



Additional Defence Data 2011

All EU Member States except Denmark participate in EDA

GENERAL – Macro Economic Data

Defence Expenditure

	2006	2007	2008	2009	2010	2011	2010-2011 % change
Total	€201 billion	€204 billion	€201 billion	€194 billion	€194 billion	€193 billion	- 0,5%
As % of GDP	1,78%	1,69%	1,64%	1,68%	1,61%	1,55%	- 3,4%
As % of Total Government Expenditure	3,79%	3,69%	3,52%	3,31%	3,20%	3,17%	- 0,9%
Per Capita	€413	€417	€409	€392	€390	€387	- 0,7%

For ease of reading, part of the figures in this presentation were rounded up to millions or billions of Euros. To guarantee accuracy, percentages were calculated using the complete figures. This means that the percentage values can be slightly different than the ones one would obtain using the rounded monetary figures presented.

Macroeconomic data: GDP, General Government Expenditure and Population are based on data from the European Commission.

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

REFORM - Defence Expenditure Breakdown

Defence Expenditure Breakdown

	2006	2007	2008	2009	2010	2011	2010-2011 % change
Personnel Expenditure	€110,6* billion	€106,0 billion	€107,2 billion	€98,4 billion	€98,7 billion	€98,4 billion	- 0,2%
Investment (Equipment Procurement and R&D)	€38,9* billion	€41,9* billion	€42,0* billion	€40,9 billion	€42,9 billion	€37,0 billion	- 13,8%
Operation and Maintenance	€43,4* billion	€46,9* billion	€43,3 billion	€44,1* billion	€43,7* billion	€45,2 billion	+ 3,6%
Other Expenditure (Including Infrastructure)	€8,2* billion	€9,3* billion	€8,9 billion	€10,7* billion	€8,4* billion	€11,9 billion	+ 42,9%

* Revised data

Personnel expenditure: pay and allowances paid to military personnel and civilian personnel. Pensions are included only if paid directly by the government (MoD or other State-owned institution) to retired military personnel and retired civilian employees.

Operation and Maintenance: expenditure covering supplies of ammunition and explosives, petroleum products, spare parts for O&M of major equipment, other equipment and supplies (to military personnel or units, excluding major equipment), rents for real estate as well as expenditure for utilities, maintenance of infrastructure and other general administrative expenses.

REFORM - Defence Expenditure Breakdown

Overall Capital Investment Breakdown

	2006	2007	2008	2009	2010	2011	2010-2011 % change
Infrastructure/Construction	€5,6 billion	€6,2 billion	€5,8 billion	€5,4 billion	€5,4 billion	€6,8 billion	+ 25,7%
Equipment Procurement	€29,1* billion	€32,2* billion	€33,3 billion	€32,5 billion	€34,3 billion	€29,2 billion	- 15,0%
R&D	€9,8* billion	€9,7* billion	€8,7* billion	€8,4 billion	€8,6 billion	€7,8 billion	- 9,0%
R&T (Subset of R&D)	€2,7 billion	€2,5 billion	€2,5 billion	€2,3 billion	€2,1 billion	€2,1 billion	+ 3,4%

