

EUROPEAN DEFENCE AGENCY

Brussels, 21 December 2007

DEFENCE FACTS

EUROPEAN – UNITED STATES DEFENCE EXPENDITURE IN 2006

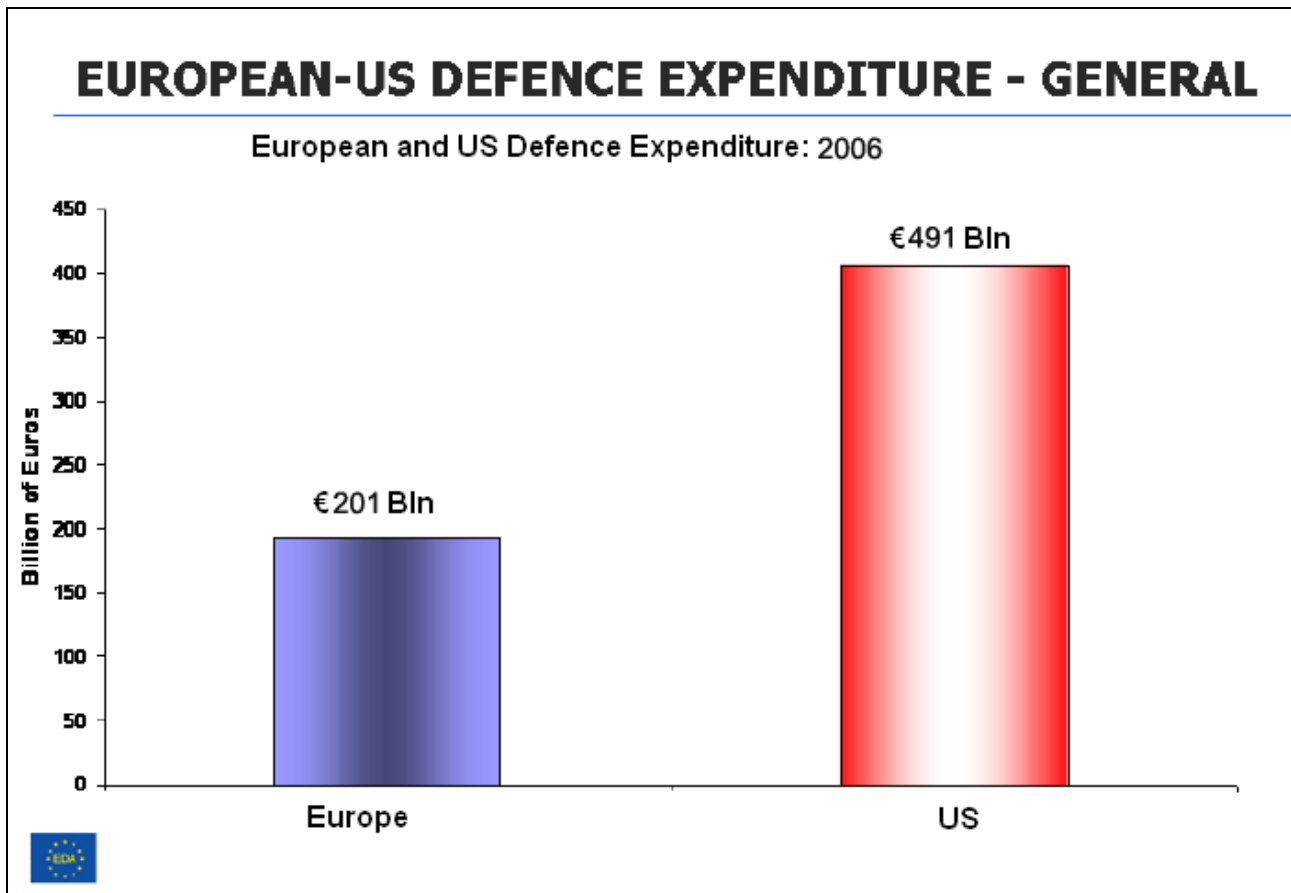
The EDA has compared its data on European defence expenditure – released on 19 November 2007 – with United States defence spending in 2006. The data show that the US spent €491 Billion on defence in 2006, almost two and a half times the €201 billion spent in Europe.

