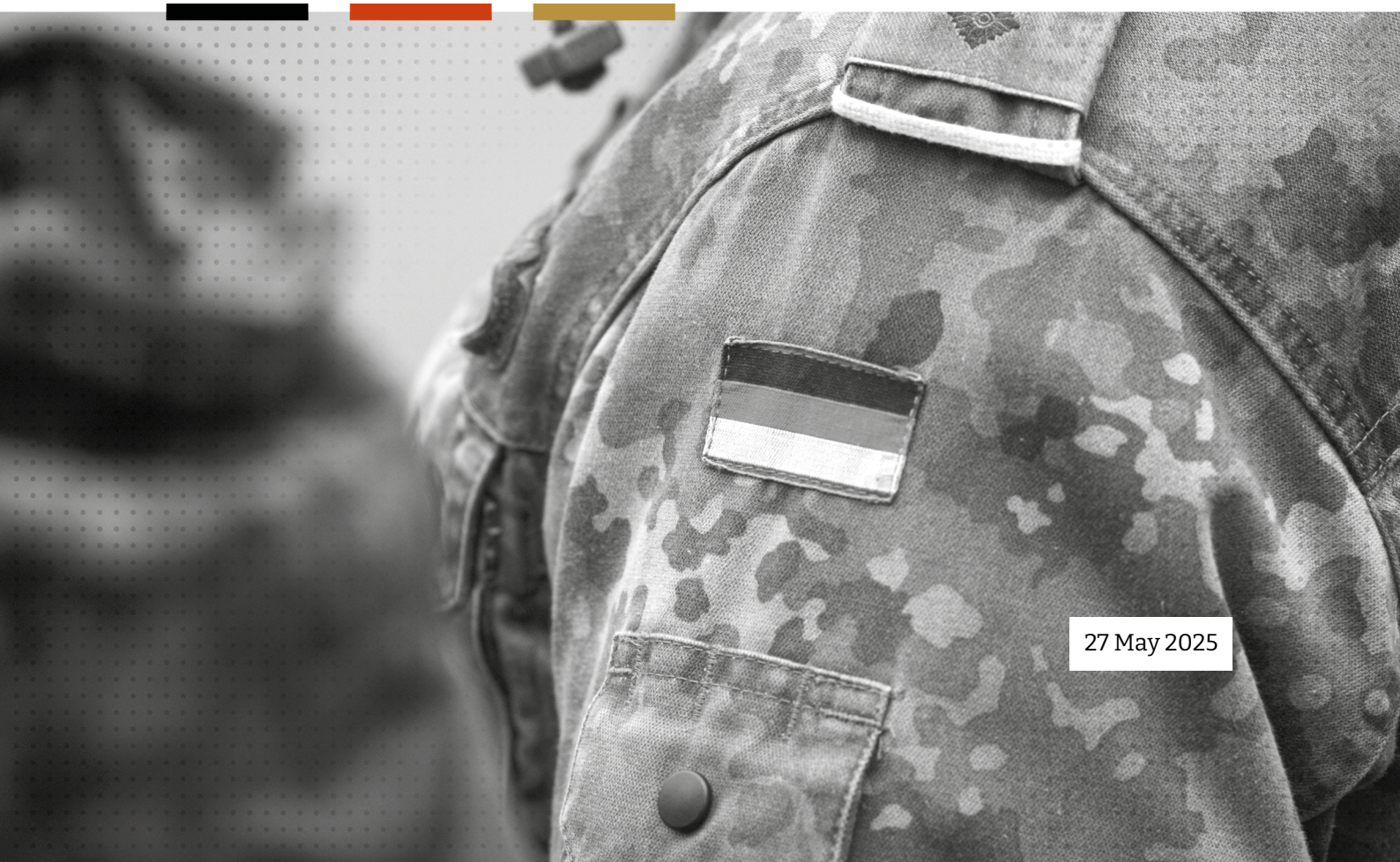


Special Report

Need for action within the Bundeswehr

Reorientation towards national and alliance defence requires a responsible use of funds and a course correction in terms of organisation and personnel



27 May 2025

At a glance

Money alone is not enough: realigning the Bundeswehr also in terms of organisation and personnel

The Federal Republic of Germany needs operationally ready armed forces and an effective and efficient Bundeswehr administration. By amending the debt rule laid down in the German Basic Law, the legislator has expanded the options for financing the Bundeswehr. The increased financial framework requires a particularly responsible use of financial resources. There is also a need for action in terms of organisation and personnel.

→ **What is it all about?**

Federal Government and Parliament want to strengthen the defence capabilities of the Federal Republic of Germany. Following the temporary Bundeswehr special fund (special fund), the amended debt rule provides the budget legislator with additional and unlimited, debt-based leeway for financing the Bundeswehr on a permanent basis. In terms of organisation and personnel, however, the Bundeswehr is currently not consistently geared towards its core mission of national and alliance defence.

→ **What needs to be done?**

Due to the current security and defence policy situation, the Bundeswehr needs to be focused even more strongly on its core mission. In doing so, it must be ensured that the additional financial resources are used responsibly and are not misspent. Changes to the organisation are necessary to make the Bundeswehr fit to fulfil its core mission. The important must be separated from the unimportant. Capacities freed up through prioritisation must be focused on the core mission. Moreover, military personnel must be reorganised: Away from the current top-heavy approach, towards more "troops".

→ **What is the objective?**

The Bundeswehr must be set up not only financially, but also in terms of organisation and personnel so that it can fully meet its core military mission. Required reforms must not be postponed. The fresh financial leeway does not release us from the need to focus spending on what the Bundeswehr requires to fulfil its core mission. The objective must be to noticeably increase the impact of spending and maintain the pressure to be efficient.

