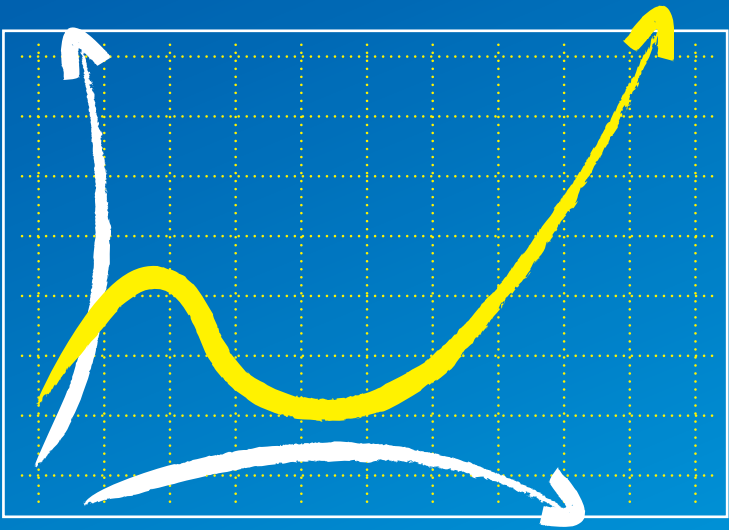




DEFENCE DATA 2007



European Defence Agency
Building Capabilities for a Secure Europe

INTRODUCTION

The European Defence Agency is collecting defence data on an annual basis. The Ministries of Defence of the Agency's 26 participating Member States (all EU Member States except Denmark) provide the data and EDA acts as the custodian of these. The numbers presented in this brochure are the collective figures representing sums of the national data collected.

The statistics are broken down, based on a list of indicators approved by the Agency's Ministerial Steering Board. This list has four sections, represented in the headings of the data presented in this brochure:

- *General*: macro-economic data to show how defence budgets relate to GDP and overall government spending;
- *Reform*: major categories of defence budgets spending – personnel; investment, including research & technology; operations & maintenance and others – to show on what the defence budgets are spent;
- *European collaboration*: for equipment procurement and R&T to show to what extent the Agency's participating Member States are investing together;
- *Deployability*: military deployed in crisis management operations to show the ratio between deployments and the total number of military.

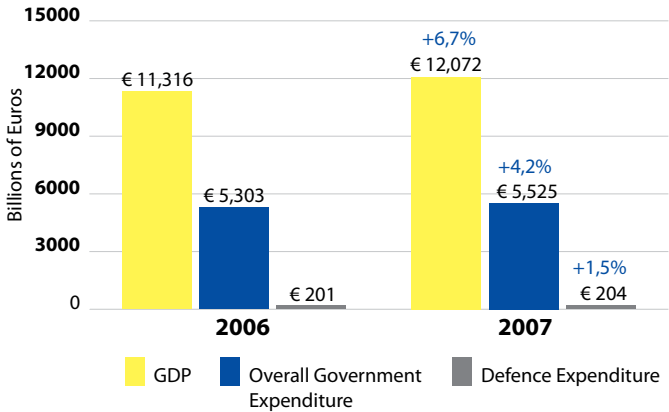
In November 2007 the Ministerial Steering Board approved four collective benchmarks for investment:

- Equipment procurement (including R&D/R&T): 20% of total defence spending;
- European collaborative equipment procurement: 35% of total equipment spending;
- Defence Research & Technology: 2% of total defence spending;
- European collaborative Defence R&T: 20% of total Defence R&T spending.

