

EUROPEAN DEFENCE AGENCY

Brussels, 19 December 2006

DEFENCE FACTS

EUROPEAN – UNITED STATES DEFENCE EXPENDITURE IN 2005

The EDA has compared its data on European defence expenditure – released on 20 November 2006 – with United States defence spending in 2005. The data show that the US spent €406 Billion on defence in 2005, more than double the €193 billion spent in Europe.

European defence expenditure data represent spending by the 24 EDA participating Member States. US data are based on public sources, mainly US Government publications.

European - US Defence Expenditure - General

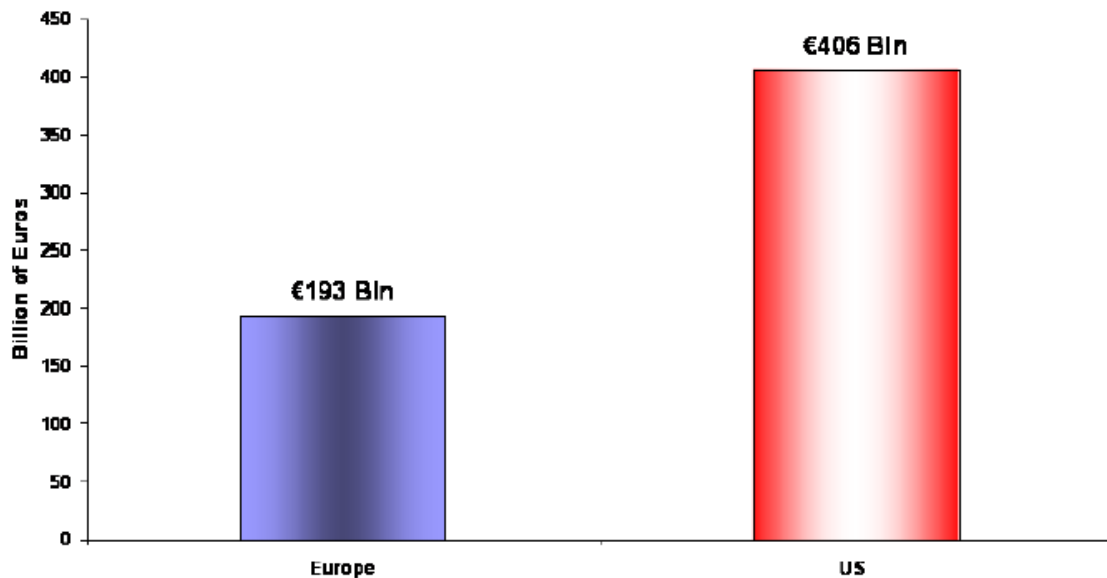
	Europe*	US**
Total Defence Expenditure	€ 193 Bln	€ 406 Bln
Defence Expenditure as a % of GDP	1,81%	4,06%
Defence Expenditure Per Capita	€ 425	€ 1,363

* Europe means 24 EDA participating Member States

** Euro/Dollar exchange rate is based on average for 2005: rate of 1,2441

EUROPEAN-US DEFENCE EXPENDITURE - GENERAL

European and US Defence Expenditure: 2005



European - US Defence Expenditure - Reform

	Europe	US
Military Personnel	1,855,517	1,371,000
Civil Personnel	468,836	740,000
Defence Spent per Soldier	€ 103,974	€ 296,134
Investment (Equipment Procurement and R&D) per Soldier	€ 19,057	€ 95,476

* **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
Operations & Maintenance	€ 40,2 Bln (20,8% of Total Defence Expenditure)	€ 159,0 Bln (39% of Total Defence Expenditure)
Equipment Procurement	€ 26,4 Bln	€ 77,6 Bln
Research & Development	€ 9,0 Bln	€ 53,2 Bln
(Includes: Research & Technology)	€ 2,2 Bln	€ 13,4 Bln

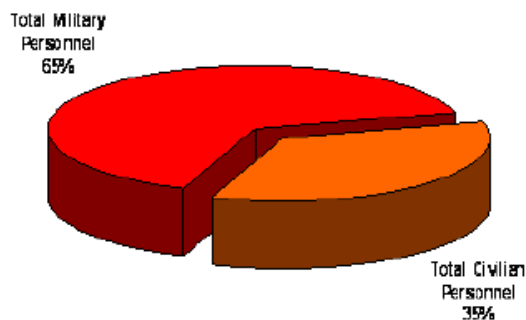
R&D: Any R&D programmes up to the point where expenditure for production of equipment starts to be incurred.

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

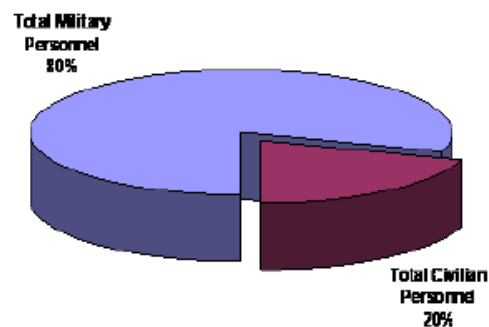
US R&T: Also includes some defence spending by NASA.

