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Denmark: higher spending on defence and military support for Ukraine

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On 30 May, Denmark's acting defence minister Troels Lund Poulsen presented the government's proposal for the new *Defence Agreement covering the 2024–33* period. It provides for additional defence spending of 143 billion kroner (€19.20 billion) over the next 10 years. The increase is expected to allow the country to meet the target of spending 2% of its GDP on defence by 2030 at the latest. The geographical priority for Denmark's security policy will be its immediate neighbourhood: the Baltic Sea region including the Baltic states, the North Sea and the High North including Greenland. The Danish government also expressed its desire to participate in the European Union's military missions in the Western Balkans, North Africa and the Sahel to combat terrorism and prevent illegal migration. Furthermore, it wants to bolster the protection of Danish airspace, critical underwater infrastructure and vital sea lanes. In order to be able to fulfil these tasks, the Danish Armed Forces will not only receive more funding, but also expand in terms of manpower. The agreement calls for increasing the number of conscripts for basic military service from around 4000 to 10,000 and for extending the length of service from four to between eight and twelve months.

The government also presented a proposal to provide an additional 21.9 billion kroner (€2.94 billion) for medium-term military support to Ukraine: more than 7.5 billion kroner (€1.01 billion) in 2023, 10.4 billion kroner (€1.4 billion) the following year and 1 billion kroner (€130 million) a year between 2025 and 2028. Prime Minister Mette Frederiksen stressed that when funding for military aid to Ukraine is included, Denmark will have already spent 2% of its GDP on defence this year and next.

Commentary

- The document presented is rather vague, and will be the subject of further negotiations between the ruling coalition (the Social Democrats, the liberal Venstre party, the Moderates) and other parties in the Danish parliament. These talks may even stretch into early next year in an effort to fine-tune the government's proposal for the new *Defence Agreement* (the country's *de facto* security strategy, which the parliament adopts every five years and is implemented regardless of who is in power).
- The decision to reach 2% of GDP in defence funding only in 2030 implements the provisions of the coalition agreement unveiled last December. In 2022, Danish military spending amounted to 1.39% of the country's GDP (27.1 billion kroner, or €3.64 billion).

The planned military support for Ukraine falls outside NATO's method of calculating national defence spending, so the claim that the 2% defence spending target will already be reached this year by including military aid to Ukraine should be treated more as a Danish narrative for the NATO summit in Vilnius this July, just as the Alliance is debating whether the 2% target should be adopted as a minimum ceiling for defence spending. Denmark's claim may also be used in the context of Prime Minister Frederiksen's potential candidacy for the post of NATO Secretary General.

- The proposal for the new *Defence Agreement* reorients the priorities of Danish security policy from the focus on crisis response and asymmetric operations around the world to greater engagement in the immediate neighbourhood. However, the proposed slow increase in spending, coupled with the absence of a concrete plan for the creation of new military units, calls the feasibility of the proposals and pledges presented into question. The planned expansion of activity in the Baltic and North Seas would require the construction of a series of new frigates (there are currently five such vessels in service). Meanwhile, at least two new battalions should be created to maintain the long-term presence of a battalion-sized land force in the Baltic states. In addition, it would be necessary to increase the planned number of F-35 aircraft (27 by 2026) by at least a half, and to reconstitute the ground-based air defence (which does not presently exist) in order to strengthen the protection of the country's airspace. The costs of such measures far exceed the proposed growth in defence spending. The slow increase in this expenditure means that the modernisation of the Danish Armed Forces will proceed extremely slowly.
- According to Danish data, the government has allocated around €1.3 billion in military aid to Ukraine as of February 2022, including €711 million this year. A further almost €3 billion between 2023 and 2028 will represent a significant increase in this support. No information was provided on what the next packages of military support could include. Apart from their F-16s, the Danish Armed Forces do not have enough arms and military equipment that they could hand over to Ukraine. They operate around 30 F-16s in active service while another 12–15 remain in reserve. Denmark could provide Ukraine with its entire reserve as well as up to five aircraft currently in service without significantly harming its own capabilities. We can therefore assume that it will allocate the funds pledged to new arms and military equipment for Ukraine, although their production and delivery will take months. On the other hand, this means a guarantee of stable funding for military support to Ukraine in the medium term. This represents a shift in the assistance formula from short-term to systemic, which will allow Denmark to plan its aid better and coordinate it with Ukraine and other countries that support Ukraine.