

Serbian defence expenditure kept gradually rising since 2016, with a sharpest increase in 2021. Military spending took up an increasing share of the total expenditure, from 4% in 2017 to almost 8% in 2022.

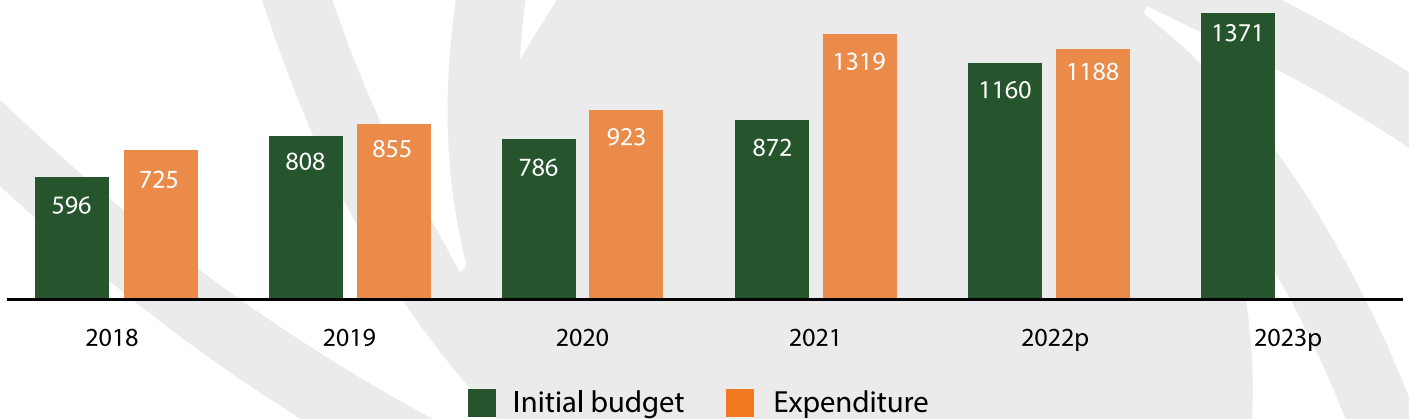
The National Assembly usually adopts the budget for the forthcoming year in early December. Balance sheets presenting the actual budget spending were late for 16 years, and the National Assembly retroactively adopted all of them in 2019.

2022

Share of GDP **2.15%**
Share of total government expenditure **7.67%**

The Serbian defence budget undergoes major changes as the year progresses. 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)

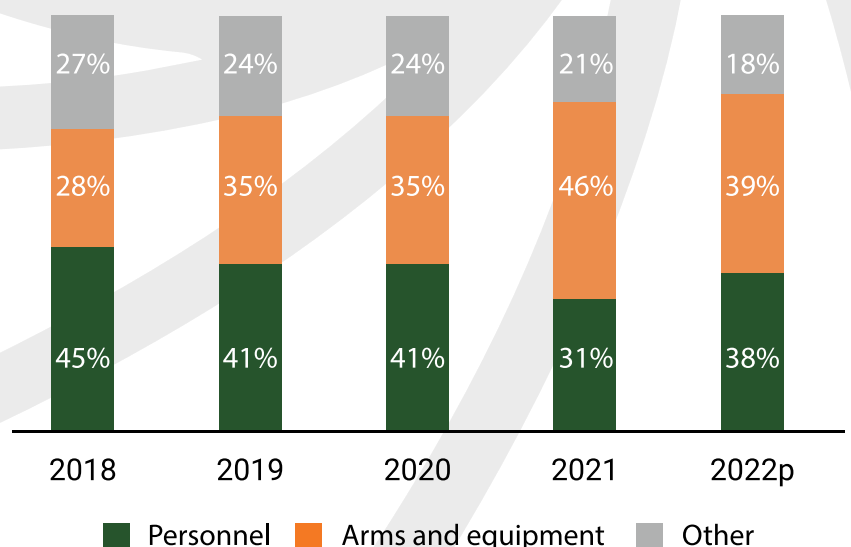


Budget structure

Serbia has been applying programme budgeting since 2015.

The budget is therefore broken down into programmes, presenting budget funds for specific areas as well as different sources of funds. Still, the budget is not sufficiently disaggregated and detailed, which prevents comprehensive oversight.

For instance, arms and expenditure costs are not disaggregated by concrete projects, making it 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, but also a gradual increase in personnel costs since 2021. In line with the above, a trend of decreasing the amount of other costs (which includes maintenance and operational costs) can be observed.