

Week commencing 24 August 2026

COVERAGE

10–23 August
2026

AUDIENCE

Executive leadership · Technology, defence and security decision-makers

HANDLING

Internal use — not for onward distribution

IF YOU JUST REMEMBER ONE THING FROM THIS BRIEFING...

Europe absorbed a drone shootdown and an ammunition-plant explosion in the same 24 hours, and neither alone meets the threshold for a collective response.

Latvia downed a drone on 14 August; Italy's Colleferro shell plant burned on 13 August, sabotage unconfirmed. Individually, each is explicable; together, they are what grey-zone pressure is designed to produce. Ask your crisis team whether escalation triggers are calibrated to an accumulating pattern, not one unambiguous act.

FORTNIGHT IN REVIEW

Geopolitics, defence and security

PRIORITY

13–14 AUG

Drone shot down over Latvia; Italian ammunition plant explosion probed as possible sabotage

An Italian Eurofighter shot down a drone over Latvia's Balvi region on 14 August under NATO's Baltic air-policing mission. A day earlier, fire hit KNDS's Colleferro plant near Rome, which makes 155mm shells for Ukraine; prosecutors treat an industrial accident as the working hypothesis, sabotage unconfirmed.

So what: treat ambiguous incidents at defence-industrial sites and allied airspace as standing risk, whether or not sabotage is ever proven.

PRIORITY

13, 18 AUG

EU's 21st sanctions package takes effect as Kyiv says Moscow shows no readiness for ceasefire

Banking measures under the EU's 21st Russia sanctions package, barring 33 more financial institutions from transactions, took effect on 13 August. Ukraine's deputy intelligence chief said on 18 August that Russia shows no battlefield sign of ceasefire readiness; trilateral US-Ukraine-Russia talks stay suspended since February.

So what: plan for a prolonged conflict, not near-term settlement. Refresh sanctions screening against the newly listed institutions and traders.

PRIORITY

17 AUG

Raytheon wins \$22.9bn Tomahawk contract; Germany's own order still unapproved

The US Navy awarded Raytheon a seven-year, \$22.9bn contract on 17 August to ramp Tomahawk production toward 1,000 missiles a year. Germany's July letter of intent, under which Washington promised August export approval for its own purchase, stayed unapproved when the contract was announced.

So what: long-range strike capacity is scaling for whoever secures export approval — check whether allied supply plans assume that approval lands on schedule.

WATCH

12, 19 AUG

Nvidia H200 shipments resume to China as Taiwan condemns China-Indonesia naval exercise

ByteDance and Tencent each took delivery of roughly 10,000 Nvidia H200 chips by 19 August, the first shipments under January's cap of 75,000 units per approved firm. Separately, Taiwan on 12 August condemned a China-Indonesia naval exercise announced for its east coast.

So what: a licensed compute channel is not a flowing one — model your China chip exposure on shipment data, not approval headlines.

WATCH LIST

Developments to track this fortnight

DEVELOPMENT	REGION	SECTOR AFFECTED	WHAT TO WATCH NEXT
Colleferro plant investigation	Europe (Italy)	Defence, supply chain	Whether prosecutors find sabotage evidence, and effect on 155mm shell supply to Ukraine.
Germany's Tomahawk export approval	Europe / US	Defence, supply chain	Whether Washington issues the promised August approval.
Rare-earth controls on EU firms	Global / China	Supply chain, technology	Whether Beijing widens July's restriction further or grants exemptions.
FSB Center 16 router-exploitation campaign	Global / Europe	Security, infrastructure	Whether further co-sealing nations report compromises tied to the 14 July advisory.
China-Indonesia naval exercise near Taiwan	Indo-Pacific	Defence, security	Whether this becomes a recurring pattern of allied pressure on Taiwan.

REGULATORY AND SECTOR WATCH

What changed, and what is coming

In force now

- EU's 21st sanctions package: transaction ban on 33 more Russian institutions, effective 13 August.
- Nvidia H200 licence cap of 75,000 units per approved Chinese firm; shipments resumed in August.

Approaching

- 21st package's crypto-services board ban extends to any Russian national from 25 August.
- Germany's Tomahawk export approval, promised for August, remains outstanding.

Standing watch — Baltic and Nordic drone incursions. Incursions into Baltic states and Finland continue through 2026 alongside NATO's Eastern Sentry posture, with no reduction evident. Treat airspace incidents near critical sites as routine, not exceptional.

RECOMMENDED

Three things to do before the next edition

- Map defence-industrial suppliers for single-site production risk, whichever cause Colleferro proves to be.
- Confirm sanctions screening reflects the institutions and crypto-asset providers named in the 21st package.
- Check China-facing compute supply assumptions against live H200 shipment volumes, not licence approvals.

OUTLOOK — NEXT FORTNIGHT

We assess it is likely that further ambiguous incidents will affect NATO members' airspace or defence-industrial sites before the next edition, and a realistic possibility that Germany's Tomahawk export approval lands within weeks rather than the promised August window. Formal ceasefire talks remain unlikely to resume before then.

NEXT EDITION

Monday 7 September 2026. Send additions, corrections or sector intelligence to your ClearPath engagement lead.