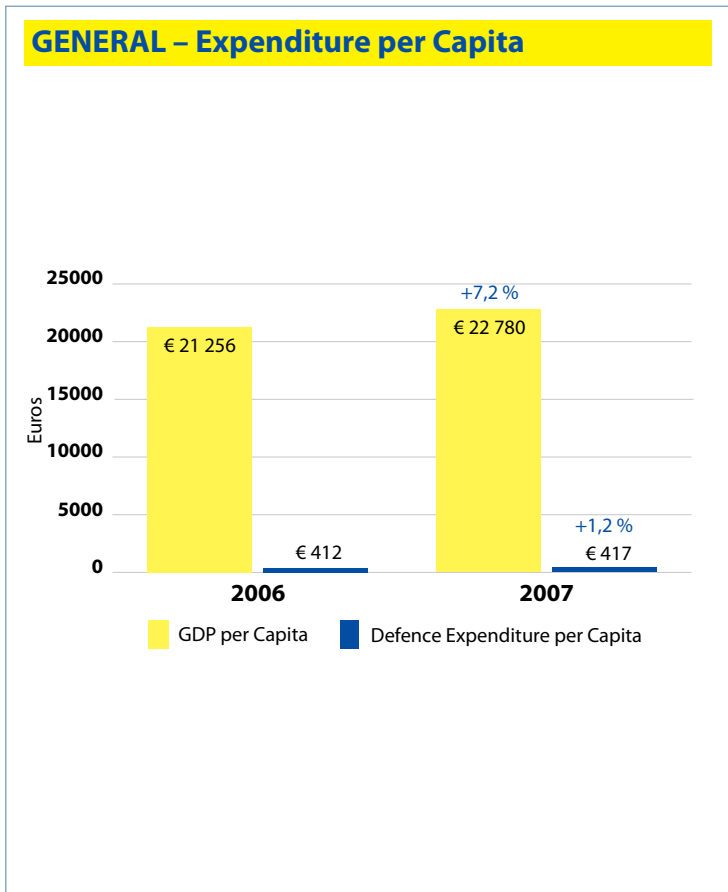
These benchmarks are collective: they apply to the total sum spent by all participating Member States together. They are voluntary in the sense turning them into national targets is optional. There are no timelines for realising these benchmarks. In its final section this brochure provides the results of the collective benchmarks. The definitions, used for the gathering of the data, and some general caveats are listed at the end of the brochure.

