

## Danish Defence expenditure

The total budget amounts to 25.3 billion DKK in 2020 according to the Danish Finance Act for 2020.

The appropriations are primarily based on

- The Danish Defence Agreement 2018-2023 of January 28, 2018,
- Supplemental Agreement for the Danish Defence 2018-2023 of January 29, 2019
- Agreement of new fighter aircraft of June 9, 2016.

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

**Table 1: Overview of the appropriations 2018-2019 (current prices) and 2020-2023 (based on 2020 prices)**

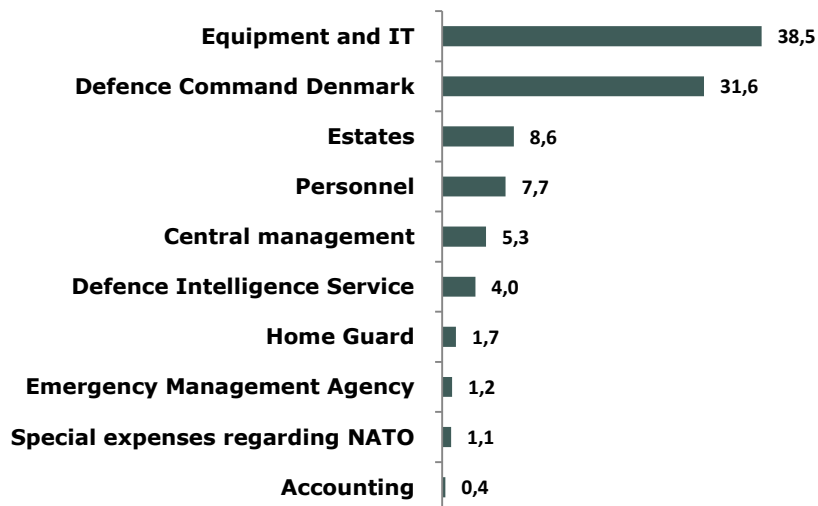
Year (Million DKK)	Current prices		Based on 2020 prices			
	2018 (Accounting)	2019 (Accounting)	2020	2021	2022	2023
<b>Total</b>	<b>22.496,0</b>	<b>23.815,9</b>	<b>25.325,7</b>	<b>26.206,1</b>	<b>26.636,7</b>	<b>29.323,6</b>
<b>12.11. Central management</b>	<b>373,5</b>	<b>414,7</b>	<b>1.342,5</b>	<b>1.536,8</b>	<b>1.822,1</b>	<b>2.239,3</b>
Ministry of Defence	358,1	374,4	388,6	383,3	378,0	378,0
Central reserves and initiatives 1)	15,4	40,3	979,5	1.216,3	1.508,9	1.928,1
Reserves and budget regulation 2)	-	-	-25,6	-62,8	-64,8	-66,8
<b>12.12. Personnel</b>	<b>1.951,5</b>	<b>1.935,4</b>	<b>1.940,4</b>	<b>1.920,3</b>	<b>1.901,3</b>	<b>1.889,6</b>
Danish Defence Personnel Agency	378,1	393,1	393,3	385,9	388,5	392,9
Danish Defence Personnel Agency, Functional operations	1.484,6	966,0	978,8	959,0	931,0	903,2
Danish Defence Personnel Agency, Centrally Managed Units	88,8	90,8	61,7	61,1	61,1	61,1
Danish Defence Personnel Agency, Compensations	-	485,5	506,6	514,3	520,7	532,4
<b>12.13. Equipment and IT</b>	<b>7.936,1</b>	<b>8.975,8</b>	<b>9.749,0</b>	<b>10.417,9</b>	<b>10.311,3</b>	<b>12.327,9</b>
Danish Defence Acquisition and Logistics Organisation	1.035,2	1.092,1	1.067,3	1.085,4	1.094,9	1.103,7
Equipment management	4.232,2	3.675,3	3.837,6	3.912,4	4.287,2	4.513,8
Capacity plan IT	460,5	537,8	422,2	391,2	444,4	454,6
Equipment acquisition	2.208,2	3.670,6	4.421,9	5.028,9	4.484,8	6.255,8
<b>12.14. Estates</b>	<b>1.859,7</b>	<b>1.983,3</b>	<b>2.186,9</b>	<b>2.223,0</b>	<b>2.267,2</b>	<b>2.274,4</b>
Danish Defence Estates and Infrastructure Organisation	284,4	277,2	224,7	226,1	227,9	230,8
Building maintenance and operations	1.336,8	1.300,3	1.330,4	1.321,2	1.317,7	1.350,4
National military construction	245,2	395,7	582,8	624,7	691,0	662,6
Revenues from sales of properties	-7,0	0,8	-	-	-	-
Clearing after former US military presence in Greenland	0,3	9,3	49,0	51,0	30,6	30,6
<b>12.15. Accounting</b>	<b>91,4</b>	<b>99,4</b>	<b>98,4</b>	<b>96,3</b>	<b>96,9</b>	<b>97,5</b>
Danish Defence Accounting Agency	91,4	99,4	98,4	96,3	96,9	97,5
<b>12.23. Defence Command Denmark</b>	<b>8.280,5</b>	<b>8.465,4</b>	<b>7.995,3</b>	<b>7.963,5</b>	<b>8.113,4</b>	<b>8.329,8</b>
Defence Staff	907,8	574,6	709,5	704,7	736,8	717,8

