

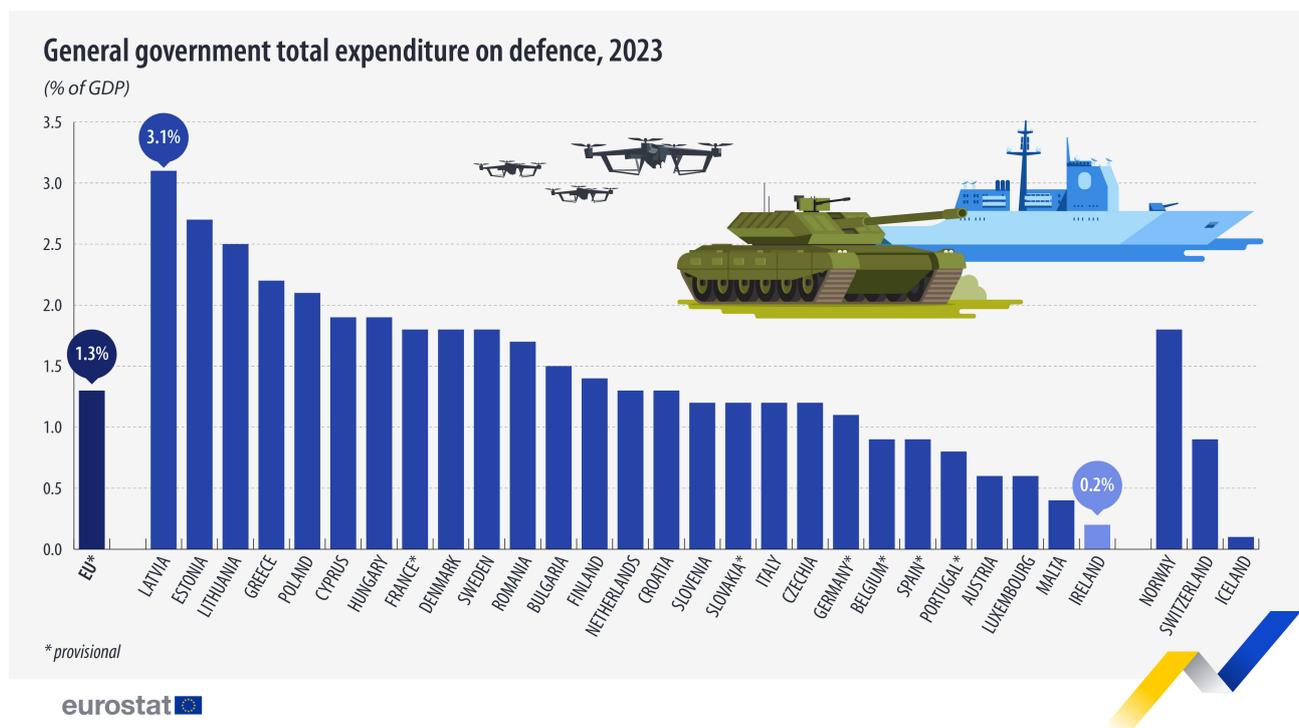
Government expenditure on defence

Statistics Explained

Data extracted on 21 March 2025
Planned article update: March 2026

Highlights

General government expenditure in the EU on defence amounted to 1.3% of GDP in 2023.



General government total expenditure on defence, 2023 (% of GDP) Source: Eurostat (gov_10a_exp)

This article analyses data on [general government expenditure](#) on 'defence' (according to the [Classification of the Functions of Government - COFOG](#)). It is part of a [set of statistical articles](#) based on general government expenditure by function.