GENERAL – Macro Economic Data

GDP, Overall Government Expenditure and Defence Expenditure



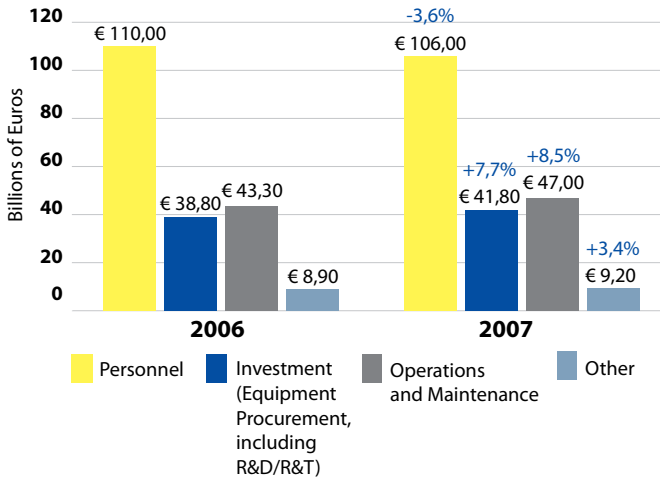
GENERAL – Expenditure per Capita



REFORM –

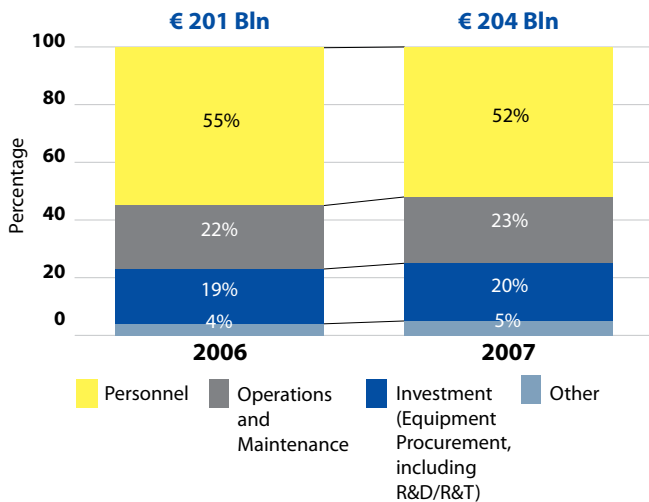
Defence Expenditure Breakdown

Defence Expenditure Breakdown in Volume of Money



REFORM – Defence Expenditure Breakdown

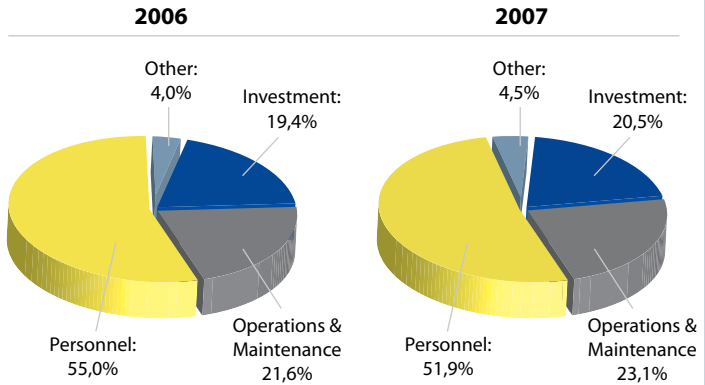
Defence Expenditure Breakdown in Rounded-off Percentages



REFORM –

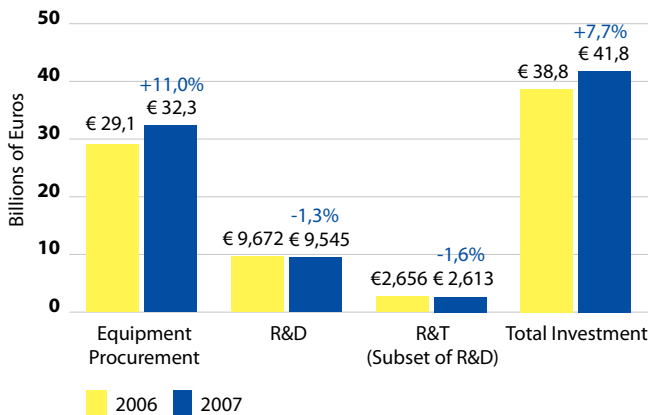
Defence Expenditure Breakdown

Defence Expenditure Breakdown in Exact Percentages



REFORM – Investment Breakdown

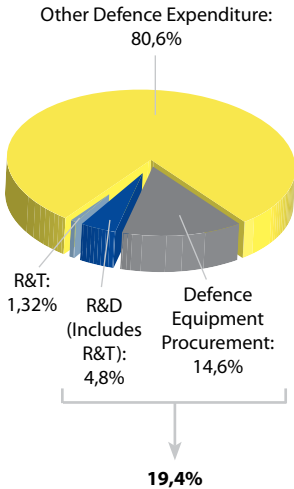
Equipment Procurement and R&D/R&T in Volume of Money



