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Republic of Korea: Transforming the Armed Forces



The Republic of Korea (ROK) Ministry of National Defence is trying to transform the armed forces of the country. It seeks to convert them into an information and technology intensive military structure and raise the efficiency of national defence organization and management to match the standards of the changing security environment and future warfare requirements. Additionally tries to simplify

the chain of command while downsizing the number of units. It is indicative that in 2009 the Korean armed forces numbered 681,000 units whereas in 2020 it is scheduled to number 517 million units. In order to achieve this MDN has a budget of 32,958 billion KRWs to allocate for 2012. This number represents an increase from the 31,403 billion KRWs that were allocated in 2011. Nevertheless, the defence budget, as a percentage of the national Gross Domestic Product (GDP) will be decrease by 2.48 % of GPD that was in 2011 to 2.42 % in 2012.

As it is already mentioned ROK Ministry of National Defence schedule to diminish the number of military personnel in the forthcoming years. This process has already started as military personnel decreased by 26 thousand between the period 2005 and 2009. Total military personnel were 681,000 in 2005. From these 548,000 served in the army, 41,000 served in the navy, 27,000 in marine corps and 65,000 to air force. In 2009 this number was reduced to 655,000. The 26,000 personnel were reduced from the army while the personnel of the other branches of the armed forces (navy, marine corps, air force) remained the same.

Total Number of Military Personnel

YEAR	TOTAL	ARMY	NAVY	MARINE CORPS	AIR FORCE
2005	681	548	41	27	65
2009	655	522	41	27	65
2020	517	387.2	41	23.8	65

Source: <http://www.mnd.go.kr>

The projection for 2020 is that this number will further diminish to 517,000. Once again the army will mainly absorb this reduction as the total number of personnel will be reduced from 522,000 that it was in 2009 to 387.2 in 2020. The only other branch that will have its personnel cut is the marine corps (27,000 in 2009, 23.8 thousands in 2020).

The second pillar of the army's modernization plan is the simplification of the command structure. The intention of the authorities is to establish an efficient military command system that will allow the national armed forces to take the initiative in war planning, preparing for theater operations and to set up a military cooperative organization for Republic of Korea-US combined operations. The new combined defence system, following the transition, will evolve into an ROK-supported and US-supporting operational system.

Regarding the defence budget there is an upward trend. It is indicative that for the year 2010 the budget dedicated to enhance military forces was increased by 5.7% compared to 2009 to 9.103 trillion KRW. This trend continues as the Korean



authorities will pursue a total of 293 force improvement projects from 2011 to 2015. They will also continue the 183 existing projects, including the K-2 tank project, next-generation landing ship project and F-15 project (2nd project), and will set about 110 new projects, including the Battalion Battle Command System, personnel landing craft project (2nd project) and the project for the development of a new fighter jet (Boramae project) .

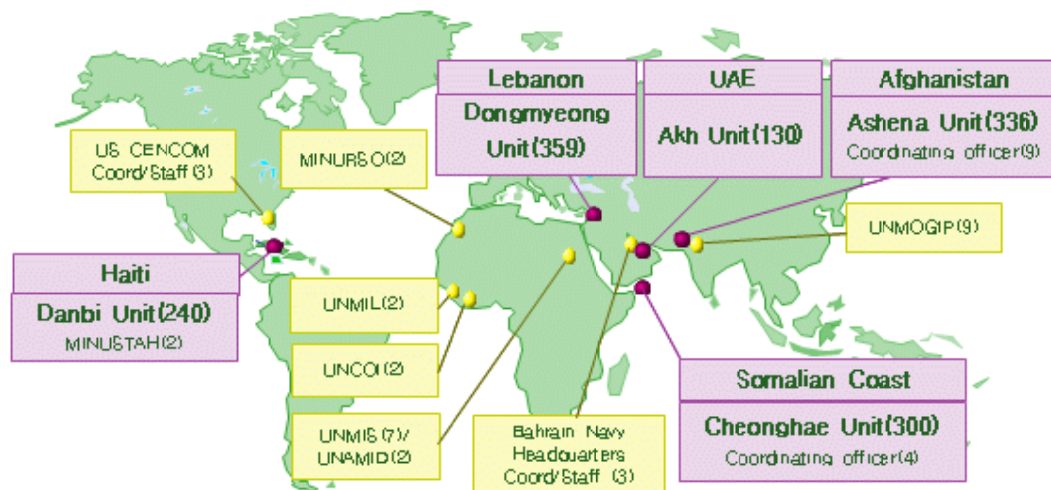
Kyriazis Vasileios,
Epicos Newsletter Head Editor

South Korea: International Presence and Defence Alliances



Republic of Korea (ROK) sets as priorities to maintain stability and peace on the Korean Peninsula, to establish the foundation for public safety and national prosperity and to enhance the country's international capacity and stature. This last

objective refers to the ROK intention of becoming a Soft Strong Power by actively contributing to world peace, freedom and democracy. In order to achieve this, ROK is actively engaged in international peacekeeping operations and reconstruction activities. This is highlighted by the fact that ROK participated in several international peace keeping operations, since its initial dispatch of an engineering battalion to Somalia in 1993. In January 2011 ROK had 1,420 troops dispatched to 17 regions in 14 countries.