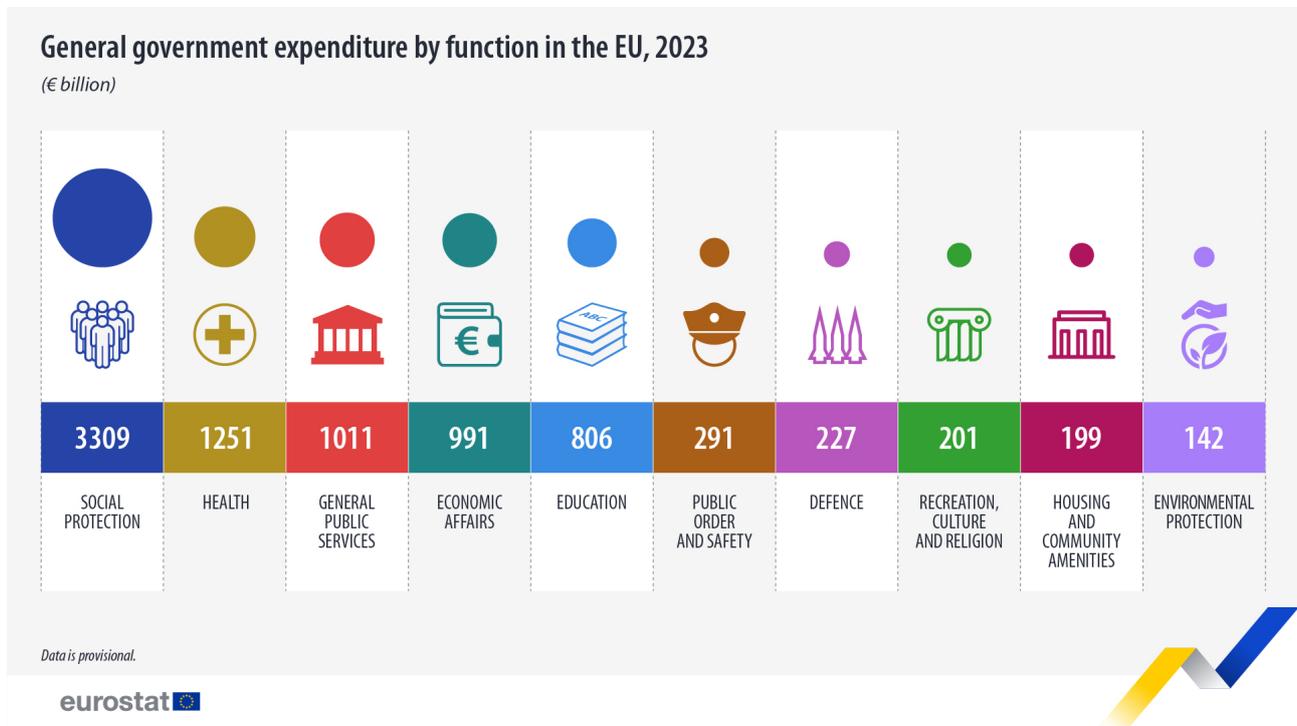
Eurostat collects data on general government expenditure by economic function according to the international Classification of the Functions of Government (COFOG) in the framework of the [European System of National Accounts \(ESA 2010\)](#).

In 2023, 'defence' expenditure amounted to 1.3% of GDP for the [EU](#) and 1.2% of GDP the [euro area](#) .

Expenditure on 'defence'

In 2023, defence expenditure amounted to 1.3% of GDP for the EU and 1.2% of GDP for the [euro area](#) .

As a share of total expenditure, defence expenditure amounted to 2.7% in 2023 in the EU and 2.5% in the euro area.



Source: Eurostat (gov_10a_exp)

In 2023, the highest levels of total expenditure on defence in the EU countries were observed in Latvia (3.1% of GDP), Estonia (2.7% of GDP), Lithuania (2.5% of GDP), Greece (2.2% of GDP), Poland (2.1% of GDP), Cyprus and Hungary (both 1.9% of GDP) as well as France, Denmark and Sweden (for each 1.8% of GDP). By contrast, Ireland (0.2% of GDP), Malta (0.4% of GDP), Luxembourg and Austria (both 0.6% of GDP) had comparatively low expenditure on defence in the EU. Among EU and EFTA countries, Iceland reported the lowest level of expenditure on defence, as it does not have a standing army (0.1% of GDP).