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0 Executive summary

Federal Government and Parliament want to strengthen Germany's defence capabilities. In order to achieve this goal and better position the Bundeswehr for its core military mission of national and alliance defence, the bodies responsible need to continue to lay the groundwork. We particularly see the following need for action:

0.1

The amended debt rule provides the budget legislator with additional and unlimited, debt-based leeway for financing the Bundeswehr on a permanent basis. However, the foreseeable increase in financial resources will create new challenges: A security and defence policy-based "Whatever it takes!" must not become an administrative "Money doesn't matter!". In order to justify new debts, spending must be focused on what the Bundeswehr needs to fulfil its core mission. The Federal Ministry of Defence (defence ministry) and the Bundeswehr have the duty to use financial resources effectively and responsibly.

0.2

The Bundeswehr is currently also performing tasks that are not directly related to its core mission. New defence-related tasks are on the agenda. These cannot be taken on without abandoning less important tasks. What is needed first of all is a consistent task review which provides answers to the requirements set by the changed security situation. The important must be separated from the unimportant. The core mission must take priority.

0.3

While the armed forces are considerably smaller today than they were in 2010, the body of personnel is significantly more top-heavy. Too many troops are tied up in administrative tasks within and outside the armed forces. In addition, the age structure of the armed forces is developing unfavourably due to personnel planning decisions. A far-reaching restructuring of the organisation and the body of personnel is needed for operationally ready armed forces: less top-heavy structures and a body of personnel that is consistently geared towards the core mission and the needs of the "troops".

1 Preliminary remarks

Ensuring external security is a core task of the Federal Government. It deploys armed forces for defence.¹ The Bundeswehr's administration serves the tasks of personnel management and the direct coverage of the material requirements of the armed forces.² The armed forces and the Bundeswehr's administration form the basic organisational structure of the Bundeswehr. The core mission of the Bundeswehr is national and alliance defence.³

Due to developments in security and defence policy, the Federal Government and Parliament are pursuing the goal of strengthening defence capabilities. This includes operationally ready armed forces and an effective and efficient Bundeswehr administration.

Defence capability depends on how the Bundeswehr is set up for its core military mission. The areas of armaments⁴, infrastructure, operations⁵, organisation and personnel are particularly important here. Reliable financing of the Bundeswehr forms the basis.

The visible instrument of the historic turnaround proclaimed in the 20th legislative period was initially the special fund. It is limited in time and focused on start-up financing for armaments. The amended debt rule of the German Constitution (Basic Law) provides the budget legislator with permanent additional and unlimited, debt-based leeway for financing the Bundeswehr.

Since the beginning of the turnaround, the focus of the public and parliamentary debate and the Bundesrechnungshof's audits on the Bundeswehr has been on armaments. The Federal Government and Parliament have already initiated many equipment projects in this area. These and other necessary equipment projects will gradually enable the Bundeswehr to improve its defence capabilities. The changed European security architecture means that armaments efforts will have to be intensified. The need for action in procurement structures and internal processes remains unchanged.

However, there is also a need for action in other areas. For example, current reports about a dilapidated barracks infrastructure paint a picture of a Bundeswehr that is, at

¹ Article 87a of the German Constitution.

² Article 87b of the German Constitution.

³ Federal Government, National Security Strategy of 14 June 2023.

⁴ Armament covers above all the material resources/equipment of the armed forces including munition as well as research, development and tests. The Bundeswehr carries out equipment projects for this purpose.

⁵ Operations include, for example, training, exercises and the procurement of spare parts.

least partly, not very attractive as an employer.⁶ If the Bundeswehr is to grow not only in terms of equipment but also in terms of personnel in order to strengthen its defence capability, additional expenditure on the barracks infrastructure is to be expected.

A substantial increase in funding for armaments, infrastructure and operations is an essential prerequisite for being able to respond effectively to the existing need for action. Financial resources are only of limited help when it comes to organisation and personnel. Reforms to tasks, structures and personnel are absolutely essential in order to achieve the goal of operationally ready armed forces and an effective and efficient Bundeswehr administration.

The coalition agreement contains the defence policy goals for the 21st electoral term. The conditions are to be created so that the Bundeswehr can fulfil its core mission of national and alliance defence without restriction. The focus of the measures is on increasing defence spending as well as the areas of armaments, infrastructure and operations. However, the political programme does not reveal any far-reaching reform plans or more specific statements on the areas of organisation and personnel.⁷

In this report, we identify a need for action that cannot be resolved through additional funding and therefore goes beyond the areas of armaments, infrastructure and operations. In addition to the responsible use of additional financial resources, the focus is on the necessary changes to the organisation and personnel of the Bundeswehr. As a contribution to the 21st parliamentary term, the report is intended to help initiate the necessary reforms.

We included publishable audit findings in the report. We have taken into account the comments of the Federal Ministry of Defence on the draft of this report.

2 Using financial resources responsibly

General conditions

The budget legislator provides financial resources for the Bundeswehr in departmental budget 14 of the federal budget. It also temporarily provides funding for Bundeswehr equipment projects via the special fund. The Federal Government established the special fund in 2022 and provided it with its own borrowing authorisation of up to €100

⁶ Parliamentary records 20/15060.

⁷ Coalition agreement of the parties CDU, CSU and SPD for the 21st electoral term of 5 May 2025, p. 125, pp. 129-132.

billion.⁸ According to current planning, the Federal Government intends to utilise the funds from the special fund in full by the end of 2027.

The Federal Government has made a political commitment to NATO⁹ to spend at least 2 percent of the gross domestic product (GDP) on defence every year. Expenditure in accordance with NATO criteria currently includes spending from departmental budget 14 and the special fund. In addition, there is certain expenditure via other departmental budgets.¹⁰ NATO currently discusses raising the lower limit of 2 percent of GDP.

In its statement, the defence ministry emphasised that departmental budget 14 must continue to increase. When the special fund, as anticipated, will be fully utilised by the end of 2027, it should be increased to at least 2 percent of GDP without including other departmental budgets in this quota. This is necessary for a "frictionless transfer of the defence projects that have been started and a continuation of the adequate financing of operations".

