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Estonian Future Defence Procurements



According to the Estonian authorities the funds allocated for the acquisition of new armament will be spent taking into consideration the specificities created by the fact that the country is a small state and by the requirements generated by the necessity for interoperability with its allies. Therefore, main priorities include the purchase of equipment for units

participating in international operations and the Infantry Brigade. The new capabilities created also include new communications, air defence and anti-tank systems.

As it is already mentioned one of Estonia's main priorities is the establishment of modern and integrated communication capabilities. Currently, main project is the up-building of a tactical communication system of the Defence Forces and Infantry Brigade, the ESTTACS (Estonian Tactical Communication System). The implementation of such a project will help towards the direction of creating an army that will meet NATO's interoperability standards and will fulfil Estonia's commitment to contribute to the NATO's Force Structure, by participating in the full spectrum of Allied operations. The reason is that it will provide the Defence Forces with all the modern communication opportunities, including voice, radio and data communication and their compatibility with NATO's structures.

In order to further strengthen the country's air defence Estonia concluded a joint procurement with Finland for the purchase of total 14 Ground Master 403 radars. These radars are meant to supplement the only three-dimensional long distance radars in Estonia to date, in Kellavere, Lääne-Virumaa, which will then provide a sufficient air surveillance picture of both the western and south-eastern part of the country. Each radar's price will be approximately €11.3 million Euros. Apart from the two primary radars, the procurement shall also include secondary radars, generators required to operate the radars, vehicles, training, and radomes (domes, which the radars will cover in a stationary position). The first Radar entered service with the Estonian air defence system was in March 2013.

Kyriazis Vasileios,
Epicos Newsletter Head Editor



Estonian Future Defence Budget



ESTONIAN MINISTRY OF DEFENCE

According to the Estonian authorities for the period 2015-2022 the military defence spending is guaranteed at a level of at least 2 percent of GDP and is aimed primarily at developing military capabilities. Additionally, the total defence expenditure will be increased from €408,924 million Euros that will be in 2015 to €600,705 million Euros by 2022. The main objective the Estonian authorities are planning to achieve with these funds is to develop and sustain high-readiness units.

	2015	2016	2017	2018	2019	2020	2021	2022
GDP nominal growth	6.4%	6.5%	6.1%	5.5%	5.4%	5.4%	5.3%	5.3%
GDP real growth	3.49%	3.59%	3.29%	2.75%	2.66%	2.67%	2.59%	2.62%
Defence spending as a % of GD	2%	2%	2%	2%	2%	2%	2%	2%
Defence expenditures (current prices) thousands of €	408,924	435,329	462,037	487,641	514,048	541,805	570,488	600,705

Regarding the land operations, main priorities are to establish high-readiness infantry brigades, to develop armored maneuver capability and upgrading anti-tank capability. More specifically, mobile in-direct fire support capability, 155mm self-propelled howitzers shall be introduced into service and the Defence Forces' anti-tank capability will be enhanced significantly thanks to procurement of modern anti-tank missile systems.

Regarding the naval forces first priority is to develop mine warfare capability with the modernization of three mine countermeasure vessels and the introduction to service of one naval auxiliary vessel. Additionally, the Navy shall continue participating in international military operations and the NATO mine warfare group, thus ensuring, among other things, the frequent presence of NATO's permanent Mine Countermeasures Group (SNMCMG1) in the Baltic Sea.

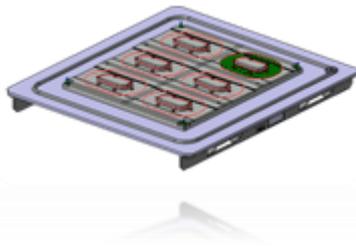
Another priority for the years to come is the reconstruction of Ämari Air Base, which will enable fighter aircraft of NATO countries to use it as a base. Additionally, Ämari will also play an important role as a host nation support air base whenever a need for allied reinforcements would be required. Additionally, Estonia will develop a mobile short to medium-range air defence capability and the existing short-range air defence capability will be improved.

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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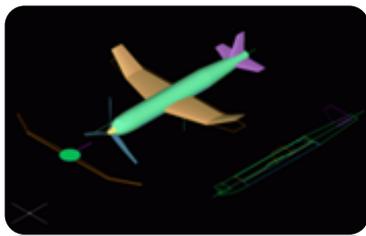
Design and development of precision tools for composite and plastic parts manufacturing for defence applications

equipment.