General government total expenditure on defence, 2023, % of GDP

	Defence	Military defence	Civil defence	Foreign military aid	R&D Defence	Defence n.e.c.
EU*	1.3	1.1	0.0	0.1	0.0	0.0
euro area 20*	1.2	1.0	0.0	0.1	0.0	0.0
Belgium*	0.9	0.9	0.0	0.1	0.0	0.0
Bulgaria	1.5	1.4	0.1	0.0	0.0	0.0
Czechia	1.2	1.1	0.0	0.0	0.0	0.1
Denmark	1.8	1.3	0.0	0.5	0.0	0.0
Germany*	1.1	0.9	0.0	0.2	0.0	0.0
Estonia	2.7	2.6	0.0	0.0	0.0	0.0
Ireland	0.2	0.2	0.0	0.0	0.0	0.0
Greece	2.2	2.2	0.0	0.0	0.0	0.0
Spain*	0.9	0.8	0.0	0.1	0.0	0.0
France*	1.8	1.6	0.0	0.1	0.1	0.1
Croatia	1.3	1.2	0.0	0.1	0.0	0.0
Italy	1.2	1.1	0.0	0.1	0.0	0.0
Cyprus	1.9	1.8	0.0	0.1	0.0	0.0
Latvia	3.1	2.6	0.0	0.4	0.0	0.1
Lithuania	2.5	2.1	0.0	0.0	0.0	0.3
Luxembourg	0.6	0.3	0.0	0.2	0.0	0.0
Hungary	1.9	1.8	0.0	0.0	0.0	0.0
Malta	0.4	0.4	0.0	0.0	0.0	0.0
Netherlands	1.3	1.1	0.0	0.2	0.0	0.0
Austria	0.6	0.6	0.0	0.0	0.0	0.0
Poland	2.1	1.9	0.0	0.1	0.0	0.0
Portugal*	0.8	0.7	0.0	0.0	0.0	0.1
Romania	1.7	1.7	0.0	0.0	0.0	0.0
Slovenia	1.2	1.0	0.1	0.0	0.0	0.1
Slovakia*	1.2	-0.1	0.0	1.2	0.0	0.0
Finland	1.4	1.1	0.1	0.3	0.0	0.0
Sweden	1.8	1.5	0.1	0.2	0.0	0.0
Iceland	0.1	0.0	0.1	0.0	0.0	0.0
Norway	1.8	1.6	0.0	0.1	0.0	0.0
Switzerland	0.9	0.8	0.1	0.0	0.0	0.0

Source: Eurostat (gov_10a_exp)

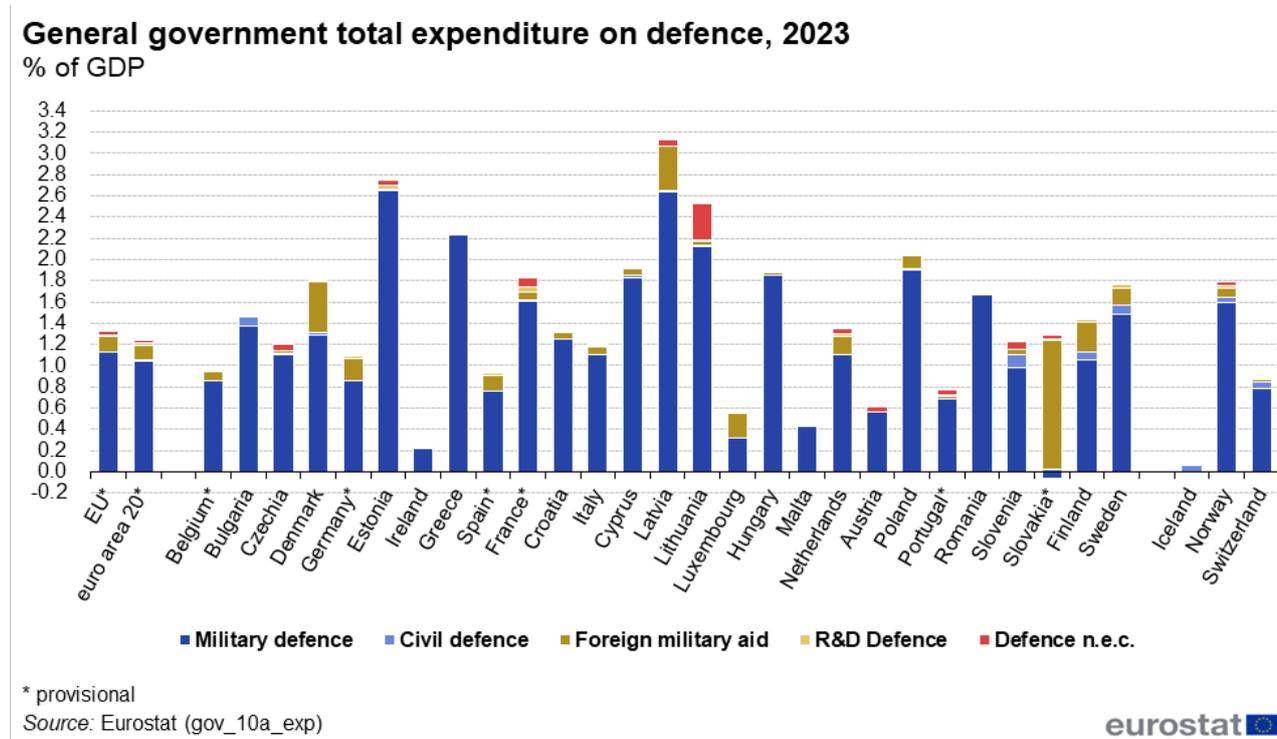
* provisional

Table 1: General government total expenditure on defence, 2023 (% of GDP) Source: Eurostat (gov_10a_exp), see country codes

