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## Kenya: Defence Budget and Equipment Modernisation



### MINISTRY OF DEFENCE



Following the incidences of terrorism and violence witnessed by Kenya, security has been given high priority.

The government has allocated adequate resources to enable the armed forces to handle and manage security issues. A total of Kenyan Shilling (KSh) 112.5 billion (1.1 billion US dollars) has been set aside for defence and the National Intelligence Service. In the 2016-17 budget, National Security is expected to receive 8.1% of the total government expenditure, slightly increased (0.6%) compared to the 2015/16 budget.

For 2016 the following allocations has been planned by Kenyan authorities:

- KSh. 8.2 billion (81.6 million US dollars) for lease financing of police motor vehicles, and aircraft;
- KSh. 13.2 billion (130.3 million US dollars) for enhanced security operations;
- KSh. 10 billion for (99.5 million US dollars) police modernization programme;
- KSh. 5.1 billion (50.7 million US dollars) for police medical insurance scheme;
- KSh. 0.9 billion (9 million US dollars) for construction and equipping of the national forensic laboratory;
- KSh. 2.9 billion (28.9 million US dollars) for construction of police stations;
- KSh. 2.0 billion (19.9 million US dollars) for securitization of borders;
- KSh. 15.6 billion (15.5 million US dollars) for military modernization.

Kenya's army is considered to be one of the best equipped and trained in East Africa. Additionally, it has taken part in several peacekeeping operations. This was exemplified by the UK's Armed Forces Minister Mrs. Penny Mordaunt during the Kenyan leg of her African visit on February 2016, when she stated that: "The UK shares a long-standing and mutually beneficial Defence relationship with Kenya, we are bound together by a wide range of shared interests and this is more important now than ever given Kenya's commitment to the AMISOM mission in Somalia and its fight against terrorism in the region".

More on that, the country's Navy is adequately equipped and has largely benefited from training and assistance from European countries and USA. Kenyan Navy is taking part in anti-piracy patrols and missions. Its largest asset is the P3124 KNS Jasiri, which was built as an oceanographic survey vessel in Gondan shipyard and was later fitted with armament at the navy's Mkunguni dock yard. On June 30, 2011, Fincantieri, delivered the "Nyayo" and "Umoja", two vessels assigned by the Kenyan Navy for mid-life refitting. According to a press release published by the Italian shipbuilding group, the work carried out on both vessels included the reconstruction of the hull, the propulsion, work on the propellers, the electrical and automation plant, and complete replacement of all the command and control equipment, repairs to the conditioning plant and replacement of much of the piping, full reconditioning and partial replacement of the furnishings, insulation and flooring in addition to maintenance work on all auxiliary plant and the installation of new equipment.

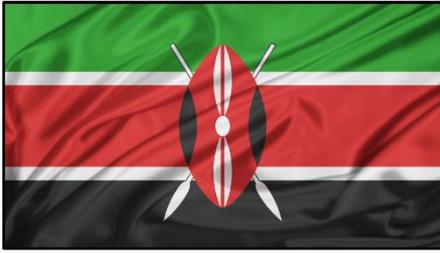
Since the 1970s Kenyan air force is trying to modernise its assets. More specifically, in 1977 the air force acquired the medium lift DHC-5D Buffalo aircraft, in 1978 the F5, in 1979 BAE Systems Hawk, in 1990 Dash-8-100 (DHC-8) and the Tucano, in 1995 the Fokker 70ER and in 1997 the Y-12.

The F-5 has been the main air defence fighter of the Kenyan air force. One of the last operation Kenyan F-5s took place was on 16 October 2011, when they supported Kenyan forces fighting in Somalia against Al Shabab Islamists.

Kyriazis Vasileios

Epicos Newsletter Head Editor

## Kenya: Defence Industry, Technological Level and International Cooperation



Kenya does not have a defence industry in its full and proper sense. Nevertheless, Kenya has domestic capacity to produce small arms and ammunition. Kenya Ordnance Factories Corporation (KOFC), an ISO 9001:2008 certified manufacturer of small arms and ammunition, is a State Corporation under the auspices of the Ministry of Defence. Additionally, the Kenyan air force has launched several initiatives with the cooperation of Defence Forces Training College (DEFTEC) and Jomo Kenya University of Agriculture and technology to improve local defence manufacturing and R&D capabilities.