A company providing Engineering Design Services, as well as complete Project Management services (turn-key projects) for the aerospace and automotive markets is proposing, in the frame of an offset program, collaboration with Aerospace and Defense Primes or lower tier companies for the development of precision tools for manufacturing composite and plastic material parts. These parts will be subassemblies or lower level parts for defense

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Provision of engineering services for the optimization of the structural design of a new Unmanned Aerial Vehicle (UAV)

A company providing Engineering Design Services, as well as Project Management (turn-key projects) to the aerospace and automotive market is proposing, in the frame of an offset program, cooperation with aerospace prime contractors for the provision of engineering services for a new Unmanned Aerial Vehicle (UAV) structural design optimization.

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The Defence Geospatial Conference: Special Member Discount!

DGI is the only conference in Europe which is trusted by senior geospatial intelligence leaders around the world to discuss both the current defence situation and the future capabilities of the geospatial sector. We will be also be discussing the latest updates

involving the PICASSO programme with the UK MOD. With over 400 GIS professionals from over 45 countries in attendance last year, DGI is the place for the international community to address solutions and strategies for getting actionable intelligence to the right person, at the right time!

All members of EPICOS who wish to attend the DGI Conference in January will receive 20% off the current price. For that effect, simply quote **EPICOS20** when booking online at: <http://wbresear.ch/epicospr>

Topics of focus for 2015 include:

- Information Superiority in the Maritime Domain
- Future Technologies and Innovation- Showcasing Game Changing Technologies
- Managing, Exploiting and Sharing Geospatial Knowledge – Analytics, Data, Architecture, Cloud
- Standards - How to Balance Interoperability and Autonomy
- Future Concepts for Location Intelligence
- Securing Knowledge- How to Prioritise Protection
- Location Intelligence for Humanitarian, Emergency and Disaster – Avoiding Worst Case Scenarios
- National Security, Resilience and Crime Prevention – Major Event Planning and Critical Infrastructure Protection

This year DGI will return on 19 -21 January 2015, at QEII Conference Centre, London. To learn more about what challenges will be discussed, download the latest agenda! <http://wbresear.ch/epicosag>

News from our A&D Business Network



AAR Awarded Navy Contract for Airlift Operations in West Africa



AAR (NYSE: AIR) announces the Department of the Navy, Naval Supply Systems Command (NAVSUP) has awarded a contract to its Airlift division to provide personnel recovery airlift services in West Africa. The total value of the contract is approximately \$49 million, inclusive of all option periods. AAR Airlift will

provide personnel recovery, casualty evacuation, (CASEVAC) and search and rescue (SAR) services in support of U.S. Africa Command (USAFRICOM) using rotary-wing and short takeoff and landing fixed-wing platforms. The aircraft will be based in Niamey, Niger, and will service an area of responsibility encompassing a 500-mile radius to include parts of Ghana, Togo, Mali, Burkina Faso, Benin, and Nigeria.

"AAR Airlift is extremely proud to support America's service members in this critically important mission. We have an extensive history of operations in sub-Saharan Africa and a very distinguished record of providing fixed- and rotary-wing search and rescue, and personnel recovery operations in austere environments, as well as over-water," said Randy J. Martinez, President and CEO, AAR Airlift Group. "Together with our comprehensive aviation services in Uganda, the Central African Republic and surrounding areas, Niger represents an important element of our Africa strategy."

NAVSUP provides Navy, Marine Corps, and Joint and Allied Forces with products and services that deliver combat capability through sustained global logistics and quality-of-life support to warfighters. USAFRICOM is one of six of the U.S. Department of Defense's (DOD) geographic combatant commands and is responsible for military relations with African nations, the African Union, and African regional security organizations. AAR Airlift provides expeditionary airlift services in support of contingency operations worldwide. The company provides passenger and cargo transport, aeromedical services, night vision operations, search and rescue, and other special mission services. AAR Airlift's fleet of fixed- and rotary-wing aircraft serves the U.S. DoD in Afghanistan, Africa and the Western Pacific.

About AAR

AAR is a global aerospace and defense contractor that employs more than 6,000 people in 17 countries. Based in Wood Dale, Illinois, AAR supports commercial, government and defense customers through two operating segments: Aviation Services and Technology Products. AAR's services include inventory management and parts distribution; aircraft maintenance, repair and overhaul; and expeditionary airlift. AAR's products include cargo systems and containers; mobility systems and shelters; advanced aerostructures; and command and control systems. More information can be found at www.aarcorp.com.