According to the Federal Government's spring 2025 projection, 2 percent of GDP in 2028 would correspond to expenditure of €96 billion, and 3 percent of GDP would correspond to expenditure of €144 billion.¹¹ By way of comparison, the draft budget for 2025 so far envisages expenditure of €53.3 billion for departmental budget 14. According to the current draft of the economic plan for 2025, expenditure of €22 billion is to be added from the special fund.¹²

Debt-financed increase in departmental budget 14

In March 2025, the "Act Amending the German Constitution (Articles 109, 115, 143h)" came into force.¹³ The legislator thus significantly expanded the debt options under the debt rule of the German Constitution¹⁴. With regard to financing the Bundeswehr, it justified this with security and defence policy developments and fundamental changes to the security architecture. According to the Parliament, the instrument of a special fund is not sufficient for the further enabling and enhancing of the Bundeswehr because it does not adequately reflect the temporal dimension of the financing task.

⁸ Act amending the German Constitution (Article 87a), Federal Law Gazette 2022, Part I, No. 22, p. 968 and Act on Financing the Bundeswehr and on the Establishment of a "Bundeswehr Special Fund", Federal Law Gazette 2022, Part I, No. 23, pp. 1030 et seq.

⁹ North Atlantic Alliance (North Atlantic Treaty Organization).

¹⁰ According to the Federal Government, these are expenditure of the departmental budget 60 for the military support of Ukraine, of the departmental budget 05 for the civil budget of the NATO and of the departmental budget 02 for the Parliamentary Commissioner for the Armed Forces.

¹¹ Federal Government, spring forecast 2025 "Macroeconomic productive potential and cyclical components" of 24 April 2025.

¹² Parliamentary records 20/12400.

¹³ Act amending the German Constitution (Articles 109, 115, 143h), Federal Law Gazette 2025, Part I, No. 94.

¹⁴ Article 109, para. 3 and Article 115, para. 2 of the German Constitution.

The fiscal leeway should be expanded, as the required financing volume could not be realised under the existing debt rule.¹⁵

The debt rule states that revenue and expenditure must be balanced without borrowing. In addition to the previously permitted borrowing¹⁶, the new version of the debt rule now provides for an exemption for "defence expenditure, federal expenditure for civil defence and civil protection as well as for intelligence services, for the protection of information technology systems and for aid to states attacked in violation of international law". According to the explanatory notes to the law, defence expenditure refers to expenditure from departmental budget 14.

The legislator stipulated that the exemption only comes into effect if the total of all expenditure covered by it exceeds 1 percent of GDP. Expenditure in excess of this for the aforementioned purposes – including in departmental budget 14 – allows additional borrowing in the corresponding amount. As a result, there are permanent and unlimited borrowing options.

During the legislative process, we critically pointed out that the core and permanent tasks of security and defence policy should generally be financed from current revenues and not through debt. A permanent and solid financing of the defence capability of the Federal Republic of Germany is not guaranteed via a budget that is funded by substantial debt and therefore structurally unsustainable. As a result, it is rather dependent on actual debt options, in particular associated interest charges.¹⁷

There is also the risk that unlimited debt options may trigger a negative impact on price trends in the defence sector. Incentives for the industry to demand higher prices for the same services are to be expected due to the almost unlimited availability of financial resources and increased demand.

When drawing up the budget in future, care should be taken to ensure that departmental budget 14 is not expanded to include "non-defence" expenditure. This is expenditure that has no or only an indirect connection to defence capability. For example, the main purpose of a motorway bridge, even if military transports can roll over it, is not defence capability.

¹⁵ Parliamentary records 20/15096 and 20/15117.

¹⁶ So far, borrowing is permitted if revenue from borrowing does not exceed 0.35 per cent of the GDP. In addition, cyclical influences, financial transactions and possible emergencies have to be considered.

¹⁷ Advisory report of the Bundesrechnungshof addressed to the parliamentary Budget Committee – bills of various parliamentary groups on the amendment of Article 87a, para. 1a as well as Article 109 and Article 115 of the Basic Law (German Constitution) and on the insertion of Article 143h in the German Constitution of 13 March 2025, Ref.: I 2 – 0003268 (in German only).

Audit experience as to dealing with financial resources

Our audit findings show that the defence ministry and the Bundeswehr sometimes fail to utilise financial resources in a targeted and efficient manner. The published examples range from unsuccessful procurement and digitalisation projects to management errors and avoidable additional expenditure in the millions for unused software licences.¹⁸

Experience shows that if an organisation has significantly more financial resources at its disposal within a short period of time, the risk of inefficient action increases. This applies equally to the foreseeable increase in financial resources for the Bundeswehr due to the amended debt rule and the special fund. The risk of inefficient action could be increased by the defence ministry's requirement¹⁹ that the time factor is now the top priority in procurement.

Our audit findings on the special fund illustrate the relevance of this risk. The defence ministry occasionally procured quantities in excess of requirements for equipment projects. In one complex equipment project, it financed partial services ahead of schedule. Whether the results of the partial services can be integrated into the equipment project at all is still an open question, as is the financing of the integration. In its statement, the defence ministry stated that it only initiated equipment projects for which a sufficiently documented, necessary requirement in accordance with budgetary regulations is available.

We do not fail to recognise that speed in procurement is relevant in view of the threat situation and the security and defence policy challenges. However, the almost unlimited funds available due to the additional debt options must not lead to a shift from the principle of economic efficiency. If financial resources are not used in a targeted manner, they will not be available elsewhere, i.e. for the core mission. Spending discipline does thus not contradict the increase in financial resources. Rather, the two must go hand in hand in order to strengthen defence capabilities in the best possible way.

Need for action

The amended debt rule provides the budget legislator with additional and unlimited, debt-based leeway to finance the Bundeswehr on a permanent basis. The financial commitments to NATO can therefore be expected to be met. This creates planning security, particularly for the Bundeswehr and industry.

¹⁸ See the [Bundesrechnungshof's annual report on the federal financial management](#) (in German only).

¹⁹ Federal Ministry of Defence (BMVg, defence ministry), order of the day of the Federal Minister of Defence dated 26 April 2023: Acceleration of public procurement.