At the level of the EU, the major part of 'defence' expenditure is concentrated in the COFOG group 'military defence' (1.1% of GDP in 2023). 'Civil defence', 'R&D defence' and 'defence expenditure not elsewhere classified' together amounted to less than 0.1% of GDP at the level of the EU, while 'foreign military aid' accounted for 0.1% of GDP in 2023. The negative amount for Slovakia in 'military defence' in gross capital formation and total expenditure in 2023 (-0.1% of GDP) reflects disposals of fixed assets donated as foreign military aid.

Research and development on defence made up a negligible part of government expenditure in all countries except France (0.1% of GDP).

'Foreign military aid' amounted to 0.1% of GDP for the EU, with notable amounts in Slovakia (1.2% of GDP), Denmark (0.5% of GDP), Latvia (0.4% of GDP), Finland (0.3% of GDP), Germany, Luxembourg, the Netherlands and Sweden (all at 0.2% of GDP), Belgium, Spain, France, Croatia, Italy, Cyprus and Poland as well as Norway (all at 0.1% of GDP). It should be noted that the reporting of military aid in response to Russia's war of aggression against Ukraine is not yet fully harmonised for all countries, so that donations of equipment in kind are not yet fully reflected in total expenditure in 'foreign military aid' - see also metadata notes. Such omissions do not effect the level of total expenditure and total expenditure on defence.



General government total expenditure on defence, 2023 (% of GDP) Source: Eurostat (gov_10a_exp)

Expenditure on 'defence' by type of transaction

At the level of the EU, a bit less than half (42%) of total expenditure on defence in 2023 was devoted to 'compensation of employees', that is wages and salaries as well as employers' actual or imputed social contributions. Some 29% was devoted to 'intermediate consumption', consisting of government purchases of goods and services, except where these are regarded as capital formation. Capital investments amounted to 20% of defence expenditure in 2023, such as the purchase of new equipment and infrastructure. (Other) current and capital transfers, for example for military aid, made up 7.8% of total expenditure at the level of the EU according to the data reported.

General government expenditure on defence by transaction, EU, 2023, € billion Source: Eurostat (gov_10a_exp)