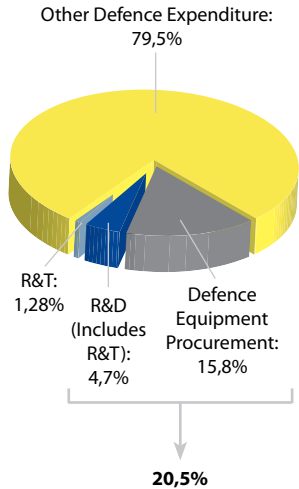
REFORM – Investment Breakdown

Equipment Procurement and R&D/R&T in Exact Percentages

2006

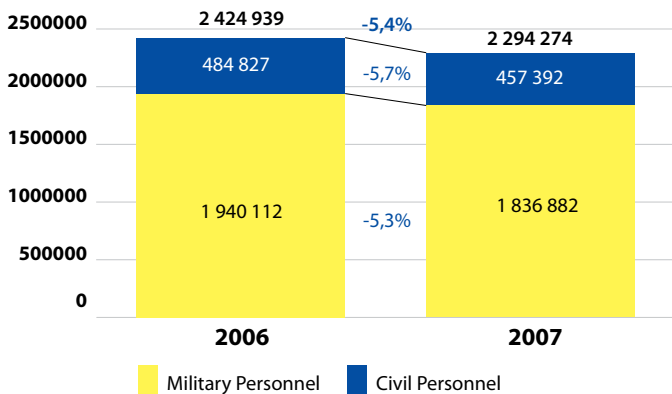


2007



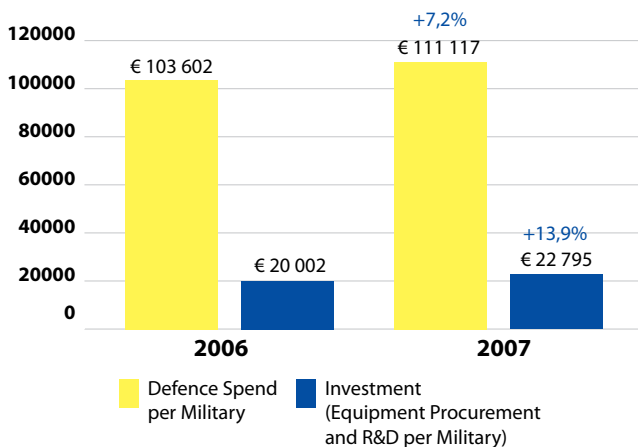
REFORM - Personnel

Military and Civilian Personnel Numbers



REFORM – Expenditure per Military

Defence Spend and Investment per Military

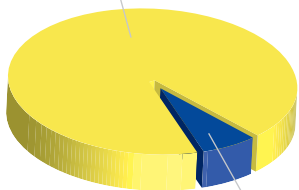


REFORM – Outsourcing

Outsourcing in Volume of Money and Percentages

Total Outsourcing 2006:
€14,1 bln

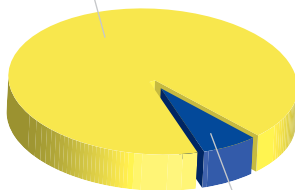
Other Defence
Expenditure:
93,0%



Outsourcing:
7,0%

Total Outsourcing 2007:
€14,4 bln

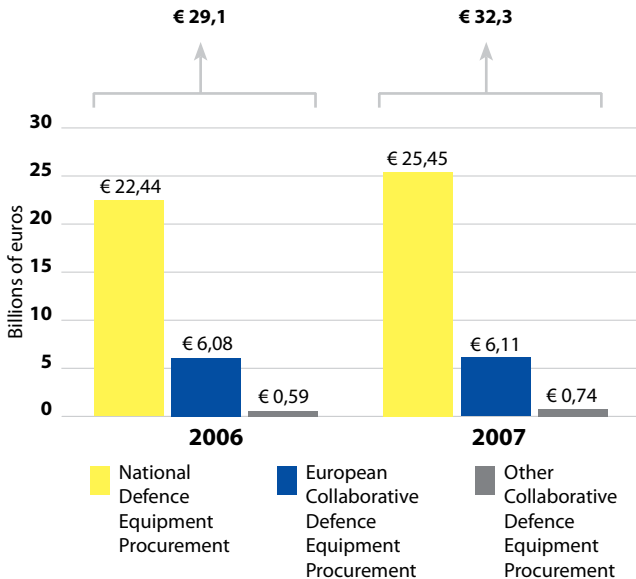
Other Defence
Expenditure:
92,9%



Outsourcing:
7,1%

EUROPEAN COLLABORATION – Equipment Procurement

National and Collaborative Equipment Procurement in Volume of Money



EUROPEAN COLLABORATION – Equipment Procurement

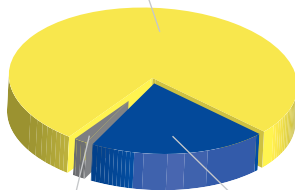
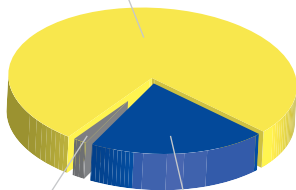
National and Collaborative Equipment Procurement in Percentages