In order to further enhance the technological level of the local defence industry Kenyan authorities have promoted the creation of cooperative schemes with foreign partners. Under this context in 2012, BAE Systems Land Systems South Africa has teamed with Kenyan company, Rongai Workshop, to provide Military and Technical Services (M&TS) support in Africa. This partnership was planned to cater to the United Nations' (UN) regional missions and the peacekeeping efforts of the African Union and South Africa.

The Ministry of Defence, when procuring defence equipment, among others seeks to establish a viable defence industrial base by insisting on transfer of technology. Leonardo - Finmeccanica has rolled out a project that actually fulfils this requirement as the Italian group has deployed a strategic plan to sustain growth in Kenya, by contributing to developing local industries and by hiring local staff.

In order to further assist the establishment of a viable defence industry, Kenya is deliberately trying to intensify its R&D efforts and to link them with commercial opportunities as well as with the needs of the local armed forces. Thus, the R&D efforts is extensively oriented towards the development of concrete products and/or services that could be used by the Kenyan armed forces and in the future could have the potential to be exported.

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...

[For Further Information Press Here](#)

**Development of a portable mission data acquisition Remote Terminal Unit (RTU) with advanced vehicle mission control and functions monitoring capability for UAVs**

Unmanned Aerial Vehicles (UAVs) are systems for intelligence, surveillance & reconnaissance, as well as weapons’ delivery. A company specialized in the design, development and manufacturing of UAVs, is proposing collaboration in the design and development and/or manufacturing of a portable mission data acquisition Remote Terminal Unit (RTU), with advanced vehicle mission control and functions monitoring capabilities that can be used in a wide range of Unmanned Aerial Vehicles (UAV) worldwide.

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

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**Smart wearables for Future Soldier and Homeland Security applications**

In today's rapidly transforming armed forces, the infantryman continues to play a central role in new operational scenarios. The infantryman has to operate in urban areas and under extreme climatic conditions supporting peace keeping operations in several countries, all over the world. He has to confront new asymmetric threats, and frequently faces attacks from irregular forces. In this frame, a company with extensive experience in providing customized cutting edge solutions in the field of information technology, telecommunications and image processing, is proposing the development of smart wearables to be used in several Future Soldier and Homeland Security applications. The proposed wearables will pinpoint the exact location of Future Soldier, monitor biostatistics and atmospheric readings with precision and relay this information by automatically switching between GSM/GPRS, UMTS, Wi-fi/Wimax, Tactical IP networks and satellite communications.

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

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**News from our A&D Business Network****SAAB Receives Optronic Sensors Order for Canadian Navy**

Defence and security company Saab has received an order from Lockheed Martin Canada to add optronic sensors to the Canadian navy's Ceros 200 fire control directors. Manufactured by Saab, the Ceros 200 equips all of Canada's Halifax-class

frigates along with a land-based test site. Lockheed Martin Canada is the prime contractor for Canada's Halifax-class frigate modernisation programme. The work specified in this order will be carried out during 2016 and 2017.

"This order is the result of Saab's good cooperation with Lockheed Martin and the Canadian navy. The agreement will improve the system beyond its original specifications," says Thomas Kloos, head of business unit Combat Systems and C4I Solutions within Saab business area Surveillance. The additional sensors provide a complement to radar in the Ceros 200 fire control director.

"This is an important additional order within one of Saab's core areas on the key Canadian market that further cements our partnership with Lockheed Martin and the Canadian customer," says Patric Palmer, Saab market area North America.

The work will be carried out at Saab in Sweden as well as in Canada.

Ceros 200 is a radar and optronic fire control director for naval ships. When interfaced with modern missile or gun systems it provides excellent defence against any threat including advanced sea skimming missiles or asymmetric surface threats in littoral environments.