Additionally, authorities of the country are trying to enhance the international relations of ROK with foreign countries in the field of defence. Under this context, on February 27, 2012 Chief of the Acquisition Planning Office under the Korean Defence Acquisition Program Administration (DAPA), and his counterpart, Dr. W. Selvamurthy, Chief Controller, India's Defence Research and Development Organization (DRDO), exchange opinions each other at the S. Korea-India Cooperative Defence Research and Development Committee.

The agenda of the meeting dealt mainly with joint development projects and pending issues about technology cooperation. Furthermore, the Indian delegation headed by Dr. Selvamurthy visited the Korean Agency for Defence Development (ADD), a core think tank for Korean-designed weapons development, and several major Korean defence industries including Samsung Techwin.

During the visit a DAPA official stated the following: "we will take this cooperation committee as a good opportunity to continue doing S. Korea-India joint research and development, furthermore, through such a successful collaboration of the two sides on



defence technology development, we are expected to cut the research and development budget, shorten the development duration, and by so doing, further promote the export of military supplies by co-producing them and creating new markets. As a result, the committee is anticipated to play a role as the hub of the joint research and development in the Asian region."

Finally, ROK will enhance their international role by enhancing the relationship with USA. Under the policy ["Strategic Alliance towards the 21st Century"](#) ROK and the U.S. *"agreed to abide by, first, claiming to stand for a liberal democracy, market economy and humanitarianism, and promote such ideals befitting of the Korean Peninsula, Northeast Asia and the World, second, broadening and deepening their mutually-dependent relationship on the social, economic and cultural fronts on the basis of their solid, long-lasting military alliance, and third, developing the alliance such that it can contribute to regional and global peace and confidence building, while bolstering strategic cooperation with other neighboring countries in the region"*.

ROK authorities are deliberately trying to enhance the country's international presence. In order to achieve this, the armed forces are participating in several international peace keeping operations and additionally they are trying to develop international relations with foreign countries in the field of defence.

Kyriazis Vasileios,
Epicos Newsletter Head Editor

Epicos "Industrial Cooperation and Offset Projects"



Epicos "Industrial Cooperation and Offset Projects" provides a unique set of online tools enabling the structure, identification and implementation of comprehensive Offsets programs, through a searchable database. By introducing different offset projects and ideas proposed by local A&D industry it ensures the optimum cost for Prime Contractors and reassures that the priorities of local industry are fully met...

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Development of a customized Howitzer crew training and simulation system



A leading player in artillery simulation and training concepts is interested in expanding its Howitzer crew training and simulation system into new markets. The complete training system is a proven concept, which uses a complete turret with all equipment, dummy ammunition and monitoring systems for the instructors to make sure that artillery training can be performed as realistic as possible. The system simulates the whole firing process and is considered to be much more cost effective than training in the real environment. Having delivered more than 50 systems to 10 international customers worldwide, the company has established the market leadership in this field. The company is interested in expanding this leadership and extend its customer base to new countries. In this context, the company is willing to cooperate with a prime contractor to develop a customised Howitzer training system, which can be offered to a third country as part of a direct or indirect offset programme.

[For Further Information Contact our ICO Department](#)

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Development of SHORAD system radar (sub) components



Air Defense (SHORAD) missile systems.

A company specializing in the repairing and technical inspection of fire control systems, radars, electronic and mechanical units of different missiles, the designing and manufacturing of mechanical, electronic units, hardware and software of military implements and security engineering systems is proposing, in the frame of an offset program, the collaboration with a prime contractor or a third party company specializing in 3D Radar Development, in order to receive technology on the development of radar system components to be used in medium- and Short Range

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**Military Economics: The Interaction of Power and Money, by Ron Smith**

Money has always being an important matter for the military. Money is needed to finance fighting and desire to acquire it is often the motive for fighting. Additionally, fighting matters for the economy, since military power and conflict have shaped economic development throughout the history of mankind. Nevertheless, defense economics has long been incomprehensible to many students of security and the military. This book is trying to delineate the issue and must be regarded as a long needed book on the complex and important issues of military economics.