Army	3.320,5	3.232,1	2.949,8	2.973,4	3.117,2	3.332,5
Navy	1.203,3	1.350,0	1.213,9	1.206,3	1.210,0	1.215,3
Air Force	1.731,8	1.953,1	1.502,6	1.483,2	1.459,0	1.470,1
Arctic Command	-	132,5	119,2	116,5	116,2	116,2
Special Operations Command	267,9	253,3	280,2	257,6	257,8	256,7
Defence Maintenance Service	354,9	370,2	695,4	695,1	694,9	694,3
Royal Danish Defence College	359,7	460,1	373,5	373,7	368,1	372,1
Defence Sanitary Command	134,6	139,5	151,2	153,0	153,4	154,8
<b>12.24. Home Guard</b>	<b>492,9</b>	<b>467,3</b>	<b>423,2</b>	<b>419,9</b>	<b>416,7</b>	<b>416,7</b>
Home Guard	492,9	467,3	423,2	419,9	416,7	416,7
<b>12.25. Defence Intelligence Service</b>	<b>908,8</b>	<b>957,7</b>	<b>1.015,4</b>	<b>1.039,3</b>	<b>1.082,1</b>	<b>1.127,3</b>
Defence Intelligence Service	908,8	957,7	1.015,4	1.039,3	1.082,1	1.127,3
<b>12.29. Special expenses relating to NATO</b>	<b>264,6</b>	<b>228,2</b>	<b>270,9</b>	<b>273,2</b>	<b>309,8</b>	<b>305,2</b>
<b>12.41. Emergency Management</b>	<b>336,9</b>	<b>288,8</b>	<b>303,7</b>	<b>315,9</b>	<b>315,9</b>	<b>315,9</b>
Emergency Management Agency	322,4	274,1	288,8	301,0	301,0	301,0
Civil Defence Union	14,5	14,7	14,9	14,9	14,9	14,9

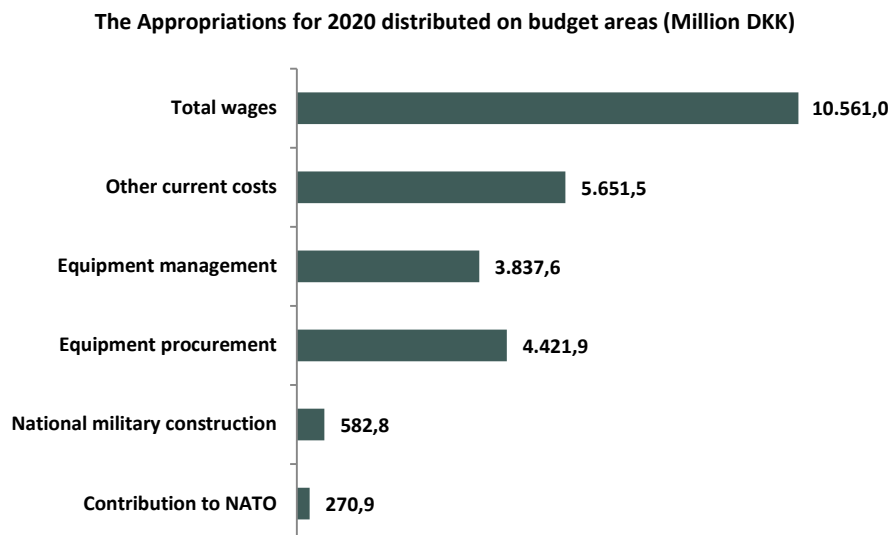
- 1) Central reserves and initiatives primarily cover international cooperation and initiatives, centrally managed by Department of Ministry of Defence.
- 2) Reserves and budgetregulation covers the share of the state's overall reduction of the use of consultants related to the Ministry of Defence.

**Table 2: The appropriations for 2020 distributed on activity areas (percentage)**

**The appropriations for 2020 distributed on activity areas (percentage)**



**Table 3: The appropriations for 2020 distributed on budget areas**



For further information of the Danish Defence budget refer to the Agency for Public Finance and Management, Ministry of Finance [www.oes.dk](http://www.oes.dk)

#### **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)**

<b>Percentage</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019e</b>
	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](#).