* Revised data

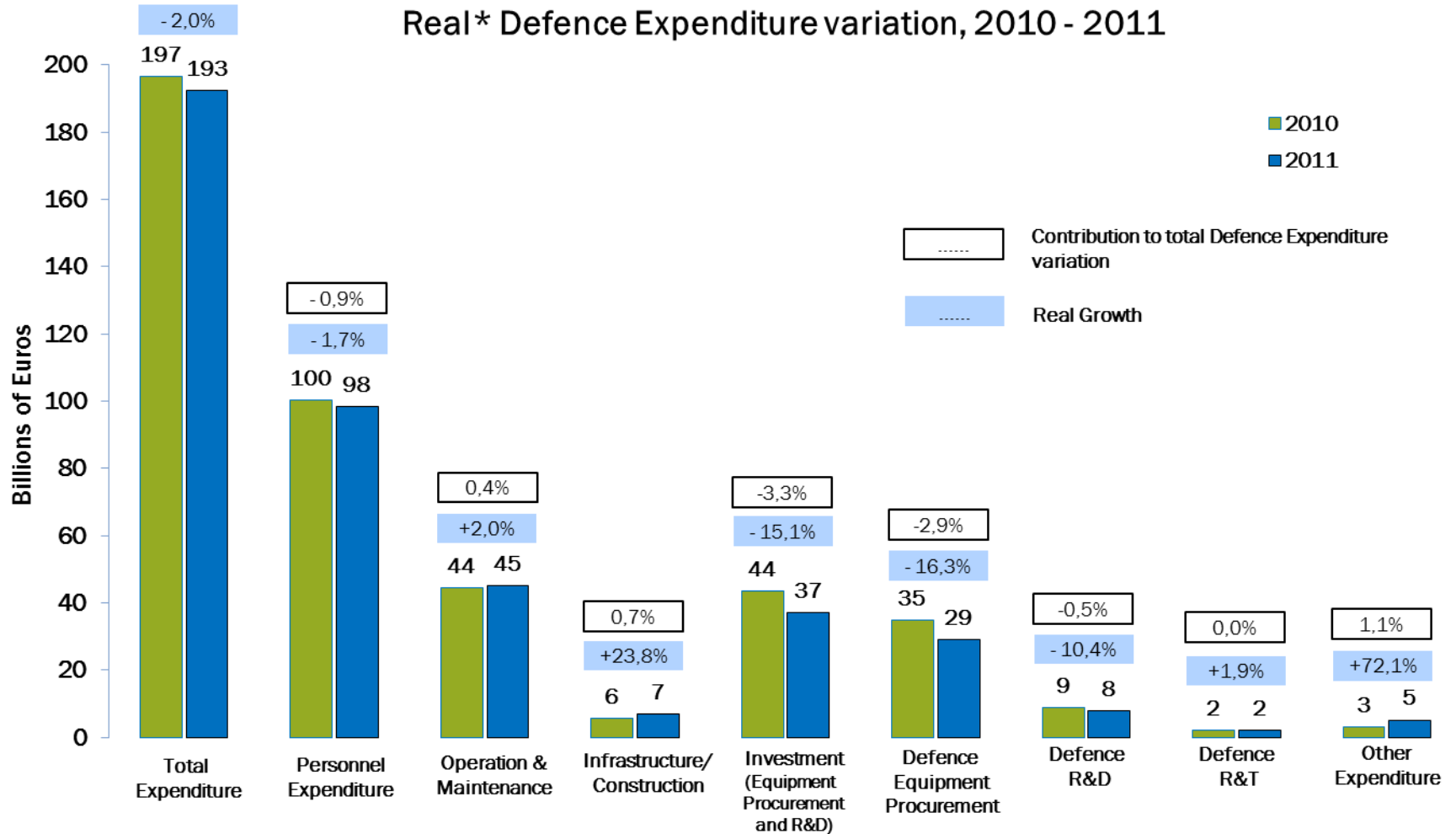
Infrastructure/Construction expenditure includes expenditure for all the construction of fixed military installations necessary for the exercise of command and efficient functioning of military forces, including country's share in multinationally funded military construction/infrastructure.

Equipment Procurement expenditure includes expenditure for all major equipment categories (missile systems, missiles, aircrafts, artillery, combat vehicles, engineering equipment, weapons and small arms, transport vehicles, ships and harbour craft, electronic and communications equipment, etc.), that are not included in O&M spending.