Enterprise Sustainability: Enhancing the Military's Ability to Perform its Mission, by Dennis F.X. Mathaisel, Joel M. Manary, Clare L. Comm

Military supply chains are unique because what is supplied to the end user is routinely returned to the supply chain for maintenance, repair, and overhaul (MRO). Offering a blueprint for transforming military depot workload and processes into those of high-performance commercial facilities, Enterprise Sustainability: Enhancing the Military's Ability to perform its Mission provides a powerful system of concepts and tools for enhancing the ability of the military to perform MRO on its weapon systems. These concepts and tools are applicable to any enterprise, military or commercial.



European airlines rally against EU carbon tax

Airbus and six European airlines have written to four EU leaders attacking the carbon tax imposed by the European Union, a source close to the dossier told AFP Sunday.

Plane maker Airbus, British Airways, Virgin Atlantic, Lufthansa, Air France, Air Berlin and Iberia have written to the leaders of Britain, France, Germany and Spain to warn them about its economic consequences, said the source.

They argue the tax could cost them billions of dollars in lost orders and lead to the loss of the thousands of jobs.

French aerospace and defence group Safran and Germany's MTU also put their names to the letters, to British Prime Minister David Cameron, French Prime Minister Francois Fillon, German Chancellor Angela Merkel and Spanish Prime Minister Mariano Rajoy. All four countries helped found Airbus.

"We question the unilateral nature of this measure," said the source, adding that they wanted talks with all those affected, within the International Civil Aviation Organization (ICAO).

Their initiative was first revealed late Sunday in the Financial Times.

It comes after the head of the Airbus parent company EADS said Thursday that China had blocked purchases of Airbus planes by Chinese companies in reaction to the disputed tax.

Airbus was being subjected to retaliation measures, EADS chief executive Louis Gallois told reporters.

According to a report on the website of the French economic daily Les Echos, China's decision to freeze Airbus orders could cost the European aircraft company up to \$12 billion (nine billion euros).

In the letter to Fillon, Airbus chief Tom Enders warned that the tax threatened more than a thousand jobs at the heart of the business and a thousand more in industries supplying Airbus, Les Echos reported.

On Tuesday, the head of the International Air Transport Association (IATA) warned that the EU tax could provoke trade wars.

On Friday however, Denmark's Climate Minister Martin Lidegaard said the EU would maintain the tax on airlines operating in its airspace so long as an international solution had not been found.

Denmark currently holds the EU's rotating presidency.

The carbon tax imposed on airlines by the European Union came into effect on January 1, but carriers will begin receiving bills only in 2013 after this year's carbon emissions have been assessed.

More than two dozen countries, including China, Russia and the United States, have opposed the EU move, saying it violates international law.

But the EU has said the tax will help it achieve a goal of cutting carbon emissions by 20 percent by 2020 and has insisted it will not back down on the plan.

It argues that the cost for airlines is manageable, estimating that the scheme could prompt carriers to add between 4.0 and 24 euros (\$5.25 and \$31.50) to the price of a round-trip long-haul flight.

Source: 2012 AFP, Agence France-Presse (AFP)

Jet crashes hit new low

The accident rate for Western-built jets was the lowest in aviation history last year, surpassing the previous mark set in 2010, the International Air Transport Association (IATA) announced Tuesday.

The total number of aircraft crash fatalities also fell to 486, from 786 in 2010, the aviation group said in a statement.

The industry's global accident rate in 2011 in which an aircraft is destroyed or substantially damaged was 0.37, or the equivalent of one accident every 2.7 million flights, compared to 0.61 the previous year.

In total there were only 11 hull loss accidents involving Western-built jets compared to 17 in 2010. When Eastern-built jets are included, however, the figure jumps to 92 accidents.

"Flying is one of the safest things that a person could do," the IATA's director general Tony Tyler said in a statement.

"But, every accident is one too many, and each fatality is a human tragedy. The ultimate goal of zero accidents keeps everyone involved in aviation focused on building an ever safer industry."

According to IATA figures, 2.8 billion people flew safely on 38 million flights last year.

The safest regions to fly were in Asia-Pacific, Europe, North America and North Asia. The accident rate for Africa improved, but it remained the worst performing region in the industry.

Latin America and the Caribbean also performed better than 2010 but their hull losses were still 3.5 times higher than the global average.

The Commonwealth of Independent States's accident rate was higher than the global average and also higher than last year. The rate for the Middle East and North Africa region also worsened.

Runway excursions, in which an aircraft departs a runway during a landing or takeoff, were the most common type of accident in 2011.

