Aerospace supply chain: Rate ramp-up and resilience report 2025

Have we turned the corner?

June 2025

ADS GIFAS 3DLIV Connecting.The.Dots. Roland Berger

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Management Summary

For the third year running, Roland Berger, in collaboration with the aerospace industry associations of the UK, Germany and France (ADS, BDLI and GIFAS), surveyed almost 130 key industry players to assess the current health and future readiness of the aerospace supply chain. The 2025 survey focused on three areas:

Ramp-up readiness
- Persistent challenges to meeting ramp-up targets include missing personnel and production capacity resources and increasingly limited financial resources.
- Companies feel slightly better prepared for the rate ramp-up than in 2024.
- However, given the long lead times in the aerospace supply chain, we expect that it will take until 2026 before we see a major increase in aircraft production rates.

Supply chain resilience
- Two-thirds of companies are experiencing supply chain disruption, but the level of very severe disruptions has fallen. The most severe disruptions are concentrated at Tier-1 and Tier-3+ levels.
- The number of companies in the stabilization stage of achieving resilience has increased. Supply chain maturity has also improved since 2024, especially with respect to organization, skills, resources and capabilities.

Innovation & AI
- Two-thirds of companies already use or plan to use AI and other innovative software tools. However, their use is limited in most cases to less than 10% of business processes.
- The main reasons for not using AI-powered tools are a lack of experience as well as integration with existing systems.

Key takeaways

- Overall, it seems that the supply chain crisis has stabilized, with average resilience having slightly increased since 2024 and the severity of disruptions slowly decreasing.
- However, some companies are still struggling and further measures are needed.
- Efforts should now focus on optimizing the supply chain setup to improve resilience against future disruption, particularly in light of the current geopolitical situation (e.g., tariffs).
- We recommend the following actions:
  - Sharing of best practices along the supply chain (e.g., via the AeroExcellence International initiative)
  - Stable ramp-up planning and demand signal to the suppliers
  - Further support for suppliers facing financial constraints
  - Analysis and reduction of supply chain risk exposure

Background

Our new survey assesses the current health of the aerospace supply chain, focusing on rate ramp-up, supply chain resilience and innovation & AI

The crises of the past few years – from COVID to supply shortages – have severely tested the resilience of the global aerospace and defense supply chain. In particular, deliveries by aircraft and engine OEMs have been much lower than planned. Continued disruptions have meant that OEMs and suppliers are still struggling to meet their rate ramp-up targets.

To shed light on the underlying reasons for the slowdown, Roland Berger undertook a survey in 2023 to assess the health and future readiness of the aerospace supply chain in Germany. We worked with the industry associations of Germany, France and the United Kingdom (ADS, BDLI and GIFAS) to update the results in 2024. This study presents the results for 2025, again jointly produced with the industry associations of these three countries. As before, it also outlines current key priorities and identifies potential measures for improvement. There are three focus areas:

- Readiness of the aerospace supply chain and support/financing needs to deliver the planned production rate ramp-up
- Resilience of the aerospace supply chain and plans to further improve it
- The preparation for and use of new technologies and innovations (such as AI)

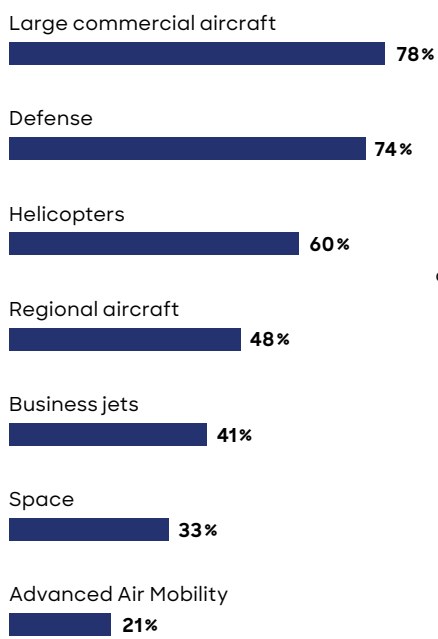
The 2025 survey, again conducted in collaboration with ADS, BDLI and GIFAS, involved almost 130 participants. Most were established small to medium-sized companies in the large commercial aircraft and defense sectors, with a primary focus on Germany, France or the UK.

Overview of study participants

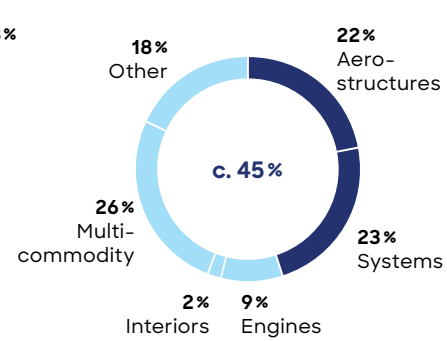
The typical respondent was a small to medium-sized supplier serving the LCA and/or defense sector

What are the main sectors your company is serving?