However, the foreseeable increase in financial resources creates new challenges: "Whatever it takes!" based on security and defence policy must not become an administrative "Money doesn't matter!". In order to be able to justify new debts, expenditure must be focused on what the Bundeswehr needs to fulfil its core military mission. The defence ministry and the Bundeswehr have a duty to use the financial resources effectively and responsibly. This includes that they

- carefully justify their need for financial resources,
- continue to carry out appropriate efficiency analyses,
- strive for the necessary balance between the factors of time, cost and quality without overemphasising the time factor unilaterally and at all costs,
- bundle order volumes, realise economies of scale and thus counter the foreseeable price trend through clever contract design and cooperation with alliance partners, and
- establish management and control instruments that promote the effective and responsible use of financial resources, guarantee quality and make the success of the use of funds transparent.

The federal and state governments should counter the risk of unlimited debt options for price developments in the defence sector and provide sufficient capacity for price investigations. In this way, they could contribute to reasonable prices.

3 Question and prioritise tasks

Development of the Bundeswehr's mission

The global security and defence policy framework has an impact on the Bundeswehr's mission. Until the end of the Cold War, this mission was national and alliance defence. In the 2000s, international conflict prevention and crisis management, including the fight against international terrorism, were added as equally important missions. Today, national and alliance defence is once again the core mission of the Bundeswehr.²⁰

²⁰ Federal Government, White Paper 2006 of 25 October 2006; Federal Government, White Paper 2016 of 13 July 2016; Federal Government, National Security Strategy of 14 June 2023.

Reorganisation as from 2010

The key milestone as to the development was the fundamental reorganisation of the Bundeswehr from 2010 (2010 reorganisation).²¹ The defence ministry was to contribute to the consolidation of the federal budget by making savings. The comprehensive reorganisation and centralisation of tasks was also intended to increase the efficiency of task performance. The decisions made at that time in favour of a far-reaching reorganisation and dismantling of the Bundeswehr are still having an impact on its condition today.

Compulsory basic military service was suspended and voluntary military service was introduced. In addition, the number of troops was significantly reduced and the armed forces as well as the Bundeswehr administration were reorganised. The defence ministry dissolved some of the military structures of the armed forces. Tasks were cancelled, e.g. the training of basic military service conscripts. The defence ministry also largely abolished the administrative structures and tasks of the conscript army. It dissolved former selection and induction offices. Instead, it set up Bundeswehr career centres that are geared towards the needs of a volunteer army.²²

Increase in administrative tasks

The decisions to reorganise in 2010 and other factors such as digitalisation, process orientation and the attractiveness of the service changed the tasks of the Bundeswehr. Although the overall size of the armed forces and the Bundeswehr administration has decreased over time, new, primarily administrative tasks have emerged in some cases.

- For example, the Bundeswehr has been working on the digitisation of its business processes since 2000. However, instead of consistently merging responsibilities for a technical task and the associated process from the outset, the defence ministry established a largely parallel process organisation with additional tasks and additional posts²³. In principle, this approach still applies today.
- In 2016, the defence ministry initiated the "personnel turnaround". The number of personnel must be orientated towards the tasks. However, our audit findings show that two large offices of the Bundeswehr administration largely failed to justify their need

²¹ Bundeswehr Structural Commission, Final report of October 2010; defence ministry, Key elements for the reorientation of the Bundeswehr of 18 May 2011; defence ministry, Principles for the top-level organizational structure, command relationships and command and control organization in the defence ministry and the Bundeswehr (Dresden Directive) of 21 March 2012.

²² Bundesrechnungshof: Annual Report on Federal Financial, Complementary report II 2016, No 2, Risk for "Reversal of Personnel Trends": The plans of the defence ministry for the Bundeswehr careers centre are missing the mark, dated April 2017 (in German only).

²³ A post within the meaning of the organisation is an independent workplace for the execution of specific tasks, see Dittrich, Federal Budget Code with a focus on funding legislation, note to Article 17, Federal Budget Code, No. 18.

for additional posts in an appropriate and comprehensible manner. Nevertheless, the defence ministry recognised 2,500 new posts for additional administrative tasks.²⁴

- The Bundeswehr operates less frequented support offices. These are intended to make the service more attractive and support the leisure activities of military and civilian members of the Bundeswehr. Around 200 posts for full-time employees are currently available for this purpose. Previously, employees had performed similar tasks in addition to official duties.
- The defence ministry also saw an increase in primarily administrative tasks. It repeatedly wanted to focus on its core ministerial tasks and downsize. Based on the results of an organisational review, the ministry identified around 2,500 posts as "adequate staffing" in 2017. According to the ministry, the need was thus "fully covered". Nevertheless, with around 3,000 posts, it is now comparable in size to 2012. In the meantime, the defence ministry had shrunk to around 2,200 posts by 2015 as a result of the reorganisation in 2010, in particular due to the decision to manage military organisational areas²⁵ outside of the defence ministry. It then grew again by 40 percent, although it repeatedly reallocated tasks to departments within its area of responsibility.²⁶ According to our audit findings, one reason for this is that the ministry often did not carry out a consistent task review in the past. It did not review the necessity of existing tasks before taking on new ones. As a result, it gradually took on more and more non-ministerial tasks and created additional posts.

The examples show that the defence ministry, armed forces and Bundeswehr administration are currently engaged in activities that are not directly related to the core mission of national and alliance defence. These are primarily administrative activities. In terms of military personnel, the defence ministry assumes that there are several tens of thousands of posts for troops whose tasks do not need to be performed in the case of national and alliance defence. The defence ministry and the Bundeswehr currently determine exactly which tasks are involved. According to the defence ministry, this primarily concerns posts in command authorities as well as in offices and schools of the armed forces and the Bundeswehr administration. This affects, for example, parts of the areas of staff work and military governance, management of processes and IT, general services, suggestion schemes, accounting and controlling.²⁷ We recognise that some of these tasks are justified and necessary.

