

European Market Brief for Australian Defence Industry

KEY POINTS

- Europe is spending at Cold War rates, but it is buying industrial capacity, not products.
- The winning shape is Australian technology inside a European product, built or sustained in Europe, NATO interoperable.
- "Europe" is not a market. You have to pick a specific country. The Netherlands is the fastest door, Poland rewards local commitment, Germany is a supply chain play, and the UK is lucrative but crowded.
- *Figures throughout are as the speakers presented them on the day.*

WHO COVERED IT

NAME	ROLE	COVERED	LINKEDIN
Mike Johnson	Chief Executive Officer, AIDN. MC.	Host	in/mgjohnson
Ayu Barry	Assistant Director, Export Strategy, Defence Delivery Group	Export policy, TDA, GSCP	in/ayubarry
Stuart Farmer	Acting Director, DICE, Department of Defence	DICE missions	Via Austrade or DICE
Graeme Shennan	Defence and Security Director, Austrade Frankfurt	Europe, Germany, Nordics	in/gshennan
Bozena Swierbutowicz	Defence Director, Austrade Warsaw	Poland	in/bozenaswierbutowicz
Natasha Keylard	Senior BDM, Austrade Amsterdam	Netherlands	in/natasha-keylard-86bb077
John Brosnan	Defence and Security Director, Austrade London	UK	in/john-brosnan-02480848
Chris Gianotti	National Director, SME Lending, Export Finance Australia	Export finance	in/chris-gianotti-product
Edan Corkill	Executive Director, Trade, Investment NSW	NSW programmes, Land Forces	in/edan-corkill

WHAT WAS COVERED, IN THE ORDER IT WAS SAID

-  **The machinery at home**
 AYU BARRY · STUART FARMER
 Defence Delivery Group since July, Defence Delivery Agency from July 2027 under a National Armaments Director. Europe and the UK are named priority partners. Three programmes matter: Team Defence Australia (2027 calendar out soon), the Global Supply Chain Program (13 primes, \$2.77 billion to date) and DICE, Defence directors inside Austrade posts running small targeted missions. Europe and UK missions scoped for 2027.
-  **Europe, and the one rule that matters**
 GRAEME SHENNAN
 Spending up 14 per cent in 2025 to about US\$864 billion. Readiness 2030's €800 billion is mostly relaxed debt rules. SAFE is €150 billion of joint procurement loans with a hard cap of 35 per cent non-European content. **For you:** SAFE money means a European partner, assembly or sustainment. Not export.
-  **Germany and the Nordics**
 GRAEME SHENNAN
 €82 billion plus funds for the Bundeswehr and €35 billion for space. 153 major projects. The Nordics act as one ecosystem, up 107 per cent since 2022. **For you:** the door is the German supply chain, not the German customer.
-  **Poland**
 BOZENA SWIERBUTOWICZ
 NATO's biggest spender by GDP share, over half the budget on new kit. Gaps: air and missile defence, 155mm, autonomy, counter-drone, cyber, simulation. East Shield fortifies 700 kilometres of border with EW and AI-enabled ISR. Largest SAFE beneficiary. Shares Abrams, F-35, Apache, K9, HIMARS with us. **For you:** build with Poland, never fly-in sell.

05	 Netherlands NATASHA KEYLARD	Budget doubled since 2022 and they say openly they cannot meet it domestically. Bushmaster in service 20 years, more bought this year, Australian kit under MOD review now. Priorities: uncrewed (over half of operational effect within five years), layered air defence, maritime, digital. For you: the fastest door in Europe. Get the Defence Project Overview in English from Natasha and find your programme.
06	 United Kingdom JOHN BROSNAN	Defence Investment Plan finally published. About £300 billion to 2030, 3.5 per cent of GDP by 2035. Watch the Hybrid Navy's uncrewed vessels, Light Mobility (9,000 plus vehicles), Project Asgard (digital targeting) and Task Force RAID (AI autonomy). For you: familiar and crowded. Arrive with a programme, not a brochure.
07	 NATO and Horizon Europe PANEL	NATO Front Door for Industry open since July, with published demand signals. NSPA partnership signed, pending ratification. DIANA closed to Australian HQs, so partner with a graduate. Horizon Europe Pillar 2 opens to Australians on 1 January 2027. For you: Horizon is the early-stage door, a DIANA graduate is the partnering door.
08	 Export Finance Australia CHRIS GIANOTTI	DFAT's gap funder for when banks say no, including dual-use and offensive systems. Loans against orders, bonds at 20 per cent security, a relaunched Defence Industry Growth Facility. Bridges a prime's 120-day terms. For you: for companies with orders, not heavy R&D.
09	 NSW and Land Forces EDAN CORKILL	Investment NSW is on stand 1D11 at Land Forces next week with the NSW cohort. For you: worth ten minutes in Perth, and tell Austrade your European plans in confidence before you go.

WHERE YOUR CATEGORY SHOWED UP

IF YOU BUILD	WHERE THE DEMAND WAS NAMED	START WITH
Autonomy, drones, counter-drone	Netherlands (over half of effect uncrewed in five years), Poland (East Shield, SAM), UK (Hybrid Navy, RAID)	Natasha, Bozena, John
Air and missile defence, EW	Poland (SAM €3.5 billion, East Shield), Netherlands (layered defence, directed energy)	Bozena, Natasha
Munitions and energetics	Poland (155mm), Europe-wide shortfall	Bozena, GSCP primes
Space, ISR, digital targeting	Germany (€35 billion space), UK (Asgard), NATO demand signals	Graeme, John
C5ISR, cyber, AI-enabled C2	Netherlands (digital), UK (Asgard, RAID, Defence AI Centre), NATO Front Door	Natasha, John
Advanced manufacturing, materials	German and Dutch prime supply chains (Titomic named), GSCP at home	Graeme, Natasha, Ayu

WHAT TO DO WITH IT

- **Pre-revenue or raising?** For you now: Horizon Europe from January, a DIANA graduate partner, a DICE mission, the Dutch DPO. Not yet: SAFE tenders, EFA loans.
- **Find the programme before the market.** The Dutch DPO, the UK DIP and NATO's demand signals all name them. Arrive with a programme number, not a brochure.
- **Change the shape of your story before the words.** Not "we sell X" but "our capability makes your programme work, here is the partner model."

DATES AND DOCUMENTS

- **1 January 2027.** Horizon Europe Pillar 2 opens to Australian entities.
- **Soon.** TDA's 2027 show calendar. DICE Europe and UK missions. NSPA ratification.
- **Ask for.** The Dutch Defence Project Overview in English (Natasha). NATO demand signals via the Front Door. The UK DIP.
- **Already there.** Geran Shield, EOS, Titomic and EPE were named as succeeding in the Netherlands.

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