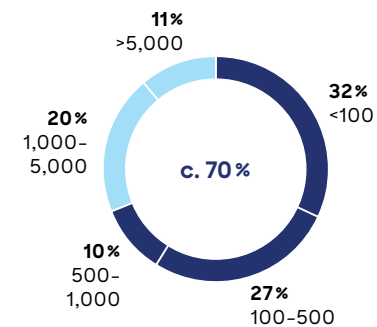
(Multiple answers possible)



What is the procurement category that is most relevant for your company?



How many people does your company employ?



Which **tier level** is your company on?

Number of responses: 125–129 participants; main procurement category: >60 % of procurement spend on one category of goods

Source: Roland Berger

Ramp-up readiness

Missing resources remain a problem, but most companies now believe they are better prepared for ramp-up than a year ago

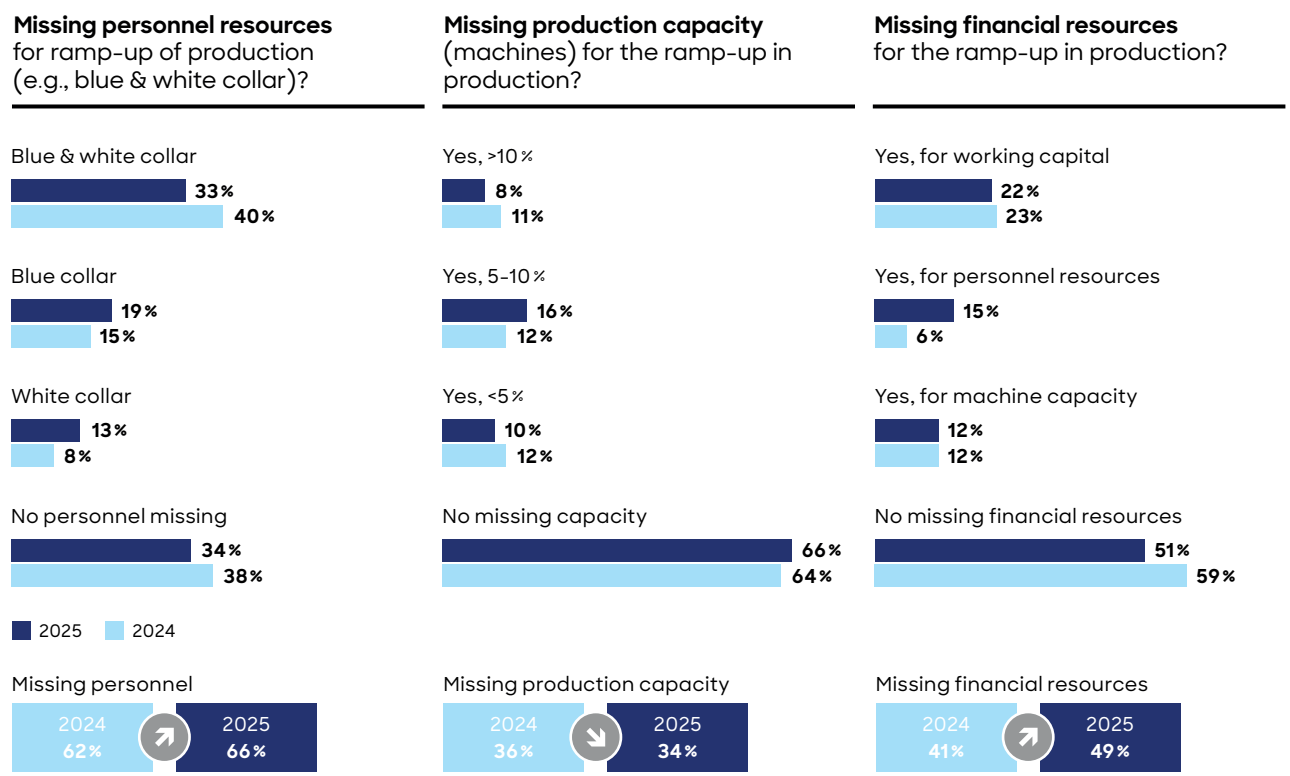
As in 2024, most aerospace companies are still lacking key resources to support the production ramp-up. A lack of personnel remains the most pressing challenge, cited by 65% of respondents. While the overall figure is broadly flat compared to 2024, there has been a shift in requirements. More companies now say they specifically lack either blue or white collar workers, rather than a combination of the two. This change indicates progress in the ongoing efforts to address the problem. Production capacity challenges also persist, although there was a slight overall reduction in the number of companies citing it as a barrier to ramp-up. Capacity problems still only affect about a third of all companies. The number of firms citing financial resource constraints jumped, however, driven by a rise in companies saying they lack funds for personnel. Additionally, 25% of respondents stated that their defense ramp-up limits their commercial ramp-up.