²⁴ Bundesrechnungshof: Annual Report on Federal Financial Management, Volume I 2018 dated 12 November 2018, No. 23, With the "Reversal of Personnel Trends", the Bundeswehr risks to create up to 2,500 redundant posts. The audit findings referred to the Federal Office of Bundeswehr Personnel Management as well as to Federal Office of Bundeswehr Infrastructure, Environmental Protection and Services.

²⁵ Army, Air Force, Navy, Joint Support and Enabling Service and Central Medical Service.

²⁶ Parliamentary records 19/30613 (Reply to question 119); defence ministry, number of Bundeswehr staff of 28 February 2025.

²⁷ The defence ministry refers to these posts as "peacekeeping posts".

Reform in 2024

In 2024, the defence ministry decided to realign the structures of the ministry and the Bundeswehr (2024 reform).²⁸ The aim is to refocus the Bundeswehr on its core mission of national and alliance defence. In particular, the defence ministry intends to

- modify the organisational structure in the area of command and control of the armed forces and
- focus the Bundeswehr administration on supporting the armed forces in their defence mission.

The Bundeswehr administration should ensure that the armed forces can grow if required. The defence ministry emphasises the relevance of the recruiting organization. It wants to prepare the Bundeswehr administration for a possible "activation of compulsory military service". A draft bill from the German government presented during the 20th parliamentary term fits in with this.²⁹ In this draft, it made proposals to modernise regulations governing the military service and introduce a new form of voluntary military service. The coalition agreement for the 21st electoral term takes up the idea of a new form of voluntary military service.³⁰

The defence ministry's decisions to date and the Federal Government's proposals make it clear that some of the Bundeswehr's tasks have changed. Tasks from the time of the conscript army are once again taking centre stage.

How the armed forces and in particular the Bundeswehr administration are to fulfil these additional tasks, however, remains largely unclear in detail. With the refocusing on national and alliance defence, the standards of the fundamental reorganisation in 2010 no longer apply. The defence ministry's current reform efforts and decisions have so far essentially been limited to manageable adjustments to the organisational structure. Fundamental changes, on the other hand, are not planned. It is therefore not apparent that the defence ministry is subjecting the armed forces and the Bundeswehr administration to a comprehensive task review that does justice to the changed security situation. However, the defence ministry could free up financial and personnel resources for the core military mission through consistent prioritisation. This includes necessary improvements to the Bundeswehr administration, particularly in the areas of armaments and infrastructure. Bureaucracy could also be reduced. If, for example, reporting and notification obligations were reduced to a necessary level, the Bundeswehr could be relieved of unnecessary administrative work across all levels, down to the troops.

²⁸ German defence ministry (BMVg), press release dated 4 April 2024: Bundeswehr of the new era: Minister Pistorius presents structural decision; BMVg, Principles for the top-level structure and command organisation in the Federal Ministry of Defence and the Bundeswehr (Osnabrück Decree) of 30 April 2024.

²⁹ Bundestag printed paper 20/14512.

³⁰ Coalition agreement of the CDU, CSU and SPD parties for the 21st electoral term of 5 May 2025, p. 130.

In its statement, the defence ministry explained that the task review is an ongoing task. It is already pursuing this task. It had also taken this aspect into account in the 2024 reform. The ministry and Bundeswehr had already improved as a result. In our opinion, the changed security situation represents a turning point that cannot be dealt with by routinely working on the permanent task. Rather, the Bundeswehr as a whole requires a comprehensive and consistent review of its tasks. The 2024 reform remains manageable in its scope and limited to "cosmetic" changes and a few aspects.

The coalition agreement for the 21st electoral term does not indicate that the armed forces and the Bundeswehr administration are to be subjected to a comprehensive task review. The intention is to increase the operational readiness of the armed forces. The military and civilian structures of the Bundeswehr are to be aligned with the core mission. The political agenda does not contain any more specific statements on this.³¹

Need for action

The 2024 reform is a step in the right direction. But it falls short. The changed security situation calls for fundamental changes and a clear prioritisation of tasks. Some of the decisions made since 2010 no longer meet today's challenges. They must therefore be reflected in the context of today's core military mission and adapted to the new security situation.

The pressure to act is high since personnel resources remain limited. For this reason, additional defence-related tasks cannot be transferred to the armed forces and the Bundeswehr administration without simultaneously leaving the "comfort zone" and relinquishing less important tasks. Several tens of thousands of posts are currently still earmarked for tasks which, according to the ministry's assessment, do not need to be performed in the case of national and alliance defence. They are therefore not directly related to the core mission. This order of magnitude is unacceptable. The core military mission must take priority.

The defence ministry should

- complement the latest reform efforts with a consistent and comprehensive task review that does justice to the changed security situation,
- question whether each task contributes to the effective and efficient fulfilment of the core mission,
- dispense with less important tasks and cancel them without replacement, and
- focus the capacities that are freed up as a result on the core mission and defence-critical tasks in the armed forces and the Bundeswehr administration.

³¹ Coalition agreement of the parties CDU, CSU and SPD for the 21st electoral term of 5 May 2025, pp. 57, 125, 129-132.

4 Restructuring the organisation and personnel

Numerical strength of the armed forces

The numerical strength of the armed forces must be derived from the budget.³² In 2010, the armed forces had around 255,000 established posts available for troops.³³

With the 2010 reorganisation, the defence ministry decided to adapt the structures of the Bundeswehr and to this end dissolve more than 250 units and military departments. The armed forces were to be reduced to a target size of 185,000 troops.³⁴

Since 2016, the defence ministry has wanted to increase the size of the armed forces again. Its "planning target figure" is currently 203,300 troops.³⁵ In 2024, around 195,000 posts were available for the armed forces for the current 183,000 active troops.³⁶

For years, the numerical strength of the armed forces has actually been lower than planned in the budget. In 2023, 78 percent of the planned number of volunteers performing military service was utilised. In contrast, 93 percent of the posts for professional troops and temporary troops were filled.³⁷

Personnel planning for troops

The defence ministry issues an annual regulation on personnel planning for troops. Among other things, it sets out the quantitative and qualitative requirements for the increase in personnel for a calendar year. In doing so, the ministry differentiates between personnel recruitment and personnel retention. The aim of personnel recruitment is to cover the demand for new personnel to be recruited for service in the Bundeswehr. Personnel retention means retaining troops in the Bundeswehr for

³² Article 87a, para. 1 sentence 2 of the German Constitution.

