Bundeswehr bounceback: Germany turns around defence spending

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Germany is reversing its military spending decline by moving its defence budget towards the NATO target and authorising procurement programmes en masse. Nicholas Fiorenza reports

Germany’s new defence minister, Annegret Kramp-Karrenbauer, recently reiterated the country’s goal to spend 1.5% of gross domestic product (GDP) on defence by 2024, putting the country on the way to reaching NATO’s 2% spending target. Even if Germany fails to achieve this, more money is going into the Bundeswehr, which is receiving more modern equipment after decades of neglect.

According to NATO’s 2018 annual report, published in March, Germany accounted for 5.1% of alliance members’ total defence spending last year, putting it in fourth place after France and the United Kingdom and far behind the United States. This is an increase compared to 4.8% in 2017, when it shared third place with France.

The F125 frigate Baden-Württemberg entered service with the German Navy on 17 June. With an average of one vessel entering service per year until 2031, the Deutsche Marine fleet is set to grow by 30% between now and then. (CPIZ Marine/Gottschalk)

German defence spending had fallen to just below 1.2% of GDP in 2014, remaining at that level until it rose to the current 1.23% in 2017, NATO figures show. The country spends
around 14% of its defence budget on equipment, nearly 47% on personnel, 4% on infrastructure, and 35% on other items, according to alliance estimates.

Under a prospective NATO plan Germany’s 14.8% contribution to the alliance’s common military and civil budgets would be raised to 16% while the US contribution is reduced from 22% to 16%, with other allies making up the difference. This is according to a Kramp-Karrenbauer statement on 11 October, as reported by Reuters. NATO has a civil budget of EUR250.5 million (USD276.3 million) and a military budget of EUR1.395 billion for 2019.

These shifting amounts come in the context of Germany’s rising population, which hit a record 83 million in 2018, driven by immigration. The Bundeswehr reported a rise in troop strength from 179,797 soldiers in July 2018 to 182,496 in mid-September 2019, attributing the increase to the addition of professional soldiers and short-service volunteers. Germany has a volunteer army, having ended conscription on 1 July 2011.

About 8,600 professional soldiers and short-service volunteers joined the Bundeswehr since it reached a low of 166,500 personnel in 2016, according to the German Ministry of Defence (MoD). The ministry is aiming for a troop strength of 198,000 by 2024. This objective was set by then defence minister Ursula von der Leyen in May 2016 in response to the worsening international security situation and increasing military commitments.

In his annual report presented to the Bundestag, the German parliament, at the end of January, Germany’s parliamentary commissioner for the armed forces, Hans-Peter Bartels, identified 21,500 vacant posts in the Bundeswehr.

**Trendwende**

German defence spending has gradually risen since 2014, when the military budget was EUR32.4 billion, according to the MoD. It rose to EUR37 billion in 2017 and EUR43.2 billion this year. The MoD refers to this as the ‘Trendwende’, or turnaround, enabling it to increase investment in defence equipment and military capabilities. This ‘Trendwende Finanzen’ has led to a ‘Trendwende Material’, in the words of the German MoD.

At the end of June the German cabinet approved a proposed federal budget for 2020, including EUR44.9 billion for defence, which must still be approved by the Bundestag. The proposed defence budget is EUR1.7 billion higher than in 2019. The ministry said spending would be increased in almost all areas, but especially on Bundeswehr readiness with investment in materiel, focusing on the NATO Response Force (NRF) Very High Readiness Joint Task Force (VJTF) 2023, the land component of which will be led by Germany.

The MoD expects the cabinet’s proposed budget to provide the financial basis for upgrading the Puma infantry fighting vehicle (IFV) and its ability to operate with the Infanterist der Zukunft (Future Soldier: IdZ) system, new rockets for the Mittleres Artillerieraketensystem (Medium Rocket Artillery System: MARS) II Multiple Launch Rocket System (MLRS), a new battle management system, and more 5- to 15-tonne trucks.
The proposed budget will also finance many bigger armaments programmes, according to the MoD, including the Schwere Transporthubschrauber (STH) heavy-lift helicopter, Mehrzweckkampfschiff (MKS) 180 multipurpose combat ship, development and procurement of the European Medium-Altitude, Long-Endurance Remotely Piloted Aircraft System (MALE RPAS), a second batch of Puma IFVs, and the replacement of Tranche 1 Eurofighter combat aircraft.

Over the past year the Bundestag’s budget committee has been approving one procurement project after another. At the end of June the parliament allocated more than EUR1 billion for armaments programmes.

Its budget committee approved EUR730 million to upgrade the Puma and to network IFVs and their occupants so they are more capable for VJTF 2023. The Puma’s field of view will be improved with additional cameras, including colour and close-up vision. Mounted and dismounted panzergrenadiers, or mechanised infantry, equipped with the IdZ Erweitertes System (IdZ-Expanded System: IdZ-ES) will share the same situational awareness as the Pumas and their crews, with greater data capacity. IdZ hardware and software will be adapted, a common command information system will be established, and modern communications equipment will be procured, starting with 41 Pumas and 10 IdZ-ES platoon sets.

In addition, the Mehrrollenfähige Leichte Lenkflugkörpersystem (Multirole-Capable Light Anti-tank Missile System: MELLS), the Bundeswehr designation for the Spike long-range (LR) anti-tank missile, will be installed on the Puma.

The budget committee approved EUR148 million to buy 900 Guided MLRS rockets with unitary warheads for MARS II, for delivery by 2022 so they are available for VJTF 2023. EUR120 million was also granted to upgrade Germany’s Patriot air-defence system so it can continue to serve until at least 2030. This will fund 14 digital radar processors, six modern operating stations for command posts, and spares to upgrade the Patriots by 2022.

Other funding approved by the Bundeswehr’s budget committee included EUR240 million to buy three Bombardier Global 6000 business jets for the MoD’s ready air transport service; EUR130 million for nine Luna Next Generation/Bundeswehr (Luna NG/B) unmanned aerial vehicles (UAVs) to replace the Kleinfluggerat Zielortung (KZO) starting this year; and EUR120 million for the Synthetic Aperture Radar (SARah) observation satellite to replace the SAR-Lupe system in 2022.

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