

## 2021

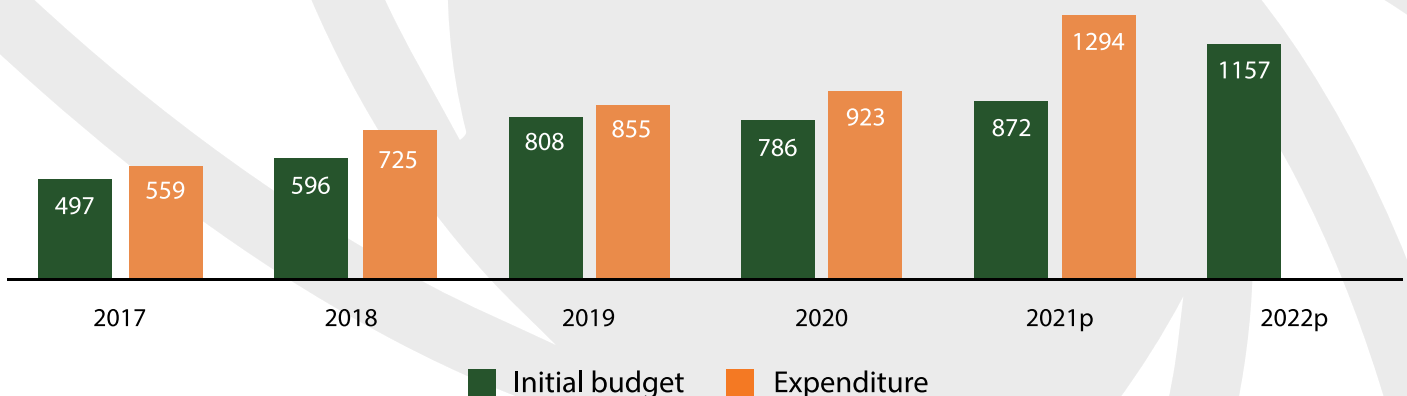
Share of GDP **2.42%**  
Share of total government  
expenditure **8.61%**

Serbian defence expenditure gradually kept rising since 2016, to experience a sharp increase in 2021. Military spending took up an increasing share of the total expenditure, from 4% in 2017 to 8.6% the past year.

The National Assembly usually adopts the budget for the forthcoming year in early December. Balance sheets presenting the actual budget spending were late for 16 years, and the National Assembly retroactively adopted all of them in 2019.

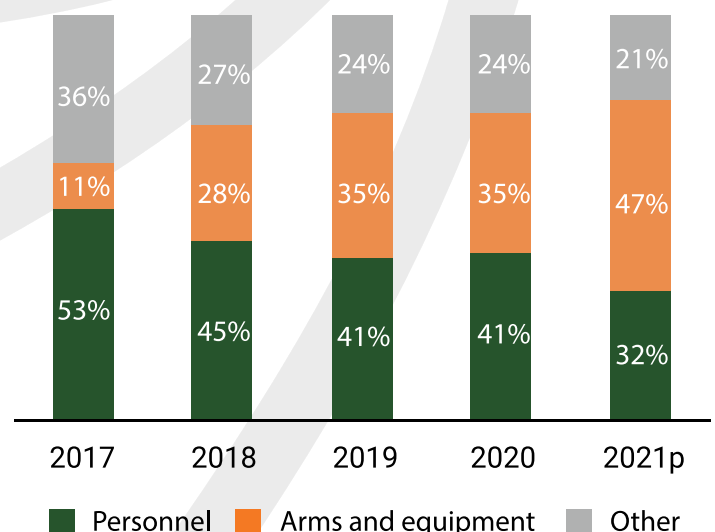
The Serbian defence budget undergoes major changes in the course of the year. Resources are allocated from budget reserves, predominantly for arms and equipment. In the absence of extraordinary circumstances that would require extreme measures, such radical increases indicate lack of comprehensive defence planning.

Initial budgets and defence expenditure (in milion EUR)



Serbia has been applying programme budgeting since 2015. The budget is therefore separated into programmes, presenting budget funds for specific areas as well as different sources of funds. Nevertheless, the budget is not sufficiently disaggregated and detailed, which prevents comprehensive oversight. For instance, arms and expenditure costs are not disaggregated by concrete projects, and it is thus impossible to connect them to individual procurements. As can be seen from the budget structure, the upsurge in the military budget is the result of increasing arms and equipment costs.

Budget structure



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