

Montenegrin defence expenditure experienced a big increase right after the country joined NATO, in 2018 and 2019, caused by the attempt to meet the commitments made to the Alliance. However, it went back to its earlier level in 2020. Besides the pandemic, the change of government after the 2020 elections and the subsequent political crisis have certainly also influenced the overall budget and defence planning for the forthcoming period.

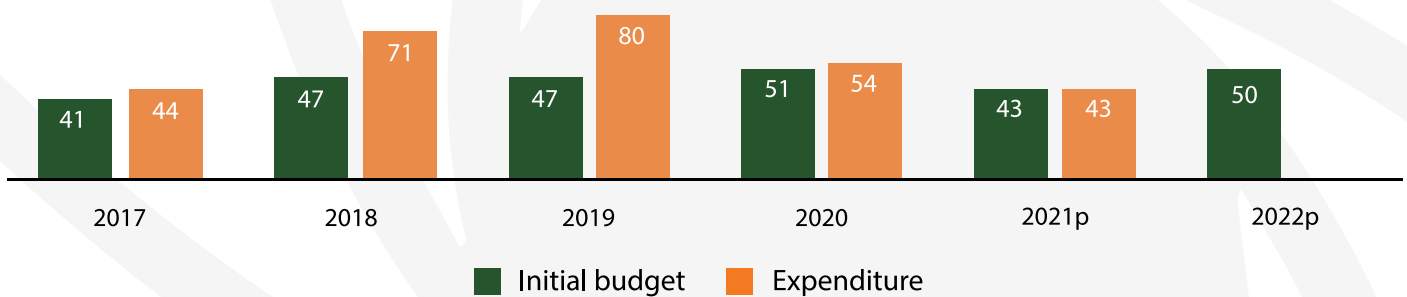
## 2021

Share of GDP **0.90%**

Share of total government expenditure **2.15%**

The Parliament adopted the 2021 budget after a delay of more than six months. Earlier, the Government would usually provide a budget proposal to the Parliament one month before the start of the next budget year. The Parliament has never adopted any balance sheet submitted by the government even, though it is legally required to do so.

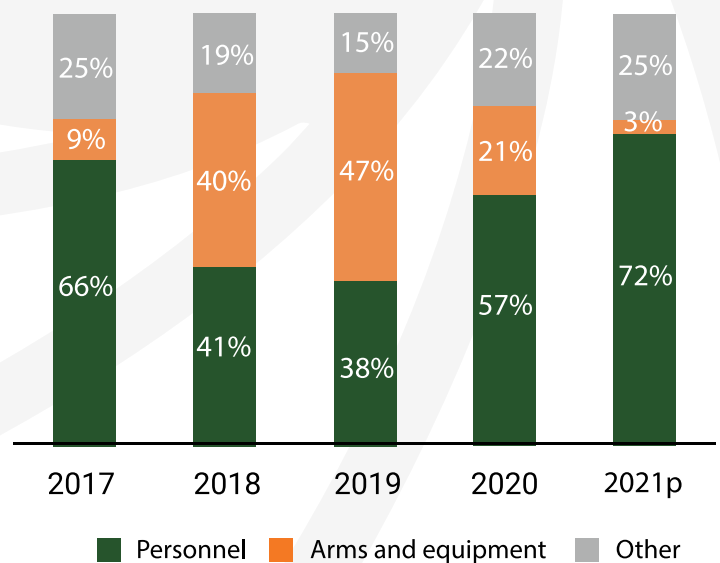
Initial budgets and defence expenditure (in million EUR)



Montenegro spends the greatest share of its defence budget on personnel. This trend was shortly interrupted by the increase in arms and equipment expenditure in 2018 and 2019, when Montenegro started the procedure to procure Bell helicopters and Oshkosh armored vehicles. Nevertheless, big leaps in defence spending during the year, allocated to arms and equipment, suggest general lack of long-term defence planning in Montenegro.

Even though the Montenegrin budget demonstrates a slightly higher level of transparency than those of most countries in the region (i.e. it shows individual projects or procurement), it still lacks sufficient transparency and disaggregation.

Budget structure



\* Data for 2021 and 2022 are based on the last changes in the 2021 budgets and the initial budget laws for 2022.