³³ Budget 2010. Included are established posts for career soldiers, temporary-career volunteers as well as posts for conscripts (without reservists).

³⁴ German defence ministry (BMVg), Key elements for the reorientation of the Bundeswehr of 18 May 2011; BMVg, Stationing of the Bundeswehr in Germany of 26 October 2011.

³⁵ Parliamentary records 20/14512.

³⁶ Budget 2024. Included are established posts for career soldiers, temporary-career volunteers as well as the planned number of military volunteers (without reservists); defence ministry, number of Bundeswehr staff of 28 February 2025.

³⁷ German defence ministry (BMVg), number of Bundeswehr staff as of 31 October 2023; Budget 2023; Draft budget 2025. The draft budget shows the established posts for career soldiers and temporary-career volunteers in sum. On the basis of the draft budget, it cannot be distinguished between the two groups.

longer, e.g. by extending the period of commitment for temporary troops or by transferring them to the service of professional military personal.

Our audit findings show that the ministry has been increasing personnel retention for years in order to compensate for gaps in personnel recruitment. As a result, for example, the proportion of professional troops in the armed forces has increased.

Figure 1

Proportion of professional troops increased

Since 2018, the number of temporary troops has fallen by around 7,300. At the same time, the number of professional troops has risen by around 5,300. Their share compared to temporary troops increased by 3.5 percentage points (%P).

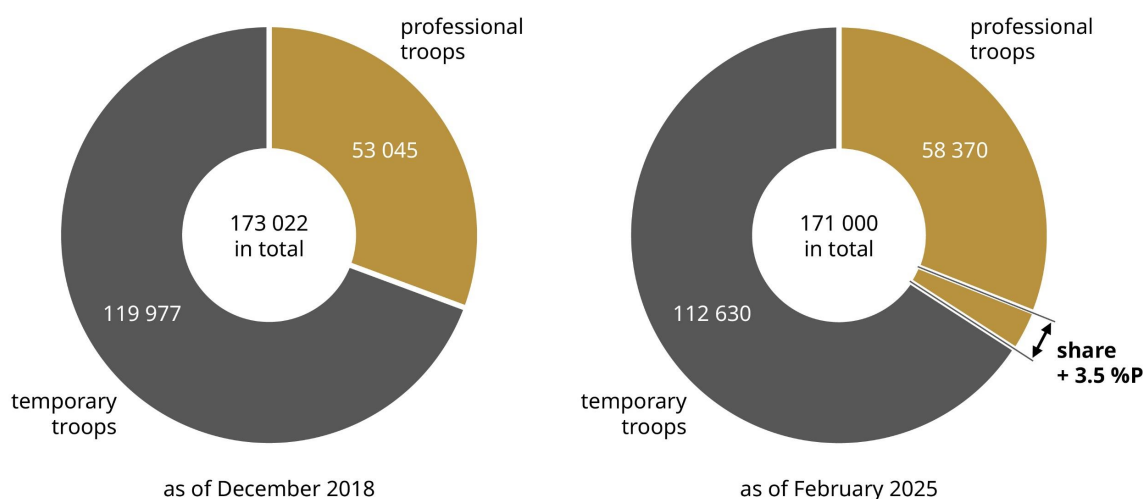


Figure: Bundesrechnungshof. Source: German defence ministry, Bundeswehr personnel figures as of 23 January 2019 and 28 February 2025.

An increase in the proportion of professional troops will increase the age structure of the armed forces in the medium to long term. As a result, the average age of all troops is higher today than it was in 2010; having risen by more than five years by 2024.³⁸ According to the Federal Government's forecast, professional troops will retire in 2025 at an average age of 57.6 years.³⁹

³⁸ While the average age of all soldiers was 28.5 years in 2010, it was 34 years in 2024; Parliamentary records 20/15060; Statista, Average age of Bundeswehr soldiers in the different career categories in the years 2010 and 2022 of February 2023.

³⁹ Parliamentary records 20/4650.

Professional troops form the core of the armed forces. They are particularly important for tasks that require many years of professional military experience. They mainly perform leadership and technical tasks and ensure continuity in the Bundeswehr's task fulfilment.

With increasing service and age, the tasks of professional troops often shift from leadership tasks in the "troops" to primarily technical administrative tasks in the armed forces and the Bundeswehr administration (see number 3).

In its statement, the defence ministry explained that the structure of the armed forces must be taken into account for the fulfilment of the mission. This is not only based on the age of the personnel, but above all on their qualifications. Increasing qualifications go hand in hand with a higher average age.

The ministry also pointed out that, in addition to financial incentives, it had already taken "all non-monetary personnel recruitment measures" to which it was entitled "without a legal amendment". Nevertheless, gaps in personnel must be closed in order not to jeopardise operational readiness, but to maintain and further expand it. Undiminished personnel retention is essential, especially in areas with "blatant staff shortages". The development of the age structure is of secondary importance given the "current security policy framework conditions and threat situation".

The coalition agreement for the 21st electoral term takes up the idea of a new form of voluntary military service.⁴⁰ Such an offer could help to ease the situation when it comes to recruiting personnel. One prerequisite for this would be to recruit volunteers for tasks that are militarily necessary and at the same time challenging and appealing.

Remuneration structure of the military personnel

The reorganisation in 2010 also changed the remuneration structure of the military personnel. The aim was to increase the attractiveness of serving in the volunteer army through financial incentives and to promote professionalisation.

The defence ministry decided to increase the remuneration of many posts. It systematically shifted tasks from junior ranks to non-commissioned officer level, from non-commissioned officer to officer level and from officer to field-grade officer level.

Gradually, the ministry requested more and more higher-value posts, which were also approved by Parliament. This enabled the ministry to offer as many promoting opportunities as possible for the increasing number of professional troops.

