Danish Defence expenditure 2022

The total budget amounts to 27.1 billion DKK in 2022 according to the Danish Finance Act for 2022.

The appropriations are primarily based on

- The Danish Defence Agreement 2018-2023 of January 2018,
- Supplemental Agreement for the Danish Defence 2018-2023 of January 2019
- Agreement of new fighter aircraft of June 2016.

The appropriations are distributed among main accounts, activity areas and budget areas (see table 1-3 below).

Table 1: Overview of the appropriations 2020-2021 (current prices) and 2022-2025 (based on 2022 prices)

	Current p	rices	Based on 2022 prices				
Year (Million DKK)	2020 (Accounting)	2021 (Accounting*)	2022	2023	2024	2025	
Total	25.225,0		27.100,6	29.770,5	26.611,4	25.951,6	
12.11. Central management	503,0		2.174,7	2.105,6	1.857,9	1.904,2	
Danish Ministry of Defence (DMD)	423,2		456,4	456,0	447,5	443,4	
Central reserves and initiatives 1)	79,8		1.718,3	1.649,6	1.410,4	1.460,8	
Reserves and budget regulation 2)	-		-	-	-	-	
12.12. Personnel	1.944,8		2.027,1	1.993,9	1.971,0	1.955,7	
DMD Personnel Agency	398,9		410,5	423,2	424,6	424,6	
DMD Personnel Agency, Functional operations	939,7		954,8	932,2	906,3	884,1	
DMD Personnel Agency, Centrally Managed Units	58,4		62,4	62,4	62,4	62,4	
DMD Personnel Agency, Compensations	547,8		599,4	576,1	577,7	584,6	
12.13. Equipment and IT	10.467,1		9.690,1	12.428,3	9.532,2	9.015,9	
DMD Acquisition and Logistics Organisation	1.195,6		1.224,6	1.229,9	1.215,0	1.213,6	
Equipment management	4.228,7		3.675,3	4.458,4	4.734,6	4.585,9	
Capacity plan IT	643,3		501,3	511,1	513,3	513,3	
Equipment acquisition	4.399,5		4.288,9	6.228,9	3.069,3	2.703,1	
12.14. Estates	1.791,9		2.645,7	2.446,6	2.263,6	2.139,6	
DMD Estates and Infrastructure Organisation	275,1		582,9	676,1	465,0	468,8	
Building maintenance and operations	1.180,8		1.126,2	1.023,4	1.187,9	1.167,7	
National military construction	323,4		898,5	716,1	554,9	503,1	
Revenues from sales of properties	-0,1		-	-	-	-	
Clearing after former US military presence in Greenland	12,7		38,1	31,0	55,8	-	
12.15. Accounting	104,7		107,8	108,6	108,9	108,9	
DMD Accounting Agency	104,7		107,8	108,6	108,9	108,9	
12.23. Defence Command Denmark	8.332,7		8.333,9	8.481,2	8.573,1	8.668,1	
Defence Staff	570,6		813,4	839,5	844,9	876,8	
Army	3.152,0		3.022,1	3.167,6	3.258,5	3.258,5	
Navy	1.265,0		1.230,3	1.235,9	1.243,4	1.243,4	
Air Force	1.687,0		1.558,5	1.531,8	1.516,9	1.554,2	
Arctic Command	133,3		117,0	117,1	116,8	116,8	
Special Operations Command	246,4		259,1	258,0	258,7	284,5	
Defence Maintenance Service	689,0		714,4	710,6	710,6	710,6	
Royal Danish Defence College	451,7		449,6	449,9	451,8	451,8	
Defence Sanitary Command	137,7		169,5	170,8	171,5	171,5	

	Current prices	Based on 2022 prices			
12.24. Home Guard	454,0	421,8	427,9	432,4	432,4
Home Guard	454,0	421,8	427,9	432,4	432,4
12.25. Defence Intelligence Service	1.012,6	1.096,3	1.141,7	1.238,3	1.135,7
Defence Intelligence Service	1.012,6	1.096,3	1.141,7	1.238,3	1.135,7
12.29. Special expenses relating to NATO	283,5	296,7	330,3	327,6	284,7
12.41. Emergency Management	330,7	306,5	306,4	306,4	306,4
Emergency Management Agency	315,8	291,4	291,3	291,3	291,3
Civil Defence Union	14,9	15,1	15,1	15,1	15,1

*Will be updated when accounting for 2022 is published in March 2022.

1) Central reserves and initiatives primarily cover international cooperation and initiatives, centrally managed by Department of Ministry of Defence.

Table 2: The appropriations for 2022 distributed on activity areas (percentage)

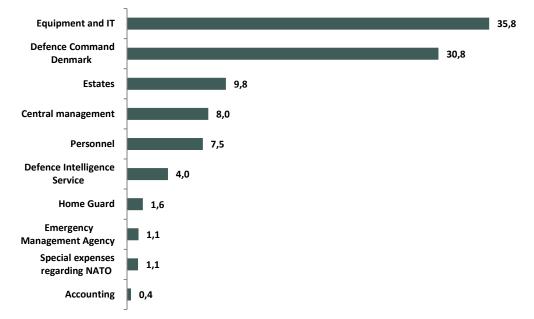
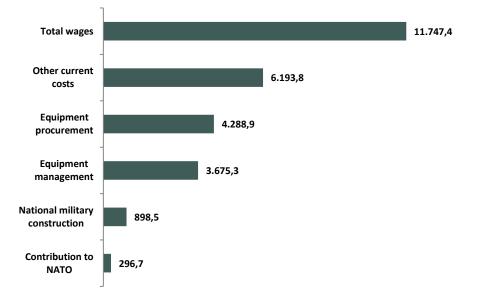


Table 3: The appropriations for 2022 distributed on budget areas (millions DKK)



For further information of the Danish Defence budget refer to the Agency for Public Finance and Management - Ministry of Finance <u>www.oes.dk/english</u>

NATO definition of the Defence expenditures

NATO calculates the Defence expenditures of each member state according to NATO's own definition. This calculation, which is a part of the Defence Planning Capability Survey, creates the basis for comparison of the Defence expenditures across NATO member states. The NATO definition differs in certain aspects from the Danish definition of the Defence budget. In the NATO definition the following expenditures are fully or partly included:

- Pensions for public servants under the Ministry of Defence
- Pension costs according to law on civilian workers
- State pension to retirees
- Healthcare for present employees
- Qualifying civilian education acquired by newly recruited military personnel
- VAT
- National Survey and Cadastre
- Danish Meteorological Institute
- Denmark's financial share of defence related initiatives of the EU
- Denmark's assessed contributions to UN peacekeeping operations

Conversely, expenditures for civil defence and certain other strictly civilian expenditures are deducted.

The calculation of the Danish defence expenditures, according to the NATO definition, results in a somewhat higher estimate on the defense expenditures than the national definition (see table 4 below).

A part of the NATO Defence Planning Capability Survey is a calculation of the Defence expenditures as a percentage of the Gross Domestic Product in the member states (see table 5 below).

Table 4: Danish Defence expenditures according to NATO's definition (current prices)

Million DKK	2013	2014	2015	2016	2017	2018	2019e
	23,682	22,769	22,633	24,190	24,961	28,787	30,389

Table 5: Danish Defence expenditures according to NATO's definition as a percentage of GDP (based on 2015 prices)

Percentage	2013	2014	2015	2016	2017	2018	2019e
	1.23	1.15	1.11	1.15	1.15	1.30	1,32

e) Based on estimates for 2019.

More information can be found on the NATO webpage.