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Saab serves the global market with world-leading products, services and solutions within military defence and civil security. Saab has operations and employees on all continents around the world. Through innovative, collaborative and pragmatic thinking, Saab develops, adopts and improves new technology to meet customers' changing needs.

### NAVANTIA selected to supply two AORs ship to Australia



The Commonwealth of Australia and Navantia have signed a contract to supply two AORs (auxiliary oiler replenishment). These two ships are based on the Spanish Navy ship "Cantabria" which will be tailored to fulfil specific Australian standards and requirements. The agreement with the Commonwealth of Australia also includes the sustainment of the two AOR ships for a period of five years.

These contracts include a significant amount of participation from Australian industry, with companies such as Saab Australia as supplier of the Combat System, Scientific Management Associates (SMA) as suppliers of engineering services, Baker and Provan as supplier of cranes and an Australian communication system supplier. In relation to Support, all the sustainment activities will be performed in Australia (NSW and WA) with Navantia Australia and its subcontractors, which has been partnering with Australian companies since 2007. Other opportunities for Australian suppliers will be published through the ICN gateway.

With this contract, Navantia has further established a reputation for being a reference platform designer for the RAN. These two ships will join the two LHDs, the three AWDs and the twelve Landing Craft designed by Navantia. Navantia is proud of its participation in the development of the naval capabilities for the RAN.

Navantia Australia has significant capability established in Australia which with the company's Technical Operation Centre located in Adelaide, will be a valuable asset for future shipbuilding activities in Australia, providing the required expertise to face the challenge of future projects. Navantia is fully committed to Australia and will contribute to naval projects with proven capacity and ability to supply. Navantia now looks forward to working with the Commonwealth and Industry even more closely, to achieve program goals that we all totally share.

For Further Information [Click Here](#)

**BAE Systems and Emirates Defense Technology Team Up on M777 Howitzer in the UAE**

BAE Systems has signed a teaming agreement with Emirates Defense Technology (EDT) to pursue opportunities for the towed M777 155mm Lightweight Howitzer in the UAE and further explore the development of a self-propelled 155mm artillery system.

“This agreement affirms our desire for an enduring industrial partnership in the UAE,” said Stephen Luk, head of campaign management at BAE Systems. “The M777’s credentials are unmatched by any other 155mm lightweight howitzer. It would provide the UAE Armed Forces with a high quality howitzer that is easy to use and reliable in combat.”

This teaming agreement also offers a platform for BAE Systems and EDT to continue developing the novel 155mm self-propelled artillery concept, which integrates the M777 with EDT’s indigenous Enigma 8x8 Armored Modular Fighting Vehicle.

“EDT is delighted to collaborate with BAE Systems in the UAE for the M777 lightweight howitzer and its vehicle integration programs,” said Colin Rothwell, Group CFO of EDT. “This agreement reinforces EDT’s commitment to partner with the world’s leading military companies to provide the most up to date and proven equipment, technology, and solutions to our clients.”

At half the weight of other 155mm towed howitzers, the M777 provides a rapid reaction capability and a proven pedigree that delivers decisive firepower when needed most in sustained combat conditions. With 1,090 M777s in service with ground forces in the United States, Canada, and Australia, the M777 is the only battle-proven 155mm lightweight howitzer in the world. It will remain at the forefront of artillery technology well into the future through the use of technical insertions, long-range precision guided munition developments, and flexible mobility options.

The Enigma program aims to provide the UAE Land Forces with a world-leading family of vehicles based on a common 8x8 chassis. In this context, the M777 self-propelled artillery system would provide the mobile indirect fire variant with fire-and-move and precision attack capabilities.

BAE Systems and EDT first unveiled a concept model of the M777 integrated onto the Enigma vehicle during the IDEX defense exhibition in February 2015.