2006

2007

National Defence
Equipment Procurement:
77,1%

National Defence
Equipment Procurement:
78,8%



Other
Collaborative
Defence
Equipment
Procurement:
2,0%

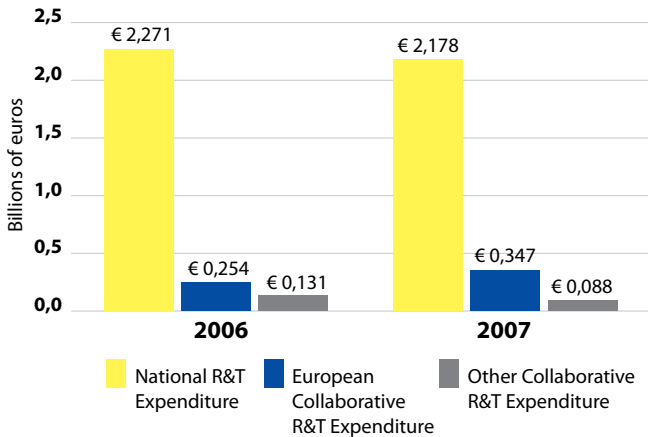
European
Collaborative
Defence
Equipment
Procurement:
20,9%

Other
Collaborative
Defence
Equipment
Procurement:
2,3%

European
Collaborative
Defence
Equipment
Procurement:
18,9%

EUROPEAN COLLABORATION – R&T

National and Collaborative Defence R&T in Volume of Money

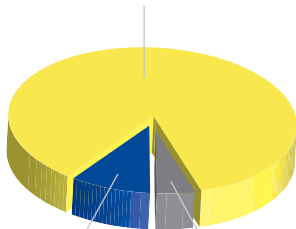


EUROPEAN COLLABORATION – R&T

National and Collaborative Defence R&T in Percentages

2006

National R&T
Expenditure: 85,5%

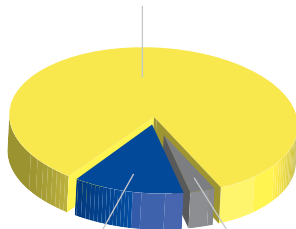


European Collaborative R&T
Expenditure: 9,6%

Other Collaborative R&T
Expenditure: 4,9%

2007

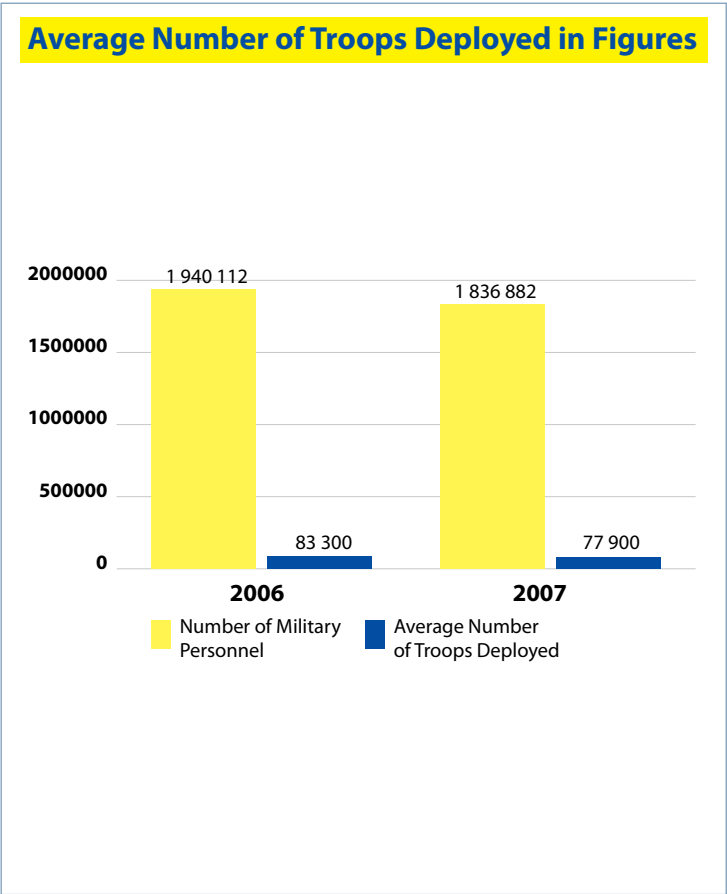