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

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

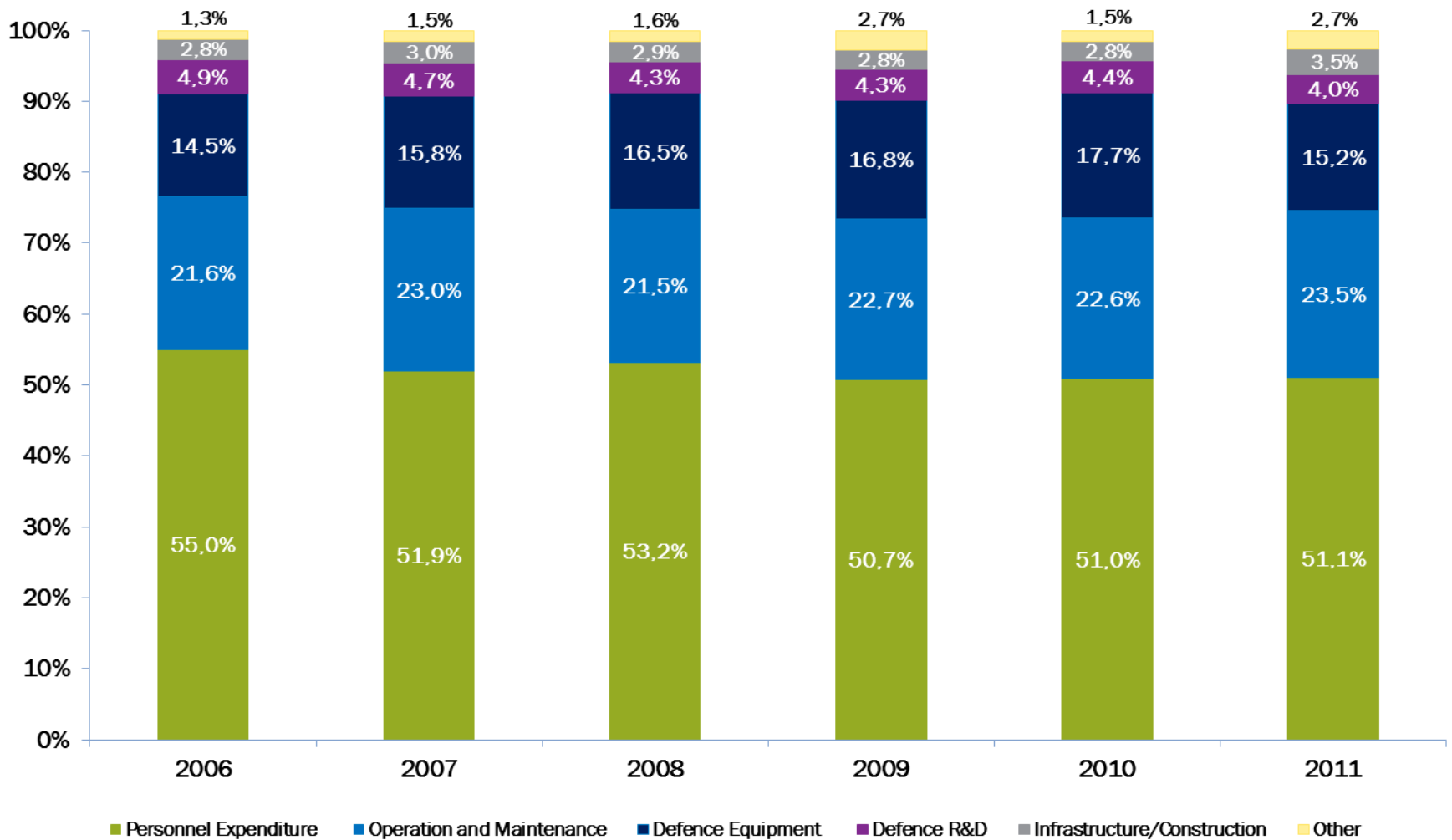
REFORM - Defence Expenditure Breakdown



* In order to measure real growth and ensure a 'real' comparison between years, inflation needs to be taken into account. Thus, 2010 data has been inflated to 2011 economic conditions (Source of deflator: European Commission ECFIN - based on weight of EU 27).