Evolution of 'defence' expenditure from 1995-2023

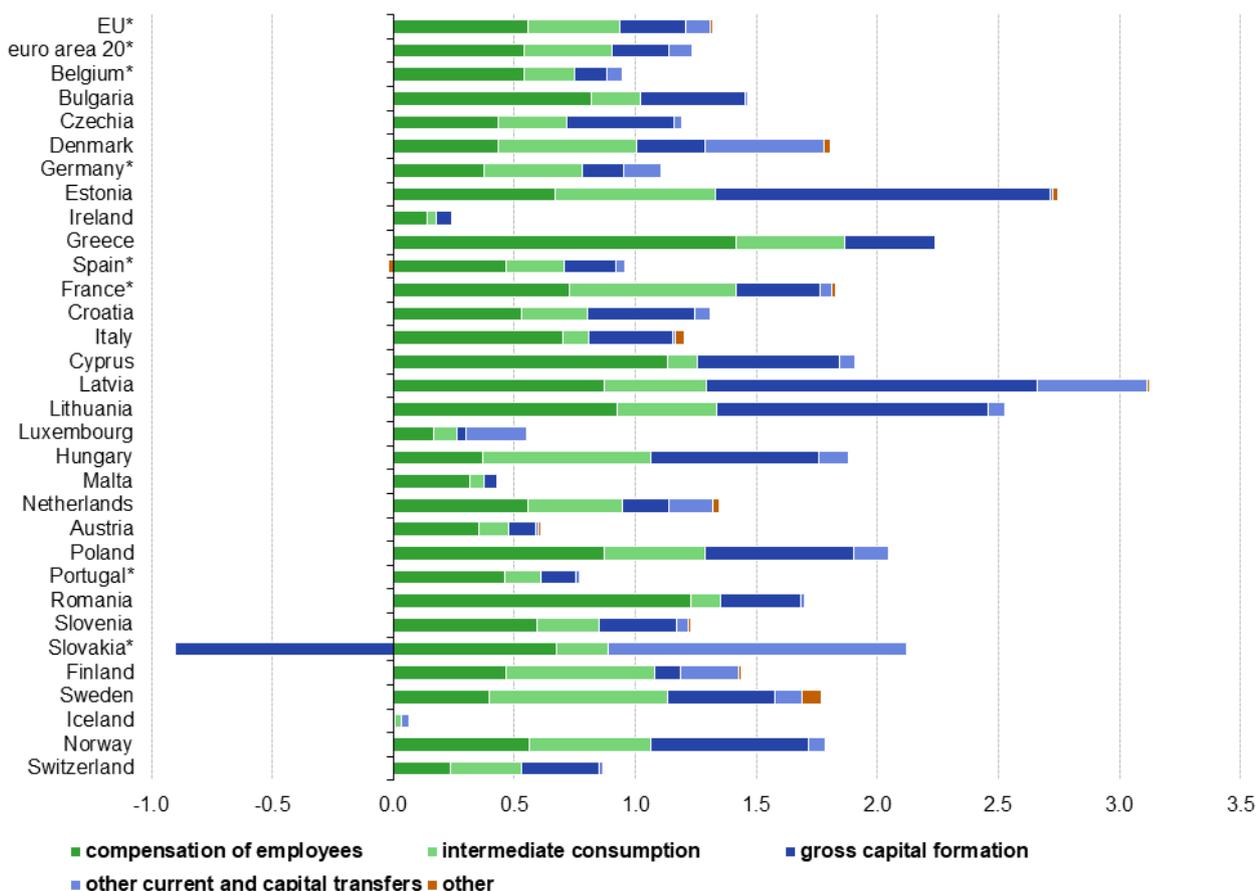
At the level of the EU, decreases in 'defence' expenditure as a percentage of GDP were noted from 1995-2023 (from 1.6% of GDP in 1995 to 1.3% of GDP in 2023). Compared with 2022, the level of defence expenditure in the EU remained stable expressed as a percentage of GDP.

At EU level, the share of defence expenditure in total expenditure decreased from 3.0% in 1995 to 2.7% in 2023. However, compared with 2021 and 2022, at the level of the EU, the share of defence expenditure in total expenditure increased from 2.4% of total expenditure in 2021, to 2.5% of total expenditure in 2022 and 2.7% of total expenditure in 2023.

Detailed evolution of EU general government total expenditure on defence, 2019-2023, € billion Source: Eurostat (gov_10a_exp)

In absolute terms, in 2023, EU defence expenditure increased to € 227 billion, up from € 202 billion in 2022, € 183 billion in 2021, € 177 billion in 2020 and € 168 billion in 2019. The 12% increase between 2022 and 2023 represents the second-strongest relative increase among the broad government expenditure functions. Between 2021 and 2023, expenditure on 'military defence' at the level of the EU increased from € 165 billion to € 193 billion and 'foreign military aid' increased from € 8 billion to € 24 billion.

General government expenditure on defence by transaction, 2023* % of GDP



* provisional

Source: Eurostat (gov_10a_exp)

eurostat

General government expenditure on defence by transaction, 2023, % of GDP.png Source: Eurostat (gov_10a_exp)

In 2023, gross capital formation on defence (for example net additions of military equipment, new buildings and other facilities for defence purposes, net additions to inventories of goods such as ammunition) made up 50% of total defence expenditure in Estonia and 44% of total defence expenditure in Latvia and Lithuania. The negative amount for Slovakia represents a net disposal of fixed assets in the context of foreign military aid in kind (shown as capital transfers and neutral on total expenditure on defence).

Source data for tables and graphs

- [Download Excel file](#)

Data sources and availability

Reporting of data to Eurostat

Annual government finance statistics (GFS) data are collected by Eurostat on the basis of the European System of Accounts (ESA 2010) transmission programme. Member States are requested to transmit, among other tables, table 1100, 'Expenditure of general government by function' 11 months after the end of the reference period. Table 1100 provides information about expenditure of the general government sector divided into main COFOG functions and ESA 2010 categories. The transmission of the COFOG I level breakdown (divisions) is compulsory for the years 1995 onwards, whereas information on the COFOG II level (COFOG groups) at general government level is

provided on a compulsory basis for the reference years 2001 onwards. The main reference year used in this publication is 2023 as the latest year available at EU level.