National R&T
Expenditure: 83,3%



European Collaborative R&T
Expenditure: 13,3%

Other Collaborative R&T
Expenditure: 3,4%

DEPLOYABILITY – Average Number Deployed

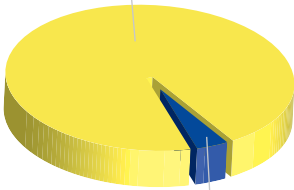


DEPLOYABILITY – Average Number Deployed

Average Number of Troops in Percentages

2006

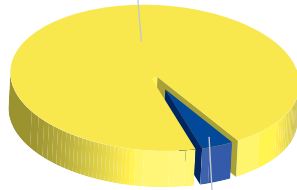
Remaining Military
Personnel:
95,7%



Average Number of
Troops Deployed:
4,3%

2007

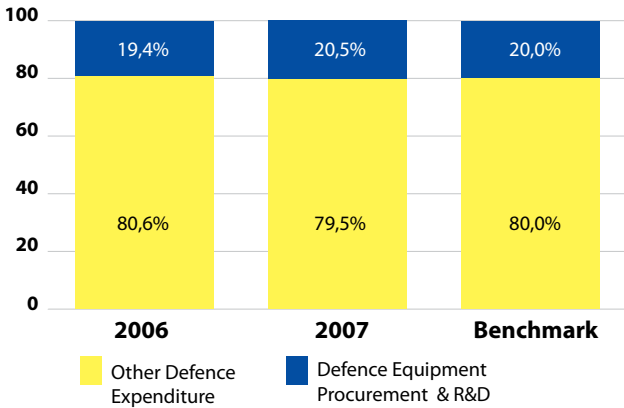
Remaining Military
Personnel:
95,8%



Average Number of
Troops Deployed:
4,2%

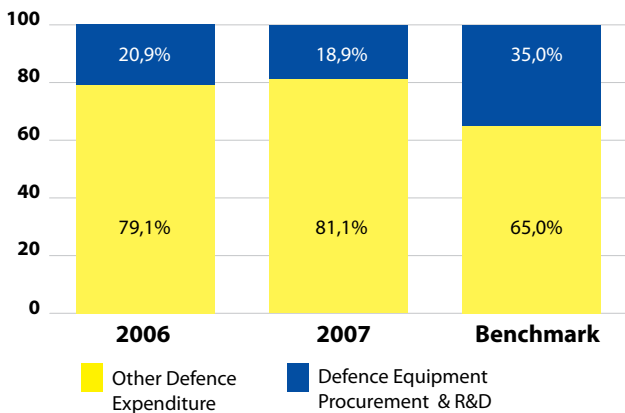
BENCHMARKS

Defence Equipment (including R&D) as a Percentage of Total Defence Expenditure



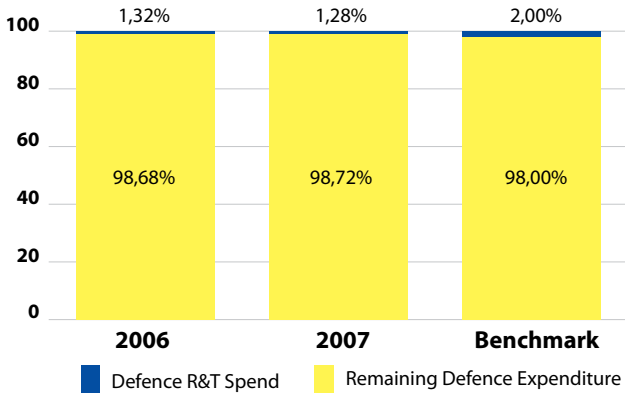
BENCHMARKS

European Collaborative Defence Equipment Procurement as a Percentage of Equipment Procurement



