

## HEAD J

### MINISTRY OF DEFENCE

#### OVERVIEW

##### Mission Statement

The mission of the Ministry of Defence (MINDEF) and the Singapore Armed Forces (SAF) is to enhance Singapore's peace and security through deterrence and diplomacy, and should these fail, to secure a swift and decisive victory over the aggressor.

To achieve this mission, MINDEF will strengthen the military and manpower capabilities, and technological edge of the SAF, whilst fostering close relations with friendly countries in the region and beyond through greater dialogue, confidence-building and co-operation.

##### Desired Outcomes

- A safe and secure environment where Singapore's territorial integrity and sovereignty are protected and preserved.
- Safe and secure access to Singapore's air and sea lines of communications.
- A strong network of defence ties in the region and beyond.
- Committed national servicemen who are dedicated to Total Defence.
- An operationally ready and well-equipped SAF that can deal with a broad range of threats to Singapore's security.
- A highly skilled, professional and technologically advanced SAF.

#### FY2025 EXPENDITURE ESTIMATES

##### Expenditure Estimates by Object Class

| Code | Object Class                         | Actual                | Estimated             | Revised               | Estimated             | Change Over Revised FY2024 |             |
|------|--------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------------|-------------|
|      |                                      | FY2023                | FY2024                | FY2024                | FY2025                | \$                         | %           |
|      |                                      | \$                    | \$                    | \$                    | \$                    | \$                         | %           |
|      | <b>TOTAL EXPENDITURE</b>             | <b>19,366,841,057</b> | <b>20,249,571,800</b> | <b>20,849,571,800</b> | <b>23,440,326,800</b> | <b>2,590,755,000</b>       | <b>12.4</b> |
|      | MAIN ESTIMATES                       |                       |                       |                       |                       |                            |             |
|      | <b>OPERATING EXPENDITURE</b>         | <b>18,495,758,881</b> | <b>19,344,181,600</b> | <b>19,884,181,600</b> | <b>22,076,844,000</b> | <b>2,192,662,400</b>       | <b>11.0</b> |
|      | <i>RUNNING COSTS</i>                 | <i>18,479,720,603</i> | <i>19,332,939,900</i> | <i>19,872,939,900</i> | <i>22,061,590,400</i> | <i>2,188,650,500</i>       | <i>11.0</i> |
|      | <b>Expenditure on Manpower</b>       | <b>20,140,223</b>     | <b>17,792,400</b>     | <b>17,792,400</b>     | <b>17,792,400</b>     | <b>-</b>                   | <b>-</b>    |
| 1200 | Political Appointments               | 2,205,685             | 2,459,400             | 2,459,400             | 2,459,400             | -                          | -           |
| 1500 | Permanent Staff                      | 17,934,539            | 15,333,000            | 15,333,000            | 15,333,000            | -                          | -           |
|      | <b>Other Operating Expenditure</b>   | <b>18,459,580,380</b> | <b>19,315,147,500</b> | <b>19,855,147,500</b> | <b>22,043,798,000</b> | <b>2,188,650,500</b>       | <b>11.0</b> |
| 2100 | Consumption of Products and Services | 33,638,159            | 33,282,500            | 33,282,500            | 35,417,500            | 2,135,000                  | 6.4         |
| 2300 | Manpower Development                 | 115,627               | 166,000               | 166,000               | 166,000               | -                          | -           |