Preparedness

There has been a significant increase in the perception of ramp-up readiness. Almost 70% of companies now believe they are either well prepared or very well prepared for rate ramp up, compared to half that figure in 2024. This indicates that the supply chain crisis has now turned the corner and potential improvements could be visible going forward. However, it might take until 2026 before this results in a higher production output at the OEMs due to the long lead times in the supply chain.

Missing resources

Personnel and capacity shortages are stable, but financial shortfalls have jumped



Number of responses: 129 (2025), 142-144 participants (2024); note on financial resources question: personnel resources include blue and white collar, multiple answers for "yes" options 2025 are scaled to 100%

Source: Roland Berger

Support needs

31% of companies see a need for additional support when it comes to financing

Our 2025 survey included the addition of questions on the current financing requirements of aerospace players. The results indicate, overall, a balanced time horizon for future financing. Most companies have only minor (less than EUR 10 million) financing requirements in the next three years, and are confident they can secure this via existing channels. However, given that ~40% of companies are on the Tier-2 and Tier-3+ level, this is still a reasonable amount of money for the individual company. This financing is essential for the future rate ramp-up, as our study has also shown that ~50% of participants do not have sufficient financial funds to support the ramp-up.

Where difficulties in obtaining financing from existing channels were experienced, reasons given include limited bank or shareholder appetite, weak financial position and perceptions of high risk. Additional support needs cited by respondents include assistance in improving supply chain resilience and tackling bureaucracy.

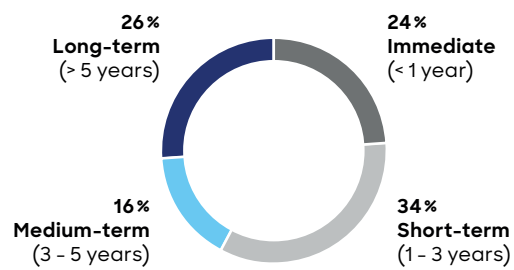
Financing purposes

Why was financing needed? The main purposes were for investment in fixed assets to expand capacity (chosen by 55% of respondents) and for working capital (40%). These were presumably driven by the OEMs' rate ramp-up. R&D (33%), acquisitions to support future programs (30%), recruitment (29%) and supply chain investments were the next most popular targets. Responses were broadly consistent across tier levels.

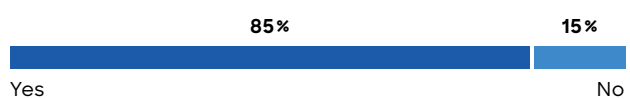
Financing needs

31% of companies see a need for additional support when it comes to financing

When will your company need **its next financing?**

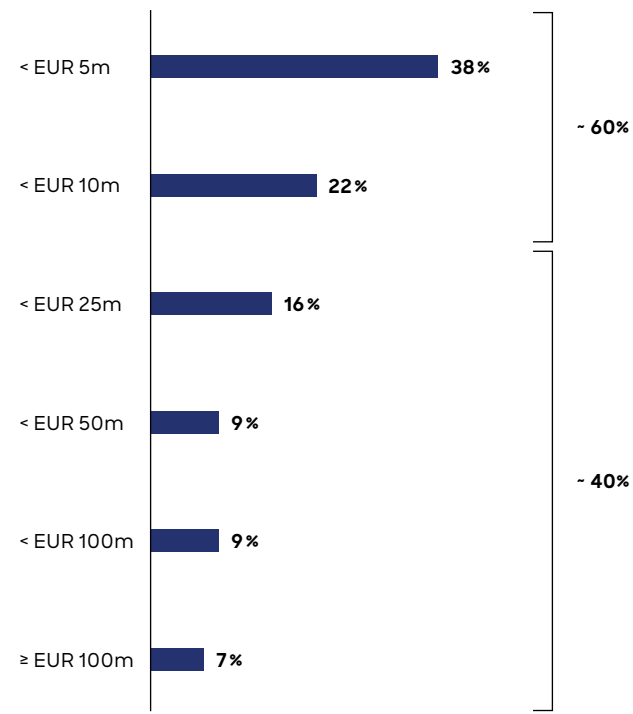


Can you get financing via your existing channels (e.g., shareholders, banks, etc.)**?**



Do you have **any additional support need** (e.g., from the government)?