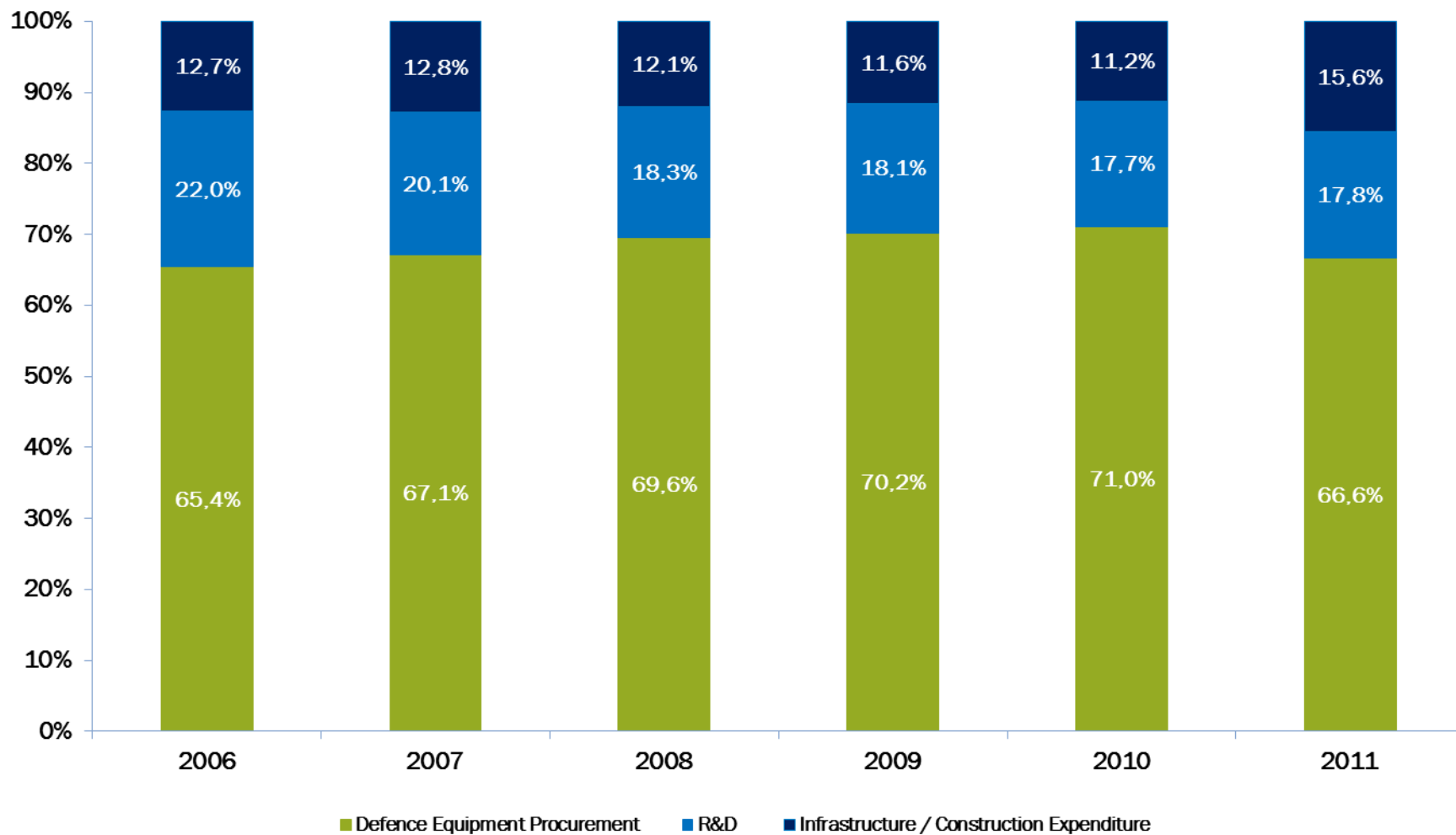
REFORM - Defence Expenditure Breakdown

Defence Expenditure - % Breakdown



REFORM – Defence Expenditure Breakdown

Overall Capital Investment Breakdown



REFORM – Defence Expenditure Breakdown

Outsourcing and Operation Costs

	2006	2007	2008	2009	2010	2011	2010-2011 % change
Outsourcing	€14,1 billion	€14,5* billion	€12,0 billion	€14,1 billion	€15,4 billion	€13,4 billion	- 12,9%
O&M Outsourced	€10,3* billion	€10,8 billion	€9,4 billion	€12,4 billion	€13,6 billion	€11,9 billion	- 12,6%
Capital Investment Outsourced	€1,3 billion	€1,6* billion	€1,3 billion	€1,4 billion	€1,5 billion	€1,4 billion	- 6,7%
Operation Costs	€6,6 billion	€8,7* billion	€9,7 billion	€9,8 billion	€10,4* billion	€11,7 billion	+ 12,4%

