

Impact of the Eurofighter project on the Spanish economy

Economic contribution of Halcon and Quadriga programs

Executive summary

February 2023



Report prepared for:

AIRBUS

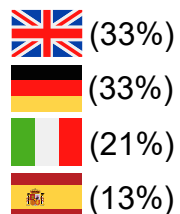


The *Eurofighter* project aims to create a European fighter aircraft to renew the fighter fleets of the United Kingdom, Germany, Italy and Spain

Eurofighter project

The NATO Eurofighter and Tornado Management Agency (NETMA) is the organization established by the four partners of the *Eurofighter* program, **Spain, Germany, the United Kingdom and Italy**, for the management of the program and has two contractors:

% of shareholding



Eurofighter GmbH (airplane)

BAE SYSTEMS

AIRBUS

LEONARDO

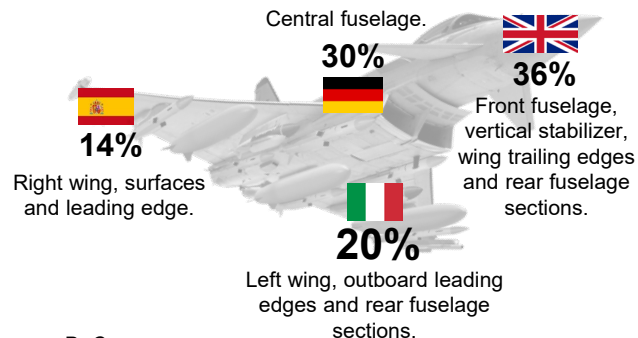
AIRBUS

Eurojet Turbo GmbH (engine)