How high do you estimate your company's financing **demand to be in the next 3 years?**



Number of responses: 129 participants

Source: Roland Berger

Supply chain resilience: Level of disruption

Almost two-thirds of companies are still experiencing disruption, but the level of severity has fallen

Supply chain disruption is a key factor in the recovery of the aerospace industry and therefore a useful indicator of its health. Our survey found that 64% of companies are facing a supply chain disruption, only a two percentage point improvement on 2024. The main reasons given for disruptions were largely unchanged – increased lead times and limited availability of raw material and semi-finished goods. The knock-on effects of these disruptions, namely unreliable deliveries and sudden shortages, were also commonly cited. Price increases, quality issues and long lead times for services were less frequently mentioned. Companies not affected by supply chain disruptions gave reasons such as improved stock/inventory management, improved demand forecasts and good supplier relations.

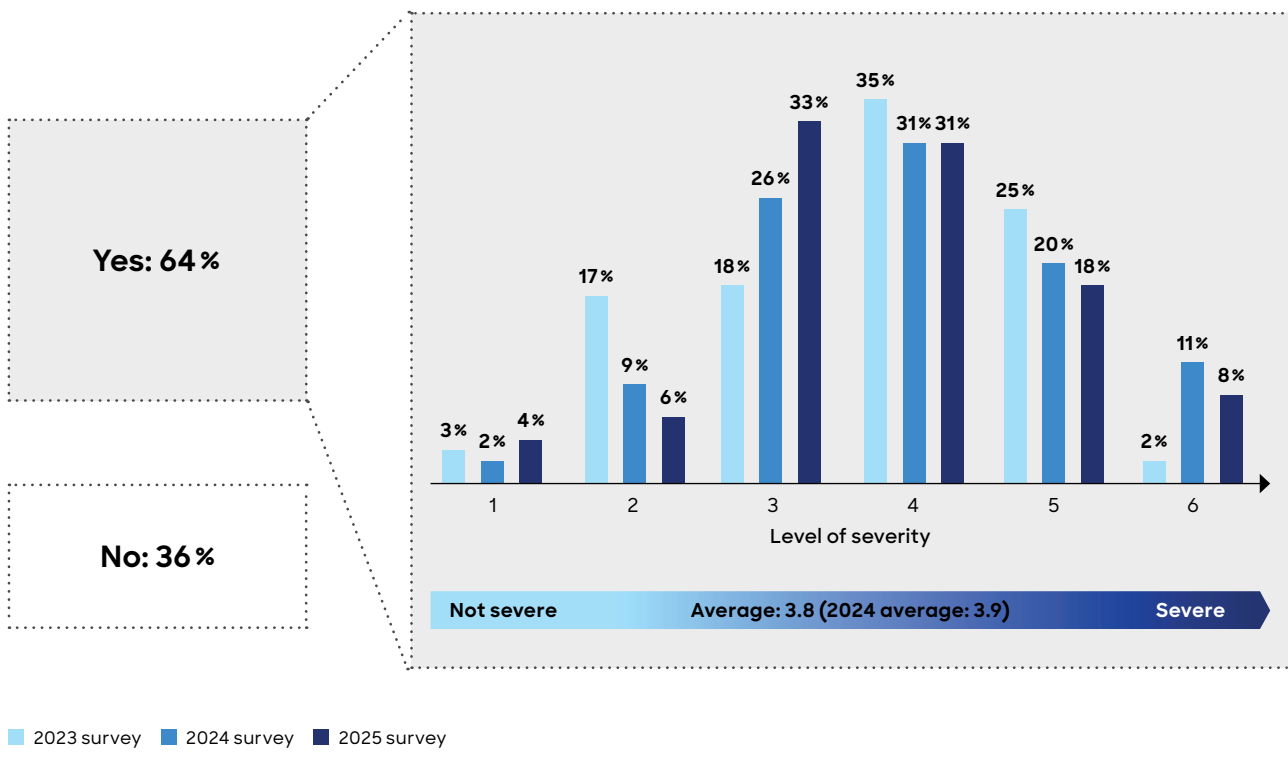
Disruption severity

While the level of disruption is unchanged, the severity of disruption has decreased compared to previous years. The number of companies recording high or very high severity (levels 5 and 6) fell, with more companies now reporting lower levels (3). This also indicates that the overall amount of companies in their supply chain has stabilized, and they are better able to manage the current disruptions. However, due to the interconnection of the aerospace supply chain and the need to have all parts available to deliver an aircraft, a further improvement is needed to fully resolve the supply chain crisis and return to a smooth ramp-up.

Disruption severity

The overall level of disruption severity has fallen slightly compared to 2024

Are you currently facing a SC disruption?
If yes, how severe is it?



