

Evolution	2006	2007	2008	2009	2008-2009 % change
Collaborative Defence Equipment Procurement	€6.663 Mln	€6.846 Mln	€8.072 Mln	€8.233 Mln	+2%
European Collaborative Defence Equipment Procurement	€6.078 Mln	€6.107 Mln	€7.068 Mln	€7.144 Mln	+1,07%
European Collaborative Defence Equipment Procurement out of Total Procurement	20,9%	18,9%	21,2%	22,0%	+3,77%
European Collaboration out of Collaborative Procurement	91%	89%	88% *	87%	-1,14%



Collaboration: Agreement by at least two Ministries of Defence for project or programme contracts.

European Collaboration: subset of Collaboration; agreement by at least two EU Member States Ministries of Defence for project or programme contracts. Possible non-EU partners share in such contracts is lower than 50%.

EUROPEAN DEFENCE EXPENDITURE – Collaboration

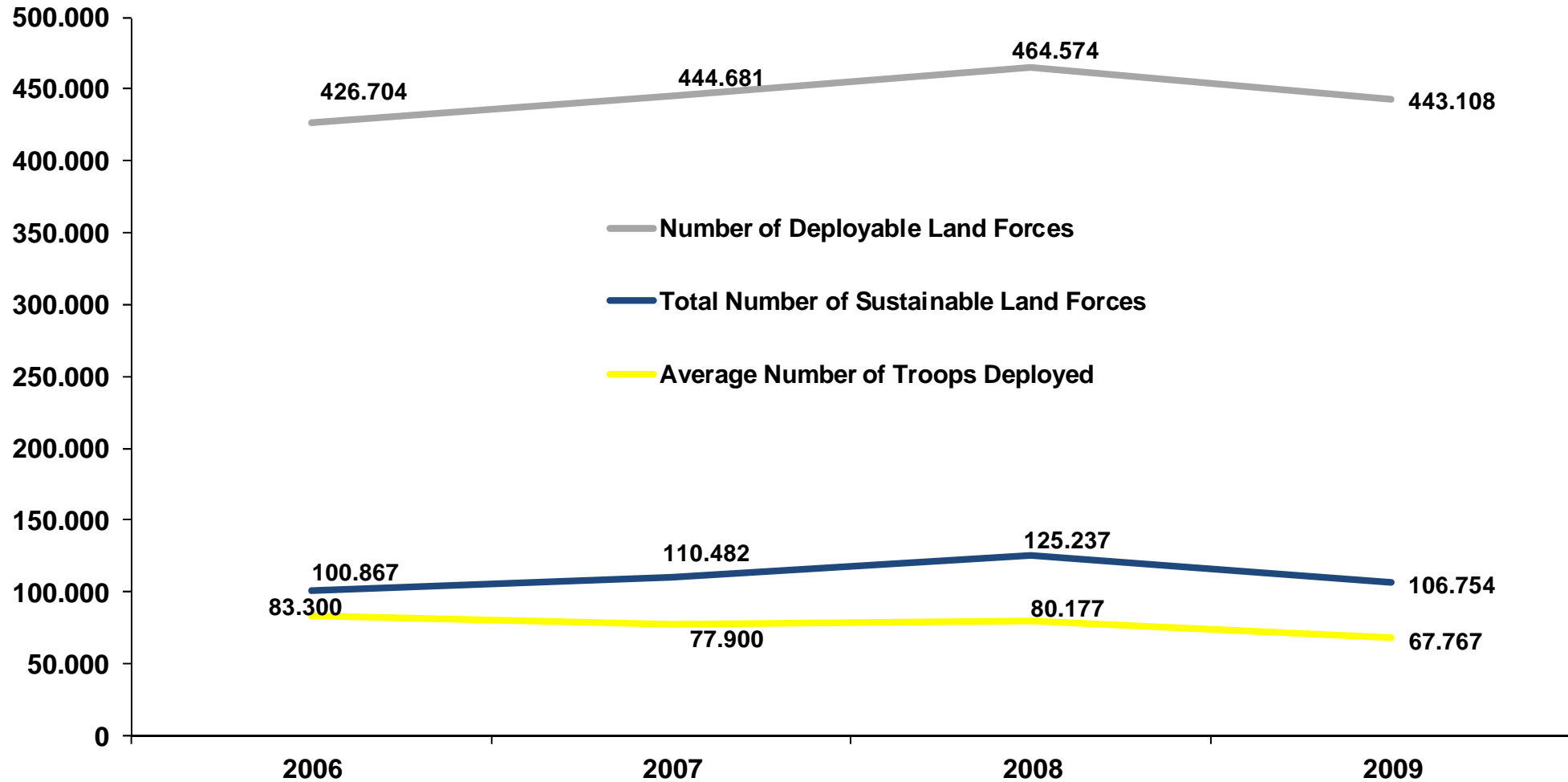
Evolution	2006	2007	2008	2009	2008-2009 change
Collaborative R&T	€385 Mln	€377 Mln	€452* Mln	€322 Mln	28,76%
European Collaborative R&T	€254 Mln	€332 Mln	€412* Mln	€290 Mln	-29,61%
European Collaborative R&T out of Total R&T	9,6%	13,1%	16,6*%	12,8%	-22,89%
European Collaborative R&T out of Collaborative R&T	65,9%	88,0%	91,2%	90,1%	-1,21%



* Data has been revised

EUROPEAN DEFENCE EXPENDITURE – Deployability

Deployability Breakdown



Average number of troops deployed = Average number of troops deployed throughout the year by all EDA Participating Member States (All forces)

Deployable (Land) Forces = (Land) Forces troops prepared for deployed operations (the NATO 50% target).

Sustainable (Land) Forces = (Land) Forces troops undertaking or planned for sustained operations (the NATO 10% target).

EUROPEAN DEFENCE EXPENDITURE – Deployability

Evolution	2006	2007	2008	2009	2008-2009 % change
Average number of troops deployed	83.300	77.900	80.177	67.767	-15,48%
Deployable (Land) Forces	426.700	444.700	464.574	443.108	-4,62%
Sustainable (Land) Forces	100.900	110.482	125.237	106.754	-14,76%
Average Number of troops deployed out of Military Personnel	5,0%	4,3%	4,5%	4,1%	-8,89%