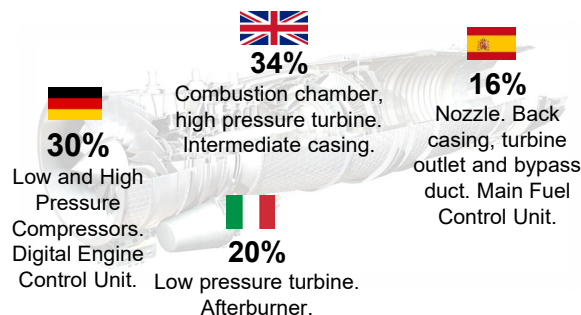


Workshare of Eurofighter

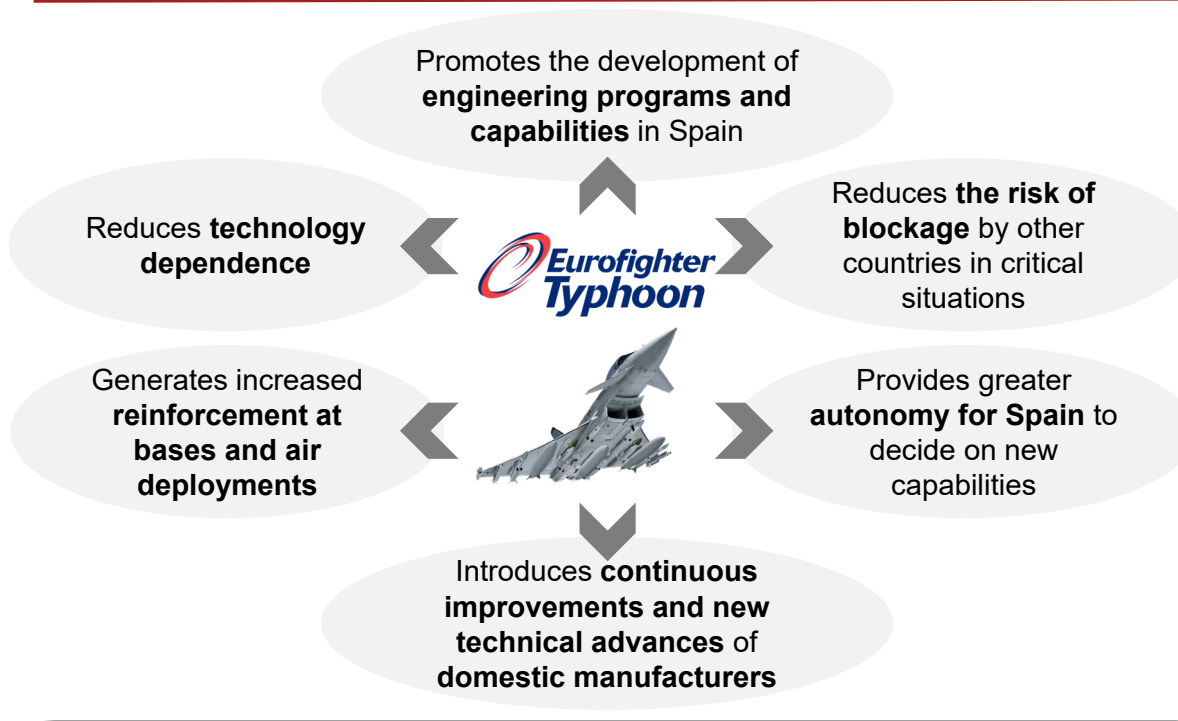
Airplane



Engine



Project contribution in increasing Spain's strategic defense autonomy



The **Eurofighter program** significantly reinforces and supports key lines of action identified by the **Spanish National Security Strategy (2021)**, such as the creation of a **strategic reserve** based on national industrial **production capabilities**.



The Halcon and Quadriga programs, within the framework of the *Eurofighter* project, will represent an important technological development, fostering Spain's competitiveness and guaranteeing its strategic autonomy for the coming years

Halcon and Quadriga programs and their impact in Spain



Germany



Quadriga Program

Purchase commitments

38 airplanes

~ €3,740 M



Spain



Halcon Program

Purchase commitments

20 airplanes

~ €1,905 M



The Halcon and Quadriga programs will generate a very significant economic contribution for Spain in terms of **GDP, employment and tax revenues**, both during the aircraft **manufacturing phase** (2020-2030) and the **maintenance phase** (2023-2060).



Impact on employment



Economic impact



Tax impact

→ The geographical scope is limited to Spain, taking into account that part of the production value of the Quadriga project (Germany) originates in Spain

→ The impact takes into account the total **manufacturing period**, estimated between 2020 and 2030, and **maintenance, training and simulation**, estimated until 2060.



The Eurofighter LTE will act as a **bridge** until the development of a **new 6th generation combat** aircraft in the context of **the FCAS**, in which Airbus also participates together with Thales, Indra, Dassault, ITP Aero, MBDA and EUMET, among others. Most of the LTE developments are not yet contracted by NETMA and therefore the associated engineering effort and its contribution to the Spanish economy is not calculated in this report. This is an opportunity that will generate a significant number of **highly qualified direct jobs** that will be maintained later for the **development of FCAS technologies and capabilities**.

Eurofighter Typhoon

Halcon and Quadriga programs

Long Term Evolution (LTE) Project

Future Combat Air System (FCAS)

... - 2023

2020 - 2030

2030 - ~2060

2040 - ...

Without the development of programs such as Halcon and Quadriga, Spain would lose key knowledge that would weigh down a large part of the Spanish aerospace and defense industry, with the consequent negative effects on innovation, the future of the Spanish industry and national and European **strategic autonomy**.