Number of responses: 129 participants

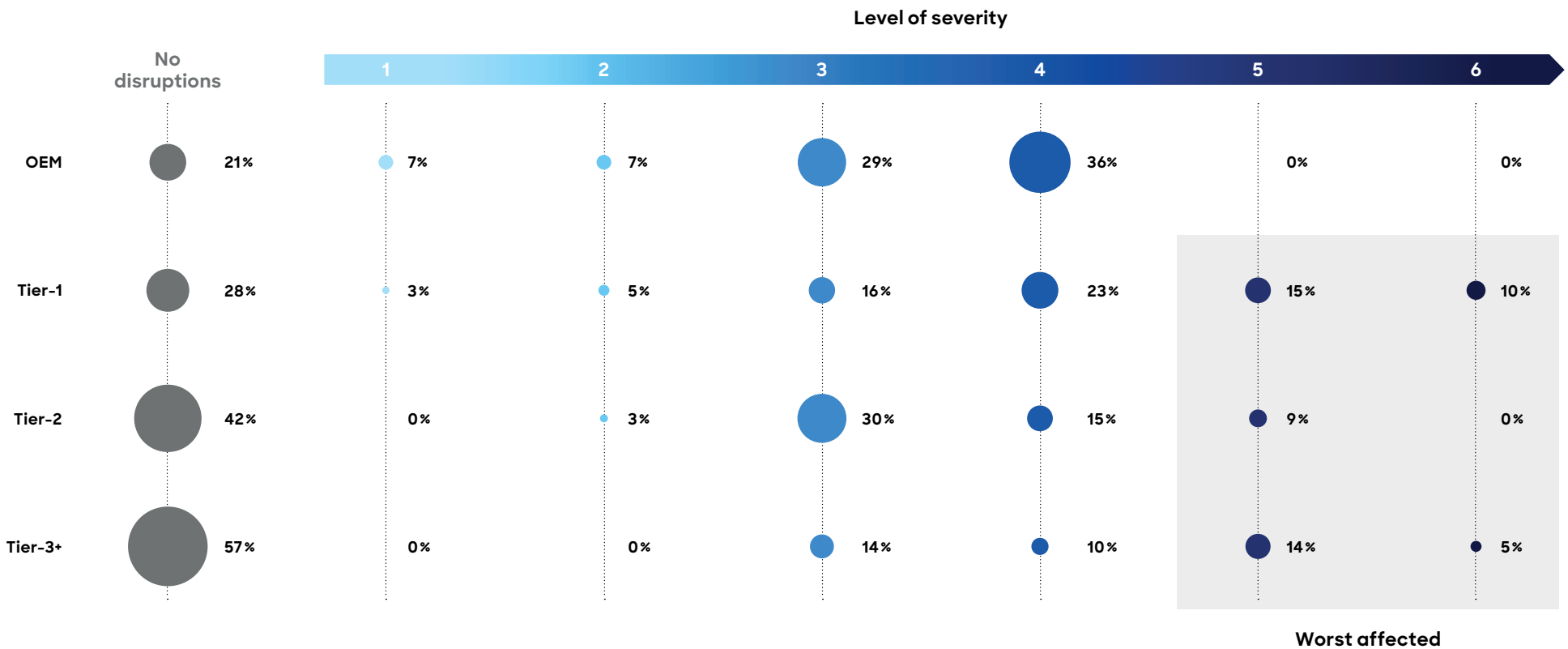
Source: Roland Berger

Supply chain resilience: Severity by tier level

Tier-1 and Tier-3+ suppliers are worst affected by disruption, with OEMs free of major disturbances

Disruption at tier levels

Perceived strong severity and urgency is concentrated at Tier-1 and Tier-3+ levels



Degree of severity of supply chain disruption as perceived by the aerospace tiers

[1 = not severe at all; 6 = very severe; excludes organizations that did not cite severity of supply chain disruption]

