

Dassault Aviation SA

How the sky became the limit for France's Rafale jet



Sales of the twin-engined jet have grown thanks to tougher US rules diverting defence orders elsewhere

Sarah White in London 9 HOURS AGO

The roar of France's Rafale fighter jets is a fixture of Bastille Day flyovers in Paris. But this year's show included three that belong to the Indian air force, a tribute to war veterans and a nod to defence deals between the two countries that include a significant [Indian order](#) of the jets.

For manufacturer Dassault Aviation, it is the latest in a series of wins. Foreign sales of the Rafale have been on the up since 2015 and in recent tenders they have outsold all competitors bar the F35 made by US rival Lockheed Martin.

In the latest deal, the Indian navy chose 26 Rafale jets over the Boeing-made Super Hornet, a star attraction in the [latest Top Gun film](#). In 2016, the Indian air force had already bought 36 Rafales. The French government, the ultimate broker of these deals, believes this repeat endorsement will spark others.

"This consolidates India's position as a major partner in what we can call the Rafale club of countries," a French official said. "India, Egypt and the United Arab Emirates — it's a real group now and a political axis on which we can work."

It was not always so. As a nuclear nation, France has a long-running policy of self-reliance: manufacturing its own planes capable of carrying nuclear warheads. The Rafale was the successor to Dassault's Mirage and was first adopted by the French navy in 2004.





Indian Air Force Rafale fighter jets line the runway © Dibyangshu Sarkar/AFP via Getty Images

But overseas, its fortunes took off much later, helped by geopolitical tailwinds. These included tougher US defence export rules, which diverted a number of orders from Middle East states elsewhere. The Rafale is also expected to benefit from countries turning away from Russian suppliers because of the Ukraine war.

The US and Russia still dominate the industry but orders for the Rafale reached a record €21bn last year, and France [increased](#) its share of world arms sales to 11 per cent in 2022, from 7 per cent previously.

“Some countries do not want to buy Russian anymore, but also do not want American [jets],” Dassault Aviation chief executive Éric Trappier told journalists in June. “So France can be that country that traditionally is a little bit more neutral.”

A combination of diversification, French diplomacy and the Rafale’s versatility are expected to drive more sales.

In the latest Indian deal, certain specifications of the French jet were key according to people close to the talks, including its smaller size, which makes it a better fit for the lifts in India’s aircraft carriers. According to French newspaper *Les Echos*, the whole deal, including associated missiles, was worth at least €3bn to €4bn.

Dassault Aviation is the main pillar of Dassault, a French industrial conglomerate that is still controlled by the descendants of aeroplane inventor Marcel Dassault nearly 100 years after he started the business. The parent group also wields influence through its ownership of *Le Figaro* newspaper.





Éric Trappier, Dassault Aviation chief executive © Thomas Samson/AFP via Getty Images

The aviation business has the same challenges that are common across the industry — [difficulties finding staff](#) and supply chain disruptions. Its revenues have doubled since 2014 and it currently has a market capitalisation of nearly €14bn, but shares slid last week after it warned in half-year results that supply problems were getting worse and affecting production.

Nonetheless, orders for the Rafale now dwarf those for the company's Falcon private jets. The Rafale takes three years to assemble and last year, 14 were delivered. Analysts say technical improvements have been made over the years without a huge rise in price, which is estimated at between €80mn and €100mn.

The eventual aim is to make at least three deliveries a month, by increasing capacity at Dassault Aviation's seven French factories. Lockheed, by contrast is aiming to produce 156 F-35s this year.

To date, Rafale deliveries and orders globally are just shy of 500, about half the number of F-35s that will have been delivered by the end of 2023.

It is also a lower tally than that of the Super Hornet and of Lockheed's older F-16s, but exceeds Sweden's Gripen and is catching up with the 680-plus sales of the Eurofighter Typhoon backed by the UK, Germany, Italy and Spain.

The outlook for global sales of the French twin-engined jet improved in the middle of the last decade when Washington hesitated to approve some F-35 exports and demanded strict conditions on how US fighter planes and associated weapons could be deployed. In 2015, Egypt became the Rafale's first foreign client.

Dassault capitalised in particular on relationships with countries that were once Mirage clients, including Egypt, Qatar and Greece. And like French presidents before him, Emmanuel Macron lent his efforts to selling the planes. In Dubai in 2021, he celebrated [a record order for 80 Rafales](#) from the UAE.

The going has been more difficult in Europe despite recent increases in defence budgets. It is partly a reflection of deep-seated Atlanticism: most of the region views the US as the guarantor of European security. Last year Germany, which stockpiles US nuclear weapons under a Nato weapons-sharing agreement, ordered F-35 jets.



One French air force pilot at the Paris air Show said the Rafale was much more versatile than the older Mirages © Geoffroy van der Hasselt/AFP via Getty Images

That US allegiance has at times rankled. In a 2018 interview with Belgian newspaper *Le Soir*, Trappier described himself as a “reverse Donald Trump”, saying he believed Europe was “for the Europeans”. He had been trying to persuade the Belgian government to buy Rafales. Lockheed’s best-seller won out.

In the longer run, analysts said it would always be hard to compete with the US, despite Europe wide collaboration on the next generation of military aircraft.

Dassault, along with Airbus, is working on the Future Combat Air System, backed by France and Germany. Britain, Italy and Japan are collaborating on a fighter jet

programme called Tempest. These are supposed to start replacing Rafales and Eurofighters in the late 2030s to 40s onwards.

“Their investments and infrastructure have been far outpaced by the US,” said Tristan Saeur, a defence analyst at consultancy GlobalData.

But there should be more wins for the Rafale before then. Trappier has said there is a potential contract in Colombia and Serbia has acknowledged looking at the jets to replace its Soviet-era MiG-29s.

At the Paris air show in June, the people who know the jets best were out in force. As F-35s and Rafales blasted overhead, one French air force pilot, said the Rafale, used in assault campaigns, reconnaissance missions and across land and sea, was much more versatile than the older Mirages.

“There’s just no comparison. The Rafale can be sent on so many different missions,” he said. “As a pilot, that’s extremely rewarding.”

Additional reporting by Leila Abboud