Technological developments associated with the new aircraft configuration

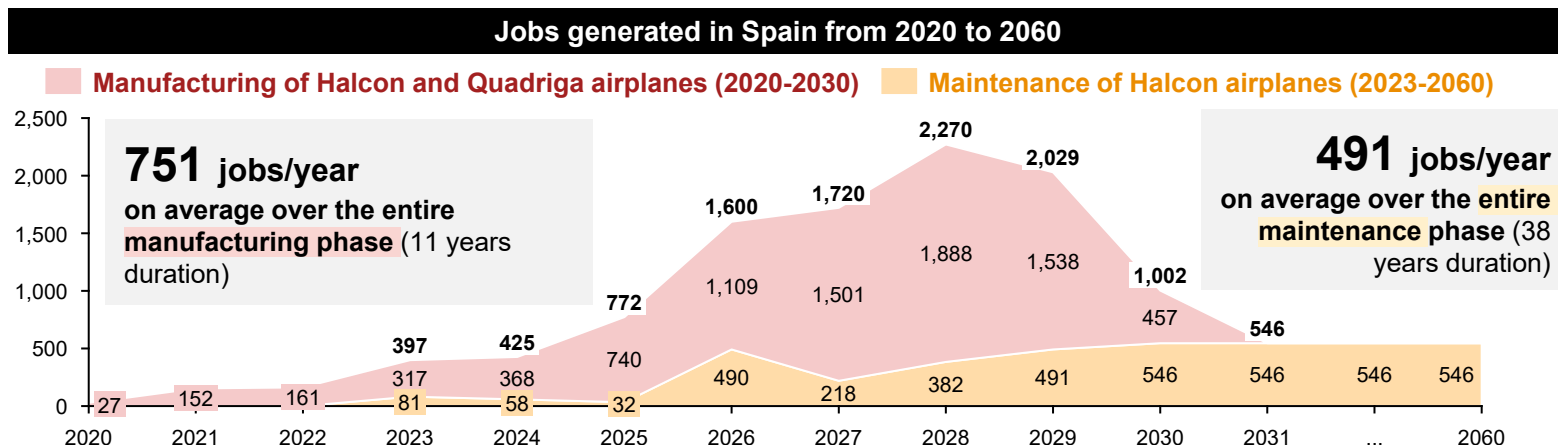
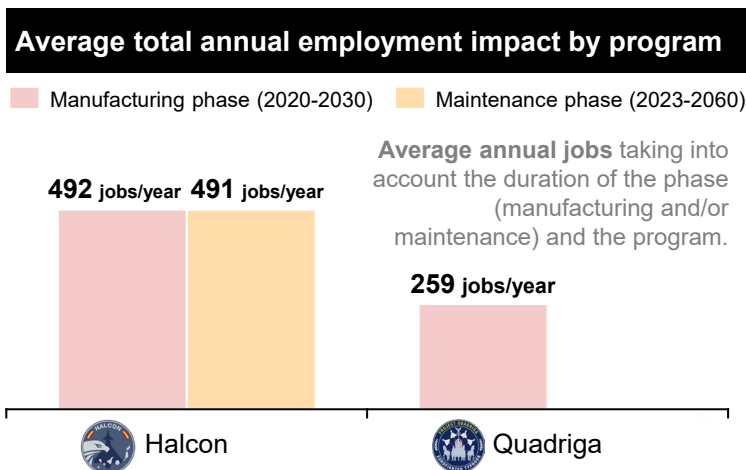
Maintaining **sector's capabilities** and fostering its competitiveness

Contribute to the national and European **strategic autonomy**

The Halcon and Quadriga programs will create and maintain around 650 jobs per year in Spain from 2020 to 2060, equivalent to 2.7% of direct employment in the Spanish aerospace sector



Note: The maintenance phase includes initial procurement for equipment preparation, simulation and training activities.