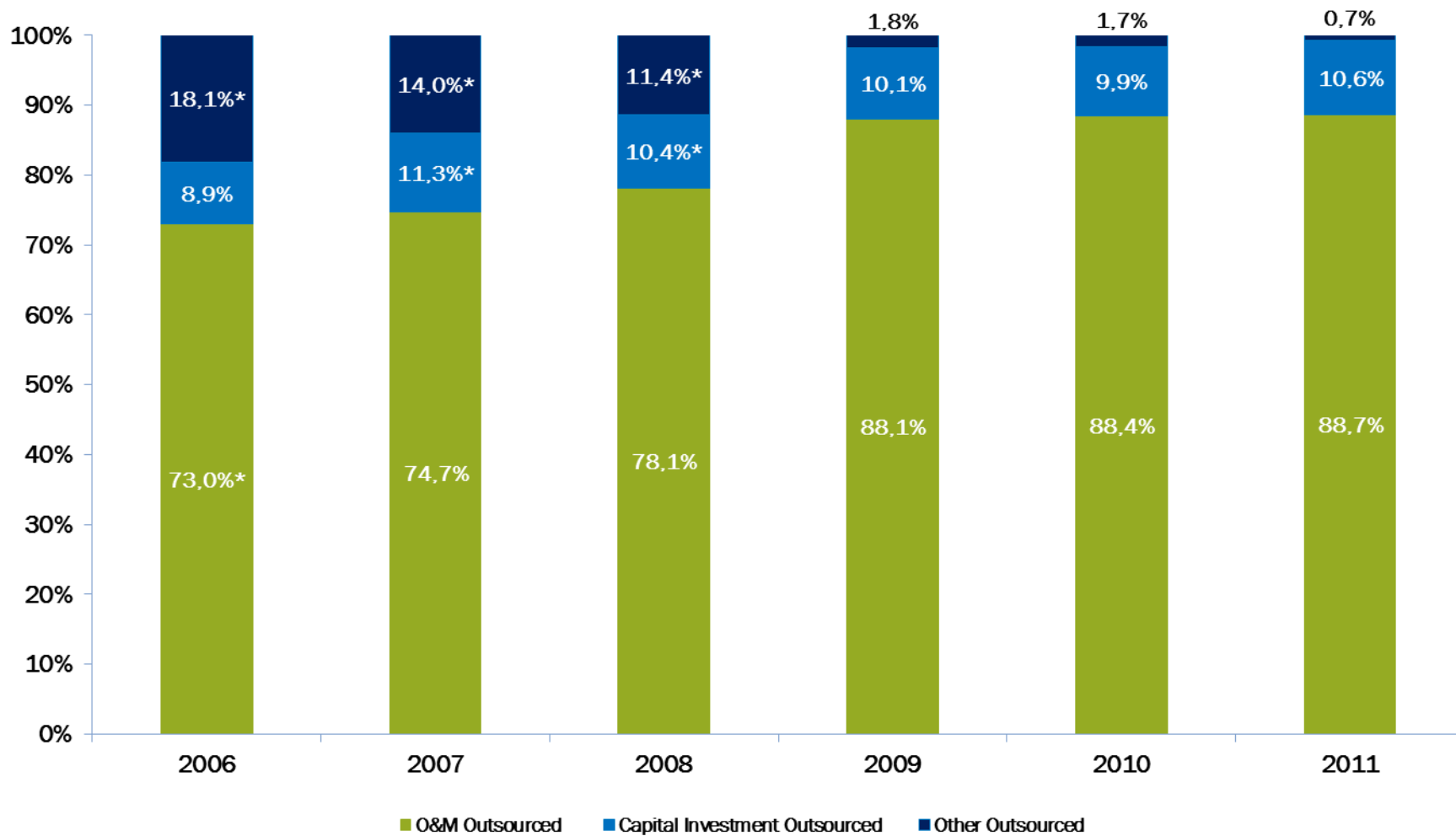
* Revised data

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

Operation Costs are incremental (= extra) costs limited to deployed operations outside the EU Member States territory.

