

Date of Report: 12 January 2021

## Defence Spending and Expenditure

General Statement												
Year	2019		2020		2021		2022		2023		2024	
Guideline	2%	20%	2%	20%	2%	20%	2%	20%	2%	20%	2%	20%
* Estimate in absolute value terms (in national currency)	10,8	2,5	11,2	2,7	12,3	3,3	13,4	3,4*	14,5	3,2*	16,6	3,3*
* Estimate in percentage terms	1,36%	23,9%	1,41%	24,6%	1,49%	27,0%	1,56%	26,5%*	1,67%	25,6%*	1,88%	27,1%*
Source(s)/ Reference(s)	<p><i>Estimate value presented in billion euros.</i></p> <p><i>Budget 2020 based on accounting report 2020.</i></p> <p><i>Budget 2021/2022 based on the budget for 2022, presented to Parliament on the 21th of September 2021 (document, 35 925, nr.2) and corrected with budget changes reported to Parliament on 5<sup>th</sup> of November (changes of budgets).</i></p> <p><i>Budget 2022/2023/2024 based on additional investments presented by the new cabinet.</i></p>											
Remarks	<p>The defence spending and expenditures presented in this report are based on the budget plans. As actual expenditure can be influenced by developments throughout the year variations on these estimates are likely. National definitions for investment spending as a percentage of the total budget are used. The numbers with * are not yet corrected for the extra investments by the new government.</p>											
Capability Target Implementation												
General Statement	<p>In 2018, the Netherlands released its National Plan for NATO. This plan confirmed the government's aim to invest in several national prioritized capabilities. The additional budget made available in 2019 has been used to invest in major equipment, associated R&amp;D, capabilities for SOF Ground, and the cyber and information domain. The Defence Vision 2035 (published in 2020) sets a clear direction for our defence organization, providing a framework for decision making by future governments and for working with NATO on defence planning priorities.</p> <p>The defence budget has been increased gradually in 2021 and will grow further in 2022 and beyond. The new coalition government will increase defence spending by an additional €10,7 billion over the period of 2022-2025. For the years 2022-2024 the additional spending amounts to a total of €6.5 billion, consisting of € 500 million in 2022, € 1.9 billion in 2023 and € 4.1 billion in 2024. The structural additional defence spending equals €3 billion (as of 2026).</p> <p>The new cabinet will publish a Defence White Paper in the coming months, to allocate the additional budget made available.</p>											