⁴⁰ Coalition agreement of the parties CDU, CSU and SPD for the 21st electoral term of 5 May 2025, p. 130.

Compared to 2010, the armed forces had around 60,000 fewer posts available for troops in 2024⁴¹. This corresponds to a decrease of 24 percent. While the number of posts for the enlisted and non-commissioned officer levels fell by 40 percent and 20 percent respectively in the same period, the number of posts for the officer and field-grade officer levels rose by a total of 5 percent. As a result, the proportion of posts for the officer and field-grade officer levels in the armed forces increased from 15 percent in 2010 to 21 percent in 2024.⁴²

As a result, the military personnel is significantly more top-heavy today than it was in 2010; with more than 1,400 posts for troops above pay grade A 14 being added during this period.⁴³ In view of the development of the numerical strength of the armed forces during this period and the dissolution of many units and military departments in the meantime, the increase in posts relates to high-ranking, primarily administrative management tasks in command authorities, staffs, offices and schools of the armed forces as well as in the Bundeswehr administration.

⁴¹ Included are established posts for career soldiers, temporary-career volunteers as well as posts for conscripts or the planned number of military volunteers (without reservists).

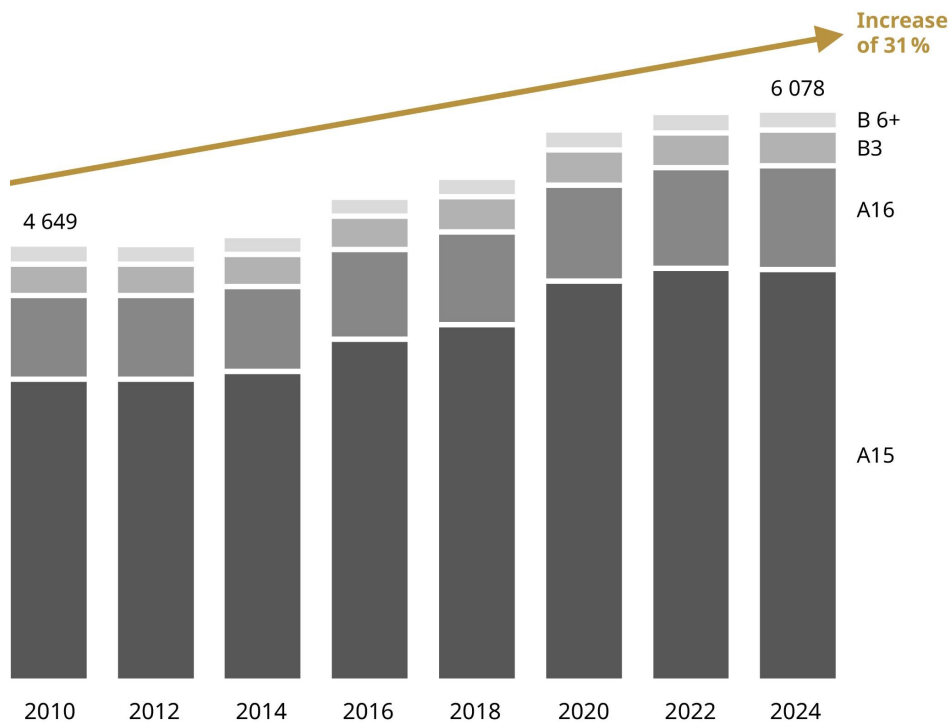
⁴² Draft budgets 2010-2024.

⁴³ The increase comprised 1,171 established posts of pay grade A 15, 207 established posts of pay grade A 16, 47 established posts of pay grade B 3 as well as 4 established posts of pay grade B 6 and higher.

Figure 2

Military personnel significantly more top-heavy

Between 2010 and 2024, the number of established posts for troops above grade A 14 increased by 1,429 posts. This corresponds to an increase of 31 percent.



Note: Established positions for troops; one established grade B 2 position that was created in 2014 is not included.

Figure: Bundesrechnungshof. Source: Budgets 2010 to 2024.

The systematic increase in the remuneration structure has provided many opportunities for promotion, particularly for professional troops. However, this has led to an increase in the administrative superstructure of the armed forces and a change in the age structure. This does not serve the core mission of the Bundeswehr and the goal of having deployable armed forces. This requires a larger proportion of temporary troops, also in order to reduce the average age. Attractive prospects for professional troops alone should not be a reason to maintain the administrative superstructure of the armed forces and their top-heavy structure. The aim should be to gradually reduce top-heavy structures. It could help to reduce higher posts in the administrative superstructure in favour of the "troops".

Use of troops outside the armed forces

During the reorganisation in 2010, the defence ministry formulated its intention in the 'Dresden Decree' to "increasingly staff the departments in the defence ministry – as well as subordinate bodies and offices – with military and civilian personnel across all statuses in order to fulfil tasks more jointly within the Bundeswehr".⁴⁴

While around 100 troops were deployed outside the armed forces in July 2010, in February 2025 around 5,000 troops were working in Bundeswehr administration offices alone.^{45, 46} In addition, there are currently some 1,000 troops deployed in the ministry.

In 2024, the Federal Office of Bundeswehr Infrastructure, Environmental Protection and Services alone had around 500 posts for troops. Of these, 71 percent were linked to the officer and field-grade officer levels. Specific military expertise was not mandatory for the majority of these posts. In most cases, these were management or executive positions that did not differ fundamentally from those of civilian employees. For example, the heads of three of the seven "Construction Management" competence centres were intended for troops of pay grade B 3, although the tasks of these competence centres did not differ fundamentally from the competence centres under civilian management. The same applies to several heads of units in the areas of finance and controlling, infrastructure and legal protection tasks, which were intended for troops of pay grade A 16.

Troops also perform tasks in the defence ministry for which specific military expertise is not necessarily required. For example, troops, like their civilian colleagues, are entrusted with technical supervisory tasks in the area of equipment projects or general administrative tasks. In addition, the ministry earmarked 30 percent of the posts with office duties for troops at non-commissioned officer level.