REFORM – Defence Expenditure Breakdown

Outsourcing - % Breakdown



COLLABORATION – Equipment Procurement

Collaborative Defence Equipment Procurement Expenditure

	2006	2007	2008	2009	2010	2011	2010-2011 % change
Total Collaborative Procurement	€6 663 million	€6 846 million	€8 072 million	€8 233 million	€7 694* million	€7 912 million	+ 2,8%
European Collaborative Procurement	€6 079* million	€6 107 million	€7 068 million	€7 144 million	€7 286* million	€7 338 million	+ 0,7%
European as % of Total Procurement	20,9%	18,9%	21,2%	22,0%	21,2%*	25,1%	+ 18,4%
European as % of Total Collaborative Procurement	91,2%	89,2%	87,6%	86,8%	94,7%*	92,7%	- 2,1%

* Revised data

Collaborative defence equipment procurement expenditure is defence equipment procurement expenditure, which is assigned by at least two Ministries of Defence for (a) project or programme contract(s).

European collaborative defence equipment procurement expenditure is defence equipment procurement expenditure, which is assigned by at least two EU Member States' Ministries of Defence for (a) project or programme contract(s).

COLLABORATION – R&T

Collaborative Defence R&T Expenditure

	2006	2007	2008	2009	2010	2011	2010-2011 % change
Total Collaborative R&T	€385 million	€378* million	€452 million	€322 million	€264 million	€331 million	+ 25,6%
European Collaborative R&T	€254 million	€333* million	€412 million	€290 million	€246 million	€283 million	+ 15,1%
European as % of Total R&T	9,6%	13,1%	16,6%	12,8%	11,8%	13,2%	+ 11,3%
European as % of Total Collaborative R&T	66,1%	88,1%	91,2%	90,0%	93,1%	85,4%	- 8,3%

* Revised data

Collaborative Defence R&T expenditure is defence R&T expenditure, which is assigned by at least two Ministries of Defence for (a) project or programme contract(s).

European Collaborative Defence R&T expenditure is defence R&T expenditure, which is assigned by at least two EU Member States' Ministries of Defence for (a) project or programme contract(s). The financial contributions to EDA R&T projects and programmes also fall within this category.

REFORM - Personnel

Personnel

	2006	2007	2008	2009	2010	2011	2010-2011 % change
Military	1 940 342	1 836 882	1 800 707	1 668 537	1 620 188	1 551 038	- 4,3%
Civilian	484 827	457 392	433 780	426 335	389 719	374 427	- 3,9%
Defence Spend per Soldier	€103 654*	€111 136*	€111 850*	€116 324*	€119 455	€124 133	+ 3,9%
Investment per Soldier (Equipment Procurement and R&D)	€20 058*	€22 812*	€23 333*	€24 522	€26 458	€23 829	- 9,9%

* Revised data

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

DEPLOYABILITY

Number of Forces

	2006	2007	2008	2009	2010	2011	2010-2011 % change
Average number of Troops Deployed	83 310*	77 880*	80 177	67 767	66 313	53 744	- 19,0%
Deployable (Land) Forces	426 704*	444 681*	464 574	443 108	450 117	425 824	- 5,4%
Sustainable (Land) Forces	100 867*	110 482	125 237	106 754	106 402	110 814	+4,1%
Average number of Troops Deployed as % of Military Personnel	4,3%	4,2%	4,5%	4,1%	4,1%	3,5%	- 15,3%