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or visit the company's [website](#)

Aeronamic Awarded UTC Aerospace Systems Long Term Agreement for Turbine Rotors and Complex Components



Innovative High-Tech Dutch aircraft subsystem designer and manufacturer Aeronamic announced that it has entered into a long term production agreement with UTC Aerospace Systems to manufacture high-speed titanium turbine rotors and complex components. “Our history of continued investments in research and development manufacturing technologies has certainly been an added asset to award our company with this vital long term contract. Being awarded a crucial role in the production is clear confirmation that our company has steadily grown into a well-recognized high-tech manufacturing organization.

This new Long Term Contract will bring our relationship to a next level since we will be working with UTC Aerospace Systems on a broader range of products,” says Steffen de Vries, CEO of Aeronamic. Engineering, production and final assembly will take place in the company’s facilities in Almelo, The Netherlands and the production satellite in Sibiu, Romania.

“Aeronamic’s investments in technology enable them to become a key supplier in the region for highly complex machined components,” said Jeffrey Place, vice president of Supply Chain for UTC Aerospace Systems – Power, Controls & Sensing Systems. “We look forward to continued developments and value enhancements through this growing global relationship.”

Since 1989, Aeronamic has designed, produced and supplied airflow valves, air turbine starters, centrifugal load compressors, scroll compressors, cooling turbines and re-circulation fans as a single source supplier for commercial and military aircraft.

Aeronamic is a 100% Dutch high-tech company with state-of-the-art capabilities, distinguished by lean manufacturing, assembly and testing, including Centers of Excellence for centrifugal and axial turbine wheels and housings. Aeronamic is also a member of the Green Systems for Aircraft Foundation GSAF – an associate in the Systems ITD of JTI Clean Sky.

For Further Information [Click Here](#)



Central European countries drop joint radar project

Four Central European states have dropped a joint radar project aimed at replacing obsolete Soviet-era equipment with cutting-edge 3D technology, the Czech defence ministry said Tuesday.

"We've identified a number of problems that hinder a joint acquisition," ministry spokesman Petr Medek said in a statement, pointing to incompatible legislative procedures in the Czech Republic, Hungary, Poland and Slovakia.

Prague will instead launch an open tender among Czech companies to buy five radar systems worth an estimated 1.5-1.7 billion koruna (54.6 - 61.8 million euros, \$69-78 million) by 2017, he added.

A 3D radar provides a far more sophisticated picture and is common in defence and weather forecasting uses, while older Soviet-era radar systems worked in 2D.

The four countries in the so-called Visegrad group had been discussing the joint radar project since June. They had agreed on a "single specification of the system," meaning they would buy the same systems but in different quantities and at different times.

But the Czechs say they have decided on keeping the purchase within their own country.

"Looking at the importance of the contract for the defence of the state, the supplier must be firmly anchored in the Czech Republic, and therefore the ministry will insist on Czech defence companies being involved," said Medek.

Next-generation Airbus A350 plane gets EU green light

EU authorities gave the green light Tuesday for Airbus's new long-haul A350 plane to enter service, opening the way for delivery of the next-generation aircraft to first client Qatar Airways.

Designed to help the European manufacturer catch up with its American rival Boeing in the market for long-haul, fuel-efficient planes, the A350-900 makes extensive use of light composite materials which reduce fuel consumption and costs.

"Airbus demonstrated that the aircraft complies with the regulatory safety and environment requirements defined by EASA (the European Aviation Safety Agency) for the European Union," the EU aviation watchdog said in a statement.

Airbus has positioned its A350 between the Boeing's popular 777 and its 787 Dreamliner, hoping to eat away at both planes' markets.

"Every new type of aircraft needs to obtain a ... certificate before it can be delivered to an airline," EASA said in its statement.

"This EASA certificate guarantees that the A350-900 is set for delivery from a safety and environment point of view."

The plane can carry 315 passengers over a distance of 14,500 kilometres (9,000 miles), and to date, 750 A350 aircraft have been ordered by 39 customers worldwide.

In August, Airbus had announced that the plane had completed its "route proving", a round-the-world in 20 days trip aimed at testing the aircraft's readiness for airline operations, during which it flew 180 hours and stopped off in 14 airports.

German military grappling technical failings: minister

Germany's military cannot currently live up to all its NATO commitments due to equipment problems, the defence minister said Sunday, pointing to the need for more funding in the future.

Defence Minister Ursula von der Leyen said in an interview with a German newspaper that the Bundeswehr could meet its pledges in ongoing operations and responding to crises in the short-term.

"But with the airborne systems we are, at the moment, below the target figures announced a year ago on what we want to put at the disposal of NATO within 180 days in the case of an emergency," she told Bild am Sonntag.

Supply shortfalls on replacement parts for aircraft and the breakdown of naval helicopters are behind the problem, she said.