Source: Roland Berger

Supply chain resilience: Response to disruption

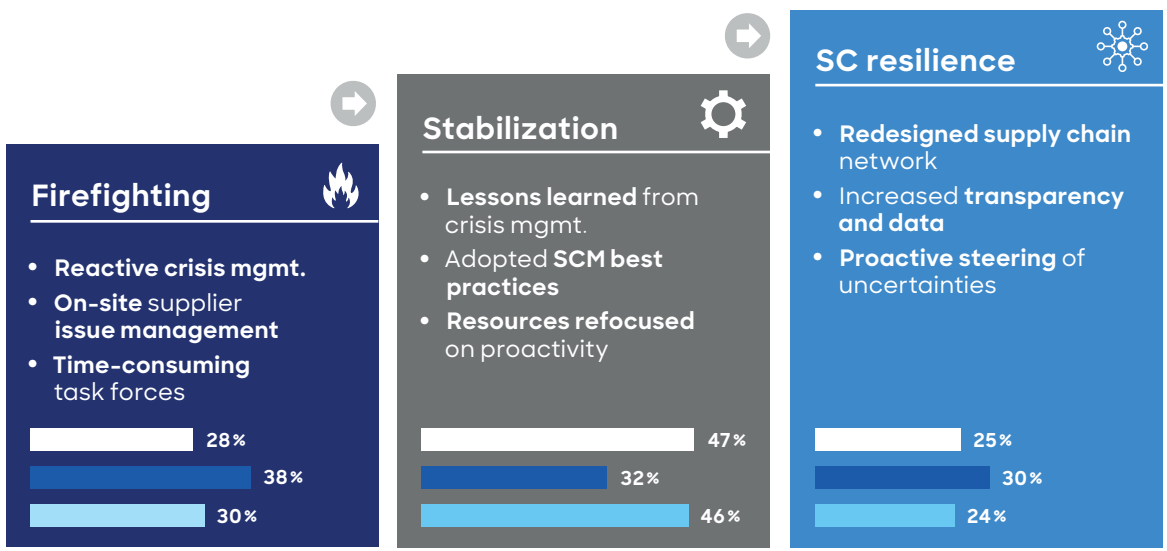
The number of companies at the stabilization stage is increasing overall, but problems remain at OEMs and Tier-1s

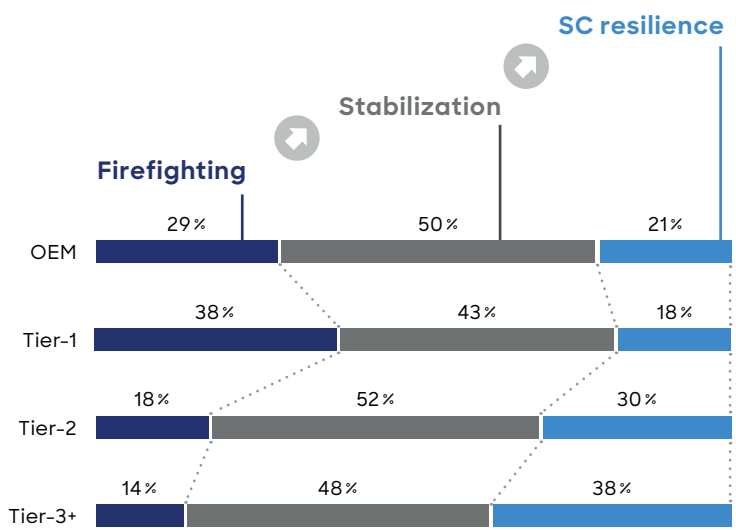
The overall fall in disruption severity is reflected in the response of aerospace firms to the supply chain crisis. The survey asked companies to rate their stage of response at one of three levels – firefighting, stabilization or resilience. The fall in the number rating themselves at the firefighting level in 2025 suggests that ongoing efforts to stabilize are paying off; almost half of companies are now at the stabilization stage. However, the fall in the number at the resilience stage indicates that measures implemented in 2024 were not sufficient. While at tier levels only a minority of companies are still in firefighting mode, problems multiply at the Tier-1 and OEM level.

Pathway to resilience

Fewer companies are now firefighting, but achieving resilience remains a challenge

What is the current stage of response within your organization with respect to the supply chain crisis?





☐ Current survey (2025) ■ Last year's survey (2024) ■ Survey (2023) Number of responses: 129 (2025); 137 (2024); 105 (2023) participants