We recognise that the deployment of troops outside the armed forces can be helpful. However, the basis for this is a careful examination and comprehensible justification, particularly because there are vacancies in the armed forces and the "troops" are supposed to grow. First and foremost, posts for which specific military expertise is absolutely necessary are eligible. However, if troops predominantly perform civilian administrative tasks, they will not only be unavailable for military tasks. This also thwarts the division of tasks between the armed forces and the Bundeswehr administration which is required by the German Basic Law. The unique attribute of

⁴⁴ German defence ministry (BMVg), Principles for the top-level organizational structure, command relationships and command and control organization in the BMVg and the Bundeswehr (Dresden Directive) of 21 March 2012.

⁴⁵ Organizational elements "staff", "equipment, information technology and in-service support" as well as "infrastructure, environmental protection and services".

⁴⁶ German defence ministry (BMVg), number of Bundeswehr staff of 26 July 2010 and 28 February 2025. In the framework of the reorientation 2010, the ministry shifted certain tasks from the armed forces to the Bundeswehr administration (e.g. parts of the military staff management). This has to be taken into account when comparing the years 2010 and 2025.

troops is that they are deployed for military defence and are allowed to use armed force. The defence ministry should take this into account.

We repeatedly criticised the fact that the budget does not provide a binding indication of the extent to which troops are deployed outside the armed forces. The budget does show the posts for troops in the defence ministry. However, all other posts for troops are summarised in a chapter for command bodies and military personnel. This means that it remains unclear which established posts the defence ministry uses for Bundeswehr administration tasks. Ultimately, the ministry alone decides on this matter.⁴⁷

It is currently unclear whether the defence ministry will continue to follow the approach of cross-status civilian and military staffing after the 2024 reform. The "Osnabrück Decree" currently in force no longer contains any statements on this matter.⁴⁸

A few years ago, the defence ministry planned to fill more military posts that do not necessarily require specific military expertise with civilian employees. So far, no major success has been seen.

Need for action

The armed forces' organisation and body of personnel have changed significantly since the reorganisation in 2010. While the armed forces are now considerably smaller, the body of personnel has become much more top-heavy. Too many troops are tied up in administrative tasks within and outside the armed forces.

The trend in personnel planning to increase the proportion of professional troops makes the situation worse. As a result, there is the risk that the age structure of the armed forces will develop unfavourably and operational readiness will decline. In the short term, it is understandable that the defence ministry has so far not prioritised the age structure in favour of the current number of personnel. In the medium to long

⁴⁷ [Advisory report of the Bundesrechnungshof addressed to the parliamentary Budget Committee – Information on the development of departmental budget 14 \(Federal Ministry of Defence\) for the deliberations on the federal budget 2020 of 24 September 2019, Ref.: IV 1 - 2019 - 0696; Advisory report of the Bundesrechnungshof addressed to the parliamentary Budget Committee – Information on the development of departmental budget 14 \(Federal Ministry of Defence\) for the deliberations on the federal budget 2024 of the Bundesrechnungshof addressed to the parliamentary Budget Committee – Information on the development of departmental budget 14 \(Federal Ministry of Defence\) for the deliberations on the federal budget 2024 of 4 September 2023, Ref.: IV 1 – 0001649 \(in German only\).](#)

⁴⁸ German defence ministry (BMVg), Principles for the top-level organizational structure and command and control organization in the BMVg and the Bundeswehr (Osnabrück Directive) of 30 April 2024; defence ministry, Principles for the top-level organizational structure, command relationships and command and control organization in the ministry and the Bundeswehr (Dresden Directive) of 21 March 2012.

term, however, it is important to focus on the age structure and consider the consequences for the armed forces.

The ministry is reaching its limits when it comes to recruiting personnel. The Federal Government's proposals for a new form of voluntary military service suggest that other options for recruiting personnel must be considered in addition to existing efforts and financial incentives. The statements laid down in the coalition agreement for the 21st electoral term emphasise this aspect.

In addition, a far-reaching restructuring of the organisation and body of personnel is required for ensuring the operational readiness of the armed forces. The starting point for the reorganisation should be the results of the consistent and comprehensive task review recommended by the Bundesrechnungshof. The core military mission and the needs of the "troops" must serve as criteria. To this end, the ministry should

- provide for less top-heavy structures for the defence-critical tasks that remain relevant after the task review,
- rejuvenate the body of personnel and increase the proportion of temporary troops again,
- only deploy troops outside the armed forces if specific military expertise is absolutely necessary, and
- also examine which administrative tasks within the armed forces could be transferred from troops to civilian employees.

With a "restructuring concept", the ministry should show Parliament in detail how and by when the organisation and body of personnel can be restructured.

In order to clarify the extent to which established posts may be used for troops outside the armed forces, the Federal Government should engage with Parliament to increase transparency in the budget.

5 Conclusion

At present, the Bundeswehr is not yet in the organisational and personnel condition required to fully meet the changed security situation and the core military mission of national and alliance defence. Initial progress in the area of armaments and the unlimited debt options should not obscure the need for action.

For operationally ready armed forces and an effective and efficient Bundeswehr administration, it is not enough to provide the existing system with more financial resources for armaments, infrastructure and operations. The existing system must also be consistently aligned with the core mission of the Bundeswehr in terms of organisation and personnel and also be developed further. The aim must be to noticeably increase the impact of spending and maintain the pressure for efficiency.

The defence ministry is responsible for ensuring that the additional financial resources are not misspent. The security and defence policy-based "Whatever it takes!" must not become an administrative "Money doesn't matter!".

Reforms must not be postponed so that the course of the past decades can be corrected as quickly as possible. It will take time and effort to strengthen defence capabilities in the long term and make the Bundeswehr fit for its core mission. This will require the courage to change.

Bonn, 27 May 2025

As Chairman of the Governing Board, which adopted this report in accordance with Section 14 (1) No. 2 of the Bundesrechnungshof Act,

Kay Scheller
President of the Bundesrechnungshof