For Further Information [Click Here](#)

**Source:** Epicos, BAE Systems

## Cubic and Industry Partners Awarded \$200 Million Contract by US Air Force Research Laboratory for Warfighter Readiness and Training Research

Cubic Global Defense (CGD), a business unit of Cubic Corporation (NYSE: CUB), today announced it is part of the Warfighter Readiness Research Division Contractor Team awarded a five-year, cost-plus-fixed-fee \$200 million contract by the U.S. Air Force Research Laboratory (AFRL) for research and evaluation of warfighter readiness and training. The team, led by L-3 Communications Corporation's Simulation & Training Division, consists of CGD, Ball Aerospace and Leidos. Under the contract, CGD and other defense industry experts will develop technology to create wide-spectrum readiness capabilities that are architecture, network and domain agnostic. The team will also create and validate an interoperable, secure training toolset to increase training fidelity; enable comprehensive cross-mission, performance-based debriefs; and reduce training/exercise overhead for the U.S. Air Force.

"We look forward to working with AFRL researchers and our industry partners within the Warfighter Readiness Research Division Contractor Team to find and deliver the knowledge and skills our warfighters need to dominate their operating environment," said Bill Toti, president of Cubic Global Defense. "As part of our NextTraining strategy, Cubic is focused on raising mission readiness and optimizing human performance for our customers to enable the most effective and efficient training methods." Work under this award will be performed at Wright-Patterson Air Force Base, Ohio, and is expected to be complete by January 2023.

### About Cubic Corporation

Cubic Corporation designs, integrates and operates systems, products and services focused in the transportation, defense training and secure communications markets. As the parent company of two major business units, Cubic's mission is to increase situational awareness and understanding for customers worldwide. Cubic Transportation Systems is a leading integrator of payment and information technology and services to create intelligent travel solutions for transportation authorities and operators. Cubic Global Defense is a leading provider of realistic combat training systems, secure communications and networking and highly specialized support services for military and security forces of the U.S. and allied nations. For more information about Cubic, please visit the company's website at [www.cubic.com](http://www.cubic.com) or on Twitter @CubicCorp.

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**Source:** Epicos, Cubic Corporation

### **Patria acquired a stake in Silverskin – a company specialised in cyber security**

Defence company Patria Oyj has acquired a minority stake (25%) in Silverskin Information Security Oy which is specialized in cyber security. Patria expands its business in cyber security and this deal opens up new business opportunities especially in the international market but also in Finland.

Silverskin Information Security has been able to expand its operations and to become an international player in cyber security. Patria as partner, Silverskin takes an essential step to develop further its operations into larger projects and to new clientele. "Silverskin is from Patria's point of view an interesting and dynamic company with a great growth potential. Cyber security is an essential part of our business and a field that we have followed closely for a long time. It is characteristic for a continuously and fast changing field to develop its operations also together with small and agile companies aiming to international market", states Pasi Niinikoski, President of Patria's Systems business unit.

"The latest development projects of Silverskin are enormous compared to the current size of the company. Patria's international credibility and successful completion of international projects as well as the financial back-up are supporting our present goals. Our common goal is to maintain Silverskin's fast learning culture and to study the possibilities for development of common cyber products", says Mikko S. Niemelä, Chairman of the Board of Silverskin.

Silverskin is an information security company with the highest certified levels of standards both in European Union and in the US Department of Defense. The company operates in Finland directly with the customers but also indirectly using a wide network of partners. International operations extend from Russia and the Middle East to the USA. Silverskin offers real-time situational awareness about the state of the company's cyber security – from inside and out, coaches the personnel of the customer organisations in the field of cyber security and helps its customers to choose and to put into operation the best and most suitable information security standards.

Patria is a trusted provider of defence, security and aviation life cycle support services and technology solutions. Besides Finland, the Group has operations in Sweden, Norway, Estonia, Poland, the United Arab Emirates, the United States, and South Africa. Patria employs 2,800 professionals.

#### **Further information:**

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**Source:** Epicos, Patria

## AAR Expands PBH Footprint in Europe

AAR, a leading provider of aviation aftermarket services to the world's airlines, announces the expansion of its power-by-the-hour (PBH) component inventory management and repair program in Europe. AAR signed a long-term contract with Volotea to support its new fleet of A319s.