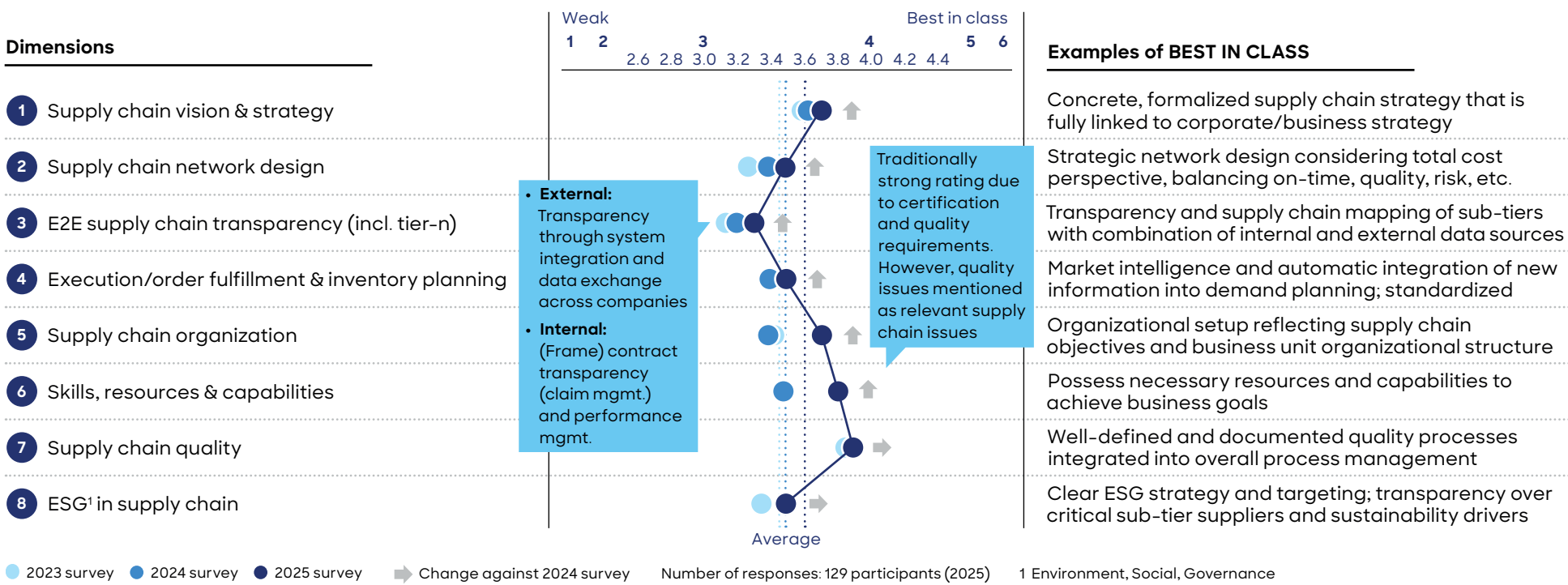
Source: Roland Berger

Supply chain resilience: Maturity ratings

Resilience has improved since 2024, especially with respect to supply chain organization, and skills, resources & capabilities

As in previous years, survey participants were asked to rate their supply chain maturity along eight dimensions. Six of the dimensions showed an improvement compared to the 2024 results, with the two others flat. In particular, companies have improved their supply chain organization and their skills, resources and capabilities. Overall, ongoing measures mean resilience is more mature and companies are now better prepared for disruptions. However, the current level of still prevalent supply chain disruptions shows that companies should continue to work on their supply chain setup and make it more flexible and resilient, particularly also in light of the current ongoing geopolitical situation and uncertainties (e.g., with respect to tariffs).

Maturity mapped:
Resilience is lowest in the transparency and ESG dimensions, although both have improved since 2023



Source: Roland Berger

Innovation and AI: Take-up and use cases

Most companies now use innovative software tools, but major obstacles are holding new technologies back

Aerospace companies are looking to new technologies to secure their future. Almost two-thirds (65%) already use or plan to use innovative software tools such as AI. Many also employ innovation strategies, for example, partnering with tech start-ups, investing in AI or focusing on internal development. Companies see relevant use cases across processes and departments, with preferred applications including quality inspection and cybersecurity.

However, numerous issues are holding back the use of innovation tools. A lack of expertise is the main hindrance (cited by 61% of respondents), followed by integration with existing systems (53%), data security and privacy concerns (42%), and high investment costs (40%). Uncertainty about ROI, regulation and performance issues are other key concerns. Overall, the use of innovation tools is currently limited to less than 10% of business processes.

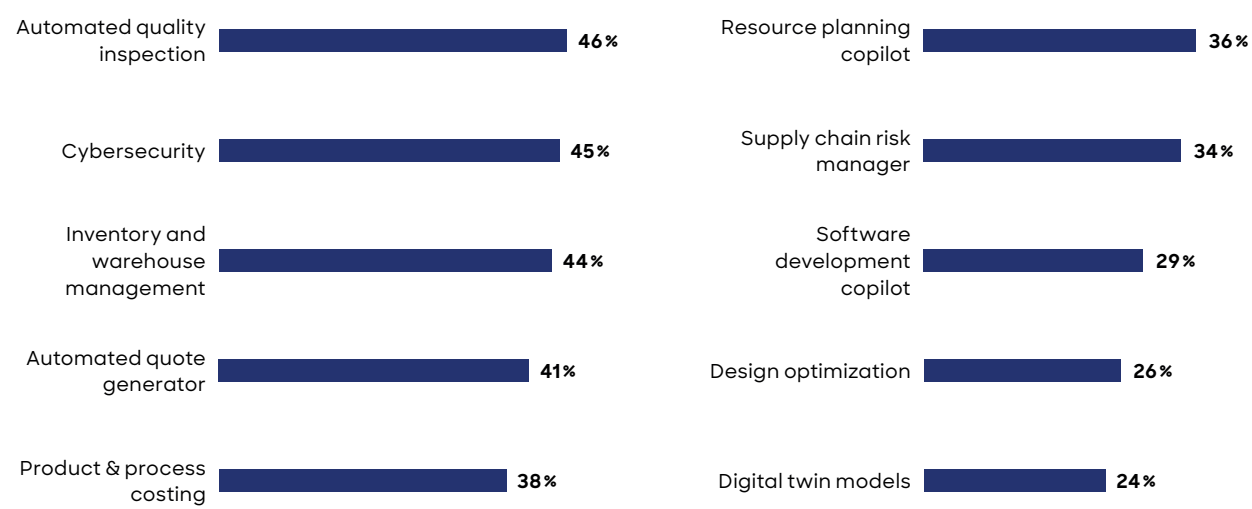
Regarding cybersecurity, 64% of companies are experiencing a rise in the threat of cyberattacks, with almost all of these facing an increased number of attacks. However, 95% of companies have a planned roadmap to increase cybersecurity.