Last week, a small group of German military personnel sent to train Kurdish fighters battling Islamic State jihadists arrived in northern Iraq days behind schedule due to technical problems with several transport aircraft.

The first German arms delivery to the region also only arrived behind schedule.

According to media reports, numerous Bundeswehr helicopters and transport planes are not fit for service due to technical defects and fighter jets and armoured vehicles are also beset with problems.

Von der Leyen, who last week visited northern Iraq, said the focus had been to concentrate on the "very good equipment" available for military operations, and less on the maintenance of stock at home.

"For example, the production of replacement parts has been reduced for years. Maintenance and inspections proceed slowly," she told the Sunday paper, adding this could in part also hold up modern equipment.

Working on improving things would take years and more money down the line, she warned.

"Developing stocks, faster repairs and the acquisition of better equipment will cost more money in the medium term," she said.

"That will also be reflected foreseeably in the budget."

The German military is looking into leasing additional transport planes to help relieve its old Transall aircraft while it waits to receive A400M models and builds up a fully-operational fleet, she added.

On the need to raise military spending, the defence minister received backing from fellow conservative politician Henning Otte.

"From 2016, an increase of the budget will be necessary, for as much money as is necessary to fulfil all tasks," the conservative bloc's spokesman for defence matters was quoted as saying by German Sunday newspaper Welt am Sonntag.

Poland warns France on warship deal with Russia

Poland on Monday said a possible French deal to supply Russia with warships was making it difficult for Warsaw to choose French suppliers for its planned missile shield.

"I can't hide the fact that the Mistral (warship contract) is not helping us make positive decisions" about French missile shield suppliers, Polish Defence Minister Tomasz Siemoniak said in an interview published in the Rzeczpospolita daily.

France said earlier this month that it had suspended the delivery of two warships to Russia in a 1.2-billion euro (\$1.6-billion) deal amid widespread criticism by NATO allies worried by Moscow's role in the Ukraine crisis.

French President Francois Hollande then said he would decide in October whether or not to nix the lucrative deal.

"We are critical of this transaction. Nobody has ever hidden this fact from our French partners," Siemoniak said.

"I don't want to play the role of someone setting conditions for France. I am confident that France will make a wise and responsible decision, knowing that it is a NATO member and knowing the opinions of other allies."

Poland in June chose French arms giant Thales and its US rival Raytheon as the final two bidders in a tender for its new missile shield system, worth an estimated 5.8 billion euros over 10 years.

Thales and Franco-Italian missile maker MBDA have partnered with Poland's Polska Grupa Zbrojeniowa PGZ defence consortium in the bidding, while Raytheon is offering its Patriot-type missiles.

Poland has earmarked 33.6 billion euros to upgrade its military equipment over a decade, including acquiring the missile shield, armoured personnel carriers, submarines and drones.

Amid the escalation of the conflict in neighbouring Ukraine, Polish President Bronislaw Komorowski proposed raising defence spending to 2.0 percent of GDP, from the current 1.95.

Poland joined NATO in 1999, a decade after shedding communism. The nation of 38 million people acceded to the European Union in 2004.

US gives Hollywood all-clear to fly drones

Hollywood hailed a major victory after being given the all-clear Thursday to use drones for film and television production, paving the way for more unmanned aerial systems in American skies.

Six photo and video production companies will be exempt from the Federal Aviation Administration's (FAA) de facto ban on the commercial use of drones, as long as they go no higher than 400 feet (120 meters) and remain within the confines of a production set.

Operators must also hold a private pilot's certificate and keep their unmanned aerial systems (UAS) within sight at all times.

"This is a big deal for us today," said Chris Dodd of the Motion Picture Association of America.

Previously, Hollywood had to go abroad to use drones to capture scenes for blockbusters.

"Now we'll be able to do this at home in the United States," said Dodd.

"That will make a terrific difference," he said, adding that the move could create jobs and keep production spending on US soil.

Until now, US civil aviation authorities have all but banned the use of drones for commercial purposes.

But other countries have been quicker to embrace ways in which drones can be used.

"Today's announcement is a significant milestone in broadening commercial UAS use while ensuring we maintain our world-class safety record in all forms of flight," said Anthony Foxx, US Transportation Secretary.

"These companies are blazing a trail that others are already following, offering the promise of new advances in agriculture and utility safety and maintenance."

FAA chief Michael Huerta said the movie industry exemption created a roadmap for his agency to set up similar arrangements in other sectors.

"It's a major step forward," he said, adding that the FAA would be ruling on about 40 other drone use petitions from other industrial sectors in the coming weeks and months.