EUROPEAN-US DEFENCE EXPENDITURE – REFORM

US Personnel Breakdown: 2005

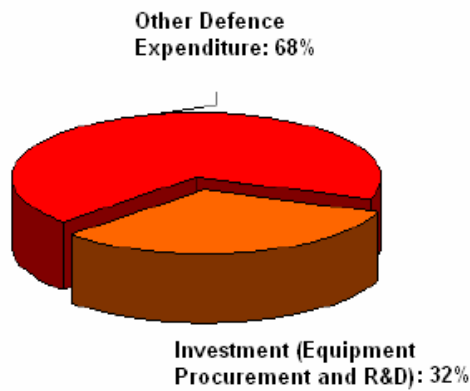


European Personnel Breakdown: 2005

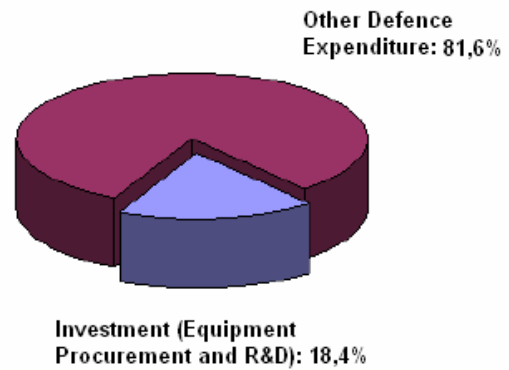


EUROPEAN-US DEFENCE EXPENDITURE – REFORM

US Investment in Equipment Procurement and R&D as a Percentage of Defence Expenditure in 2005

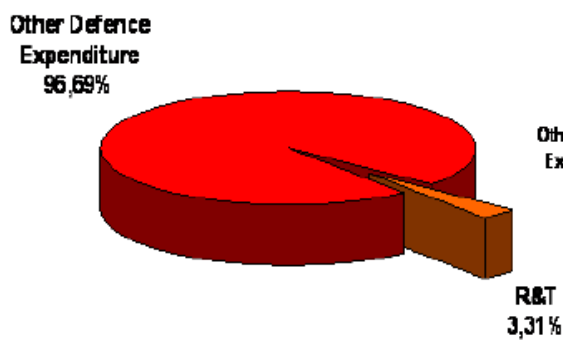


European Investment in Equipment Procurement and R&D as a Percentage of Defence Expenditure in 2005

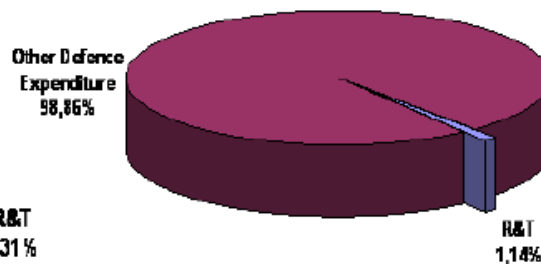


EUROPEAN-US DEFENCE EXPENDITURE – REFORM

US R&T Spend as a Percentage of Total Defence Expenditure in 2005

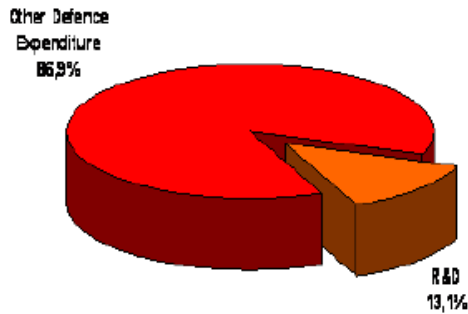


European R&T Spend as a Percentage of Total Defence Expenditure in 2005

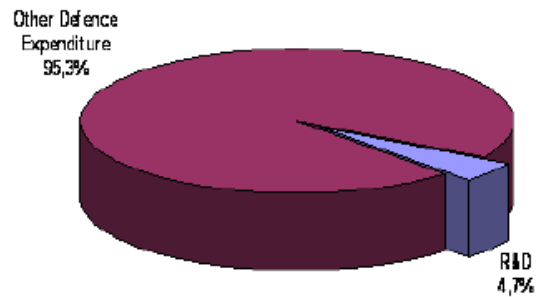


EUROPEAN-US DEFENCE EXPENDITURE – REFORM

US R&D Spend as a Percentage of Total Defence Expenditure in 2005

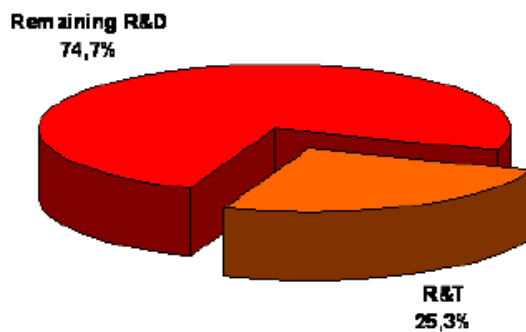


European R&D Spend as a Percentage of Total Defence Expenditure in 2005

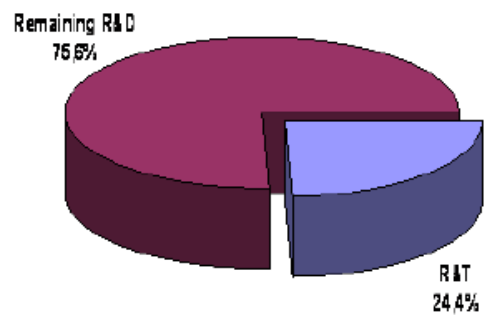


EUROPEAN-US DEFENCE EXPENDITURE – REFORM

US R&T as a Percentage of R&D in 2005



European R&T as a Percentage of R&D in 2005



European - US Defence Expenditure - Deployability		
	Europe	US
Average number of troops deployed	73,578	227,400
Average Number of troops deployed out of total Military Personnel	4%	16%

Europe :- Average number of troops deployed = Average number of troops deployed throughout the year by all 24 EDA Participating Member States (All forces).

US: - Average number of troops deployed also includes military personnel deployed from other locations such as Germany and South Korea to theatres of operations.

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.
