CEAFE — Centro de Estudios y Análisis sobre el Futuro de Europa

DEFENCE INDUSTRY

Monday, 16 November 2026 · 20:30

- **Section:** Defence Industry / Industria de Defensa
- **Window covered:** Monday 16 November 2026, 12:00 to 19:00 Europe/Madrid (list posts read back to the last post seen by the 13:30 run; the US list was read back to 02:32)
- **Compiled from:** the CEAFE Defence Industry section brief, the shared logs and @F_CEAFE posts.

Italy says it backs a fast German entry into the GCAP fighter

Italy's defence ministry issued an unusually long statement on 16 November denying a Financial Times report that Defence Minister Guido Crosetto had opposed giving Germany partner status in GCAP, the Italy–UK–Japan sixth-generation fighter.

Rome says it proposed observer status for Germany only as an "immediate, Program information-sharing enabler towards subsequent full membership", to speed up German entry without delaying the programme's timetable. Berlin is considering joining after its talks with France on the rival FCAS jet collapsed. The three partners awarded a £4.6bn ($6.1bn) development contract to their national champions in July; Italy has spent €875m on development this year. Canada already has observer status.

Why it matters for Europe. With FCAS stalled, GCAP is becoming the main European home for a next-generation fighter, and German entry would bring two of the EU's three largest defence budgets into one programme. That is positive for European scale. But GCAP is not an EU programme: it has a non-EU lead (UK) and a non-European partner (Japan), and it leaves France on a separate path. Two parallel European fighters would repeat the Eurofighter–Rafale split that CEAFE regards as a cost Europe can no longer afford.

What to watch. Germany's decision on GCAP, and any French reaction on the future of FCAS. Related: Italy's GCAP budget increase (07:30 brief, topic 3).

Sources

- Defense News, Tom Kington, 16 Nov). The Financial Times report of 14 Nov was not fetched (paywalled).

EU pays €1.71bn more for Ukraine's drones, ammunition and air defence; 40% goes to EU manufacturers

The Commission disbursed €1.71bn to Ukraine on 16 November under the €90bn Ukraine Support Loan, the eighth payment from its defence component.

The money will buy drones, ammunition and air-defence systems, including early-warning radars and missiles, from Ukrainian and European manufacturers; about 40% will fund contracts with firms established in the EU. The Commission says €23.6bn of EU support remains available for the rest of 2026, including about €19.2bn from the loan (€10.2bn for Ukraine's defence industrial capacity, €9.0bn budget support). Commissioner Andrius Kubilius said he told Ukrainian PM Koretskyi about the payment and that both sides will keep working on the EU–Ukraine Defence Pact and on integrating their industries. Separately, Kubilius received Moldova's President Maia Sandu in Brussels, saying Moldova already takes part in European defence projects and will be integrated gradually into the European defence architecture.

Why it matters for Europe. EU money is buying weapons from Ukrainian and EU firms rather than through US Foreign Military Sales. This is the European preference CEAFE supports, and it strengthens a Ukrainian industry that the EU plans to integrate into its own.

What to watch. The next USL defence tranches and the share going to EU firms; progress on the EU–Ukraine Defence Pact.

Sources

- @KubiliusA
- @KubiliusA, Moldov
- Commission press release, reprint
- mod.gov.ua
- 2eu.brussels

Pentagon deputy secretary steered Lockheed and RTX to his Goldman banker during missile megadeals, Bloomberg reports

According to Bloomberg (16 Nov, sources not named), US Deputy Defense Secretary Steve Feinberg suggested that Lockheed Martin and RTX hire Jim Donovan, a Goldman Sachs banker who worked for years with Feinberg and his former firm Cerberus, while the companies negotiated multibillion-dollar contracts with the Pentagon.

Both companies hired him. Donovan advised on Lockheed's $59bn agreement to triple Patriot interceptor production over seven years and its plans to sell a record number of F-35s, and on two RTX missile contracts worth more than $45bn. Some executives reportedly felt pressure from Pentagon officials. Goldman reviewed the concerns internally and capped its fees, but allowed Donovan to keep working. Pentagon spokesman Sean Parnell called the claims "completely false". Democrats, who are about to take control of Congress, plan to scrutinise the Pentagon's contracts for conflicts of interest.

Why it matters for Europe. These are the deals that set price and delivery for the Patriot interceptors that European governments are queuing to buy. They are negotiated in Washington, under US political rules and pressures over which Europe has no say. It is one more argument for European production of the equivalent capability (SAMP/T NG, IRIS-T SLM), whose terms Europeans set themselves.

What to watch. Congressional inquiries in the new Congress; any review of the Lockheed and RTX frameworks.

