

Bullish on India!



MBDA's Future Plans

Indian defence procurement might be slow, the business environment a maze, and military requirements in near-constant flux, but from CEO Antoine Bouvier down, MBDA's top leadership remains positive on India as a market and an opportunity for international co-operation.

Vayu's Angad Singh reports from MBDA's facilities in France and the UK.

European missile manufacturer MBDA is backed by three major aerospace and defence shareholders: BAE Systems (37.5%), Airbus (37.5%) and Finmeccanica (25%). The company was created in 2001 after the merger of the leading missile manufacturers of France, Italy and the UK, with an aim to achieve “critical mass” so as to challenge the primacy of the American munitions industry at the time. CEO Antoine Bouvier, speaking to *Vayu* at the Company's offices outside Paris in September, believes this has been achieved with a roughly 25% global market share today, equivalent to the major US firms.

MBDA continue to pursue growth, and has identified exports as a key driver, with a target of greater than fifty per cent of total sales to export customers. The

Company has historical links in the Gulf countries of the Middle East, but India has emerged as a key market in recent years, particularly as a destination for “long-term industrial co-operation,” according to Bouvier. He highlighted the decade-old Kelkar Committee report as an articulation of India's sovereign defence industrial aims, but noted that progress has been limited. However, Bouvier stressed that the broad Indian aim for a robust, sovereign defence industry dovetails with MBDA's own history, given its genesis as an organisation intended to be Europe's answer to the then global ‘heavyweights’ in the missile market.

India's defence industrial aims also fit with MBDA's future growth plans, as exemplified by the joint venture announced with L&T in February 2017 (see *Vayu III/2017*). Bouvier is confident that there will

be a close alignment with India in terms of strategic objectives, stating that it is clear that India is a “long term partner in terms of security ... [and] defence.”

Bouvier also noted that MBDA has the support of its European stakeholder Governments (France, the UK, Germany, Italy and Spain) for technology transfer to India and support to indigenous manufacturing under various DPP provisions. “MBDA's history is one of co-operation, consolidation and development of an autonomous missile industry among multiple European nations”, said the Company's CEO, and with MBDA's presence in India being the firm's largest outside of Europe, Bouvier believes that what MBDA proposes with India is a continuation of this “legacy of cooperation in Europe.”

[Lead picture is of the Saab Gripen, first fighter type operational with MBDA's Meteor]