European defence expenditure data represent spending by the 26 EDA participating Member States. US data are based on public sources, mainly US Government publications.

European - US Defence Expenditure - General		
	Europe*	US**
Total Defence Expenditure	€ 201 Bln	€ 491 Bln
Defence Expenditure as a % of GDP	1,78%	4,7%
Defence Expenditure Per Capita	€ 412	€ 1,640

* Europe means 26 EDA participating Member States

** Euro/Dollar exchange rate is based on average for 2006: rate of 1,2556



European - US Defence Expenditure - Reform		
	Europe	US
Military Personnel	1,940,112	1,384,968
Civil Personnel	484,827	699,520
Defence Spent per Soldier	€ 103,602	€ 354,898
Investment (Equipment Procurement and R&D) per Soldier	€ 20,002	€ 102,489

* **Military Personnel:** Authorised strengths of all active military personnel; includes non-MOD personnel in uniform who can operate under military command and can be deployed outside national territory.

European - US Defence Expenditure - Reform		
	Europe	US*
Personnel Expenditure	€ 110,0 Bln	€ 100,0 Bln
Operations & Maintenance	€ 43,3 Bln	€ 169,2 Bln
Equipment Procurement	€ 29,1 Bln	€ 83,0 Bln
Research & Development	€ 9,7 Bln	€ 58,0 Bln
(Includes: Research & Technology)	€ 2,6 Bln	€ 13,6 Bln

R&D: Any R&D programmes up to the point where expenditure for production of equipment starts to be incurred.

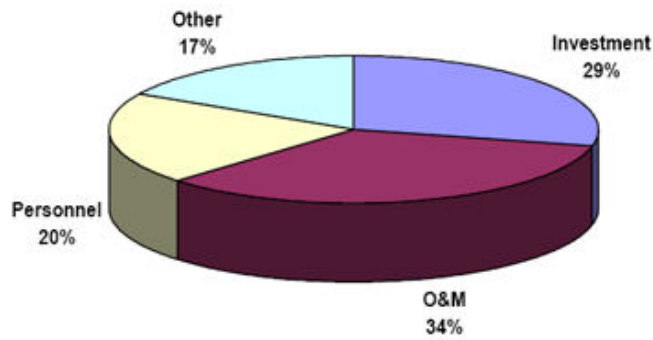
R&T: Subset of R&D – expenditure for basic research, applied research and technology demonstration for defence purposes.

US R&T: Also includes some defence spending by NASA.

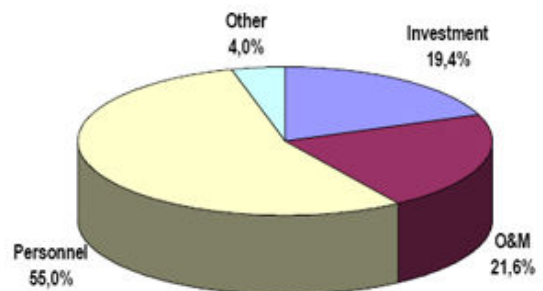
* Note that US defence expenditure data includes the supplement budget. It is not possible to split out of the supplement budget the Operation & Maintenance and Personnel Expenditure. Therefore these individual categories totals are on the lower side.

