

French defence exports to Europe: past, present and future

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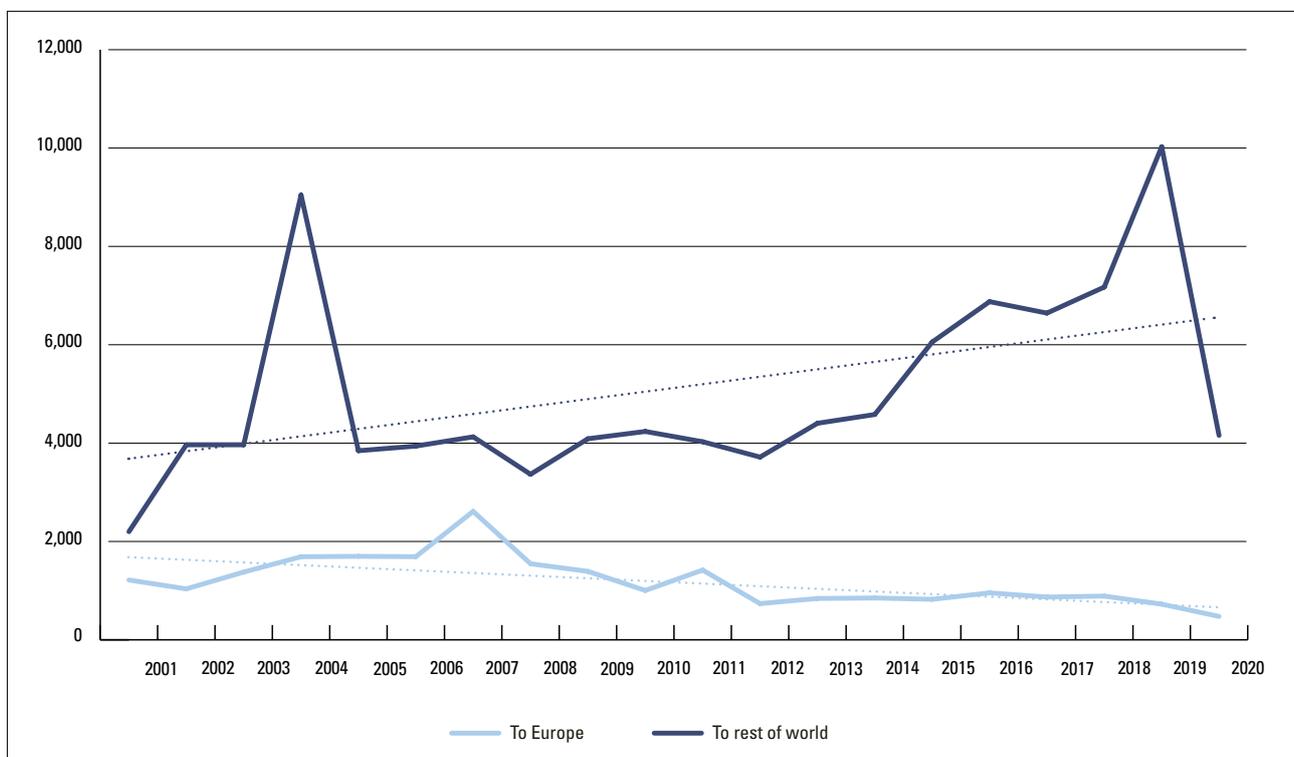
Introduction

French defence firms have recently had ample opportunities to celebrate export success, the most lucrative example being the 2021 USD19 billion package deal with the United Arab Emirates for the Dassault *Rafale* and associated weapons systems. The average annual value of French global defence exports between 2011 and 2020 was approximately USD800 million higher than in the previous decade (see Figure 1), and this sum looks set to grow further following the signing of high-value deals in the last three years.¹ However, while the value of deliveries to all other regions has grown over the past two decades, the value of those to Europe has declined despite French government policies and rhetoric aimed at boosting the figures. This is due to a variety of factors, not least because France has secured few major export sales to the region since the sale of *Mirages* to Greece in 2000 (see Figure 2).² Since 2017, President Emmanuel Macron and his government have promoted a concept of 'European sovereignty' and the French presidency of the Council of the European Union has been presented

as another opportunity to strengthen European defence and to define 'European strategic sovereignty'.³ Arms sales and joint European programmes will probably be major elements of this effort, both in securing French national and supranational objectives, during the presidency and also in the longer term.

This report aims to explain France's approach to defence exports, why the value of French equipment deliveries to Europe fell during the period 2001–20, and what could happen next. It will explore how French political ambition in this area did not materialise until relatively recently, and the factors that could now facilitate greater success for French companies in Europe. While the next few years of export data are expected to show growth, it is unclear how long this is likely to last. The report will describe possible future scenarios, given the current political and economic context, and will argue that the success of the next round of European joint-development projects will probably be critical to the long-term success of French defence exports in Europe.

Figure 1: French defence exports (deliveries), 2001–20 (USDm)



Source: French Ministry of Defence annual reports to Parliament on arms exports
Note: Conversions to USD using in-year exchange rates

French defence exports: the political context

A persistent doctrine favourable to arms exports

For France, arms exports have always been considered a core component of national sovereignty, allowing freedom of action both in foreign and defence policy. As in other European countries, domestic orders alone are not sufficient to maintain the defence industry's high level of technological sophistication and broad capability over multiple sectors.

By the end of the 1950s, Paris already had an emerging policy on the wider role of arms exports, supported by a public consensus that remains to this day.⁴ Unlike in some other European countries, such as Germany, the government does not face significant resistance from the public concerning defence-export policies. This has allowed successive administrations to commit to boosting sales, allowing France to stay among the world's major arms exporters, with some recent analyses placing it in the top five.⁵

The French arms-export-control system is structured as follows. First, arms sales and transfers are dependent on government approval. Companies must apply for export licences, which are subject to a multi-departmental approval process involving the Ministry of Defence, the Ministry of Foreign Affairs and the Ministry of the Economy.⁶ All licences are assessed based on the criteria defined in the framework of European Union and international agreements. These processes have been strengthened over time. Since 2012, France has carried out *a posteriori* checks following the grant of an export licence. These checks and inspections aim to verify compliance with all the obligations that companies are required to fulfil when exporting defence equipment.⁷ However, France is committed to the principle of non-interference with recipient states' sovereignty and still considers that exports should be based on mutual trust. It therefore issues end-user certificates, but unlike some other countries – such as Germany and the United States – it does not conduct post-shipment controls in the recipient country, which would involve diplomatic and practical challenges.

The Nexter factory in Roanne, France, where Griffon and Jaguar armoured vehicles undergo final assembly.



(Photo by Nicolas Liponne/NurPhoto via Getty Images)