	<p>We are executing our Defence Lifecycle Plan which includes amongst others:</p> <ul style="list-style-type: none"> <li>• Investing in cyber operations and IT-systems;</li> <li>• Replacing and modernizing our maritime fleet including the modification of the SMART-L radar as an early warning capacity for Ballistic Missile Defence;</li> <li>• Replacing the wheeled vehicle fleet of the armed forces, upgrading the Fennek recce vehicle and our Howitzers and investing in Ground Based Air Defence System and Counter Rockets;</li> <li>• Procurement of extra F-35's and MQ-9 Reapers, replacing and upgrading the CH-47 Chinooks, upgrading the AH-64 Apache, and acquisition of ammunitions: Standard Missile 2 Block IIIA, Evolved Sea Sparrow Missile Block 2, Mk 48 torpedo, Surface-to-surface Missiles for the navy, Patriot PAC-3, Precision Guided Munition for the howitzers of the army and air-to-air missiles for F-16 and F-35.</li> </ul> <p>In October 2021 the minister of Defence accepted the 2021 NATO capability targets without caveats. The Netherlands remains committed to fully implementing its share of the Capability Targets, hereby contributing to a strong Alliance.</p>
Source(s)/ Reference(s)	Defence Vision 2035: Fighting for a safer future.
Remarks	
<b>Contributions to Operations and Missions and other relevant Engagements</b>	
<p>Focused strategic-level statement (not more than 100 words) indicating the forces and capabilities (including numbers of personnel and platforms) planned to be deployed on NATO operations, missions and engagements abroad in 2022 (the first out year), and also any related incremental costs, if appropriate and available:</p>	<p>In 2021, the Netherlands extended the mandate of our contribution to the enhanced Forward Presence in Lithuania for the duration of three years (until end of 2024). Additionally, the contribution within the multinational battlegroup has been increased from 270 to 350 personnel. By doing so, the Netherlands aims to maintain the credibility of the deterrence of NATO's forward presence. Dutch contribution towards eFP consists of a motorized company during both rotations in 2022. Incremental costs of this operation are approximately 36 million euro.</p> <p>Furthermore, the Netherlands will continue to contribute to the NATO Mission in Iraq in 2022 with an approved manning level of max 20 personnel (10 civilian, 10 military) to train and assist.</p> <p>In 2022 the Netherlands will contribute: to both the enhanced NATO Response Force (NRF) and the NATO Readiness Initiative (NRI). With regards to NRF, the Netherlands will contribute to the IFFG-45 (L) with one Battlegroup including Combat Support and Combat Service Support (1700 pax) and will take command of the Standing NATO Maritime Group One with one frigate (180 pax) or equivalent. Furthermore a mine hunter vessel (35 pax) and a submarine for 6 months (65 pax) have been allocated for VJTF (M) and IFFG respectively. The Netherlands will contribute to NRI with one Battlegroup (1200 pax), 8x F35 (100 pax), AIR UAV capacity (32 pax) one frigate (166 pax) and one MCMV (35 pax).</p>
<p>Focused strategic-level statement (not more than 100 words) indicating the forces and capabilities (including numbers of personnel and platforms) planned to be deployed on non-NATO operations and missions abroad in</p>	<p>The Netherlands contributes to the Global Coalition to Defeat ISIS/Da'esh with up to 175 pax in 2022. In order to strengthen the Iraqi security sector, the Netherlands is continuing its training efforts in Baghdad and Erbil. The contribution of liaison and staff officers to various headquarters of the anti-ISIS coalition will also be continued. The deployment of a Dutch Force Protection Company for the security of Erbil International Airport and</p>

<p>2022, and also any related incremental costs, if appropriate and available:</p>	<p>protection of advisory and training teams will be continued in 2022 as well.</p> <p>In addition, the Netherlands has sent a military transport aircraft and personnel in support of the MINUSMA mission, until May 2022 (90 pax), as well as MINUSMA Force Commander including staff of approximately 15 pax. Small assignments will involve a total of approximately 60 pax in 12 different missions (EU: 13, UN: 21, national or bilateral missions: 26).</p> <p>In addition to the military contributions we provide civil advisors to several missions.</p> <p>In 2022, the Netherlands forces will also stand ready to carry out tasks assigned by civil authorities, e.g. related to COVID-19.</p>
<p>Focused strategic-level statement (not more than 100 words) indicating the forces and capabilities (including numbers of personnel and platforms) planned to be deployed and/or employed on other activities in 2022, and also any related incremental costs, if appropriate and available:</p>	<p>The Netherlands provides DCB support through NATO-partnership programs for partner countries (including Ukraine, Georgia, Jordan and Tunisia) and organizations (UN) by providing funds and advisors. Furthermore, the Netherlands provides for several voluntary national contributions (VNC), including in Kosovo, Georgia and Iraq.</p>
<p>Source(s)/Reference(s)</p>	<p><a href="#">Letter to Parliament on Dutch efforts in missions and operations</a> (23 September 2020): "Samenhang Nederlandse inspanningen snelle reactiemachten en missies en operaties tot en met 2021".</p> <p><a href="#">Letter to Parliament on extension Dutch mandate enhanced Forward Presence</a> (5 November 2021) "Verlenging Nederlandse bijdrage aan de vooruitgeschoven NAVO-aanwezigheid in Litouwen"</p>
<p>Remarks</p>	<p>The number of personnel deployed on missions and operations may vary throughout the year.</p>

\* The estimates in these two rows are only required if the information is not provided in an Ally's response to the DPCS for the full period. For those years where the information is not provided in the response to the DPCS, Allies are requested to provide the information in absolute value terms (in national currency) where possible; where this is not possible, Allies should provide the information in percentage terms. There may, therefore, be circumstances where Allies will provide information for the full period using both rows, however, only one row should be used for each year.