EUROPEAN-US DEFENCE EXPENDITURE – REFORM

US Defence Spending Breakdown in 2006

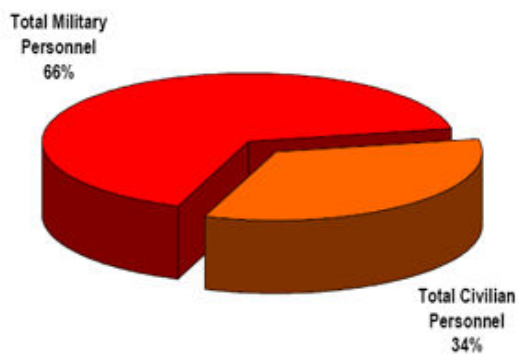


European Defence Spending Breakdown in 2006

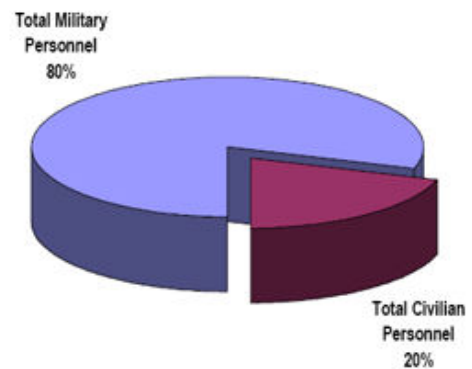


EUROPEAN-US DEFENCE EXPENDITURE – REFORM

US Personnel Breakdown: 2006

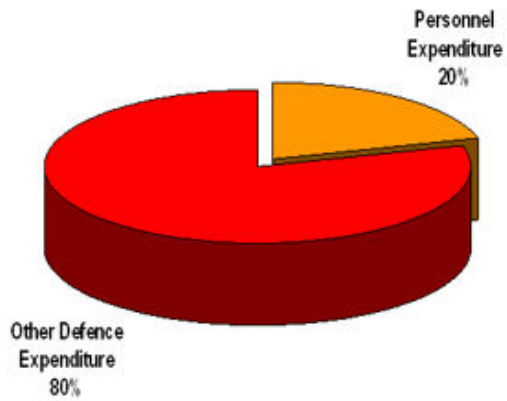


European Personnel Breakdown: 2006

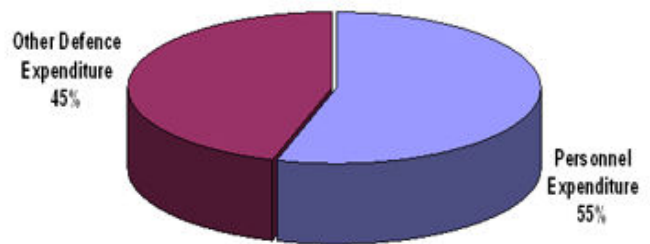


EUROPEAN-US DEFENCE EXPENDITURE – REFORM

US Personnel Expenditure

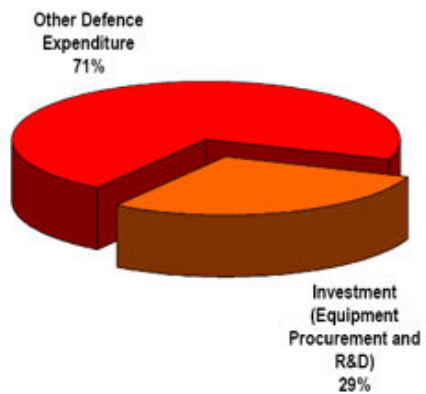


European Personnel Expenditure

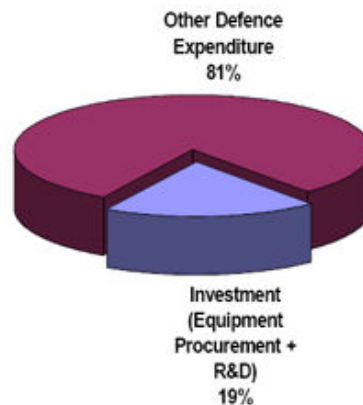


EUROPEAN-US DEFENCE EXPENDITURE – REFORM

US Investment (Equipment Procurement + R&D) as a Percentage of Defence Expenditure in 2006

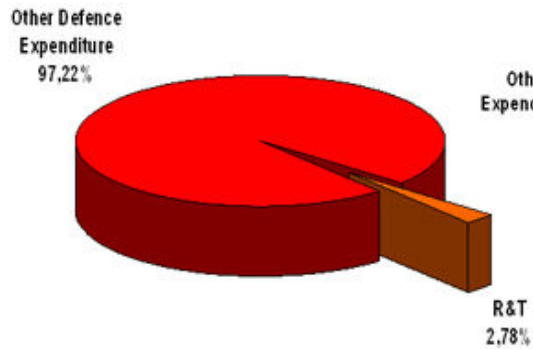


European Investment (Equipment Procurement + R&D) as a Percentage of Defence Expenditure in 2006