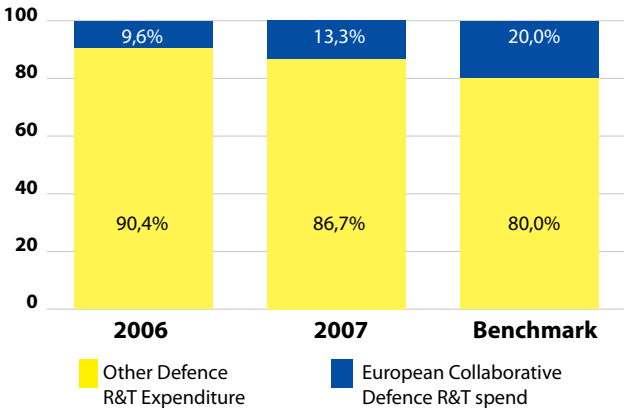
BENCHMARKS

R&T as a Percentage of Defence Expenditure



BENCHMARKS

European Collaborative R&T as a Percentage of R&T



DEFINITIONS

Data collection is based on definitions approved by the participating Member States. These definitions have been shortened and edited for this publication.

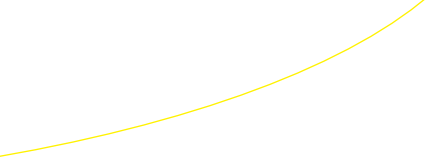
- Macroeconomic data: GDP, general government expenditure and population are based on data from Eurostat.
- Total defence expenditure: total Ministry of Defence expenditure and defence related expenditure from other sources (other Ministries special budgetary lines).
- Military personnel: authorised strengths of all active military personnel on 31 December of each year.
- Civilian personnel: authorised strength of all civilian personnel on 31 December of each year.
- Personnel expenditure: 1) Pay and allowances paid to: military and civilian personnel. 2) Pensions – only if paid directly by the government (MoD or other State-owned institution) to: retired military and civilian employees.
- Defence equipment procurement expenditure: expenditure for all major equipment categories.
- Research and Development (R&D): any R&D programmes up to the point where expenditure for production of equipment starts to be incurred.
- Research and Technology (R&T): a subset of R&D - expenditure for basic research, applied research and technology demonstration for defence purposes.
- Investment: equipment procurement and R&D (including R&T).
- Operations 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.
- Outsourcing: defence expenditure for which services have been contracted at the central level with service suppliers from outside the MoD and/or Armed Forces.
- European 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%.
- Other collaborative expenditure: all collaborative expenditure that does not fall under the European collaboration definition.
- Other: all expenditure that cannot be attributed to another category.
- Average number of troops deployed: average number of troops deployed throughout the year.

ADDITIONAL NOTES ON THE DATA

- EDA is receiving the data from the Ministries of Defence of the 26 participating Member States. On occasions the data can be revised and this may have an impact on overall aggregate figures. In order to have the most up to date data please check EDA's website for updates: <http://www.eda.europa.eu>
- Data on GDP, General Government Expenditure and Population numbers have been collected from Eurostat. However, this data is occasionally revised which may impact some of the data used by EDA.
- The Data provided is at the aggregate level which can produce different figures from other sources due to rounding.
- For some spending categories a margin of error exists as accounting systems in the participating Member States differ. Nevertheless, the presented data provide the best publicly available figures.
- Comparisons are made for 2006 and 2007. It should be noted that more firm trend analysis will only be possible after several years of data gathering.



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Further statistical information and an overview of EDA activities are available on our website:

<http://www.eda.europa.eu>



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