

2022 MILITARY BUDGET RECOMMENDATIONS

EXECUTIVE SUMMARY

1. The 2022 Military Budgets recommended for Council agreement take into account the security environment, the contribution ceilings and the other provisions set out in the 2022-2026 Medium Term Resource Plan (MTRP). The recommended budgets for 2022 are shown in the table below.

Table 1: Military Budget by Budget Group (EUR @ 01/01/2021)

Budget Group	2022 Contribution Ceiling	2022 Recommended Budget ^a	Estimated Net Contribution for 2022 ^{b,c}
AOM	36,300,000	47,548,619	10,401,319
NCSEP	777,600,000	817,654,480	756,388,587
NCS-Adaptation	40,000,000	40,000,000	33,566,514
NAEW&CF	299,600,000	316,900,000	294,000,000
NAGSF	159,603,327	195,332,813	154,132,813
MB Pensions	146,000,000	144,670,000	138,570,000
TOTAL	1,459,103,327	1,562,105,912	1,387,059,233

^(a) The gap between the ceiling and recommended amounts will be covered by lapsed appropriations

^(b) These contribution estimates are subject to change after the Financial Statements have been made available

^(c) The call for contributions for 2022 will be calculated in line with FRP Article 29

2. NATO's Military Budget delivers to the 2010 Strategic Concept.¹ This Concept describes NATO's three essential core tasks - collective defence, crisis management and cooperative security. It also emphasises Alliance solidarity, the importance of transatlantic consultation and the need to engage in a continuous process of reform.

3. The Military Budget encompasses a number of Budget Groups that deliver capabilities and policies to ensure that NATO's defence and deterrence, as well as crisis management abilities, are sufficiently well equipped to face today's threats. The Military Budget also includes activities to promote international security through cooperation, including arms control, disarmament and non-proliferation efforts, significantly enhancing its partnerships and NATO's open door policy for all European democracies which share the values of the Alliance. Additionally the Military Budget includes activities to support reform and transformation processes.

4. For 2022 the contribution ceiling in the MTRP is EUR 1,459M², the request by Budget Holders is EUR 1,568M and the recommended amount is EUR 1,562M. There is a funding gap of EUR 104.3M between the recommended amount and the contributions agreed by Nations. The funding gap can be filled through the combined use of refundable surpluses from prior years and expected lapsed appropriations in 2021 of EUR 294.9M and after considering special carry forwards results in a remaining amount of EUR 70.7M which is expected to lapse and reduce the estimated contribution for 2022, EUR 1,387M.

¹ At the Brussels Summit, in June 2021, NATO agreed to develop the next Strategic Concept in time for the next summit in 2022.

² Includes a separate decision for AGS that exceptionally removed the Not to Exceed amount for 2022 on a non-precedent setting basis and uplift the contribution ceiling for 2022 from EUR 100.6M to EUR 159.6M.

5. The recommended budget for 2022 takes account of uncommitted appropriations in 2021 that have been specially carried forward from 2021 to 2022, in a total amount of EUR 119.9M and will be closely monitored during 2022 to ensure sufficiency in carrying out the agreed level of requirements and missions.

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