Data was extracted on 21 March 2025.

Provisional data

While a significant effort was undertaken to harmonise the recording of government measures to alleviate the impact of increasing energy prices, a full harmonisation of data for the reference year 2022 was not yet achieved.

Data for the EU and euro area aggregates (2023), Belgium (2023), Germany (2021-2023), Spain (2023), France (all years) and Portugal (2023), Slovakia (all years) are provisional.

Definition of general government and its subsectors

The data relate to the general government sector of the economy, as defined in ESA 2010, paragraph 2.111: 'The general government sector (S.13) consists of institutional units which are non-market producers whose output is intended for individual and collective consumption, and are financed by compulsory payments made by units belonging to other sectors, and institutional units principally engaged in the redistribution of national income and wealth'.

Classification of functional expenditure of government

The Classification of the Functions of Government (COFOG) classifies government expenditure into 10 main categories (divisions known as the 'COFOG I level' breakdown): general public services; defence; public order and safety; economic affairs; environmental protection; housing and community affairs; health; recreation, culture and religion; education; social protection. These divisions are further broken down into 'groups' (COFOG II level).

For 'defence', the groups are

- 'military defence',
- 'civil defence',
- 'foreign military aid',
- 'R&D defence',
- 'defence n.e.c.'.

Further information is available in the Eurostat [Manual on sources and methods for the compilation of COFOG Statistics](#).

Satellite accounts

Administrative expenditure data is additionally collected in so-called satellite accounts. In general, the amount of expenditure recorded in satellite accounts is expected to exceed the expenditure recorded under the respective COFOG division. More details on the comparability of COFOG data with satellite accounts data can be found in the COFOG manual.

In particular, as regards defence expenditure, COFOG division 'defence' cannot be easily compared with NATO measures of defence expenditure. The main reasons are: COFOG is a classification by main purpose implying that some expenditure within COFOG 'public order and safety' might be counted under NATO methodology; the treatment of pensions in COFOG is within division 'social protection' and the COFOG treatment of employers' social contributions follows ESA 2010 and the time of recording may be different.

Definition of general government total expenditure

Government total expenditure is defined in ESA 2010, paragraph 8.100 by using as reference a list of ESA 2010 categories. More detail is provided in the overview article on [Government expenditure by function – COFOG](#).

Gross Domestic Product

Throughout this publication, the nominal GDP, i.e. GDP at current prices is used. The latest GDP available at time of publication is used.

Time of recording & symbols used

In the ESA 2010 system, recording is on an accrual basis, that is, when 'economic value is created, transformed or extinguished, or when claims and obligations arise, are transformed or are cancelled.'

":" not available

"pp" percentage points

More data and information

For more country-specific notes, e.g. on missing data, please refer to the metadata published on Eurobase. The authors can be contacted at ESTAT-GFS@ec.europa.eu

Context

In the framework of the European System of National Accounts (ESA 2010), Eurostat collects data on general government expenditure by economic function according to the international Classification of the Functions of Government (COFOG) – see methodological note.

Explore further

Other articles

- [European system of accounts - ESA 2010](#)

</legislation>

Database

- [Government finance statistics and EDP statistics](#) , see:

Government statistics (gov)

Government finance statistics (EDP and ESA2010) (gov_gfs10)

Annual government finance statistics (gov_10a)

Government revenue, expenditure and main aggregates (gov_10a_main)

General government expenditure by function (COFOG) (gov_10a_exp)

Main national accounts tax aggregates (gov_10a_tax_ag)

Thematic section

- [Government finance statistics](#)

Methodology

- [Government revenue, expenditure and main aggregates](#) (ESMS metadata file — gov_10a_main_esms)
- [General government expenditure by function \(COFOG\)](#) (ESMS metadata file — gov_10a_exp_esms)
- [Manual on sources and methods for the compilation of COFOG statistics - Classifications of the Functions of Government - 2019 edition](#)
- [Manual on government deficit and debt — implementation of ESA 2010 — 2022 edition](#)

Legislation

- [European system of accounts - ESA 2010](#)

Selected datasets

- [Government finance statistics and EDP statistics](#) , see:

Government statistics (t_gov)

Annual government finance statistics (t_gov_10a)