| Code | Object Class  | Actual             | Estimated          | Revised            | Estimated            | Change Over Revised FY2024 |             |
|------|---|--------------------|--------------------|--------------------|----------------------|----------------------------|-------------|
|      |   | FY2023             | FY2024             | FY2024             | FY2025               | \$                         | %           |
|      |   | \$                 | \$                 | \$                 | \$                   | \$                         | %           |
| 2400 | International and Public Relations, Public Communications | 4,866              | 20,500             | 20,500             | 20,500               | -                          | -           |
| 2800 | Miscellaneous   | -                  | 2,000,000          | 2,000,000          | 2,000,000            | -                          | -           |
| 2900 | Military Expenditure                                      | 18,425,821,728     | 19,279,678,500     | 19,819,678,500     | 22,006,194,000       | 2,186,515,500              | 11.0        |
|      | <i>TRANSFERS</i>  | <i>16,038,277</i>  | <i>11,241,700</i>  | <i>11,241,700</i>  | <i>15,253,600</i>    | <i>4,011,900</i>           | <i>35.7</i> |
| 3600 | Transfers to Institutions and Organisations               | 16,038,277         | 11,241,700         | 11,241,700         | 15,253,600           | 4,011,900                  | 35.7        |
|      | <b>OTHER CONSOLIDATED FUND OUTLAYS</b>                    | <b>4,782,082</b>   | <b>20,737,200</b>  | <b>20,737,200</b>  | <b>22,746,500</b>    | <b>2,009,300</b>           | <b>9.7</b>  |
| 4600 | Loans and Advances (Disbursement)                         | 4,782,082          | 20,737,200         | 20,737,200         | 22,746,500           | 2,009,300                  | 9.7         |
|      | DEVELOPMENT ESTIMATES                                     |                    |                    |                    |                      |                            |             |
|      | <b>DEVELOPMENT EXPENDITURE</b>                            | <b>871,082,177</b> | <b>905,390,200</b> | <b>965,390,200</b> | <b>1,363,482,800</b> | <b>398,092,600</b>         | <b>41.2</b> |
| 5100 | Government Development                                    | 871,082,177        | 905,390,200        | 965,390,200        | 1,363,482,800        | 398,092,600                | 41.2        |
|      | <b>OTHER DEVELOPMENT FUND OUTLAYS</b>                     | <b>533,106,657</b> | <b>535,000,000</b> | <b>535,000,000</b> | <b>863,000,000</b>   | <b>328,000,000</b>         | <b>61.3</b> |
| 5500 | Land-Related Expenditure                                  | 533,106,657        | 535,000,000        | 535,000,000        | 863,000,000          | 328,000,000                | 61.3        |

## Establishment List

| Category/Personnel                 | Actual<br>FY2023 | Estimated<br>FY2024 | Revised<br>FY2024 | Estimated<br>FY2025 |
|------------------------------------|------------------|---------------------|-------------------|---------------------|
| <b>POLITICAL APPOINTMENTS</b>      | <b>3</b>         | <b>3</b>            | <b>3</b>          | <b>3</b>            |
| Minister                           | 1                | 1                   | 1                 | 1                   |
| Senior Minister of State           | 2                | 2                   | 2                 | 2                   |
| <b>PERMANENT STAFF</b>             | <b>279</b>       | <b>279</b>          | <b>279</b>        | <b>279</b>          |
| Administrative                     | 12               | 12                  | 12                | 12                  |
| Education Service (2008)           | 10               | 10                  | 10                | 10                  |
| Language Executive Scheme (2008)   | 1                | 1                   | 1                 | 1                   |
| Legal                              | 17               | 17                  | 17                | 17                  |
| Management Executive Scheme (2008) | 185              | 185                 | 185               | 185                 |
| Management Support Scheme (2008)   | 54               | 54                  | 54                | 54                  |
| <b>TOTAL</b>                       | <b>282</b>       | <b>282</b>          | <b>282</b>        | <b>282</b>          |

## **FY2024 BUDGET**

The revised total expenditure of the Ministry of Defence (MINDEF) in FY2024 is projected to be \$20.85 billion, an increase of \$1.48 billion or 7.7% over the actual FY2023 expenditure of \$19.37 billion. The increase is due to an acceleration of selected projects and better-than-expected progress for construction projects.

### ***Operating Expenditure***

The revised operating expenditure of \$19.88 billion is an increase of \$1.39 billion or 7.5% over the actual FY2023 operating expenditure of \$18.50 billion. The increase is due to an acceleration of selected projects.

### ***Development Expenditure***

The revised development expenditure is \$965.39 million, an increase of \$94.31 million or 10.8% over the actual FY2023 development expenditure of \$871.08 million. The increase is mainly attributed to better-than-expected progress for construction projects and the development of NS Square.

### ***Other Consolidated Fund Outlays***

#### ***Loans and Advances (Disbursement)***

A sum of \$20.74 million is allocated for advance disbursements to meet operational requirements.

### ***Other Development Fund Outlays***

#### ***Land-related Expenditure***

A sum of \$535.00 million is allocated for land-related expenditure to make land available for development needs.

## **FY2025 BUDGET**

The total expenditure of MINDEF in FY2025 is projected to be \$23.44 billion, an increase of \$2.59 billion or 12.4% over the revised FY2024 expenditure of \$20.85 billion. Of this, \$22.08 billion or 94.2% is for operating expenditure and the balance of \$1.36 billion or 5.8% is for development expenditure.

### ***Operating Expenditure***

The provision of \$22.08 billion for FY2025 operating expenditure represents an increase of \$2.19 billion or 11.0% from the revised FY2024 operating expenditure of \$19.88 billion.