AAR will manage the aircraft supply chain through its global warehouse network with a primary parts pool in Brussels, as well as a home-base kit with the customer. The agreement includes management of the complete component repair cycle. Volotea will also have access to the entire AAR pool of inventory through exchanges and procurement. The full PBH program will grow to a fleet of more than 50 A319 aircraft.

Volotea serves 70-plus cities and is focused on connecting small and midsize European cities with non-stop direct flights at very competitive prices.

"Just as Volotea caters to individual passengers' unique needs, AAR is nimble enough to cater to Volotea's unique component needs at a price that allows them to remain competitive," said Deepak Sharma, President, AAR International Supply Chain.

"We are pleased to have partnered with AAR and look forward to their support as we begin to phase in our first A319. Our continuous growth and switch to a new fleet required us to find a solid partner, and we believe we have that with AAR," said Alex Clerc, Chief of Cost and Ops Performance for Volotea.

"This agreement is a testament to our strategic focus on Europe and our new PBH program management team's efforts to raise the visibility of AAR's supply chain network and capabilities in the region," said John Holmes, Chief Operating Officer, AAR Aviation Services. "I am excited to expand AAR's European footprint."

### About Volotea

Volotea, the airline of small and midsize European cities, offers direct flights at attractive prices. Its fleet is currently composed of 19 Boeing 717 with a configuration of 125 seats and will incorporate four Airbus A319 by the end of May 2016. Both models are recognized for their comfort and reliability, with Volotea offering reclining seats that are 5 percent wider than the average and approximately 30 inches of separation between each row. In 2016, the company will operate more than 38,000 flights across its 196 routes, which connect 72 small and midsize cities in 13 countries: France, Italy, Spain, Germany, Greece, The Czech Republic, Croatia, Israel, Albania, Moldova, Portugal, Malta and UK. Since its creation in April 2012, Volotea has transported more than 7 million passengers across Europe and in 2016 expects to transport more than 3.4 million.

### About AAR

AAR is a global aftermarket solutions company that employs more than 4,500 people in over 20 countries. Based in Wood Dale, Illinois, AAR supports commercial aviation and government customers through two operating segments: Aviation Services and Expeditionary Services. AAR's Aviation Services include inventory management; parts supply; OEM parts distribution; aircraft maintenance, repair and overhaul; and component repair. AAR's Expeditionary Services include airlift operations; mobility systems; and command and control centers in support of military and humanitarian missions. More information can be found at [www.aarcorp.com](http://www.aarcorp.com).

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**Source:** Epicos, AAR

### **Harris Corporation Awarded \$405 Million Foreign Military Sales IDIQ Contract for Tactical Radios**

Harris Corporation has received a five-year, \$405 million ceiling, single-award follow-on IDIQ contract from the U.S. Army Communications-Electronics Command. The follow-on contract was awarded under the Foreign Military Sales (FMS) program. The award was received during the fourth quarter of Harris' 2016 fiscal year.

Under the contract, Harris will provide a wide range of tactical communications equipment, including export versions of its Single Channel Ground and Airborne Radio System (SINCGARS); ground and airborne configurations of the SpearNet™ Team Member radio; associated products and spares; and training, installation, and field service support.

"Harris' SINCGARS and other tactical radios deliver situational awareness into the hands of the warfighter," said Chris Young, president, Harris Communication Systems. "This agreement expands the range of communications products and services Harris provides to international customers under FMS contracts."

#### About Harris Corporation

Harris Corporation is a leading technology innovator, solving our customers' toughest mission-critical challenges by providing solutions that connect, inform and protect. Harris supports customers in more than 125 countries, has approximately \$8 billion in annual

revenue and 22,000 employees worldwide. The company is organized into four business segments: Communication Systems, Space and Intelligence Systems, Electronic Systems, and Critical Networks. Learn more at [harris.com](http://harris.com).

**Source:** Epicos, Harris Corporation

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