Sources

- @business
- Bloomberg Government, headline and lede; full text paywalle
- se.marketscreener.com
- Arabic summary of the Bloomberg report

Update: the Patriot interceptor ramp-up gets a $1.6bn second-source rocket-motor order

Northrop Grumman announced on 16 November a $1.6bn multi-year order for solid rocket motors and ignition safety devices for Lockheed Martin's PAC-3 MSE interceptor.

Built at Allegany Ballistics Laboratory (West Virginia), the motors make Northrop a second source alongside incumbent L3Harris. The order is part of the $3bn+ framework agreements of August 2026 and supports Lockheed's January 2026 framework to lift PAC-3 MSE output from about 600 to about 2,000 a year over seven years. Quantities and delivery rates were not disclosed.

Why it matters for Europe. This follows the 07:30 Bruegel analysis on Europe's Patriot dependence. The US is fixing its own supply bottleneck in the propulsion stage. European buyers of PAC-3 depend on that supply chain and its priorities ("U.S. and allied forces", US first).

What to watch. Patriot dependence thread (2026-11-16_0730.md, topic 1).

Sources

- @NGCNews
- news.northropgrumman.com
- defence-industry.eu
- defensewarroom.com

Korean missiles made in Poland: Hanwha–WB breaks ground on a CGR-080 plant

WB Group publicised the groundbreaking (4 November) of the Hanwha WB Advanced System (HWBAS) plant in Gorzów Wielkopolski, a 51:49 joint venture between Hanwha Aerospace and WB Electronics.

It will make CGR-080 guided rockets for Poland's Homar-K (K239 Chunmoo) launchers under multi-year contracts signed in December 2025. Test batches are due in 2029 and series production around 2029/2030, with "several thousand missiles per year" according to a WB spokesperson quoted by Janes. The project includes technology transfer, MRO capability, more than 60 buildings and over 250 jobs. WB says the plant could supply Chunmoo users worldwide, "with a particular focus on the European market".

Why it matters for Europe. Local production and technology transfer are better than buying off the shelf. But the design authority and the majority stake stay Korean, and the plant aims to sell Korean rockets to other Europeans. Through the 51:49 structure, that would bring a non-European missile into Europe's supply chain. The European alternative for long-range rocket artillery is France's sovereign FLP-T programme, and Poland's own industry could have been the partner in a European programme.

What to watch. Whether other European Chunmoo/Homar-K customers emerge; Poland's balance between Korean, US and European suppliers.

Sources

- @WBGroup_PL
- wbgroup.pl
- hanwha-aerospace.eu
- janes.com

European industry and space round-up

Airbus delivered the second C295 search-and-rescue aircraft to Spain's Air and Space Force: a European aircraft for a European air force. https://x.com/i/status/2122334570641084425

- **Airbus** delivered the second C295 search-and-rescue aircraft to Spain's Air and Space Force: a European aircraft for a European air force. https://x.com/i/status/2122334570641084425
- **EU SST:** three new calls for tenders (commercial data provision, SBSS, space traffic coordination). This builds the EU's own space-surveillance capability. https://x.com/i/status/2122305697966637495 · https://www.eusst.eu/about-us/procurement
- **ESA Hera:** first detailed images of asteroid Dimorphos since DART expected; media briefing 25 November in Berlin (registration by 23 Nov). https://x.com/i/status/2122363483354280353
- **KNDS France** promotes CAESAR MK2 (reinforced engine and protection). https://x.com/i/status/2122374141529469361
- **BAE Systems** to refit HMS Prince of Wales in Portsmouth after the High North deployment, ready as UK lead carrier in 2027. https://x.com/i/status/2122369437471035640
- **EU–Japan:** Kubilius says EU–Japan defence cooperation is deepening after meeting Japan's State Minister for Foreign Affairs Nakanishi: continuing the defence industrial dialogue, more support for Ukraine, secure supply of components. Only the post was found; no official readout. https://x.com/i/status/2122385519019487599
- **Thierry Breton** (former Commissioner): "Europeans are now alone facing the American, Chinese and Russian neo-empires"; calls for leadership to implement the EU's legislative arsenal.

https://x.com/i/status/2122342160531955888

- **Indra** promotes a piece in El Debate on its industrialisation drive for European autonomy. https://www.eldebate.com/ed-branded/20261115/europa-busca-autonomia-estrategica-la-apuesta-tecnologica-e-industrial-de-indra-group_480515.html
- **Fire Point (Ukraine)** claims FP-1 drone strikes on the Ilsky refinery (Krasnodar) and an oil depot in Azov (Rostov) overnight on 16 Nov; these are company claims (Conflictos section owns the strikes). https://x.com/i/status/2122329224576954491

See also

- Asia-Pacific movements: US and Russia oppose autonomous-weapons talks — see Conflicts.
- Europe’s place at the Ukraine talks: EU money for EU-made weapons — see Conflicts.