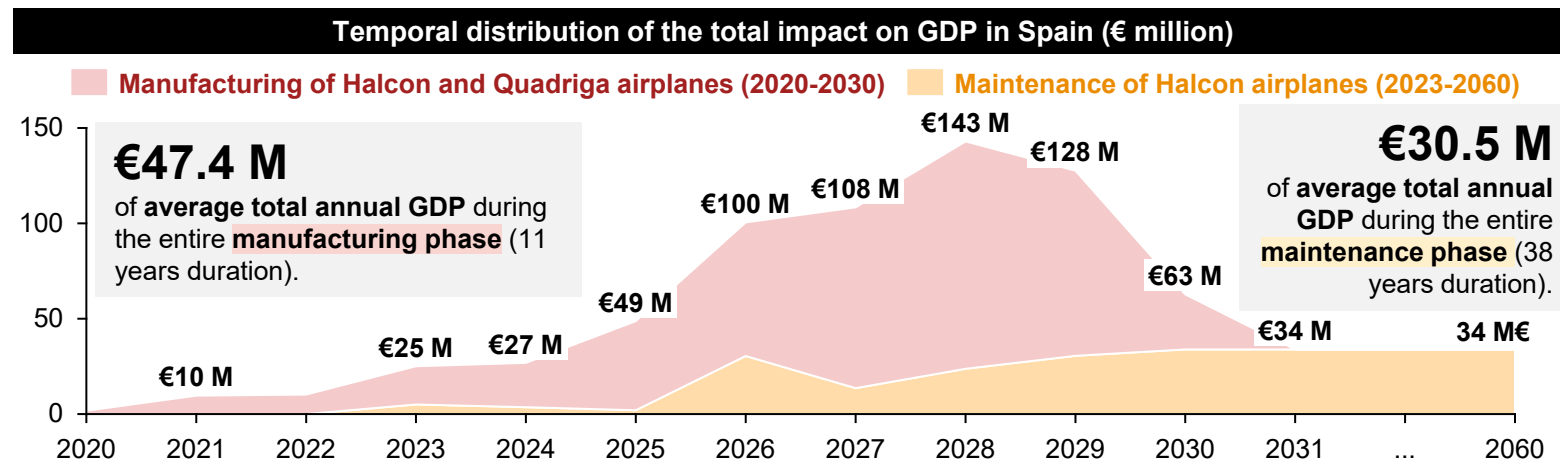
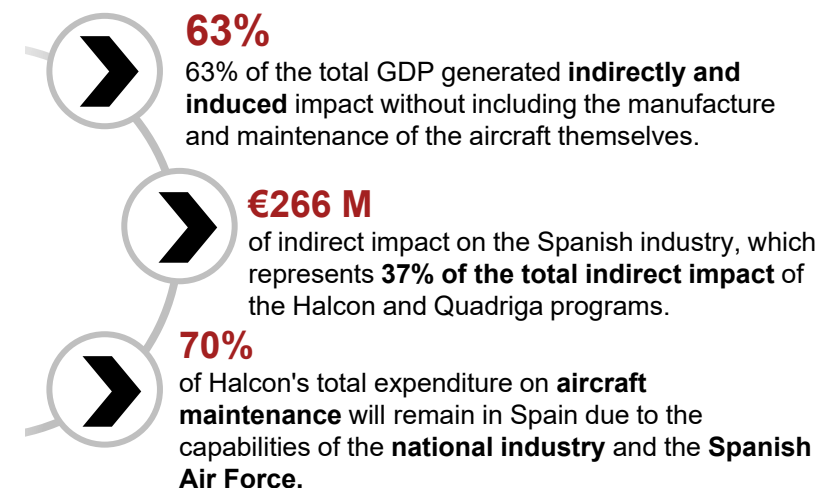
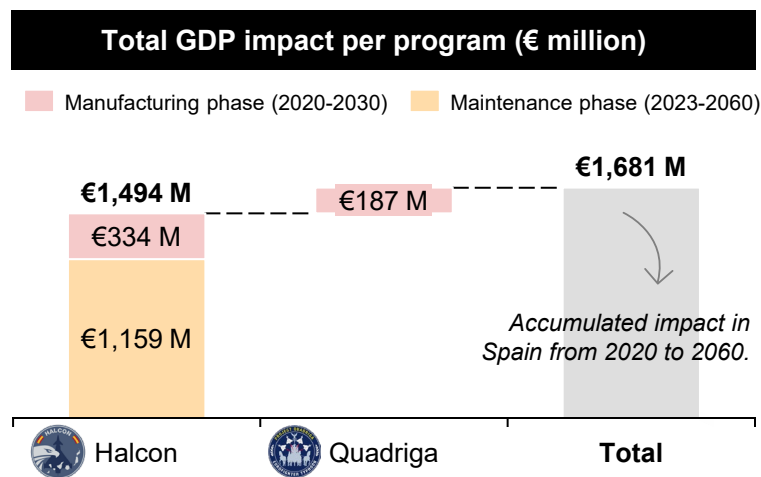


On an economic level, the Halcon and Quadriga programs will generate a total of almost €1,700 million of GDP, approximately €1,500 million from the manufacture and maintenance of Halcon and almost €200 million from the manufacture of Quadriga



Note: Estimated impact at 2022 market prices.

PwC





The employment and economic activity generated with the Halcon and Quadriga programs will generate a total tax collection of €430 million, equivalent to 22% of Spain's estimated expenditure on the purchase of the Halcon airplanes



→ **x2.8**

For every euro collected directly through the Halcon and Quadriga programs, 2.8 euros of **total tax revenue** will be generated in the Spanish economy as a whole.

