

SUPPLEMENTAL AGREEMENT FOR THE DANISH DEFENCE 2018-2023

Copenhagen, 29th. of January 2019

The Danish Government (Venstre (the Liberal Party), the Liberal Alliance and the Conservatives) and the Social Democrats, the Danish People's Party and the Social-Liberal Party (hereinafter referred to as "the Parties") have agreed on the following supplement to the Danish Defence Agreement for the period 2018-2023.

The Parties agree that the security situation continues to be unstable. The rules-based international order is under pressure, which poses a challenge to the security of Denmark. To the east, Russia continues its aggressive behavior and challenge the norms and rules our security is built upon. In the Middle East and North Africa continued instability and disruption is caused by conflict, militant extremism and fragile states. To the North in the Arctic, climate change is increasing accessibility to the region, and Russia is building up military presence. In cyberspace, the threats from cyber-attacks, hacking and influence campaigns challenge the open and highly digitized Danish society. This entails new requirements for increased technological resilience of the whole of Danish society. The Parties behind the Defence Agreement expect that these worrying trends will continue in the coming years which necessitate further action during the period of this Defence Agreement.

In light of the Wales Summit Declaration and the continued unpredictable foreign- and security political landscape, the Alliance has in the recent year taken important steps to further strengthen NATO's readiness and deterrence posture. The situation increases requirements to the Alliance and has reinforced the debate on fair burden sharing and Allies ability and will to defend themselves and each other. In light of this development Allies have taken new decisions to allocate additional resources to the armed forces towards 2024.

To ensure that the burden sharing debate is reflected fair, the NATO Secretary General has encouraged Allies to make sure that all aspects of their defence efforts are reported to NATO. The Parties ascertain that several existing expenses can be included in the Danish reporting to NATO according to the NATO definition and other allies practices. These additional expenditures amount to a total of 3 billion kroner annually from 2023. Denmark will continue to improve our reporting to make sure the Danish defence efforts are duly reflected in the reporting to NATO.

In addition, the Parties agree to reinforce Danish Defence with additional funding of 1.5 billion kroner in 2023. The total defence budget will reach 1.5 per cent of GDP in 2023 based on present GDP estimates and NATO's definition of defence expenditures. The parties agree that the additional resources will be funded from the multiyear state investment framework.

The Parties agree to initiate a process on the more specific allocation of the additional resources.

The Parties agree that a new defence agreement will take into account past decisions with the aim of addressing future challenges and the premise will be the Wales Defence Investment Pledge.

The Parties agree, that this supplementary agreement to the current defence agreement will be duly reflected in the 2019 annual national plan for Denmark on how the Defence Investment Pledge will be pursued towards 2024.