EUROPEAN-US DEFENCE EXPENDITURE – REFORM

US R&T Spend as a Percentage of Total Defence Expenditure in 2006

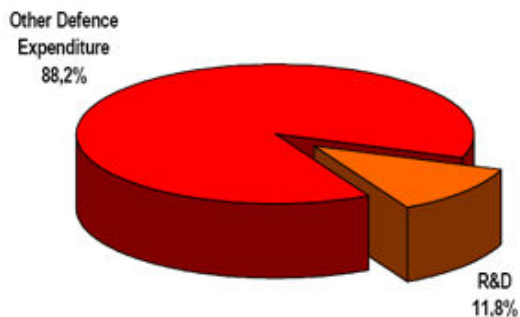


European R&T Spend as a Percentage of Total Defence Expenditure in 2006

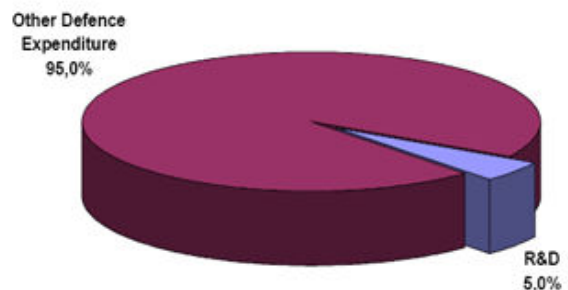


EUROPEAN-US DEFENCE EXPENDITURE – REFORM

US R&D Spend as a Percentage of Total Defence Expenditure in 2006

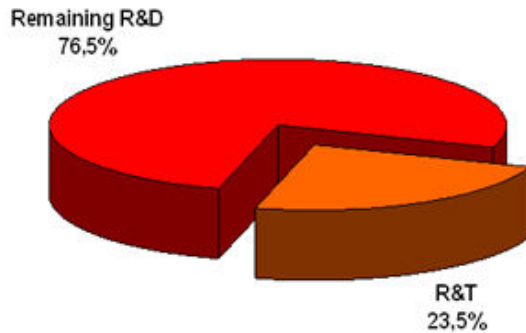


European R&D Spend as a Percentage of Total Defence Expenditure in 2006

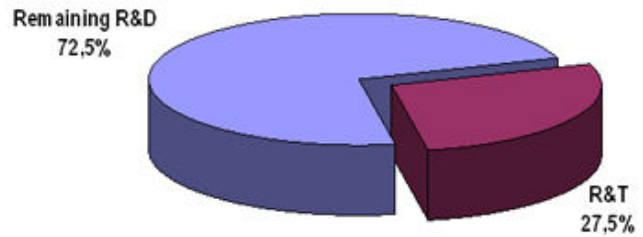


EUROPEAN-US DEFENCE EXPENDITURE – REFORM

US R&T as a Percentage of R&D in 2006



European R&T as a Percentage of R&D in 2006



European - US Defence Expenditure - Deployability

	Europe	US
Average Number of Troops Deployed	98,000	199,000
Average Number of Troops Deployed out of total Military Personnel	5%	14%

EUROPEAN DEFENCE AGENCY

- Background information -

The European Defence Agency (EDA) was established by the Council on 12 July 2004. It is designed "to support the Council and the Member States in their effort to improve European defence capabilities in the field of crisis management and to sustain the ESDP as it stands now and develops in the future". More specifically, the Agency is ascribed four functions, relating to:

- a) defence capabilities development;
- b) armaments cooperation;
- c) the European defence technological and industrial base and defence equipment market;
- d) research and technology.

These functions all relate to improving Europe's defence performance, by promoting coherence in place of fragmentation.

The EDA is an Agency of the European Union. High Representative Solana is Head of the Agency, chairman of the Steering Board, which acts under the Council's authority and within the framework of guidelines issued by the Council.