Note: Estimated impact at 2022 market prices.

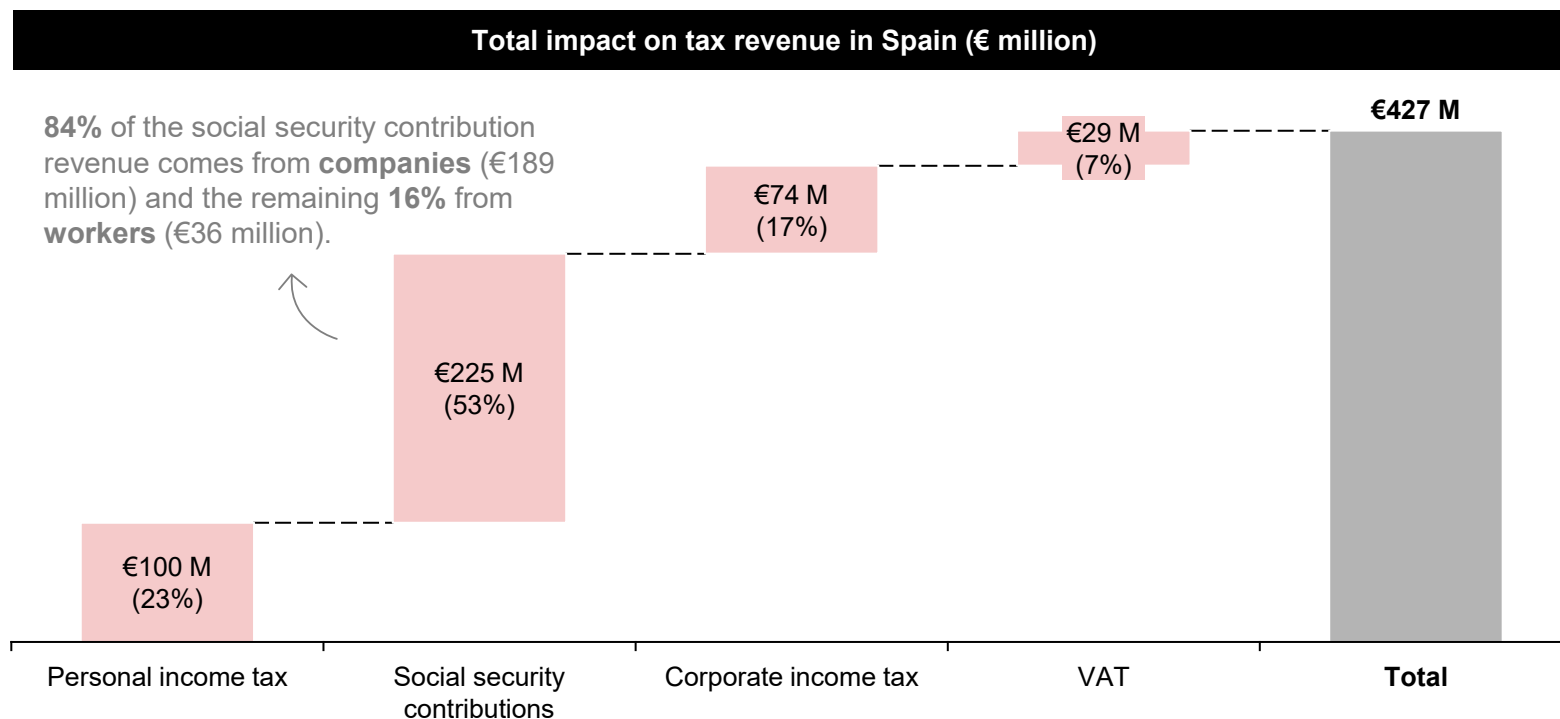
PwC

→ **22%**

The total revenue is **equivalent to 22%** of Spain's estimated expenditure on the **purchase of the Halcon airplanes** (€1,905 million).

→ **4.2%**

The total revenue is **equivalent to 4.2%** of the Spanish government's **defense budget** in 2022.





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