Eighty-eight percent of runway excursions occurred during landing, in situations where the aircraft is too fast, above the glide slope, or touches down beyond the desired touchdown point, or when runways are contaminated.

The IATA represents some 240 airlines comprising 84 percent of total air traffic.

French airport operator ADP buys stake in Turkey's TAV

French airport operator Aeroports de Paris said Monday it has acquired 38 percent of the leading Turkish operator TAV, which runs Ataturk airport in Istanbul.

ADP said it would pay 874 million dollars (667 million euros) for the holding, which values the Turkish company at 2.3 billion dollars and is part of the French group's strategy to expand into emerging economies.

The deal was announced amid tension between Paris and Ankara after French lawmakers voted to introduce legislation that would make it a crime to deny the Armenian genocide.

France's top court last month ruled that the legislation was unconstitutional but French President Nicolas Sarkozy, who is facing a tough re-election battle in April and May, has vowed to put forward a new bill.

TAV also operates airports elsewhere in Turkey and in Georgia, Lithuania, Macedonia, Saudi Arabia and Tunisia.

The two groups run directly or indirectly a total of 37 airports worldwide that welcome around 180 million passengers a year.

ADP is interested in buying stakes in airports that handle more than 10 million passengers a year, and particularly those in countries like Brazil, China, India and Russia.

Source: 2012 AFP, Agence France-Presse (AFP)

India's troubled Kingfisher scraps more flights

India's beleaguered Kingfisher Airlines cancelled dozens of flights Monday, including at least one international route, after staff went on unofficial strike over unpaid wages.

Kingfisher said that its schedule was also affected after the company was suspended last week by the International Air Transport Association (IATA) from a global payments system.

The airline issued a statement blaming "employee agitation on delayed salaries" and the IATA suspension for the cancellations, which it said would hit about 20 percent of its already reduced service.

It did not say how many flights were affected during the day, but a Mumbai airport spokesman said 11 flights from Mumbai had been cancelled.

Several other airports including New Delhi were also hit on Monday and at least one international flight, a 7:00 pm service from Delhi to Dubai, was among the flights scrapped.

Kingfisher, which has never turned a profit and has sunk deeper into debt since its launch in 2005, has often run a reduced flight schedule in recent weeks amid growing fears for its survival.

The carrier, controlled by Indian liquor baron Vijay Mallya, owes suppliers, lenders and staff millions of dollars.

Mallya told The Week magazine published on Monday that the airline needed \$200-250 million immediately to secure its future, and he pushed for foreign ownership restrictions to be lifted in the aviation sector.

"Additional equity can and must be part of the plan," Mallya said. "That is why I have been requesting the government to reconsider its ban on foreign airlines investing."

"I have never asked the government for a rupee... (but) the airports are government-owned. The fuel supplier is government-owned. The banks are government-owned. It's in their hands," he said.

Mallya pointed to high fuel prices, taxes and the plunging rupee as being responsible for the current crisis -- not bad management.

Kingfisher's bank accounts have been frozen by Indian authorities due to non-payment of taxes, and at least 60 pilots have already left the airline to work with rivals according to the Press Trust of India news agency.

The airline's net loss widened sharply to 4.44 billion rupees (\$88 million) in the three months to December from a loss of 2.54 billion rupees a year earlier, while its debt totals at least \$1.3 billion.

Source: 2012 AFP, Agence France-Presse (AFP)

Boeing 787 Dreamliner for Air India Debuts in New Delhi

NEW DELHI, March 12, 2012 /PRNewswire/ -- After a 14-hour non-stop flight from Seattle, a Boeing (NYSE: BA) 787 Dreamliner in Air India's colors touched down at Indira Gandhi International Airport in New Delhi today.

"We're proud to bring the world's most advanced commercial airplane to India, especially when it proudly displays the colors of national flag carrier Air India," said Dinesh Keskar, senior vice president of Asia Pacific and India Sales for Boeing Commercial Airplanes. "This week even more of our airline customers will experience the game-changing technologies and innovations the 787 has to offer."

The 787 will be on static display in New Delhi before debuting at India Aviation 2012 in Hyderabad on March 14. The Dreamliner that will be showcased is outfitted in Air India's livery and an inviting passenger interior featuring full business and economy-class cabins.

Made from composite materials, the Boeing 787 Dreamliner is the first airplane to provide both long distance capabilities with mid-size capacity. This capability will allow airlines like Air India to profitably operate non-stop routes to many more distant cities, providing choices preferred by the traveling public.

As a result of innovative technologies, the airplane offers unparalleled operating economics, fuel efficiency and passenger comfort. More than 800 787s are on order by 60 customers, a testament to the airplane's unique capabilities.

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Source: Epicos, Boeing