* Revised data

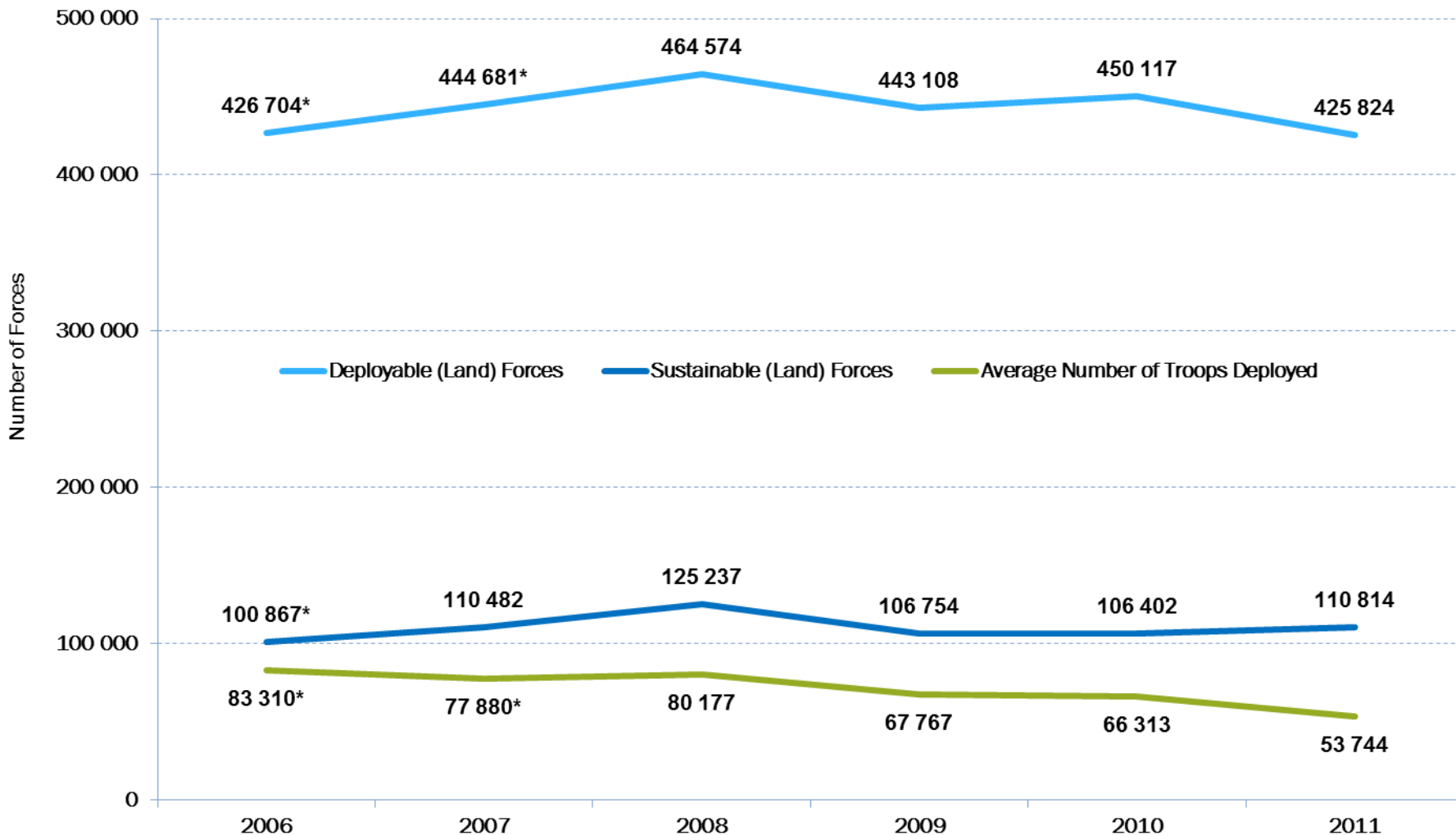
Average number of troops deployed - average number of troops deployed throughout the year by all EDA participating Member States (All forces).

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).

DEPLOYABILITY

Deployability Breakdown



* Revised data