

GERMANY

By **Andrea Rotter**, Head of Division Foreign and Security Policy, Hanns Seidel Foundation

In the 2025 coalition agreement, the German Federal Government, formed by the conservative CDU/CSU and the Social Democrats (SPD), set out an explicit goal: “We want a genuine single market for defence goods, with common export rules and close cooperation in planning, development and procurement” (CDU et al., 2025, p. 138). While this underlines the Government’s clear commitment to strengthening European defence and industrial cooperation, Germany’s approach is best characterised as pro-European but pragmatic.

Germany’s profound transformation of its security and defence policy since the start of Russia’s full-scale invasion of Ukraine rests upon two observations: that Russia is and will remain the greatest threat to Allied territory and that growing uncertainty in the transatlantic relationship requires Europe to reduce its critical dependencies on the United States.

This sense of urgency is reflected in Germany’s rapidly increasing defence spending, from more than €108 bn in 2026 to €183.7 bn by 2030 (Federal Ministry of Finance, 2026), and its objective to develop the Bundeswehr into “Europe’s strongest conventional army” (Federal Ministry of Defence, 2026, p. 4). A resilient and innovative defence technological and industrial base (DTIB), both in Germany and across Europe, is seen as a prerequisite for credible deterrence and collective defence.

While considerable focus is placed on developing national capabilities, Berlin recognises that European shortfalls – a fragmented defence industrial base, insufficiently coordinated planning, a lack of both harmonised requirements and aggregated demand – impede efforts to achieve the efficiency and speed needed to strengthen European readiness. Thus, Germany has generally been supportive of European initiatives aimed at strengthening the European DTIB and incentivising more joint procurement, such as ASAP, EDIRPA, EDIP and SAFE.

Regarding a European internal market for defence, however, three considerations define Germany’s approach:

First, maintaining national room for manoeuvre in terms of national capability and procurement requirements: As Germany seeks to assume a significantly more responsible role in European security, Berlin’s priorities are to close the Bundeswehr’s capability gaps quickly and to enable the German DTIB, one of the fastest-growing industrial sectors, to scale up its production capacities. The Government is therefore reluctant to transfer too much decision-making authority to Brussels but willing to serve as a lead nation for smaller EU partners.

Second, efficiency and speed as the central criteria for deeper integration: “Simplification, Standardization and Scale” constitute the Government’s underlying rationale for European armaments cooperation). A European preference is supported as long as it can deliver the required capabilities and industrial benefits efficiently and with the speed of relevance. A strict “Buy European” obligation at the expense of readiness is viewed critically.

Lastly, anchoring in NATO: While Germany recognises the necessity to reduce European reliance on the US, for Berlin, European security remains firmly anchored in the transatlantic Alliance. Deeper EU market integration must remain compatible with strengthening the European pillar within NATO, meeting NATO defence planning requirements, ensuring standards and interoperability, as well as maintaining cooperation with non-EU Allies. Thus, Berlin will be wary of proposals that could weaken rather than strengthen NATO’s defence readiness. Germany is set to maintain a delicate balance – keeping the US invested in European security and deepening cooperation with the UK, while simultaneously fostering the EU’s DTIB.

RESSOURCES

- CDU, CSU, & SPD. (2025). *Responsibility for Germany: Coalition Agreement between CDU, CSU and SPD*. Retrieved August 14, 2026, from https://www.koalitionsvertrag2025.de/sites/www.koalitionsvertrag2025.de/files/koav_2025.pdf.
- Federal Ministry of Defence. (2026). *The Overall Concept of Military Defence: Military Strategy and Plan for the Armed Forces – Responsibility for Europe*. Retrieved August 14, 2026, from <https://www.bmvg.de/resource/blob/6093998/678875025812878cfa657f9801f62ffc/dl-gesamtkonzeption-der-verteidigung-eng-data.pdf>.
- Federal Ministry of Finance. (2026). *Federal Budget 2027: For a Strong and Crisis-Resilient Germany*. Retrieved August 14, 2026, from <https://www.bundesfinanzministerium.de/Content/DE/Pressemitteilungen/Finanzpolitik/2026/07/2026-07-06-regierungsentwurf-bundeshaushalt-2027.html>