

Germany and the US expand defence industry cooperation

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On 16 September, during a visit to the Pentagon, German Defence Minister Boris Pistorius (SPD) and his US counterpart, Pete Hegseth, signed a declaration on closer cooperation between the two countries' defence industries and the harmonisation of military procurement regulations. They also discussed Germany's plans to purchase the US Typhon ground-based long-range strike system, including Tomahawk cruise missiles with a range of 2,500 km. During his visit to the US, Pistorius also met representatives of US defence companies, senators and members of the House of Representatives. On 18 September, he attended the official handover of the first F-35A fighter aircraft to the German Air Force in Texas.

Germany seeks to reinforce its position as a key European ally of the US and demonstrate its readiness to assume greater responsibility for defence and deterrence within NATO. Berlin also aims to deepen defence industrial cooperation with Washington. It views the presence of US defence companies in Germany as a potential means of ensuring continued US engagement in the security of NATO's European members. Closer cooperation is also expected to strengthen Berlin's position within the Alliance and enhance the competitiveness of German companies working with US partners.

Commentary

- **Germany seeks to present itself as the US's leading and reliable European ally. It points to rising defence spending (€124.6 billion in 2026, according to NATO forecasts) and the transformation of the Bundeswehr. Berlin is also offering to manufacture US weapons and military equipment in Germany, given insufficient production capacity in the US.** At the same time, under the US concept of NATO 3.0, Washington regards Germany as a key European ally whose scale of defence spending could allow it to compensate for US capabilities that may be withdrawn from Europe. Germany hosts the largest US military presence in Europe, with around 37,700 US troops and 11,500 civilian personnel permanently based there. Media reports suggest, however, that the US is planning to reduce its military presence in Europe by around 25,000 troops, with a large share of the cuts potentially affecting forces stationed in Germany.
- **Germany is the second-largest buyer of US arms in Europe after Poland, with acquisitions focused particularly on the air domain.** Major purchases include 35 F-35A multirole fighters (€10 billion) for NATO nuclear sharing missions, 60 CH-47F heavy-lift helicopters (€7 billion), eight Patriot batteries (€2.55 billion) and nearly 450 PAC-2 GEM-T and PAC-3 MSE missiles (around €3 billion). Germany is also acquiring 237 AIM-120

AMRAAM missiles (€376 million), with an option for a further 837, eight P-8 Poseidon maritime patrol aircraft (€2.8 billion) and eight MQ-9B Sea Guardian large maritime reconnaissance drones (€1.5 billion). The Typhon missile system could be the next major US system purchased by Germany.

- **Close cooperation between the German and US defence industries dates back to the Cold War.** At the time, the US granted German companies licences and help to build the capacity to maintain, repair and overhaul (MRO) US weapons and military equipment stationed in Europe. This reduced US logistics costs and helped accelerate the post-war recovery of West German industry. Defence industrial cooperation between Germany and the US declined significantly after the Cold War but did not end. US-based Raytheon and Germany's Diehl Defence jointly developed the RIM-116 RAM short-range naval air defence missile system, which is manufactured in both countries and used on almost all of their naval vessels. Today, German companies are often key suppliers of parts and components to the US defence industry. The centre fuselage section of the F-35A is also manufactured in Germany, while a joint venture produces the older PAC-2 GEM-T missiles for the Patriot system.
- **Germany seeks to expand the production of US weapons systems on its territory.** In July, a joint venture was announced that will manufacture older ATACMS short-range ballistic missiles for the HIMARS and M270 MLRS systems in Germany. Berlin is also seeking to secure domestic production of modern GMLRS guided missiles for both systems. Like Warsaw, it is lobbying to establish a European MRO centre in Germany for the PAC-3 missile family, with the prospect of producing these missiles there in the future. Further expansion of German-US cooperation in the development, licensed production, servicing and maintenance of US weapons will increase Germany's importance in European security policy. By manufacturing US arms on its territory, Germany could also position itself as an intermediary in joint European procurement, thereby limiting other countries' ability to negotiate directly with the US.