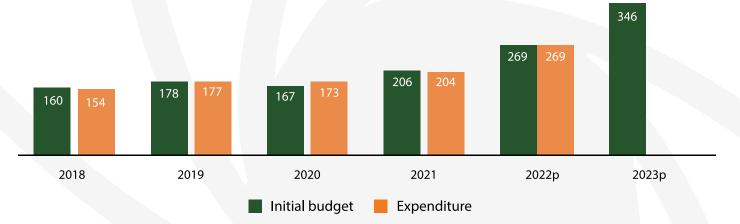


Albanian defence expenditure has experienced a steady increase since 2017, with the exception of 2020, when spending on defence stagnated. Even though it has not reached the NATO goal of 2% of GDP, the defence expenditure's share in Albania's total government expenditure increased from 4.5% in 2017 to almost 9% planned for 2022.

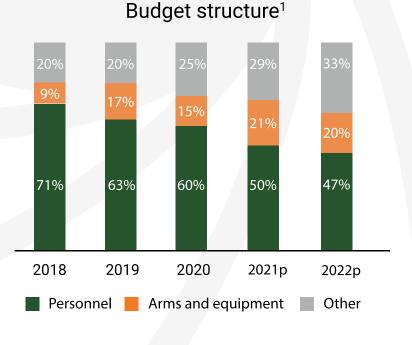
The Albanian defence spending does not deviate significantly from the budget (+- 4%). In fact, it is usually slightly underspent.



Initial budgets and defence expenditure (in milion EUR)

The Albanian defence budget is the least transparent and detailed in the region, as it shows only several general categories: Planning, Management and Administration, Combat Forces, Military Education, Combat Support and Health Support. Hence, the publicly available information makes the budget structure and the amounts spent on personnel, or on arms and equipment, inconclusive.

Data provided to NATO show that the gradual rise of the Albanian defence expenditure can be attributed to small increases in the arms and equipment spending each year. On the other hand, personnel costs have faced a downward trend since 2017. In 2022, Albania announced the procurement of Javelin anti-tank missiles and Bayraktar drones.



1 The Albanian budget structure graph was designed using information from the NATO database. Since it could not be derived from the government balance sheets or budgets due to the highly aggregated structure of the documents, it should not be directly compared with the budget structure of other countries in this report.



2022 Share of GDP 1.67% Share of total government expenditure 8.86%