Use cases

The most relevant aerospace applications range from quality inspection to design optimization

What specific use cases for innovative tools (e.g., AI) could be relevant for your company?
Top 10 answers

(Multiple answers possible)



Number of responses: 129 participants

Source: Roland Berger

Innovation and AI: Use across business processes/functions

The majority of companies use innovative tools in less than 10 % of business processes; a big increase is planned

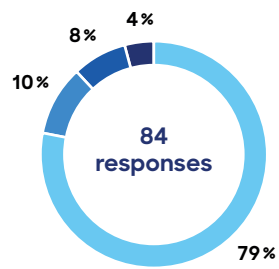
Business processes and functions

Most companies plan to significantly expand their use of innovative technologies and tools

Current use
for management or operation

To what extent are you already using innovative technologies and tools (e.g., AI)?
Innovative technology and tools are important for …

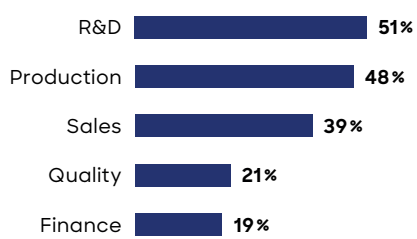
… of the most relevant business processes



less than 10 % | 10 % - 25 % | 25 % - 50 % | more than 50 %

In which functions are you already using innovative technologies and tools (e.g., AI)?
(Multiple answers possible)

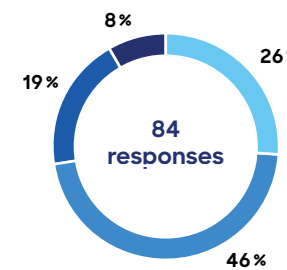
Other mentioned functions: Procurement, HR, IT



Planned use
for management or operation

To what extent are you planning to use innovative technologies and tools (e.g., AI)?
Innovative technology and tools are important for …

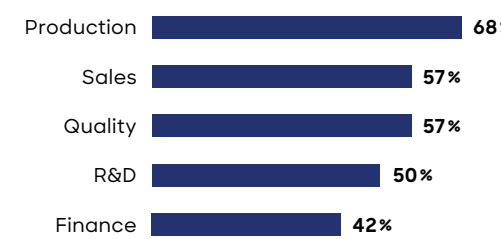
… of the most relevant business processes



less than 10 % | 10 % - 25 % | 25 % - 50 % | more than 50 %

In which functions are you planning to use innovative technologies and tools (e.g., AI)?
(Multiple answers possible)

Other mentioned functions: Procurement, HR, IT



Number of responses: 84 participants

Source: Roland Berger

Conclusions and recommendations

Resilience measures are starting to pay off, but companies across all tier levels need to continue their efforts

Resilience is growing

Measures introduced by aerospace companies in the last few years to improve supply chain resilience are now starting to pay off. Resilience has increased and the severity of disruptions is decreasing.

Further measures are still required

Companies should persist with or even increase their ongoing efforts to improve resilience. The supply chain is not yet resilient and further work – in particular at Tier-2 and Tier-3+ level – is required to stabilize the Tier-1 and OEM level.

Efforts should focus on future-proofing

Measures should not only react to current disruptions but should also optimize the supply chain setup to dynamically react in the future. Potential further disruptions are on the horizon or already impacting the supply chain, for example, geopolitical instability, trade wars, cyberattacks and climate change.

Associations offer support to suppliers

Industry associations are supporting the move towards a resilient supply chain. One example is the "AeroExcellence International" initiative, a holistic tool to analyze the current status and improvement potential of supplier firms along the entire value chain.

WE RECOMMEND FOCUSING IN PARTICULAR ON THE FOLLOWING ACTIONS:

- Sharing of best practices along the supply chain (e.g., via the AeroExcellence International initiative)
- Stable ramp-up planning and demand signal to the suppliers
- Further support for suppliers facing financial constraints
- Analysis and reduction of supply chain risk exposure

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