A total sum of \$22.01 billion or 99.7% of the FY2024 operating expenditure goes towards the Armed Forces. This includes payments for the purchase of military equipment, maintenance of equipment and camps, and the allowances and salaries of full-time national servicemen, Operationally Ready National Servicemen and regular servicemen. Compared with the revised FY2024 expenditure, the projected Armed Forces expenditure for FY2025 shows an increase of \$2.19 billion.

Salaries of civilian personnel and operating costs of MINDEF HQ account for the remaining \$70.65 million or 0.3% of operating expenditure.

### ***Development Expenditure***

The projected development expenditure for FY2025 is \$1.36 billion, an increase of \$398.09 million or 41.2% from the revised FY2024 development expenditure of \$965.39 million. The increase is mainly attributed to higher construction costs for development works, including the development of NS Square.

### ***Other Consolidated Fund Outlays***

#### ***Loans and Advances (Disbursement)***

A sum of \$22.75 million is projected for advance disbursements to meet operational requirements.

### ***Other Development Fund Outlays***

#### ***Land-Related Expenditure***

A sum of \$863.00 million, an increase of \$328.00 million or 61.3% from the revised FY2024 land-related expenditure of \$535.00 million, will be allocated for land-related expenditure to make land available for development needs. The increase is mainly due to higher infrastructure development requirements.

## Total Expenditure by Programme

| Code | Programme                  | Running<br>Costs      | Transfers         | Operating<br>Expenditure | Development<br>Expenditure | Total<br>Expenditure  |
|------|----------------------------|-----------------------|-------------------|--------------------------|----------------------------|-----------------------|
|      |                            | \$                    | \$                | \$                       | \$                         | \$                    |
| J-A  | National Defence Programme | 22,061,590,400        | 15,253,600        | 22,076,844,000           | 1,363,482,800              | 23,440,326,800        |
|      | <b>Total</b>               | <b>22,061,590,400</b> | <b>15,253,600</b> | <b>22,076,844,000</b>    | <b>1,363,482,800</b>       | <b>23,440,326,800</b> |

## Development Expenditure by Project

| Project Title                     | Total<br>Project Cost | Actual<br>Expenditure  |                    | Estimated<br>FY2024 | Revised<br>FY2024  | Estimated<br>FY2025  |
|-----------------------------------|-----------------------|------------------------|--------------------|---------------------|--------------------|----------------------|
|                                   |                       | Up to end of<br>FY2022 | Actual<br>FY2023   |                     |                    |                      |
|                                   | \$                    | \$                     | \$                 | \$                  | \$                 | \$                   |
| <b>DEVELOPMENT EXPENDITURE</b>    | ...                   | ...                    | <b>871,082,177</b> | <b>905,390,200</b>  | <b>965,390,200</b> | <b>1,363,482,800</b> |
| <i>GOVERNMENT DEVELOPMENT</i>     | ...                   | ...                    | 871,082,177        | 905,390,200         | 965,390,200        | 1,363,482,800        |
| <b>NATIONAL DEFENCE PROGRAMME</b> |                       |                        |                    |                     |                    |                      |
| Armed Forces                      | ...                   | ...                    | 871,082,177        | 905,390,200         | 965,390,200        | 1,363,482,800        |

## Other Development Fund Outlays

| Project Title                         | Total<br>Project Cost | Actual<br>Expenditure  |                    | Estimated<br>FY2024 | Revised<br>FY2024  | Estimated<br>FY2025 |
|---------------------------------------|-----------------------|------------------------|--------------------|---------------------|--------------------|---------------------|
|                                       |                       | Up to end of<br>FY2022 | Actual<br>FY2023   |                     |                    |                     |
|                                       | \$                    | \$                     | \$                 | \$                  | \$                 | \$                  |
| <b>OTHER DEVELOPMENT FUND OUTLAYS</b> | ...                   | ...                    | <b>533,106,657</b> | <b>535,000,000</b>  | <b>535,000,000</b> | <b>863,000,000</b>  |
| <i>LAND-RELATED EXPENDITURE</i>       | ...                   | ...                    | 533,106,657        | 535,000,000         | 535,000,000        | 863,000,000         |
| <b>NATIONAL DEFENCE PROGRAMME</b>     |                       |                        |                    |                     |                    |                     |
| Armed Forces                          | ...                   | ...                    | 533,106,657        | 535,000,000         | 535,000,000        | 863,000,000         |